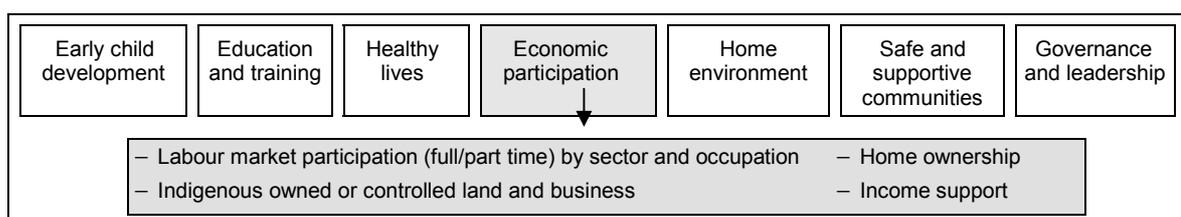

8 Economic participation

Strategic areas for action



The extent to which people participate in the economy is closely related to their living standards. Many aspects of work affect people's wellbeing, such as hours worked, job satisfaction and security, levels of remuneration, opportunities for self development and interaction with people outside the home. Having a job or being involved in a business activity not only leads to improved incomes for families and communities (which has a positive influence on health and education of children), it also enhances self-esteem and reduces social alienation. Home ownership is an important positive indicator of wealth and saving, while reliance on income support is correlated with the disadvantages that accompany low socioeconomic status, and can contribute to long term welfare dependency.

Many COAG targets and headline indicators reflect the importance of economic participation:

- employment (section 4.6)
- household and individual income (section 4.9).

Other COAG targets and headline indicators can directly influence economic development outcomes:

- early childhood education (section 4.3)
- reading, writing and numeracy (section 4.4)
- disability and chronic disease (section 4.8)
- imprisonment and juvenile detention rates (section 4.12).

Outcomes in the economic development strategic area can be affected by outcomes in several other strategic areas for action, or can influence outcomes in other areas:

-
- early child development (basic skills for life and earning) (chapter 5)
 - education and training (school attendance and attainment, transition from school to work) (chapter 6)
 - healthy lives (access to primary health, potentially preventable hospitalisations, avoidable mortality) (chapter 7)
 - safe and supportive communities (alcohol and drug and substance misuse and harm) (chapter 10)
 - governance and leadership (governance capacity and skills) (chapter 11).

The indicators in this strategic area for action focus on the key factors that contribute to positive economic outcomes, as well as measures of the outcomes themselves:

- labour market participation — this section reports on the types of employment undertaken by Indigenous people, including employment by full time and part time status, by sector, industry and occupation (section 8.1)
- Indigenous owned or controlled land and business — land can be important to Indigenous people for a range of cultural, social and economic reasons. The economic benefits flowing from land will depend on factors such as location, property rights, governance arrangements of landholding bodies, and the aspirations of the Indigenous landowners. Not all Indigenous businesses are necessarily associated with land — Indigenous entrepreneurship has flourished in areas including art, tourism and native foods, but also in more mainstream industries. This section reports data on Indigenous owned and controlled land, and some case studies on Indigenous business (section 8.2)
- Home ownership — home ownership, although not an aspiration of all Indigenous people, is an important indicator of wealth and saving. (The availability of appropriate, affordable and secure housing, which is a more immediate concern for many Indigenous people, is covered in section 9.1, Overcrowding in housing). Measuring Indigenous home ownership can be complex, and this section reports on the proportion of Indigenous people living in a home owned or being purchased by a member of their household (section 8.3)
- Income support — a high proportion of Indigenous people receive most of their individual income from government pensions and allowances. Although provision of income support can prevent individuals from experiencing deprivation, recipients of income support fall within the poorest socio-economic groups, with associated disadvantages (see discussion of individual and household income in section 4.9). There is also a risk that high rates of able bodied people of working age on income support can induce long term

dependence. This section reports on the main sources of household and individual income (section 8.4).

Attachment tables

Attachment tables for this chapter are identified in references throughout this chapter by an 'A' suffix (for example, table 8A.1.1). These tables can be found on the Review web page (www.pc.gov.au/gsp), or users can contact the Secretariat directly.

8.1 Labour market participation (full time/part time) by sector and occupation

Box 8.1.1 Key messages

- Employment rates for Indigenous people in the labour force increased from 80.0 per cent to 84.4 per cent between 2001 and 2006. Employment rates for non-Indigenous people also increased, from 92.7 per cent to 94.9 per cent. Overall, the gap narrowed from 12.7 to 10.5 percentage points (figure 8.1.1).
- In 2006:
 - employment rates for Indigenous people were lower than for non-Indigenous people in all age groups, states and territories, and remoteness areas (figures 8.1.3, 8.1.4 and table 8A.1.2)
 - 25.8 per cent of employed Indigenous people worked in the public sector, compared to 14.7 per cent of employed non-Indigenous people (figure 8.1.5)
 - 59.2 per cent of employed Indigenous people were employed full time, compared to 69.1 per cent of employed non-Indigenous people (figure 8.1.7)
 - Indigenous people were less likely than non-Indigenous people to be employed as managers and administrators and professionals, and more likely to be employed as labourers (figure 8.1.6).

Employment is an important indicator of economic participation. Outcomes commonly associated with employment include increased income levels, better health and improved education outcomes, leading to enhanced self esteem and increased social integration. COAG has identified closing the gap in employment outcomes between Indigenous and non-Indigenous people in a decade as one of its six key targets. A number of issues associated with unemployment and labour force participation are discussed in section 4.6. This indicator examines employment in more detail by full time or part time status, sector, industry and occupation.

The types of employment that people are engaged in may influence their wellbeing, by affecting remuneration and job satisfaction. Employment in certain industries and occupations could also provide an indication of people's skill levels and education. High levels of part time employment could mask high levels of underemployment, which has been found to be particularly common among Indigenous employees (Hunter 2002).

Box 8.1.2 provides examples of some positive steps that have been taken to improve Indigenous employment outcomes.

Box 8.1.2 'Things that work' — Improving Indigenous employment

The **Workstart Program** is an intensive, self paced 13 week pre-employment program for Indigenous trainees in the Pilbara. It is part of a memorandum of understanding (MOU) between the Aboriginal Economic Development directorate of the Department of Commerce (formerly the Department of Industry and Resources) and Rio Tinto Iron Ore (RTIO).

The Workstart Program includes literacy, drivers' licences, alcohol and drug training, fitness for work, safety training, self development and personal financial management.

Successful completion of the Workstart Program secures the trainee a job with RTIO or a contractor, or trainees may choose to secure employment elsewhere.

'Aboriginal work ambassadors', who are culturally respected and accepted by traditional land owners, provide a link between RTIO and the traditional owners. The ambassadors promote employment and other economic opportunities to traditional owners as individuals, families and groups, and provide mentoring and support to Aboriginal people who commit to work or programs that prepare them for work.

RTIO and AED have developed a flexible employment arrangement for traditional owners to work on mine sites, and is trialling it at RTIO's West Angelas operation in the Pilbara.

In the first year of the MOU, 59 Aboriginal trainees completed the Workstart Program and 58 were placed in employment with RTIO or other local employers (WA Government, unpublished).

Rio Tinto Indigenous employment programs have helped increase the proportion of Indigenous employees in Rio Tinto's Australian workforce from 0.5 per cent in the mid 1990's to eight per cent (1500 employees) in 2008. Rio Tinto has included education and training as part of employment, helping Indigenous employees overcome educational barriers. Rio Tinto's retention rate for new Indigenous employees beyond 26 weeks is 80 per cent.

(Continued next page)

Box 8.1.2 (continued)

Rio Tinto has specifically tailored recruitment practices, including one and a half day assessment programs, which provide applicants with feedback on their skill levels and guidance on the training they would require to be employed. Rio Tinto has also been involved in the Australian Government's National Indigenous Cadetship Project (NICP). Since 2000, Rio Tinto has supported 58 students in various fields of study. 13 cadets have now graduated and are working in professional roles, eight of which are at Rio Tinto (Rio Tinto 2008).

The **Learning to Earning** program (WA) is a twelve week pre-vocational course that includes structured workplace experience with industry as part of the accredited Certificate I training in engineering and plant processing. The Learning to Earning program was piloted in 2008 in the Kwinana Industrial area, 30 km south of Perth, due to the region's high number of resident Aboriginal jobseekers (there are an estimated 400 jobseekers out of a population of 1350 Aboriginal people living in the Kwinana/Rockingham region).

The pilot program was established by the Kwinana Industry Education Partnership (KIEP)¹ and the registered training organisation, Challenger TAFE. Participants were supported during the course by an Indigenous Programs Support Officer employed through KIEP.

Of the 16 participants in the first course delivered in 2008, nine found entry level employment. A further 17 Aboriginal people, who did not participate in the program but contacted KIEP, found employment in Kwinana Industrial Centre (KIC) member companies, associated businesses, or in the local commercial sector (WA Government, unpublished).

The **Aboriginal Employment Strategy (AES)** was established in Moree in 1997 by Dick Estens, with the support of the Gwydir Valley Cotton Growers Association. The strategy has been supported under the Australian Government's Indigenous Employment Program, and its predecessor, since 1996. The AES integrated and holistic employment model recognises the significant barriers faced by Aboriginal people in gaining and sustaining employment.

The AES provides tailored employment services to unemployed Indigenous Australians from eight sites in NSW, and Alice Springs in the NT.

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¹ KIEP is an incorporated not for profit organisation, initiated in 1995 by major industry members of the Kwinana Industry Council to collaborate with local senior high schools in transitioning youth from education to industry.

Box 8.1.2 (continued)

The AES has achieved over 3000 employment commencements.

- In 2005-06, AES found jobs for more than 500 Aboriginal people.
- In 2006-07, AES secured more than 900 jobs for Aboriginal people.
- In 2007-08, over 1100 jobs were achieved.
- From July 2008 to March 2009, over 550 job placements were achieved.

The AES has a strong relationship with the banking industry who support school-based apprenticeships. The AES School Based Traineeship program targets Aboriginal students in the last two years of high school, offering part time traineeships during their schooling so students will have jobs to move into after high school.

- In 2006, 10 of 12 Aboriginal students successfully completed the School Based Traineeship Program in the ANZ and Commonwealth banks in Sydney.
- In 2007, 81 Aboriginal School Based trainees commenced their two-year Certificate II business services traineeship with 34 expected to complete the program.
- In 2008, 141 Aboriginal School Based trainees commenced their two-year Certificate. At the 26 week milestone 135 participants were still engaged (DEEWR, unpublished).

The Accor Asia Pacific Corporate Leaders for Indigenous Employment Project encourages private sector companies to generate job opportunities. It allows them to use elements of the Australian Government's Indigenous Employment Program to develop and tailor their Indigenous employment strategies to meet their business needs.

Accor developed an Indigenous Employment Program in 2000 that aimed to encourage more Indigenous Australians to take up jobs in the tourism industry. In 2000, Accor placed 12 participants into employment. Since that time, Accor have placed over 130 participants with over 100 participating hotels nationally.

Accor has a strategy to deliver services that are culturally appropriate, that cater to the needs of Indigenous clients and that foster meaningful and effective partnerships with Indigenous communities.

Accor also provide Indigenous School Based Traineeship opportunities. Accor open days in Queensland attracted over 150 Indigenous year 10, 11 and 12 students and teachers. Since these open days, six Indigenous students have begun their School Based Traineeships and six others are about to commence. By providing opportunities to school based youth, Accor aims to encourage positive work practices, provide a strong focus on career goals and minimise the number of unemployed Indigenous job seekers (DEEWR, unpublished).

(Continued next page)

Box 8.1.2 (continued)

The **ACT Indigenous Traineeship Program** provides an opportunity for 15 Indigenous youth to commence traineeships each year, with a view to permanent full time employment with various ACT Government agencies when they have completed the 12 month training program.

Of the 15 young Indigenous people who commenced the program in August 2007, 11 successfully completed the program and became full time permanent employees in the ACT Public Service. A new ACT Indigenous Traineeship Program commenced on 1 May 2009.

The Program features a structured mentoring component for each of the participants, and mandatory cultural awareness training for those staff who will be working with the trainees in the workplace. The successful applicants spend one day in training each week and four days in the workplace. They achieve workplace experience, formal administrative training and extensive mentoring. They also receive IT training to Certificate II level in a structured program over two phases in formal ACT workplace settings (ACT Government, unpublished).

The **VicRoads Indigenous Traineeship Program** commenced in 2006 and operates in 14 rural and metropolitan Customer Service Centre locations across Victoria where there is a corresponding local Indigenous community. Trainees receive primary support throughout their traineeship from three sources:

- daily communication with their supervisor who coordinates workplace training
- regular trainee and supervisor contact with the Indigenous Employment Coordinator both in the workplace, by phone and by email
- dedicated key staff at the employer group training company, assigned to the VicRoads Indigenous Traineeship Program who provide tutoring on-site in rural locations for studies in the Certificate III in Business Administration

Outcomes from this program include successful recruitment of 27 Indigenous customer service trainees since early 2006, six Indigenous staff working in on-going roles as customer service staff and one participant was a finalist in the Victorian State Training Awards 2007 (Victorian Government, unpublished).

Warakurna Artists (WA) was established in 2004 in the remote WA community of Warakurna. Best practice management has earned Warakurna Artists, Reconciliation Australia's 2008 National Indigenous Governance Award for organisations established for less than ten years. Prior to the inception of Warakurna Artists, there were no jobs in the community apart from the Community Development Employment Project (CDEP). The art centre has 150 artists on its registry and has developed to provide significant benefits to the community, contributing financially with approximately \$500 000 turnover per year and delivering a range of social welfare outcomes.

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Box 8.1.2 (continued)

Warakurna Artists is also a member of the award winning Western Desert Mob Alliance. Western Desert Mob showcases works from six Aboriginal owned and managed art centres supporting Ngaanyatjarra artists. The alliance highlights the significance and value of purchasing authentic Aboriginal art. This initiative has been replicated in the Kimberley and there is interest to copy the model in SA (WA Government, unpublished).

Most employment data in this section are from the ABS 2006 Census and the ABS 2001 Census. These data are influenced by the Community Development Employment Projects (CDEP) program (see section 4.6 for more detailed discussion). In the 2004-05 National Aboriginal and Torres Strait Islander Health Survey, the CDEP program accounted for 21.9 per cent of all Indigenous employment, ranging from 4.0 per cent in major cities to 68.0 per cent in very remote areas. While CDEP employment and participation are beneficial for Indigenous people (Hunter 2004), there are greater economic and employment opportunities for Indigenous people, particularly in non-remote areas, in the mainstream economy in either the private or public sectors. The ABS classified participants in CDEP as employed rather than as unemployed or not in the labour force in both 2001 and 2006. CDEP participation can only be identified in Census data for a minority of CDEP participants, and so cannot be easily disaggregated in this analysis.

The employment rates in this chapter are the number of employed people as a proportion of the labour force, unless otherwise specified. This is different to the employment to population ratios included in section 4.6. The labour force comprises those who are employed (including CDEP participants for) and those who are unemployed and looking for work.

Figure 8.1.1 **Employment rates, people aged 15 to 64 years^{a, b}**



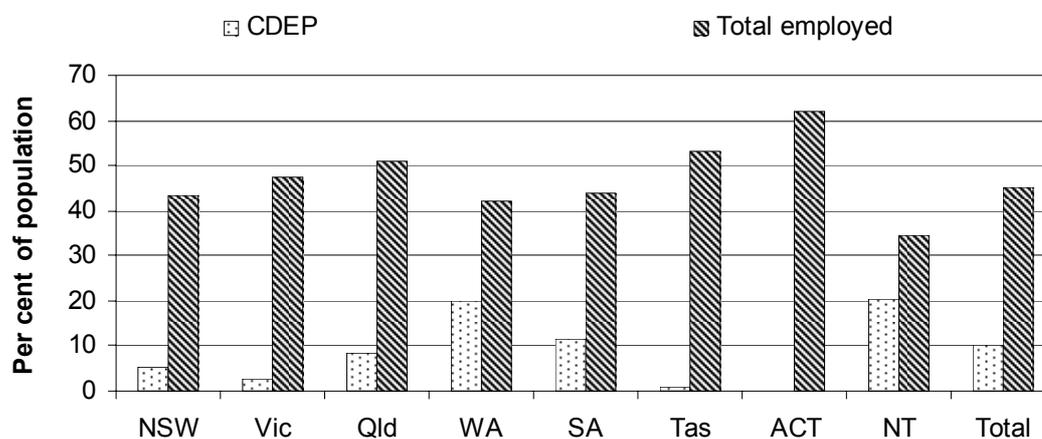
^a The labour force includes both employed and unemployed people. ^b Employment rates for Indigenous people included CDEP participants in both 2001 and 2006.

Source: ABS (unpublished) derived from the 2006 Census of Population and Housing; 2001 Census of Population and Housing; tables 8A.1.1 and 8A.1.2.

Between 2001 and 2006:

- employment rates for Indigenous people in the labour force increased from 80.0 per cent to 84.4 per cent. Employment rates for non-Indigenous people in the labour force also increased, from 92.7 per cent to 94.9 per cent. Overall, the gap between employment rates for Indigenous and non-Indigenous people narrowed from 12.7 percentage points to 10.5 percentage points (figure 8.1.1)
- employment rates for Indigenous males in the labour force increased from 78.1 per cent to 84.2 per cent. Employment rates for non-Indigenous males in the labour force also increased, from 92.1 per cent to 94.9 per cent (figure 8.1.1)
- employment rates for Indigenous females in the labour force increased from 82.4 per cent to 84.6 per cent. Employment rates for non-Indigenous females in the labour force also increased, from 93.5 per cent to 94.8 per cent (figure 8.1.1).

Figure 8.1.2 CDEP and total employment as a proportion of the Indigenous population aged 15 years and over, by State/Territory, 2006^a



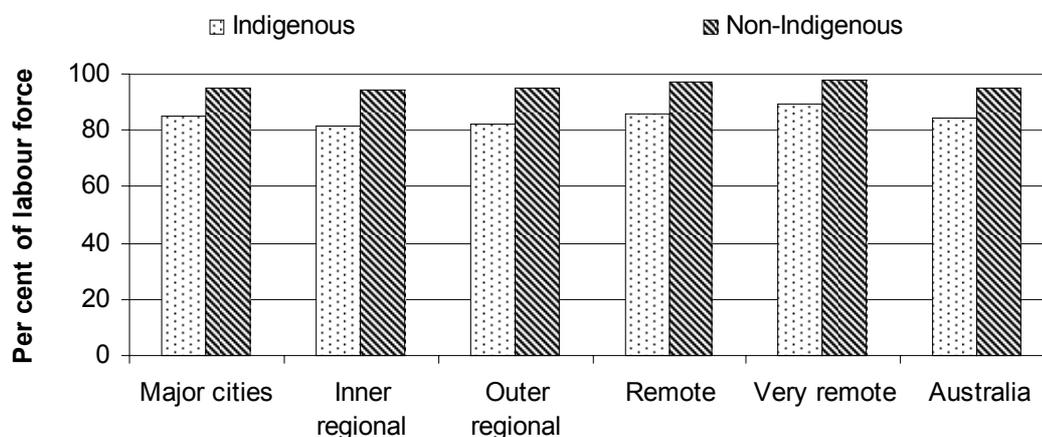
a No CDEP programs exist in the ACT. **b** CDEP are administrative data and are assumed for this analysis to cover 100 per cent of CDEP participants. CDEP participation data are from August 2006. CDEP to population ratios are calculated using *Experimental Estimates of Aboriginal and Torres Strait Islander Australians*. These estimates of the Indigenous population are for June 2006. Employment to population data use Census counts for Indigenous employment and population from the 2006 Census. Coverage is incomplete for the Census. The Census undercount is discussed further in Chapter 2 of this report and Appendix 4.

Source: FACHSIA (unpublished) 2008; ABS 2008, *Experimental Estimates of Aboriginal and Torres Strait Islander Australians*, Jun 2006, Cat. no. 3238.0.55.001, Canberra; ABS (unpublished) derived from the *2006 Census of Population and Housing*; table 8A.1.20.

In 2006:

- reflecting the location of most CDEP programs in remote parts of Australia, a much larger proportion of the Indigenous population aged 15 years and over in the NT (20.3 per cent) and WA (20.1 per cent) participated in CDEP (figure 8.1.2)
- overall employment to population ratios for Indigenous people aged 15 years and over were lowest in the NT (34.6 per cent) and WA (42.2 per cent) (figure 8.1.2)
- overall employment to population ratios for Indigenous people aged 15 years and over were highest in the ACT (62.2 per cent) and Tasmania (52.9 per cent) (figure 8.1.2).

Figure 8.1.3 **Employment, by remoteness area, people aged 15 to 64 years, 2006^{a, b}**



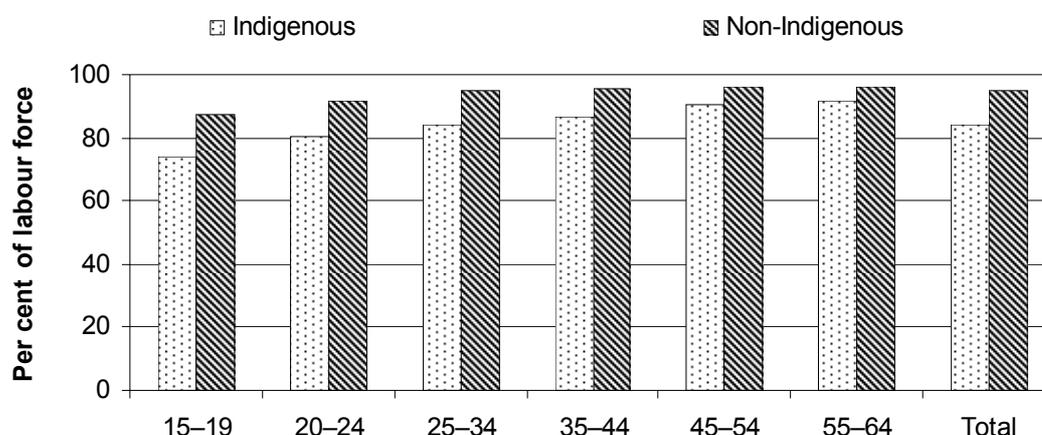
^a The labour force includes both employed and unemployed people. ^b Employment rates for Indigenous people included CDEP participants in 2006.

Source: ABS (unpublished) derived from the 2006 Census of Population and Housing; table 8A.1.2.

Across remoteness areas, in 2006:

- Indigenous people in the labour force had lower rates of employment than non-Indigenous people in the labour force, in all remoteness areas (figure 8.1.3)
- for Indigenous people in the labour force, employment rates were highest in very remote areas and lowest in inner regional areas (89.7 per cent and 81.5 per cent, respectively) (Indigenous employment rates in remote areas are likely to include high rates of CDEP participation) (figure 8.1.3)
- for non-Indigenous people in the labour force, employment rates were also highest in very remote areas and also lowest in inner regional areas (97.6 per cent and 94.3 per cent, respectively) (figure 8.1.3).

Figure 8.1.4 Employment, by age group, 2006^{a, b}



^a The labour force includes both employed and unemployed. ^b Employment rates for Indigenous people included CDEP participants in 2006.

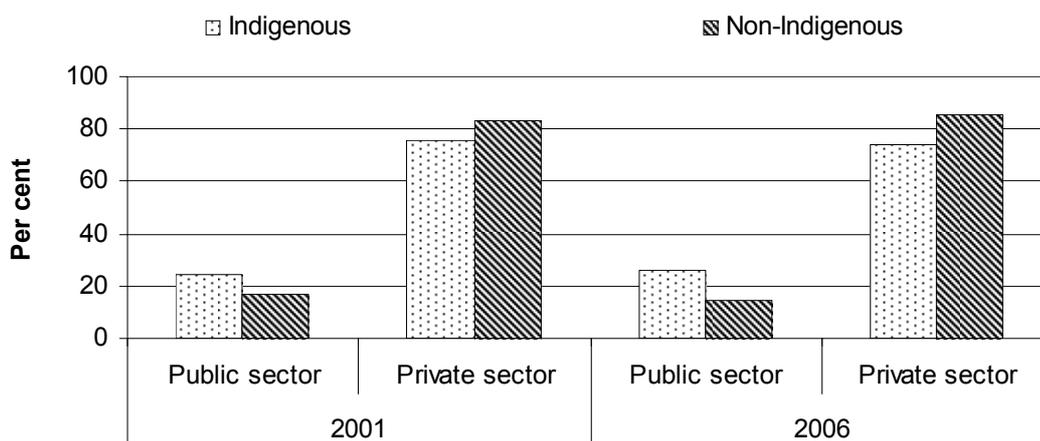
Source: ABS (unpublished) derived from the 2006 Census of Population and Housing; table 8A.1.2.

In 2006:

- employment rates for those in the labour force increased with age for both Indigenous and non-Indigenous people (figure 8.1.4). For Indigenous people, employment rates ranged from 74.3 per cent for those aged 15–19 years to 91.9 per cent for those aged 55–64 years. For non-Indigenous people, employment rates followed a similar pattern, ranging from 87.3 per cent for those aged 15–19 years to 96.5 per cent for those aged 45–54 years (figure 8.1.4)
- Indigenous people in the labour force had lower rates of employment than non-Indigenous people in all states and territories (figure 8A.1.2). Indigenous employment rates were highest in the ACT (88.8 per cent) and lowest in NSW (80.6 per cent), while non-Indigenous employment rates were highest in the NT (97.3 per cent) and lowest in Tasmania (93.5 per cent) (table 8A.1.2).

Employment by public/private sector, industry, occupation and full time/part time

Figure 8.1.5 **Employment by public/private sector, people aged 15 to 64 years, 2001 and 2006^a**



^a CDEP participants are included in the private sector for both 2001 and 2006.

Source: ABS (unpublished) derived from the 2006 Census of Population; tables 8A.1.15 and 8A.1.18.

In both 2001 and 2006, the majority of employed Indigenous and non-Indigenous people worked in the private sector (figure 8.1.5). However, Indigenous people were more likely than non-Indigenous people to be employed in the public sector (25.8 per cent compared to 14.7 per cent in 2006).

Table 8.1.1 Employment by industry, 2006

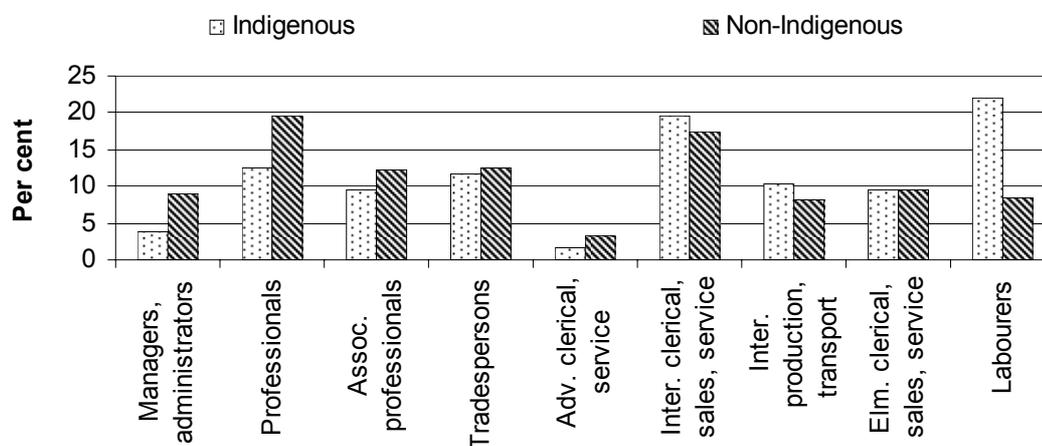
	<i>Indigenous</i>			<i>Non-Indigenous</i>		
	<i>Males</i>	<i>Females</i>	<i>Persons</i>	<i>Males</i>	<i>Females</i>	<i>Persons</i>
Agriculture, forestry and fishing	4.7	1.5	3.2	3.7	1.9	2.9
Mining	3.4	0.7	2.2	1.9	0.4	1.2
Manufacturing	12.2	3.5	8.1	15.6	6.5	11.3
Electricity, gas and water supply	0.9	0.2	0.6	1.2	0.4	0.8
Construction	12.6	1.4	7.3	12.9	2.3	8.0
Wholesale trade	3.8	1.9	2.9	6.1	3.6	4.9
Retail trade	8.7	13.4	10.9	12.8	17.2	14.8
Accommodation, cafes and restaurants	3.2	6.8	4.9	3.9	6.0	4.9
Transport and storage	5.7	1.5	3.7	6.4	2.4	4.5
Communication services	1.3	0.9	1.1	1.9	1.1	1.5
Finance and insurance	0.7	1.8	1.2	3.4	4.7	4.0
Property and business services	5.9	7.8	6.8	11.0	11.2	11.0
Government administration and defence	16.3	15.6	16.0	5.3	5.7	5.5
Education	4.3	13.7	8.7	4.3	11.6	7.7
Health and community services	9.1	22.6	15.5	4.3	18.7	11.0
Cultural and recreational services	2.3	2.1	2.2	2.1	2.4	2.3
Personal and other services	4.9	4.7	4.8	3.4	3.9	3.6
Total classifiable/stated	100.0	100.0	100.0	100.0	100.0	100.0

Source: ABS (unpublished) derived from the 2006 Census of Population and Housing; table 8A.1.10.

In 2006:

- employed Indigenous people were more likely than employed non-Indigenous people to be employed in the ‘government administration and defence’ industries (16.0 per cent and 5.5 per cent, respectively) and ‘health and community services’ industry (15.5 per cent and 11.0 per cent, respectively) (table 8.1.1)
- employed Indigenous people were less likely than employed non-Indigenous people to be employed in the ‘property and business services’ industries (6.8 per cent and 11.0 per cent, respectively) and ‘finance and insurance’ industry (1.2 per cent and 4.0 per cent, respectively) (table 8.1.1).

Figure 8.1.6 **Employment by occupation, people aged 15 to 64 years, 2006^a**



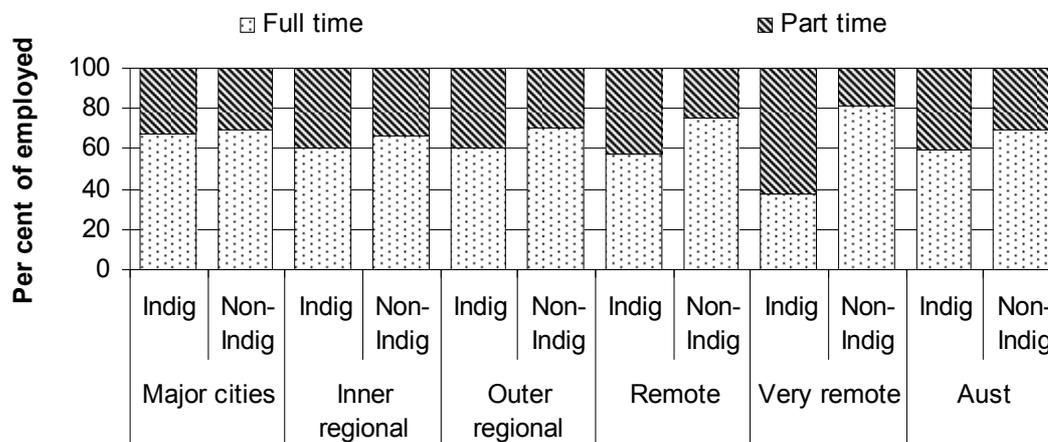
^a The category labels are abbreviations of labels the ABS uses to classify different occupations. 'Managers, administrators' = 'Managers and administrators'. 'Assoc. professionals' = 'Associate professionals'. 'Tradespersons' = 'Tradespersons and related workers'. 'Adv. clerical, service' = 'Advanced clerical and service workers'. 'Inter. clerical, sales, service' = 'Intermediate clerical, sales and service workers'. 'Inter. production, transport' = 'Intermediate production and transport workers'. 'Elm. clerical, sales, service' = 'Elementary clerical, sales and service workers'. 'Labourers' = 'Labourers and related workers'.

Source: ABS (unpublished) derived from the 2006 Census of Population; table 8A.1.8.

In 2006:

- employed Indigenous people were less likely than employed non-Indigenous people to be working as managers and administrators (3.8 per cent compared to 8.9 per cent), professionals (12.4 per cent compared to 19.7 per cent), associate professionals (9.4 per cent compared to 12.3 per cent), tradespersons and related workers (11.7 per cent compared to 12.4 per cent), advanced clerical and service workers (1.5 per cent compared to 3.2 per cent) and elementary clerical, sales and service workers (9.4 per cent compared to 9.6 per cent) (figure 8.1.6)
- employed Indigenous people were more likely than employed non-Indigenous people to be working as intermediate clerical, sales and service workers (19.5 per cent compared to 17.3 per cent), intermediate production and transport workers (10.3 per cent compared to 8.2 per cent) and labourers and related workers (22.0 per cent compared to 8.3 per cent) (figure 8.1.6).

Figure 8.1.7 Employment, by full time/part time status and remoteness area as a proportion of employed aged 15–64, 2006^a



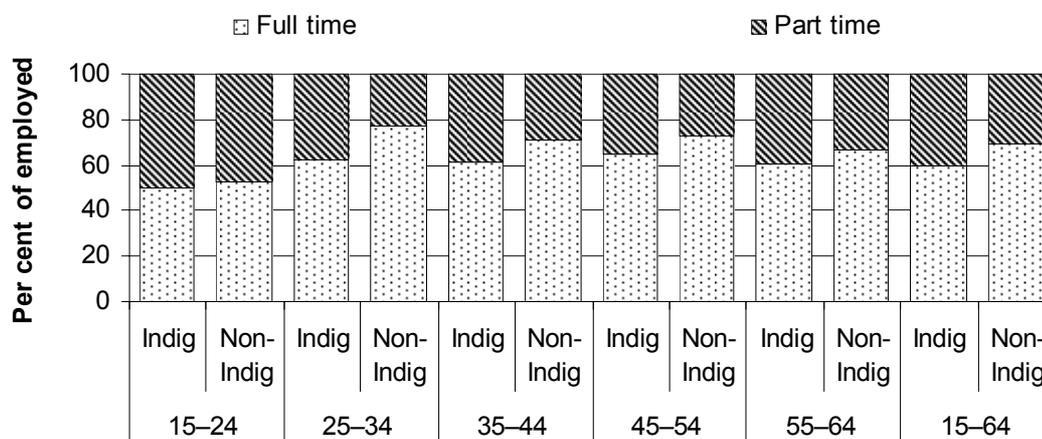
^a People who were employed but 'Away from work' were excluded from this analysis.

Source: ABS (2008) *Population Characteristics, Aboriginal and Torres Strait Islander Australians, 2006*. ABS Cat. no 4713.0; table 8A.1.22.

In 2006, for those aged 15–64:

- 59.2 per cent of employed Indigenous people were employed full time (40.8 per cent were employed part time) (figure 8.1.7)
- 69.1 per cent of employed non-Indigenous people were employed full time (30.9 per cent were employed part time) (figure 8.1.7)
- full-time employment comprised a smaller share of total employment for Indigenous people than for non-Indigenous people in all remoteness areas (figure 8.1.7)
- full-time employment comprised the largest share of total employment for Indigenous people in major cities (67.2 per cent) and the smallest share in very remote areas (37.1 per cent, respectively) (figure 8.1.7)
- full-time employment comprised the largest share of total employment for non-Indigenous people in very remote areas (81.2 per cent) and the smallest share in inner regional areas (66.0 per cent) (figure 8.1.7).

Figure 8.1.8 **Employment, by full time/part time status and age as a proportion of employed aged 15–64, 2006^a**



^a People who were employed but 'Away from work' were excluded from this analysis.

Source: ABS (2008) Population Characteristics, Aboriginal and Torres Strait Islander Australians, 2006. ABS Cat. no 4713.0; table 8A.1.21.

Among employed people in 2006:

- the proportion of Indigenous people who were employed full time was lower than for non-Indigenous people in all age groups (figure 8.1.8)
- the proportion of Indigenous people who were employed full time was highest for the 45–54 age group and lowest for the 15–24 age group (65.2 per cent and 49.7 per cent, respectively) (figure 8.1.8)
- the proportion of non-Indigenous people who were employed full time was highest for the 25–34 age group and lowest for the 15–24 age group (76.8 per cent and 52.9 per cent, respectively) (figure 8.1.8).

8.2 Indigenous owned or controlled land and business

Box 8.2.1 Key messages

- Indigenous people obtain a variety of economic, social and cultural benefits from land they own or control. Nationally, in 2008:
 - Indigenous owned or controlled land comprised 17.3 per cent of the area of Australia (figure 8.2.2). Virtually all of this land (99.4 per cent) was in remote or very remote areas of Australia (tables 8A.2.2, 8A.2.4 and 8A.2.7).
 - native title had been determined to exist in full or in part in 11.1 per cent of the total area of Australia, compared with 4.7 per cent in June 2004 (figure 8.2.3)
 - registered Indigenous Land Use Agreements (ILUAs) covered 13.1 per cent of the total area of Australia (table 8A.2.6).
- Self-employment rates decreased slightly for Indigenous people (from 6.0 per cent to 5.4 per cent) and non-Indigenous people (from 16.6 per cent to 16.0 per cent) between 2001 and 2006 (figure 8.2.6).

In the revised Overcoming Indigenous Disadvantage indicator framework endorsed by COAG in November 2008, two previous indicators covering ‘Indigenous owned or controlled land’ and ‘self-employment and Indigenous business’ have been combined into this indicator of ‘Indigenous owned or controlled land and business’.

Ownership and control of land can provide a range of benefits to Indigenous people. Land ownership may lead to greater autonomy and economic independence, increased commercial leverage and political influence. It can also deliver commercial benefits like increased income, employment and profits (Altman and Dillon 2004).

The focus of this section is on Indigenous owned or controlled land as a measure of economic participation. The social and cultural importance of land to Indigenous people is discussed in section 10.2, ‘access to traditional land’.

Indigenous owned business provides a potential source of employment and income for individuals and communities. Indigenous business may or may not be associated with Indigenous owned or controlled land.

Indigenous owned or controlled land

Indigenous people may own or control land in a variety of ways. Individuals may buy, or otherwise gain freehold title to land — such as a rural property or urban block. Individual title is available to all people, and there is no way to identify this

form of land ownership by individual Indigenous people. Some aspects of individual land ownership are addressed in section 8.3 ‘home ownership’.

In other cases, ownership or control of land by Indigenous people has not been achieved through individual land purchase, but by political and legal processes, and government programs designed to protect or create Indigenous land interests. These processes usually result in communal (rather than individual) rights over land.

Indigenous people have retained or gained ownership, control or rights over land through three main ways, each of which results in a different set of rights to land: land rights legislation; native title; and land purchase or acquisition.

Pollack (2001) and the ILC (2001a–g) explain in detail the legislative basis and government programs for Indigenous land ownership in each jurisdiction.

Land rights

The Australian and State and Territory governments have enacted various forms of land rights legislation, under which groups of Indigenous people were granted or were able to claim ownership of their traditional lands. Land granted under land rights legislation has various forms of land tenure. More than half is held under inalienable freehold tenure (that is, the land cannot be sold or mortgaged).

Most land rights and native title legislation does not grant Indigenous land owners ownership or control of sub-surface materials (such as mineral deposits). However under some land ownership arrangements, Indigenous land owners are entitled to economic benefits from mining developments, such as ‘royalty payments’.

The greatest area of land granted to Indigenous people under land rights legislation has been granted under the *Aboriginal Land Rights (NT) Act 1976* (Cwlth), which results in one of the strongest form of Indigenous land ownership, and gives traditional owners rights in relation to proposed land uses such as mining.

‘Inalienable’ title protects Indigenous people’s ownership of land but can create barriers to using land for housing or business. Inalienable title might prevent individuals from obtaining a long enough or secure enough lease or tenure to justify investment in buildings and infrastructure. Consequently, some jurisdictions have sought to create greater flexibility in tenure on Indigenous land.

In September 2006, the Australian Government passed the *Aboriginal Land Rights (Northern Territory) Amendment Act 2006*. The Act was intended to encourage individual property rights in town areas on Indigenous communally owned land in the NT. The legislation enabled 99 year head leases to government entities, which

could subsequently make sub-leases for private home ownership, business or other purposes. The first township lease was entered into for Nguuu on the Tiwi Islands in August 2007. In June 2008, the Australian Government passed the *Indigenous Affairs Legislation Amendment Act 2008*. The Act included additional flexibility for township leasing, allowing for lease terms between 40 and 99 years. In December 2008, a township lease was entered into for the communities of Angurugu, Umbakumba and Milyakburra in the Groote Eylandt region, for an effective 80 year period through an initial lease of 40 years and the option of a 40 year renewal.

In 2008, the Queensland Government amended its legislation to provide for up to 99-year leases, to enable individuals to secure interest in land on Indigenous deed of grant in trust (DOGIT), reserve, transferred or granted land.

Native title

Native title provides Indigenous people with communal rights and interests, with varying levels of control and management of lands.

The National Native Title Tribunal (NNTT) manages the legal process to register native title claims and mediate outcomes. Claims to land are determined through the court system, under the *Native Title Act 1993* (Cwlth). Native title is a bundle of rights rather than a form of underlying title. In certain circumstances, these rights may amount to exclusive possession, but native title amounts more to rights and interests that co-exist with those of the underlying title holder. The NNTT (2002b) provides a plain language description of native title:

Native title is the recognition in Australian law that Indigenous people had a system of law and ownership of their lands before European settlement. Where that traditional connection to land and waters has been maintained and where government acts have not removed it, the law recognises aspects of this as native title. The native title of a particular group will depend on the traditional laws and customs of those people. The way native title is recognised and practised may vary from group to group.

The rights recognised in a determination of native title vary according to both the rights and interests under the relevant group's traditional laws and customs, and the extent to which a government has created or asserted rights that are inconsistent with any claimed native title right. The courts determine whether particular acts concerning the land have had the effect of extinguishing native title in full or in part. The courts have determined, for example, that granting of freehold title completely extinguishes native title. On the other hand, when a pastoral lease does not give a lessee exclusive possession, native title is only partially extinguished (for further information, see NNTT 2002a).

Some determinations of native title have recognised that native title holders retain extensive rights over land, while in other determinations very few rights remain. The extent of native title rights varies greatly across a continuum and the NNTT has not been able to supply data distinguishing areas of land according to the strength of the remaining rights.

Indigenous Land Use Agreements (ILUAs) provide an alternative option to resolving native title issues. ILUAs are registered with the NNTT and are agreements about the use and management of land and waters, made between one or more native title groups and other groups such as mining companies. The large majority of ILUAs (around 90 per cent) are made under the ‘area agreement’ category. The native title group for an area agreement can be a combination of registered claimants, persons and/or representative Indigenous bodies claiming to hold native title for the area.

ILUAs are made possible by the *Native Title Act 1993*, but are less formal and less time consuming than the process of a native title determination. ILUAs may be used:

- as a step on the way to a native title determination
- in place of a native title determination
- to agree on matters such as mining developments, sharing land and exercising native title rights and interests (NNTT 2006).

ILUAs allow for more flexible, relatively speedy and less costly resolutions between land users. Indigenous people may negotiate agreements that lead to economic benefits, like employment and compensation, or to meet their aspirations in ways not possible under native title (NNTT 2006). However, ILUAs are not costless. Hooke (2004) outlined some of the costs incurred by mining companies in meeting their own costs (and often those of native title representative bodies) in negotiating agreements.

The number and coverage of ILUAs are included later in this section. However, the numbers of agreements and the areas they cover provides only limited information on the economic and social benefits to Indigenous people.

Land acquisition

Some land has been acquired by governments on behalf of Indigenous people. Land purchases often comprise smaller parcels of land than those granted under land rights legislation (Pollack 2001).

Nationally, the role of the ILC is to purchase land, on behalf of Indigenous people, that cannot be acquired via other means — for example, land held under freehold or leasehold title is generally not available for claim under native title or land rights (Altman and Dillon 2004). The ILC has a legislated responsibility to develop and review regularly a National Indigenous Land Strategy (NILS). The scope of the current NILS is 2007 to 2112, setting out strategies, policies and priorities for land acquisition and management. Box 8.2.2 includes more information on the ILC.

Box 8.2.2 Case study — Indigenous Land Corporation

The Indigenous Land Corporation (ILC) purchases land on behalf of registered or incorporated Indigenous organisations with the aim of delivering a range of social and cultural benefits. Applications for land acquisition must demonstrate benefits to Indigenous people across four areas, connected with the main purpose of the land:

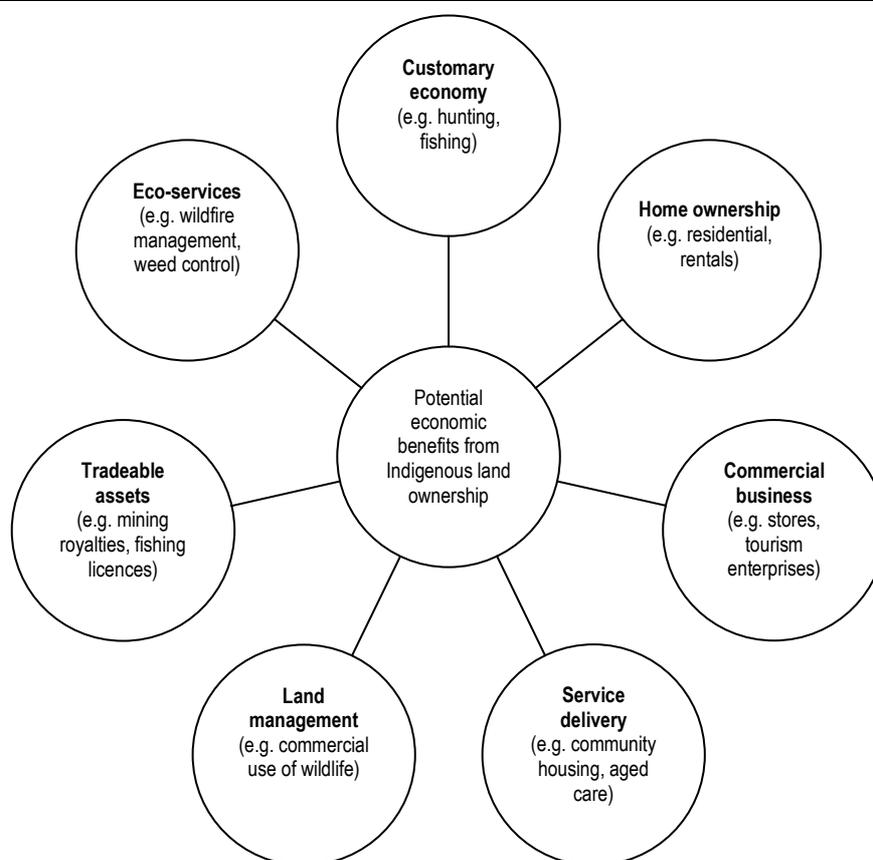
1. economic — to establish land-based businesses
2. environmental — to derive environmental benefits
3. social — for social and welfare purposes
4. cultural — to access land of high cultural significance.

The ILC 'Land Management Program' assists with managing Indigenous-held land. The program aims to improve the wellbeing of Indigenous people, with benefits in the same four economic, environmental, social and cultural areas, and a particular emphasis on training and employment. The program is not restricted to Indigenous people, but assistance is only granted where programs actively involve Indigenous landholders (ILC 2007; 2008a).

The economic benefits of land

Figure 8.2.1 outlines the potential economic benefits that may accrue to Indigenous people from owning and/or controlling land.

Figure 8.2.1 **Potential economic benefits from Indigenous owned or controlled land**



Source: Adapted from Altman and Dillon (2004).

The potential to derive economic benefits from activities on land may depend on:

- the location of the land — remoteness from markets and population centres adds to the costs of delivering products and services
- the nature of the land — opportunities to profit from mining, agriculture and tourism depend, respectively, on the presence of certain minerals, rainfall and soil fertility, and places and activities that appeal to tourists
- the extent of ownership and control over the land — some land is held communally and/or with a restricted title, which may limit some economic activities (for example, leasing or selling the land, or restrictions on land use).

The customary economy

The customary economy (fishing, hunting and gathering) can provide Indigenous people with fresh and healthy food, and remains an important part of some

Indigenous communities, particularly for those living in the tropical savannas and wetlands (Altman 2001).

Box 8.2.3 Case study — Utopia health improvements

A longitudinal study conducted of residents of 16 Utopia outstations in central Australia found that outstation residents had lower rates of diabetes, cardiovascular risk factors, hospitalisations and deaths from cardiovascular disease, compared to those living in centralised communities (McDermott et al. 1998). Follow up with the same residents 10 years later found consistent results. Residents maintained lower hospitalisations and death due to cardiovascular disease, and lower overall mortality compared to the wider Indigenous population in the NT, although, by some observed measures of health, prevalence rates were not significantly different to the non-Indigenous population in the NT (Rowley et al. 2008).

Utopia residents share some common characteristics that may help explaining the positive health outcomes observed in the study. There has been long-standing traditional ownership by residents of the Utopia lands, with freehold land granted more than 30 years ago under the *Aboriginal Land Rights (NT) Act 1976*. Residents live in outstations dispersed over a large area, with no centralised settlement. Primary health is accessed through a community-controlled health service, the Urapuntja Health Service, which delivers services to the outstations. There is limited access to food stores, and hunting and gathering of wildlife is common (Rowley et al. 2008).

The initial study explored the comparative good health of Utopia residents in terms of increased exercise from hunting and gathering. These activities fostered a dependence on bush tucker (native foods), and resulted in a diet more varied than those accessing store-bought foods (McDermott et al. 1998). Results from the follow-up study indicated that the decentralised nature of the Utopia settlement (the essence of 'outstation' living), and access to an outreach community-controlled primary health service, are also likely contributors to the observed health improvements (Rowley et al. 2008).

In SA, the Kuka Kanyini project, on Anangu Pitjantjatjara Land, was initiated as a pilot around the remote community of Watarru. The project is a partnership between Watarru Community and the Department of Environment and Heritage and focuses on restoring and protecting threatened animal and plant species and the land. The work involves removing feral animals, controlling fire, improving water supply and replanting — focusing on plants that provide bush tucker to local communities. A survey by the Department of Environment and Heritage found that the area supported 700 different plant species (44 of them new) and 33 previously unrecorded reptiles. The study also confirmed that there could be up to 18 species extinct. The project employs a minimum of 12 people full time, and the increased physical activity has assisted in the control of diabetes (PY Media 2009; SA Government unpublished).

Residential use and home ownership

Many Indigenous people live in community housing built on Indigenous land (see section 8.3). Section 10.2 provides some information on the numbers of Indigenous people who live on their homelands or traditional country (although this is not necessarily the same as the numbers of people living on Indigenous owned or controlled land). People who own their homes may gain economic benefits from living in, renting out, selling or borrowing against the property.

Commercial business

Commercial businesses sell goods or services to the general public and include enterprises like shops and eco-tourism ventures. Examples of Indigenous-owned businesses can be found in box 8.2.4.

The ILC operates and manages 14 businesses throughout Australia, and in 2007-08 employed 271 Indigenous people in a range of roles (ILC 2008b). These businesses are mainly large scale beef cattle enterprises, but also include tourism businesses and orchards. The ILC is currently focusing its programs on employment, training and education opportunities, particularly in the pastoral and tourism industries.

Box 8.2.4 Pastoral business on Indigenous land

The **Indigenous Pastoral Program** commenced in 2003, expanded in 2006 and is currently funded until 2011. The IPP has assisted 36 properties with pastoral advice, infrastructure, and training and employment opportunities. Key benefits of the IPP include: bringing Aboriginal-held land back into production; and developing the capacity of landholders to manage land to deliver benefits to Aboriginal people.

Since 2006 the IPP has:

- established the Indigenous Trainee Scheme, with 60 Aboriginal trainees employed on commercial cattle stations across the northern region of NT
- provided governance training and mentoring to six IPP properties via the Department of Agriculture, Fisheries and Forestry/ILC Farmbis agreement
- transitioned CDEP positions to 13 'real' jobs (seven full time equivalent and six part time) and provided meaningful work and training to 45 CDEP participants across 16 properties.

In 2008, the ILC secured funding from the FaHCSIA Real Jobs program for 150 land management positions (24 of these are planned to be on IPP priority properties); and IBA funded two Business Development Officers to join the IPP team and assisted with establishing corporations and committees on three properties.

(Continued next page)

Box 8.2.4 (continued)

The Kimberley Indigenous Management Support Service (KIMSS) is a collaboration between the Indigenous Land Corporation (ILC), the WA Government and Kimberley Indigenous pastoral lease holders. It began in 2002 and has been refunded through two phases: 2002–2005 and 2005–2010.

The project has focuses on developing the technical and management skills of Indigenous directors, managers and workers on Indigenous-owned Kimberley cattle stations. The project builds on current expertise to conduct sustainable cattle enterprises and to generate ongoing jobs and related training. Assistance is provided to 15 pastoral leases with a combined potential herd size of over 80 000 head.

KIMSS has resulted in increased commercial pastoral activity and provides an example of good governance and effective management, having won a Prime Minister's Award for Excellence in 2005 and a WA Premier's Award in 2004.

During 2006-07, nationally accredited governance training was conducted for new pastoral properties joining the KIMSS project. A further 22 people completed individual accredited training courses such as computer skills, horsemanship, beef cattle production, grazing for profit, first aid, welding and building maintenance.

During 2007-08, 65 people undertook Certificates I, II, III, & IV level training courses; 17 people attended a low stress stock handling course at Roebuck Plains Station; 90 people completed corporate governance training and 18 full time jobs and 56 part time jobs were created (ILC unpublished).

Service delivery

Land can be used to site and deliver services to Indigenous communities, such as community housing, aged care and postal services.

The Wunan Foundation is a not-for-profit Indigenous organisation in the East Kimberley (WA). It provides a range of services aimed at improving socio-economic outcomes for Indigenous people, including:

- training and development programs
- a wilderness adventure tourism business in partnership with Australian Pacific Touring
- land-based investments for capital growth and the provision of community housing (Wunan Foundation 2009).

The Larrakia Development Corporation (LDC) was established in 2002 with the assistance of the Northern Land Council, to manage the development of land

exchanged as part of a native title claim settlement with the NT Government. The LDC has completed a housing development on land in Palmerston in the NT. The Corporation is debt free and LDC projects have paid financial dividends to the Larrakia people. Income is divided evenly between the Larrakia Development Trust (established to coordinate community projects for the Larrakia people) and the LDC. In addition, the LDC has generated employment and training opportunities for local Aboriginal people both through its own development activities and through its employment placement agency. Three new businesses have been established by the LDC — Saltwater Constructions, Larrakia Turf Farm and Cox Peninsula Enterprises. See section 11.1, box 11.1.11 for more information on the LDC.

Land management/tradeable assets

Indigenous people have negotiated agreements with governments and others (for example, mining companies and pastoralists) over land use. These agreements can yield benefits in the form of monetary payments; support for community services, facilities and infrastructure; employment and training programs and protection of cultural sites. Some agreements have provided substantial benefits for Indigenous people, while the benefits from others have been more modest (O’Faircheallaigh and Corbett 2005, O’Faircheallaigh 2006, and Altman and Levitus 1999).

Altman and Smith (1994, 1999) provided examples of how different approaches have influenced the economic benefits of mining royalties to Indigenous people. Sections 11.1 and 11.2 explore some aspects of governance and capacity building that can affect the way royalties are negotiated and used.

Many Commonwealth, State and Territory programs recognise and employ Indigenous peoples’ land management skills. For example:

- In NSW, the *National Parks and Wildlife Act 1974* provides for Aboriginal people to be owners and joint managers of certain conservation reserves.
- By 2009, ownership of five conservation reserves had been handed back to Aboriginal people and the areas were co-managed (NSW Government unpublished).
- In Victoria, a cooperative land management agreement between the Victorian Government and the Yorta Yorta National Aboriginal Corporation provides the Yorta Yorta people with an advisory role in the management of designated areas. An ILUA with native title claimants in the Wimmera region provides for co-management of Crown land. In 2007-08, ownership of the Lake Condah Reserve and the Lake Condah mission site was handed back to the Gunditjmarra people (Victorian Government unpublished).

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- In Queensland, the *Cape York Peninsula Heritage Act 2007* provides for a new form of land tenure called National Park (Cape York Peninsula Aboriginal Land) whereby agreements for joint management of new national parks may be made between the State and Aboriginal landowners. The legislation allows for the declaration of Indigenous community use areas for the clearance of vegetation for primary industry (cattle, forestry, and horticulture) purposes (Queensland Government unpublished).
 - An Indigenous Protected Area (IPA) is an area of Indigenous-owned land or sea where traditional owners have agreed with the Australian Government to promote biodiversity and cultural resource conservation. Management of an IPA involves partnership arrangements (joint management) between Indigenous peoples and conservation agencies (Gilligan 2006). The first IPA was declared in 1998, and as at February 2009, there were 25 agreements in place (DEWHA 2009).

Eco-services

Eco-services aim to support sustainable natural resource management and include feral animal control, quarantine inspection, bush fire management and weed eradication programs (Altman and Dillon 2004).

In Queensland and the NT, the Carpentaria Ghost Nets Programme seeks to address the problem of fishing nets that have been lost or abandoned at sea, but continue to fish indiscriminately. The Ghost Nets Programme is funded to clean the Gulf of Carpentaria coastline of nets, to stop them re-entering the ocean.

Also in the NT, the Arnhem Land Bushfire Council District applies Indigenous knowledge and skills to fire management on land owned and controlled by the traditional owners. Indigenous membership on the Northern Territory Bushfires Council has expanded and an Indigenous Fire Controller has been appointed. Benefits to Indigenous people have included improved community access to equipment and training.

Measuring areas of Indigenous owned or controlled land

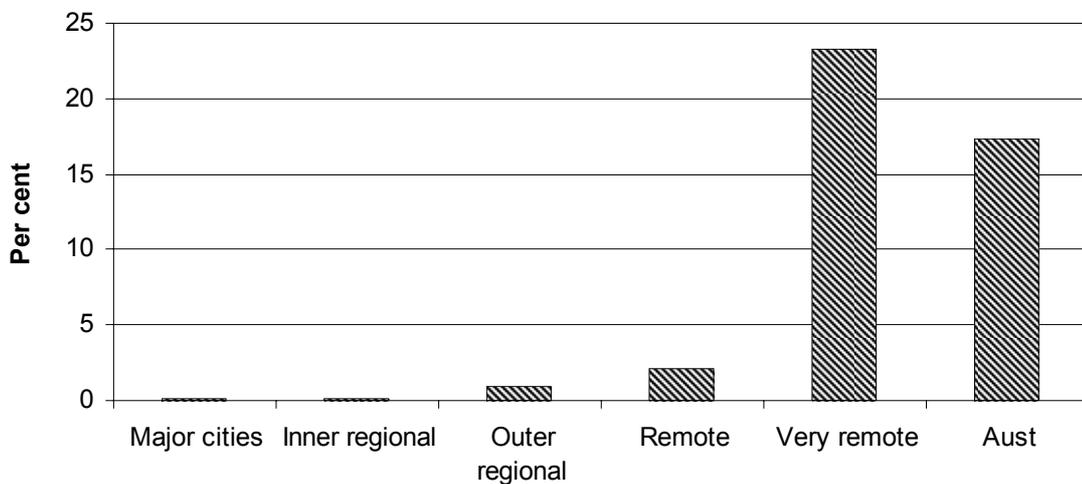
Land area alone is an imperfect indicator of the benefits Indigenous people derive from owning land. The commercial value of land varies widely and much of the Indigenous owned or controlled land in Australia is of low commercial value. There are only limited data on the extent to which Indigenous people use their land for various economic or other purposes and the benefits they obtain.

Land areas and proportions reported for this indicator are for communally owned or controlled Indigenous land. Communally owned Indigenous land can be identified from land registers and other sources. Some Indigenous individuals and families also own land in their own right, but no data are available on the ownership of land by individual Indigenous people, because State and Territory land registers do not contain an Indigenous identifier. Related information on home ownership is included in section 8.3.

Area of Indigenous owned or controlled land

The area and distribution of Indigenous owned or controlled land in Australia largely reflect the decisions of governments in the 1970s and 1980s. In recent decades, the rate of land grants has slowed significantly. However, native title decisions, ILC land purchases and land rights programs continue to add to the total amount of land owned or controlled by Indigenous people. Table 8A.2.14 shows Indigenous landholdings by different forms of tenure. Related data are reported in tables 8A.2.1 and 8A.2.2.

Figure 8.2.2 Indigenous owned or controlled land as a proportion of each remoteness area, December 2008



Source: ILC (unpublished); table 8A.2.2.

In 2008:

- Indigenous owned or controlled land comprised 17.3 per cent of the area of Australia (figure 8.2.2)

-
- Indigenous owned or controlled land comprised 23.3 per cent of the land area of very remote areas of Australia in 2008, but only 0.1 per cent of inner regional areas and 0.2 per cent of major cities (figure 8.2.2)
 - nearly all (97.8 per cent) Indigenous owned or controlled land was in very remote areas of Australia (table 8A.2.2)
 - the bulk of Indigenous owned or controlled land was in the NT (49.5 per cent), WA (28.9 per cent) and SA (15.4 per cent) (table 8A.2.1)
 - Indigenous owned or controlled land made up 48.8 per cent of the NT, but less than 1 per cent of the area of NSW, Victoria, Tasmania and ACT (table 8A.2.1).

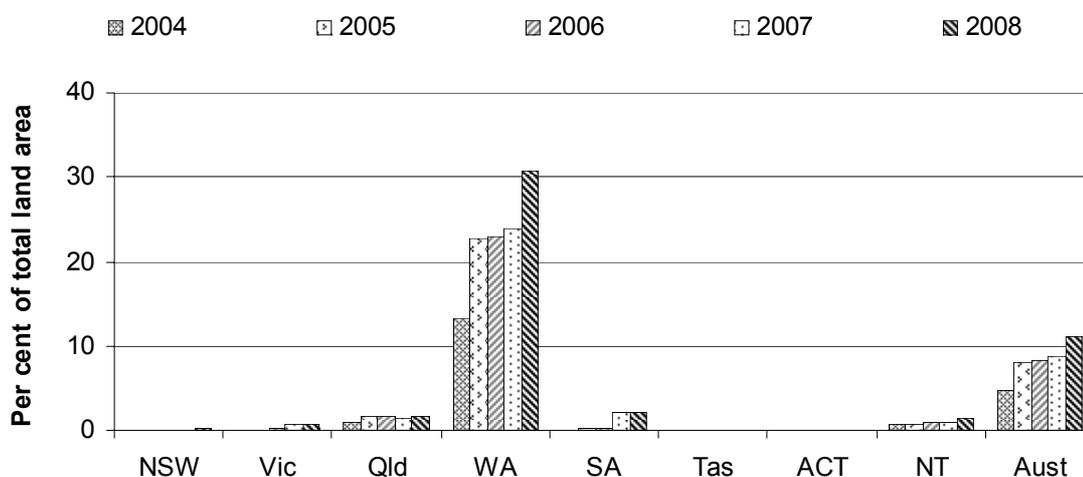
Between 1995 and 2008, the ILC acquired 221 properties in remote, rural and urban locations covering more than 5.9 million hectares, at a total cost of approximately \$216 million (ILC 2008b) (see table 8A.2.13 for a map of the ILC's land acquisition activity).

Determinations of native title

The majority of native title applications that have been lodged by Indigenous people are yet to be determined by the Federal Court of Australia. As at 31 December 2008, 513 active native title claimant applications were in the system, and 117 native title determinations had been made (NNTT 2009).

Data are not readily available to compare areas of native title giving exclusive possession of land with areas of partially extinguished native title.

Figure 8.2.3 Determinations that native title exists^{a, b c, d, e}



^a At 30 June. ^b Areas are based on the geographic extent of the determination area as per the court's decision. Parts of these determinations may not be included on the National Native Title Register at this time. Where native title has been extinguished within a determination area and it has been possible to map these areas then they have been included in the calculations. ^c Area for SA includes areas subject to appeal. ^d Total land areas of states and territories include islands adjacent to the mainland — figures sourced by the NNTT from Geoscience Australia. ^e Australian total includes Jervis Bay Territory and Commonwealth waters where determinations of native title have been made.

Source: NNTT (unpublished); table 8A.2.3.

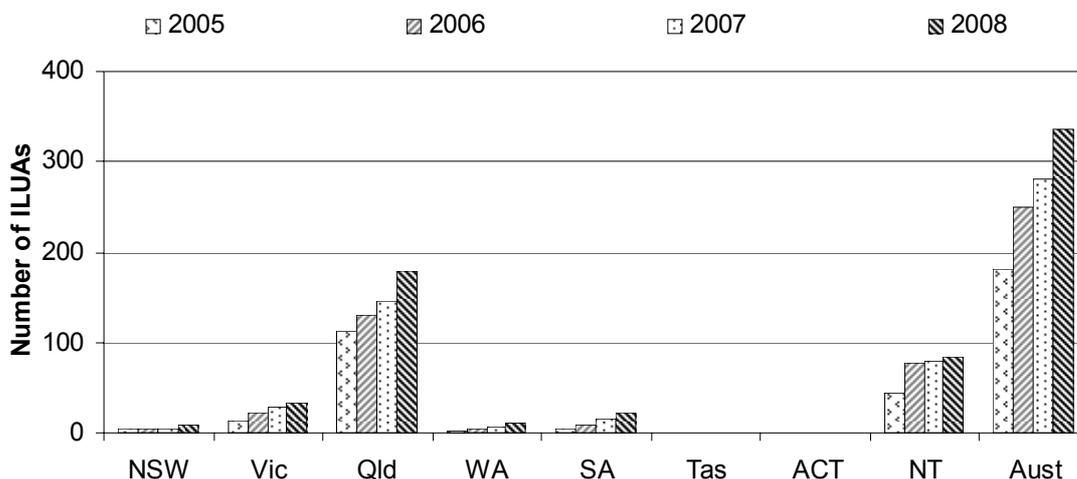
As at June 2008:

- native title had been determined to exist in full or in part in about 11.1 per cent of the total area of Australia, compared with 4.7 per cent in June 2004 (figure 8.2.3). The national increase was around 489 790 km², with the major increase occurring in WA (table 8A.2.3)
- native title had been determined to exist in full or in part in 30.9 per cent of WA, but there had been no determinations of native title in Tasmania or the ACT
- most land where native title had been determined to exist in full or in part was in very remote areas (99.2 per cent). Native title had been found to exist in 15.2 per cent of land in very remote areas (table 8A.2.4).

Tables 8A.2.9 and 8A.2.10 show maps of determinations of native title by State and Territory and remoteness area.

Indigenous Land Use Agreements

Figure 8.2.4 The growth of Indigenous Land Use Agreements (cumulative)^a



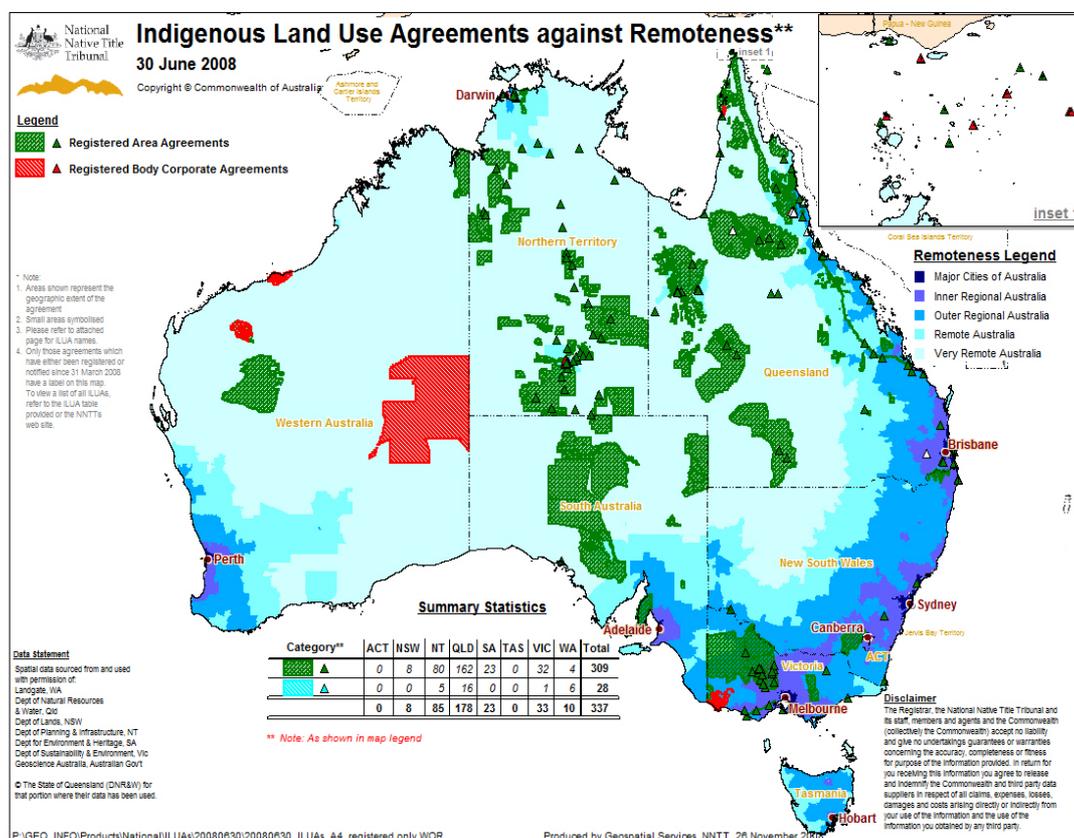
^a Total number of ILUAs in place as at 30 June in each year; totals are cumulative.

Source: NNTT (unpublished); table 8A.2.6.

- The number of registered Indigenous Land Use Agreements (ILUAs) increased from 182 in June 2005 to 337 in June 2008 (figure 8.2.5). Over the same period, the total land area covered by registered ILUAs (not counting overlapping ILUAs), grew from 490 035 km² to 1 007 235 km² (representing 13.1 per cent of the total area of Australia).
- In 2008, most ILUAs were in Queensland (178) and the NT (85). Other states had relatively few, with none in Tasmania and the ACT (table 8A.2.6).
- Most of the area of land covered by registered ILUAs in 2008 (91.7 per cent) was in remote and very remote areas (table 8A.2.7).

Figure 8.2.5 and tables 8A.2.11 and 8A.2.12 contain maps showing the areas covered by registered ILUAs.

Figure 8.2.5 Registered Indigenous Land Use Agreements by remoteness area



Source: NNTT (unpublished); table 8A.2.12.

Indigenous owned business

Self employment and participation in ownership of enterprises can allow people to reduce reliance on government welfare and improve self sufficiency. It also can improve the overall level of economic participation, which affects many aspects of people's wellbeing. Indigenous Business Australia (2003) noted that the number of Indigenous people who are self employed as a proportion of the labour force is significantly lower than for the rest of the population. Australia's Indigenous people also lag behind New Zealand's Maori people in terms of self employment.

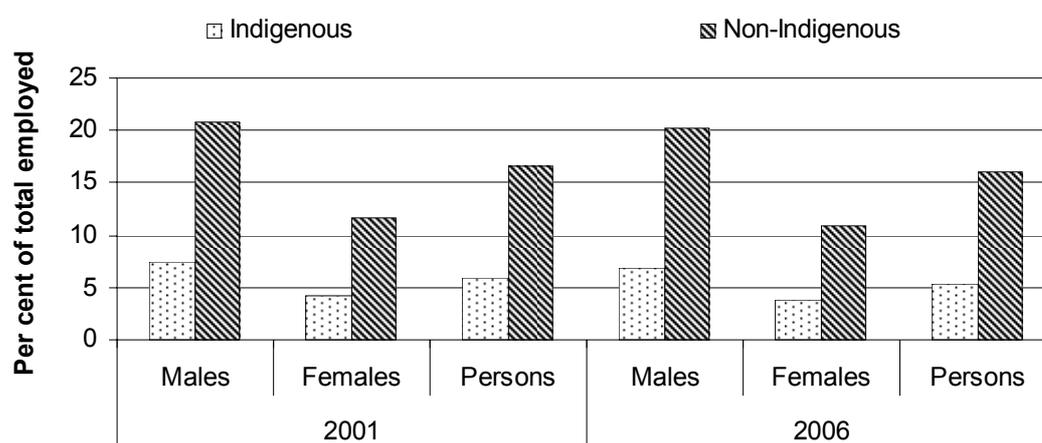
Several factors may influence the low rates of Indigenous self employment and ownership of enterprises. Hunter (1999) noted that governments have typically emphasised business opportunities at the Indigenous community level, rather than self employment. In addition, Indigenous people may have difficulty accessing capital (for example, because of restrictions on mortgaging communal land) and

infrastructure and opportunities may be limited in remote areas. Indigenous people are also more likely than non-Indigenous people to have poor education, and to lack training in relation to business enterprises (see sections 4.5, 4.7 and 11.2).

Self employment

Data for self employment are available from both the 2001 and 2006 Censuses. The data in this section are for self employment as a proportion of total employment. Self employment data for 2001 and 2006 are not fully comparable because of differences in the way that responses were coded in the two Censuses.

Figure 8.2.6 Self employment as a proportion of total employed, people aged 15 to 64 years^{a, b}



^a 'Self employed' in the 2006 Census comprises people who identified themselves as 'owner manager of an unincorporated enterprise' or 'owner manager of an incorporated enterprise'. ^b 'Self employed' in the 2001 Census comprises people who identified themselves as 'own account worker' or 'employer'.

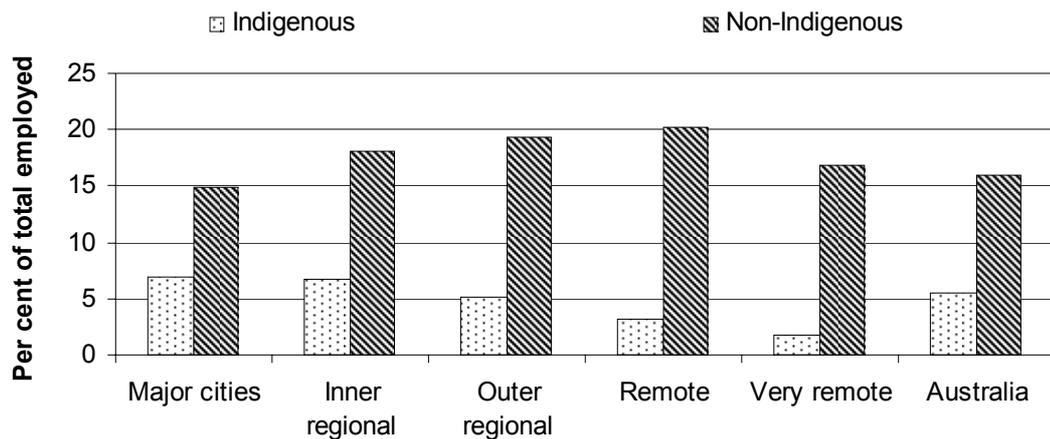
Source: ABS (unpublished) derived from the *2001 Census of Population and Housing*; *2006 Census of Population and Housing*; tables 8A.2.15 and 8A.2.16.

In 2006, of employed people:

- Indigenous people had much lower rates of self employment than non-Indigenous people (5.4 per cent compared with 16.0 per cent) (figure 8.2.6)
- Indigenous males and females had lower rates of self employment than non-Indigenous males and females (figure 8.2.6)
- Indigenous and non-Indigenous males had higher rates of self employment than Indigenous and non-Indigenous females, respectively (figure 8.2.6)

Between 2001 and 2006, self employment rates did not change greatly for either Indigenous or non-Indigenous people (figure 8.2.6).

Figure 8.2.7 Self employment as a proportion of total employed, by remoteness area, 2006^a



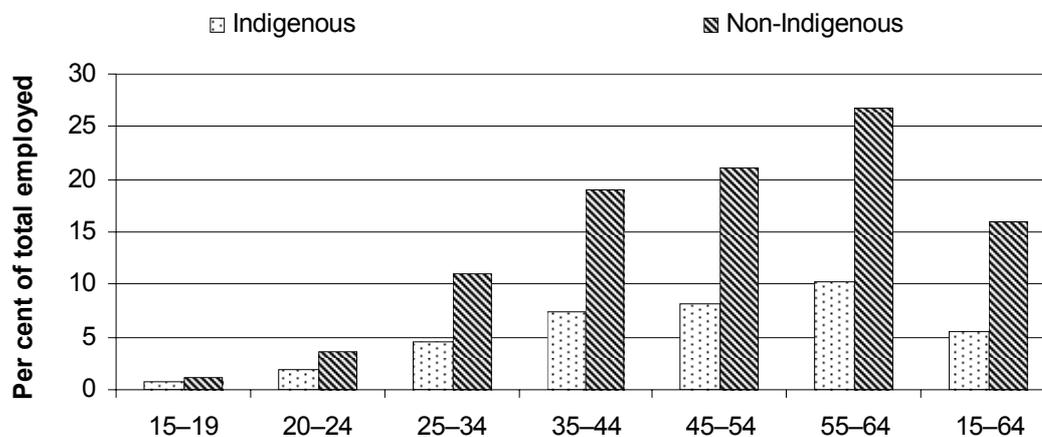
^a 'Self employed' comprises people who identified themselves as 'owner manager of unincorporated enterprise' or 'owner manager of an incorporated enterprise'.

Source: ABS (unpublished) derived from the 2006 Census of Population and Housing; table 8A.2.16.

In 2006:

- Indigenous people had much lower rates of self employment than non-Indigenous people in all remoteness areas (figure 8.2.7)
- self employment rates were highest for Indigenous people in major cities (6.9 per cent) and lowest in very remote areas (1.8 per cent), while self employment rates were highest for non-Indigenous people in remote areas (20.1 per cent) and lowest in major cities (14.9 per cent) (figure 8.2.7).

Figure 8.2.8 Self employment as a proportion of total employed, by age, 2006^a

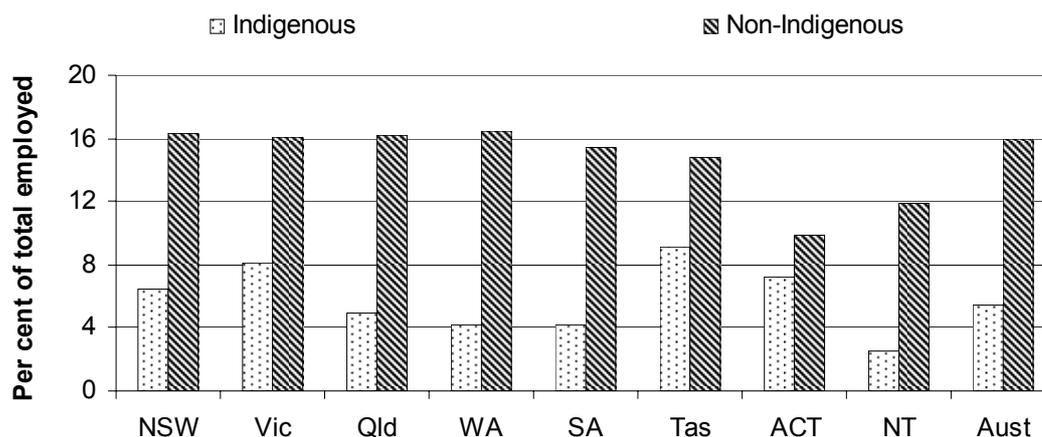


^a 'Self employed' comprises people who identified themselves as 'owner manager of unincorporated enterprise' or 'owner manager of an incorporated enterprise'.

Source: ABS (unpublished) derived from the 2006 Census of Population and Housing; table 8A.2.16.

- In 2006, for both Indigenous and non-Indigenous people, self employment rates increased with age, but Indigenous people had lower rates of self employment in all age groups (figure 8.2.8).

Figure 8.2.9 Self employment as a proportion of total employed, by State and Territory, 2006^a



^a 'Self employed' comprises people who identified themselves as 'owner manager of an unincorporated enterprise' or 'owner manager of an incorporated enterprise'.

Source: ABS (unpublished) derived from the 2006 Census of Population and Housing; table 8A.2.16.

In 2006:

- rates of self employment for Indigenous people were lower than for non-Indigenous people in all states and territories (figure 8.2.9)
- self employment rates were highest for Indigenous people in Tasmania (9.1 per cent) and lowest in the NT (2.5 per cent) (figure 8.2.9)
- self employment rates were highest for non-Indigenous people in WA (16.4 per cent) and lowest in the ACT (9.9 per cent) (figure 8.2.9).

Indigenous business

Case studies of Indigenous businesses are presented in box 8.2.5.

Box 8.2.5 Case studies — Indigenous businesses

Indigenous Business Australia's (IBA) Business Development Programme, known as IBA Enterprises, directly assists Indigenous individuals, families and partnerships to succeed in business, by supporting clients preparing to go into business, and providing business loans and mentoring to Indigenous business people. IBA Enterprises also undertakes economic development initiatives that encourage Indigenous people into business and provides them with information and training. For the period 2007-08, IBA:

- approved 102 business loans, valued at \$17.2 million
- spent \$5.7 million on business support
- supported 46 economic development initiatives (IBA unpublished).

In **Galiwin'ku (Northern Arnhem Land, NT)**, in 2007, a project that provides an intensive, place based approach to Indigenous business development has been piloted. Economic development officers, including a local part time Indigenous employee, provided practical support for Indigenous people to turn business ideas into reality. Twenty-four small businesses have been established and eight full time and 42 part time jobs in Galiwin'ku and surrounding communities have been created. Businesses established through the project include Slush Puppy Sales, Dingu Wangurri Family Farm, Lightning Didgeridoo sales, Bultjimarra Mobile BBQ Van Enterprise and Gapuwiyak Community Markets. An independent review, in 2008, recommended that the project continue and be expanded to other Indigenous communities in regional and remote locations (IBA unpublished).

8.3 Home ownership

Box 8.3.1 Key messages

- The proportion of Indigenous people living in home owner/purchaser households increased from 26.2 per cent to 28.9 per cent between 2001 and 2006 (figure 8.3.1).
- In 2006:
 - a much lower proportion of Indigenous people lived in home owner/purchaser households (28.9 per cent) than non-Indigenous people (72.1 per cent) (figure 8.3.1)
 - the proportion of Indigenous people living in home owner/purchaser households was much lower in very remote (4.8 per cent) and remote areas (19.7 per cent) than in major cities (35.3 per cent) and inner and outer regional areas (35.7 and 32.3 per cent, respectively) (figure 8.3.2).

Home ownership is included in this report primarily as an economic indicator of wealth and saving. The availability of appropriate, affordable and secure housing, which is a more immediate concern for many Indigenous people, is covered in section 9.1, Overcrowding in housing.

Home ownership is an important indicator of wealth and saving, and provides a secure asset base that can contribute to financial stability and against which people can borrow. A home can be passed from one generation to another. Home ownership also provides security of tenure, which is not always available with rental housing. Home ownership also allows households to build or modify a dwelling to suit their particular needs.

Improvements in other indicators in this report, particularly those relating to education and economic participation and development, are the main drivers of home ownership and could increase the level of Indigenous home ownership in the future.

During consultations for the 2007 report, many Indigenous people said that home ownership was an important part of improving Indigenous wellbeing and an essential indicator in the framework. Some Indigenous people said that home ownership was important to them as a connection to the land, particularly in closely settled regions where native title has been extinguished and there are limited opportunities for land grants. Others suggested that not all Indigenous people want to own their own homes, and that those in more remote areas and living more traditional lifestyles may prefer a more communal form of ownership. Information on communally owned Indigenous land is included in section 8.2 of this report.

Indigenous people who move frequently for family and cultural reasons may prefer to rent accommodation.

The significant number of Indigenous people living on Indigenous communally owned or controlled land influences the rates of Indigenous home ownership. Although some land in regional areas is communally owned, most communally owned land is located in remote and very remote areas. Usually, such land cannot be sold and the land itself cannot be mortgaged. This ensures its continuing ownership by Indigenous people, but means that developments on the land, including home ownership and private sector financing, need to be pursued through sub-leasing arrangements. Unlike the United States and Canada, where similar situations arise on Indigenous communally owned land, in Australia the legislative provisions which provide for sub-leasing and private sector financing have yet to be fully utilised. Information on Indigenous owned or controlled land is included in section 8.2.

Governments across Australia have been active in enabling and encouraging home ownership amongst Indigenous people. For example, in 2008, the Queensland Government amended the *Aboriginal Land Act 1991* and the *Torres Strait Islander Land Act 1991* to provide for up to 99-year leases, which enables individuals to secure interest in land on Indigenous deed of grant in trust, reserve, transferred or granted land. The Queensland Government has also established an Indigenous Leasing Support Unit in Cairns to provide advice and training to trustees who are responsible for granting leases.

In September 2006, the Australian Government passed the *Aboriginal Land Rights (Northern Territory) Amendment Act 2006*. The Act was intended to encourage individual property rights in town areas on Indigenous communally owned land in the NT. The Act enables 99 year head leases to government entities, which can subsequently make sub-leases, which can be used for private home ownership, business or other purposes. In June 2007, the Australian Government passed the *Aboriginal Land Rights (Northern Territory) Amendment (Township Leasing) Act 2007* which established the independent statutory office of the Executive Director of Township Leasing as the government entity to hold head leases. The first township lease was entered into for Nguuu on the Tiwi Islands in August 2007. In June 2008, the Australian Government passed the *Indigenous Affairs Legislation Amendment Act 2008*. The Act included additional flexibility for township leasing allowing for lease terms between 40 and 99 years. In December 2008 a township lease was entered into for the communities of Angurugu, Umbakumba and Milyakburra in the Groote Eylandt region for an effective 80 year period through an initial lease of 40 years and the option of a 40 year renewal.

The amendments to the Act only affect the NT. Land ownership in other states and territories is determined by separate legislation in each jurisdiction. Long term leases for home ownership on Indigenous communal land are possible under land tenure arrangements in some states and territories but are not common. More information on Indigenous land tenure is included in section 8.2.

Szava and Moran (2008), in their study of the perception of home ownership among 58 Indigenous Business Australia clients, note Indigenous people's perception of the positive and negative aspects of home ownership. The most commonly mentioned positive aspects of home ownership were independence and control (55 per cent), makes financial sense (40 per cent) and pride and sense of ownership (36 per cent). The most commonly mentioned negative aspects of home ownership were maintenance and repairs (33 per cent) and paying rates and utilities (22 per cent). The study also observed that, despite widespread problems of maintenance across the Indigenous community, the houses in the study were in a reasonable standard of repair, and had been improved or extended.

Box 8.3.2 'Things that work' — home ownership

The home ownership program now marketed as **IBA Homes** was established in 1975 under the Aboriginal Loans Commission, and was transferred to Indigenous Business Australia in 2005. IBA offers a concessional lending product and tailored after care support targeting those in most need.

Since its inception, the program has assisted 13 540 Indigenous families to buy their own home. In 2007-08, IBA approved 474 new loans, valued at \$114 million, enabling 1307 Indigenous people to purchase homes. IBA currently has 3370 active home loans across Australia.

Loans are generally for the purchase or construction of a home. Loans may also be provided for purchasing land, essential home improvements or home maintenance and repairs. IBA also has a deposit gap loan which assists families with limited deposits to access mainstream home loan finance. IBA approved 21 deposit gap loans in 2007-08, totalling \$1.38 million.

IBA's typical borrower is a first home buyer purchasing a modest home valued at less than \$300 000. Approximately 85 per cent of new loans approved in 2007-08 were to first home owners. Loan repayments are based on a concessional commencing interest rate in early 2009, currently set at 4.25 per cent, a historical low for the program. The rate increases 0.5 per cent annually until it reaches the IBA Home Loan Rate. IBA adjusts its Home Loan Rate relative to the RBA cash and Commonwealth Bank's standard variable rate (Indigenous Business Australia, unpublished).

(Continued next page)

Box 8.3.2 (continued)

The **NSW Aboriginal Housing Office (AHO)** works with IBA and contributes \$1 million each year and pays any legal costs associated with the purchase of a property by a tenant up to a maximum of \$2500. Further, the sale of AHO houses is exempt from Stamp Duty.

In early 2009, the AHO/IBA Home Ownership Scheme has funded 32 home loans valued at approximately \$5.8m (Indigenous Business Australia, unpublished; NSW, unpublished).

The **HomeStart Nunga Home Loan** program, in SA, was officially launched on 29 April 2004. The Nunga Loan was designed to specifically meet the needs of the Indigenous community and address financial, educational and experiential issues that often stand in the way of successful and sustainable home ownership.

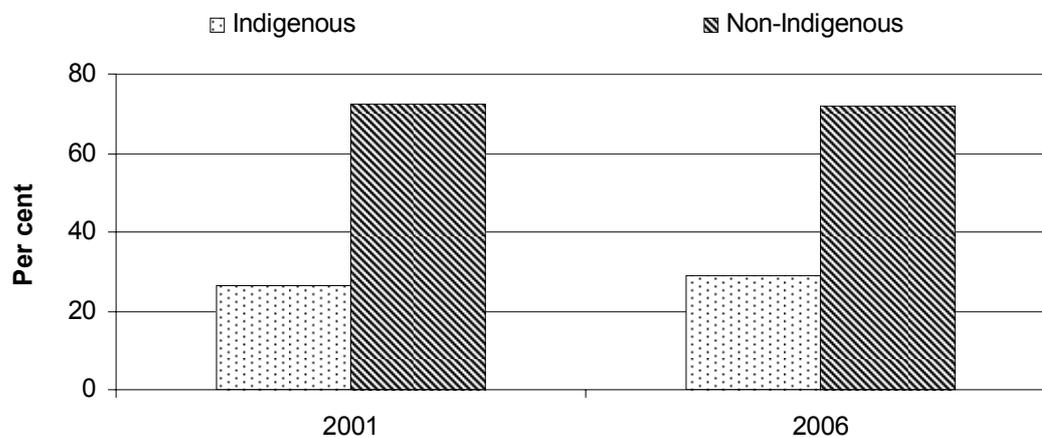
The loan program targeted an improvement in home ownership rates for Aboriginal people in South Australia. HomeStart has written 393 Nunga loans (\$63m) since the program's inception and there are currently 296 active loans for a total of \$47.6m. Indigenous home ownership in South Australia has grown from 30 per cent in 1996 to 36 per cent in 2006 (according to 2006 census data) (SA Government, unpublished).

Home ownership is measured in this report by looking at the proportion of Indigenous people living in a home owned or being purchased by a member of their household. These households are referred to as home owner/purchaser households. Measuring Indigenous home ownership is complex.

Not all people living in a household owned by someone in the household (for example, boarders) will share in the long-term economic benefits of home ownership. Some Indigenous people counted this way may be in households where the owner is non-Indigenous. However, the approach used is reasonably simple to derive and provides a good approximation of levels of home ownership in the Indigenous population.

Data on home ownership in this report are taken from the 2001 and 2006 Censuses. The charts and commentary in this section are for Indigenous people of all ages and are therefore not comparable to the 2007 report which used data for people aged 18 years and over from the 2004-05 NATSIHS.

Figure 8.3.1 Proportion of people living in home owner/purchaser households, 2001 and 2006^a



^a Includes homes being purchased under a rent/buy scheme.

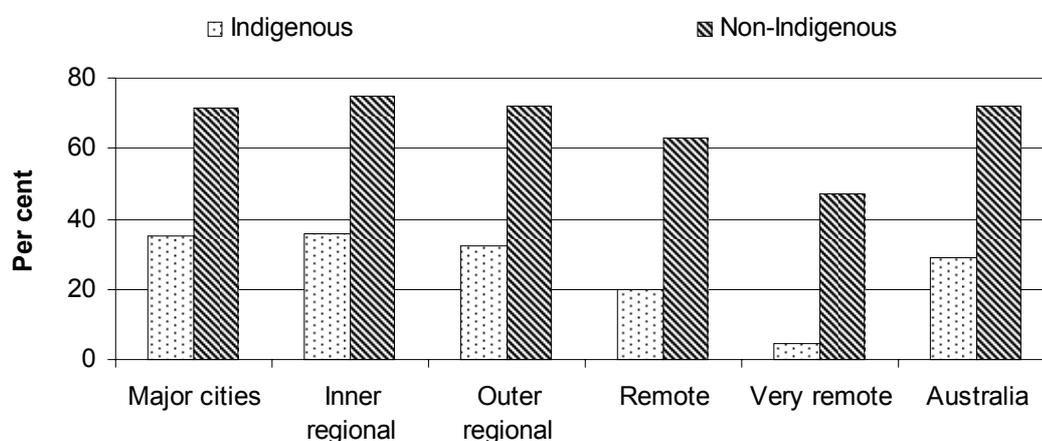
Source: ABS (unpublished) derived from the *2006 Census of Population and Housing*; *2001 Census of Population and Housing*; table 8A.3.6.

Between 2001 and 2006:

- the proportion of Indigenous people living in home owner/purchaser households increased from 26.2 per cent to 28.9 per cent. In contrast, the proportion of non-Indigenous people living in home owner/purchaser households decreased slightly from 72.3 to 72.1 per cent (figure 8.3.1).

Data on the proportions of Torres Strait Islander and Aboriginal people living in home owner/purchaser households in 2001 and 2006 are included in table 8A.3.1–6. Section 9.1 on housing overcrowding discusses the median weekly mortgage for Indigenous people and rent payments by tenure type for Indigenous people.

Figure 8.3.2 **Proportion of Indigenous people living in home owner/purchaser households, by remoteness area, 2006^a**



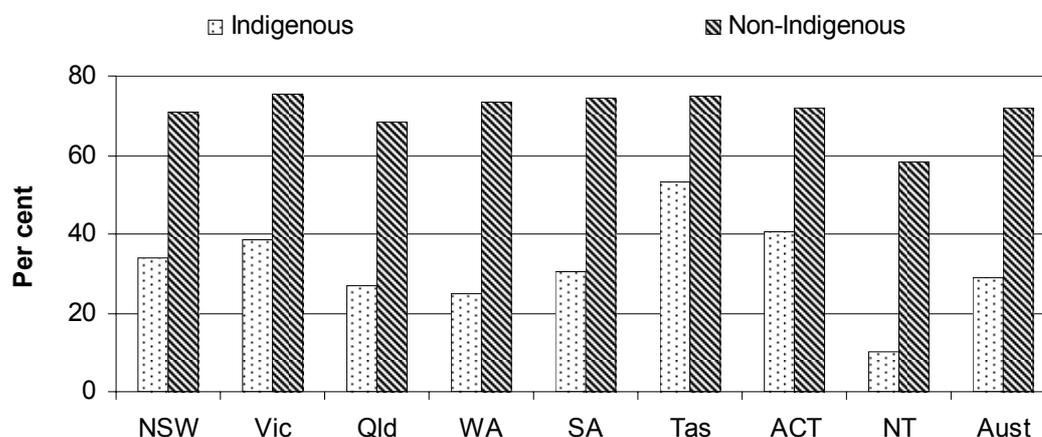
^a Includes homes being purchased under a rent/buy scheme.

Source: ABS (unpublished) derived from the 2006 Census of Population and Housing; table 8A.3.5.

In 2006:

- the proportion of Indigenous people living in home owner/purchaser households was much lower than for non-Indigenous people in all remoteness areas (figure 8.3.2)
 - the proportion of Indigenous people living in a home owner/purchaser household was similar in major cities (35.3 per cent), inner regional (35.7 per cent) and outer regional areas (32.3 per cent). The rate was lower in remote areas (19.7 per cent) and lower again in very remote areas (4.8 per cent) (figure 8.3.2)
 - the proportion of non-Indigenous people living in a home owner/purchaser household was similar in major cities, inner regional and outer regional areas. The rate was lower in remote areas and lower again in very remote areas (figure 8.3.2)
- 7.8 per cent of Indigenous people lived in homes fully owned by someone living in their household and 21.1 per cent lived in homes being purchased by someone living in their household (table 8A.3.4).

Figure 8.3.3 Proportion of Indigenous people living in home owner/purchaser households, by State/Territory, 2006^{a, b}



^a Includes homes being purchased under a rent/buy scheme. ^b Australia includes 'Other territories'.

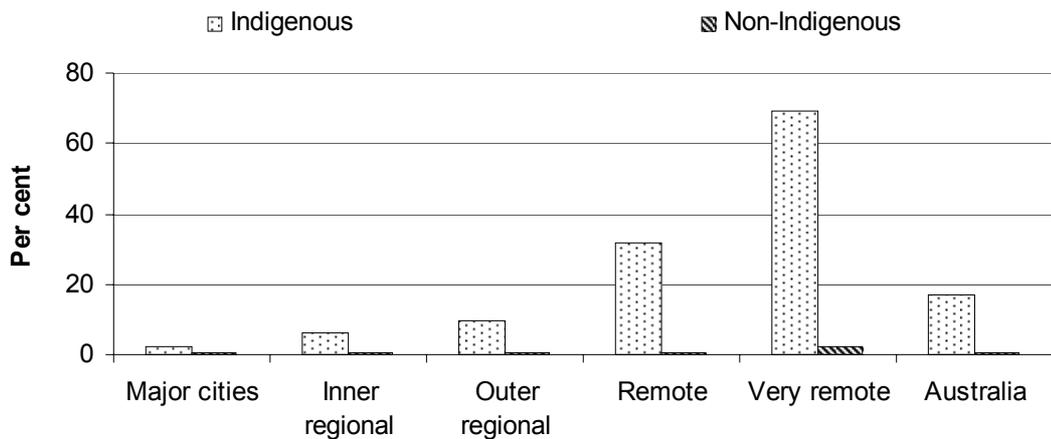
Source: ABS (unpublished) derived from the 2006 Census of Population and Housing; table 8A.3.6.

In 2006:

- the proportion of Indigenous people living in home owner/purchaser households was much lower than for non-Indigenous people in all states and territories (figure 8.3.3)
- the proportion of Indigenous people living in home owner/purchaser households varied greatly across states and territories, reflecting the geographic distribution of Indigenous people (i.e. between non-remote and remote areas) within those jurisdictions. In contrast, the proportion for non-Indigenous people did not vary greatly across most states and territories and was between 68.6 and 75.5 per cent for all states and territories except for the NT, where the proportion was 58.2 per cent (figure 8.3.3)
- the proportion of Indigenous people living in home owner/purchaser households was highest in Tasmania (52.9 per cent). In contrast, the proportion for non-Indigenous people was highest in Victoria (75.5 per cent) (figure 8.3.3)
- the proportion of Indigenous people living in home owner/purchaser households was lowest in the NT (10.3 per cent). The proportion for non-Indigenous people was also lowest in the NT (58.2 per cent) (figure 8.3.3)
- the gap between Indigenous and non-Indigenous people living in a home owner/purchaser household was largest in the Northern Territory and smallest in Tasmania (figure 8.3.3).

Most housing on Indigenous communally owned land is owned by Indigenous community or cooperative housing organisations, which rent houses to families and individuals. Community rental housing is different to home ownership by individual households and families. It is, however, a communal form of Indigenous ownership and control of housing.

Figure 8.3.4 Proportion of people living in community housing, by remoteness, 2006^a



^a Comprises 'Housing co-operative/community/church group'; 'Community or co-operative housing group'.

Source: ABS (unpublished) derived from the 2006 Census of Population and Housing; table 8A.3.5.

Across remoteness areas, in 2006:

- a much larger proportion of Indigenous people (17.3 per cent) than non-Indigenous people (0.4 per cent) lived in community housing (figure 8.3.4)
- the proportion of Indigenous people living in community housing was much higher in remote areas than non-remote areas. The proportion was largest in very remote areas (69.1 per cent) and was smallest in major cities (2.5 per cent) (figure 8.3.4).

More detail on community rental housing is included in tables 8A.3.1, 8A.3.2 and 8A.3.3.

Tables 8A.3.1 to 8A.3.3 include data on those living in rental housing as well as more detail on people living in homes owned by someone in the household. Many Indigenous people live in public housing provided by State and Territory government housing authorities. Information on public housing provided to Indigenous people is included in the annual Report on Government Services (SCRGSP 2009).

8.4 Income support

Box 8.4.1 Key messages

- In 2004-05:
 - government pensions and allowances (70.7 per cent) were the most common source of cash income for Indigenous households, followed by employee income (56.9 per cent), other cash income (21.7 per cent) and income from Community Development Employment Projects (5.9 per cent) (figure 8.4.1)
 - 47.7 per cent of Indigenous people aged 15 to 64 years received government pensions and allowances as their main source of personal cash income, compared to 17.3 per cent of non-Indigenous people aged 15 to 64 years (figure 8.4.2).
- Higher proportions of Indigenous than non-Indigenous people aged 15–64 years received the most common income support payment types in 2006. Parenting payment single was the most common income support payment received by Indigenous people aged 15–64 years (11.2 per cent), followed by Newstart allowance (10.8 per cent), disability support pension (7.9 per cent) and youth allowance (4.7 per cent) (figure 8.4.4).

Income support is a new indicator in the revised OID framework endorsed by COAG in November 2008. The key measures are the proportion of welfare payments as part of overall household income, and the number of people on workforce age income support payments.

This section uses data from the ABS 2004-05 National Aboriginal and Torres Strait Islander Health Survey and the ABS 2004-05 National Health Survey on sources of household and individual income to identify proportions of Indigenous and non-Indigenous people receiving income support payments. This section also uses Centrelink administrative data on the number of Indigenous and non-Indigenous people of working age receiving income support payments. When interpreting the survey and administrative data it is important to consider their different collection methods and definitions which may lead to variations in results.

Income support is available to all eligible Australians to ensure that they have adequate levels of income to support themselves and their dependents. Income support accounts for the largest component of welfare provided by the Australian Government, with more than 4.2 million direct beneficiaries at any one time (ABS 2008). Income support payments are paid by Centrelink to: the aged; people with a disability; carers; youth and students; families with children; the unemployed; and the homeless (ABS 2007).

Indigenous people are overrepresented in the Australian income support system, with 47.7 per cent reporting government cash pensions and allowances as their main source of personal income in 2004-05, compared to 17.3 per cent of non-Indigenous people (table 8A.4.1). A range of adverse socioeconomic conditions contribute to a high dependence on income support by Indigenous people, including poor standards of health, lack of employment opportunities in the local labour market and low levels of educational attainment (DEEWR 2009).

The Cape York Institute has argued that government services introduced specifically to counter Indigenous social problems have had the opposite effect — increasing reliance and eroding personal responsibility, leading to a disengagement from the real economy (CYI 2009). The term ‘negative welfare’ has been used by some commentators, in the context that negative welfare involves government payments to an able bodied individual, without reciprocity. Pearson (1999) said that this negative welfare has resulted in third and fourth generations dependent on income assistance.

Several government programs specifically target passive reliance on income support by Indigenous people. The longest running program is the Community Development Employment Projects (CDEP) program (section 4.6). Welfare reform and welfare payment reform for the Australian Indigenous population have been a key component of government policy (where welfare payment reform relates to the way welfare payments are paid to people, while welfare reform relates more broadly to the structure of welfare entitlements).

The Welfare to Work initiative implemented from 2005 (under the former Australian Government) aimed to move people off income support and into employment opportunities. It did not specifically target Indigenous communities although they were a large proportion of recipients in the targeted cohorts (DEEWR 2006). The intensity of the Australian Government’s focus on Indigenous welfare reform and welfare payment reform has increased more recently. On 19 December 2008, further reforms were announced by the Australian Government, including the restructure, and in some cases, removal, of CDEP. These reforms aim to reduce reliance on income support payments (Macklin and O’Connor 2008).

There are three main welfare payment reform initiatives in which Indigenous people are participating:

- The ‘welfare reform and employment’ measure under the Northern Territory Emergency Response (NTER) (initiated by the former Australian Government) is supported by specific legislation on income management. This measure involves the income management of a proportion (usually 50 per cent) of welfare payments for all recipients in selected NTER communities. The managed

proportion can be spent only on priority needs such as food, shelter and education and cannot be used for alcohol, tobacco, pornography or gambling (NTER Review 2008). This measure is coordinated by Centrelink through mechanisms including the government's BasicsCard, direct deductions and direct payments to community stores. More information on the NTER is included in section 11.1 (Case studies in governance).

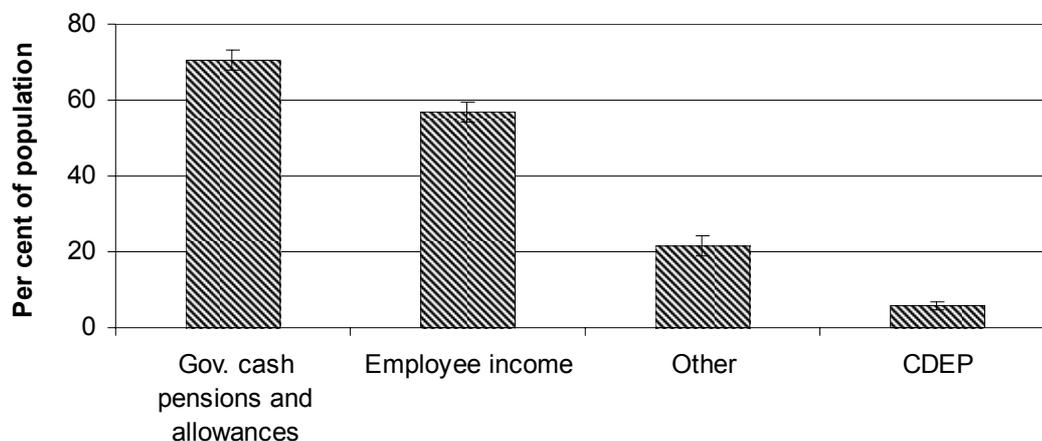
- The Cape York Welfare Reform Project trial commenced in selected communities in July 2008 and is coordinated by the Cape York Institute, in partnership with the Queensland and Australian Governments. Under this trial, a list of obligations have been tied to welfare payments, including: making sure children attend school; keeping children safe from harm and neglect; not committing drug, alcohol or family violence offences; and abiding by tenancy agreements. The Queensland Government Family Responsibilities Commission (FRC) was established to ensure that these obligations are followed, and has the power to manage welfare payment income in the case of a breach. Where a quarantine of welfare payments occurs, the FRC removes an individual's discretion over their welfare payments (or, in the case of family payments, directs some of it to another adult) so that the essential needs of children and family members are met. Payments can then only be used for items such as food, rent, electricity bills and education expenses (CYI 2009). This is coordinated by Centrelink through the same mechanisms as used in the NTER communities. More information on the Cape York Welfare Reform project is included in section 11.1 (Case studies in governance).
- The Child Protection Initiative is being implemented in selected communities across WA. WA Department for Child Protection case managers can refer all income support recipients in the community to Centrelink to have their income support managed to ensure the priority needs of children are met (Centrelink 2008). During the period of income management, the WA government provides case management support services, including parenting support (Macklin and McSweeney 2008). Voluntary income management is also available in these communities in WA, enabling people on welfare payments to volunteer for their payments to be managed for a twelve month period.

None of these welfare payment reform programs have operated long enough to determine their impact on outcomes for Indigenous people.

Sources of household income

Figure 8.4.1 contains ABS 2004-05 National Aboriginal and Torres Strait Islander Health Survey data on sources of household cash income for Indigenous people.

Figure 8.4.1 **Source(s) of household cash income for Indigenous people, 2004-05^a**



^a Households may report more than one source of income.

Source: ABS 2004-05 NATSIHS (unpublished); table 8A.4.2.

Figure 8.4.1 illustrates the sources of *household* cash income for Indigenous people. It is not possible to produce a non-Indigenous comparator. Households may report more than one source of income.

In 2004-05:

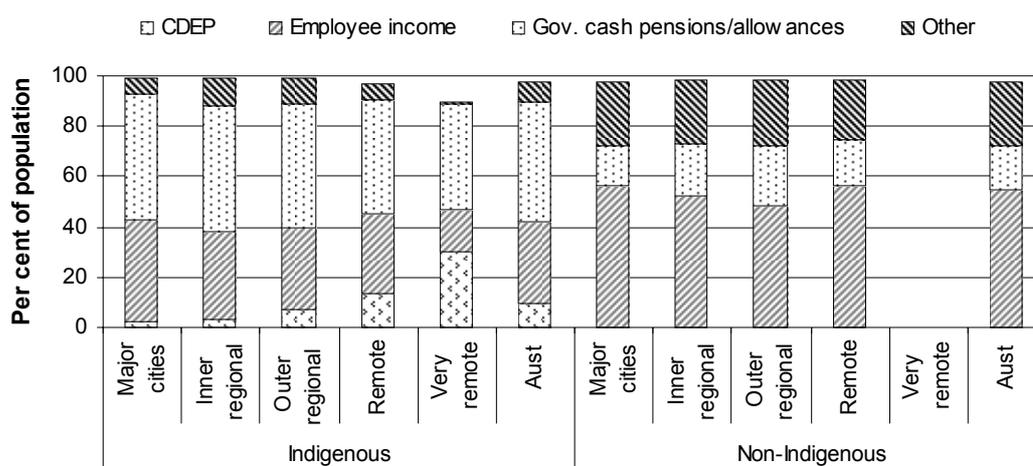
- 70.7 per cent of Indigenous households reported government cash pensions and allowances as a source of household income, 56.9 per cent of households reported employee income, 21.7 per cent reported other cash income and 5.9 per cent reported CDEP income (figure 8.4.1)
- there was little difference across remoteness areas in the proportions of Indigenous households receiving income from government cash pensions and allowances, with the proportions for total remote (69.4 per cent) and the total non-remote areas (70.8 per cent) being similar. In contrast, the percentage of Indigenous households reporting CDEP as a source of cash income increased with remoteness, from 3.1 per cent in major cities to 28.2 per cent in very remote areas (table 8A.4.2).

Table 8A.4.7 shows Indigenous household cash income sources by State and Territory.

Personal income

Figure 8.4.2 contains 2004-05 National Aboriginal and Torres Strait Islander Health Survey and National Health Survey data on people's main source of personal cash income.

Figure 8.4.2 Main source of personal cash income, people aged 15–64 years, 2004-05^{a, b, c}



^a Categories may not add to 100 per cent as the total includes people whose main source of cash income was not stated or not known. ^b Non-Indigenous data are not available for very remote areas as they were not collected in the 2004-05 NHS. The records for the very remote areas have been attributed appropriately to national estimates. ^c Respondents could only identify a single main source of personal cash income.

Source: ABS 2004-05 NATSIHS and NHS (unpublished); table 8A.4.1.

For the *main* source of personal cash income in 2004-05:

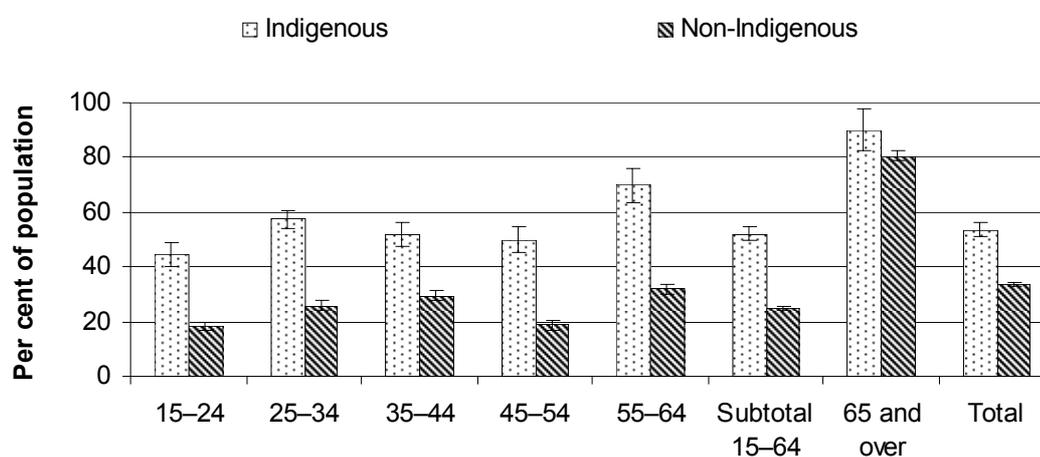
- nearly half of Indigenous people aged 15–64 years (47.7 per cent), received government pensions and allowances as their main source of personal cash income, while a further 9.6 per cent received CDEP payments as their main source of personal cash income. In contrast, only 17.3 per cent of non-Indigenous people aged 15–64 years received most of their personal cash income from government cash pensions and allowances
- the proportion of Indigenous people receiving most of their personal cash income from employee income was 32.7 per cent. In contrast, 54.9 per cent of non-Indigenous people reported employee cash income as their main source of personal income (figure 8.4.2)
- the proportion of Indigenous people aged 15–64 years with employee income as the main source of personal cash income decreased with remoteness, while the

proportion with CDEP income as their main source of personal cash income increased with remoteness (figure 8.4.2).

Table 8A.4.6 presents the *main* sources of personal cash income by State and Territory for Indigenous and non-Indigenous people aged 15–64 years in 2004-05.

Figure 8.4.3 presents data on all people aged 15–64 years receiving income support payments as either main or secondary source of income. These are distinct from data presented in figure 8.4.2 on the main source of personal cash income, where only one main source could be nominated.

Figure 8.4.3 People receiving income support payments, as a main or secondary source of income, by age, 2004-05^a



^a The proportion of people in receipt of income support, according to their Indigenous status and age group. People could nominate multiple sources of income.

Source: ABS 2004-05 NATSIHS and NHS (unpublished); table 8A.4.4

In 2004-05:

- a higher proportion of Indigenous people aged 15–64 years received income support payments compared to non-Indigenous people (51.9 per cent compared with 24.7 per cent) (figure 8.4.3)
- for both Indigenous and non-Indigenous people aged 15–64 years, a greater proportion of females than males received income support payments (65.9 per cent of Indigenous females and 36.5 per cent of Indigenous males and 34.5 per cent and 14.9 per cent for non-Indigenous females and males) (table 8A.4.3)
- a higher proportion of Indigenous than non-Indigenous people aged 15–64 years received income support in all states and territories. The largest variation

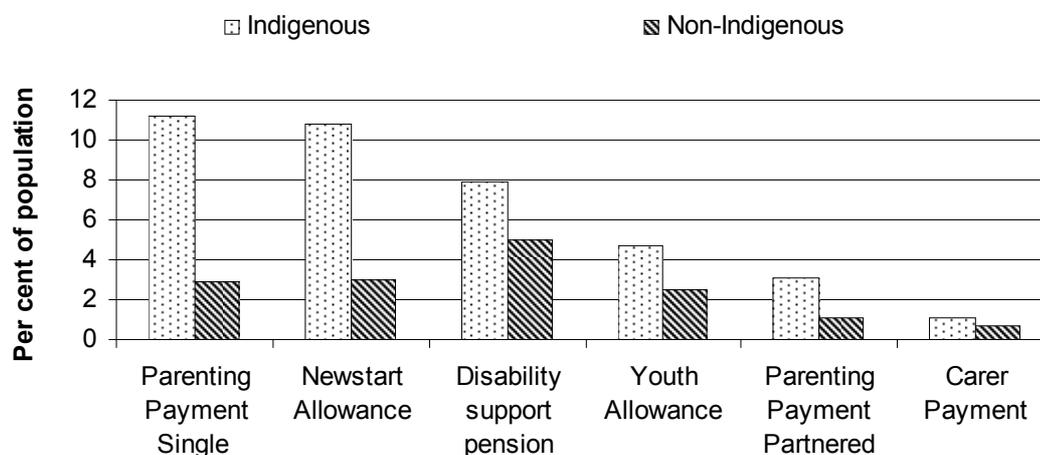
between Indigenous and non-Indigenous rates was in the NT, with an Indigenous to non-Indigenous rate ratio of 3.4 (table 8A.4.5)

- in all remoteness areas a higher proportion of Indigenous than non-Indigenous people aged 15–64 years received income support payments. The most significant difference was in major cities (50.7 per cent compared with 22.1 per cent) (table 8A.4.3)
- for all age groups over 15 years, Indigenous people were more likely to receive income support payments than non-Indigenous people. The greatest Indigenous to non-Indigenous rate ratio was for those aged 45–54 years (2.6) (figure 8.4.3).

People receiving income support payments — administrative data

Figures 8.4.4 and 8.4.5 contain Centrelink administrative data on the proportion of Indigenous and non-Indigenous people aged 15–64 years receiving income support payments. Indigenous identification in Centrelink data is voluntary. People whose Indigenous status is unknown are included here as non-Indigenous. Proportions of the population receiving income support payments have only been calculated for 2006 as updated population estimates and projections for other years have not yet been published by the ABS. Time series data for 2003 to 2008 are presented in attachment tables as numbers of people receiving income support payments.

Figure 8.4.4 **People aged 15–64 years receiving income support payments, by selected payment types, 2006** ^{a, b, c}



^a Non-Indigenous includes people whose Indigenous status was unknown. ^b All data is point in time data. Depending on the particular payment type, data are reported as at various days in June and July 2006. ^c Definitions of payment types and other information about these data are in table 8A.4.26.

Source: Centrelink (unpublished); 8A.4.10.

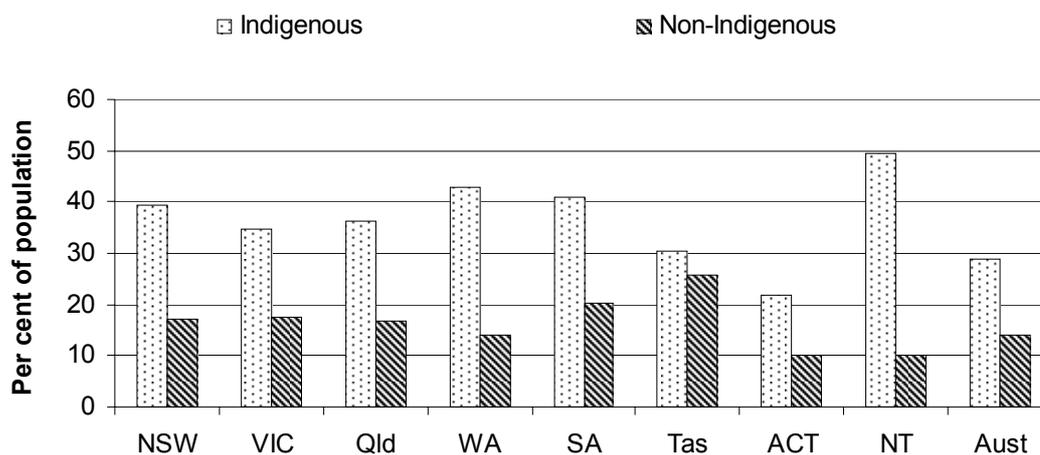
In 2006:

- Indigenous people aged 15–64 years received a higher proportion of each of the selected income support payments, presented in figure 8.4.4.
- parenting payment single was the most common income support payment received by Indigenous people aged 15–64 years (11.2 per cent), followed by newstart allowance (10.8 per cent), disability support pension (7.9 per cent) and youth allowance (4.7 per cent) (figure 8.4.4)
- disability support pension was the most common income support payment received by non-Indigenous people aged 15–64 years (5.0 per cent), followed by newstart allowance (3.0 per cent) and parenting payment single (2.9 per cent) (figure 8.4.4)
- a higher proportion of Indigenous females than Indigenous males aged 15–64 years received parenting payment single, parenting payment partnered and carer payment. In contrast, for the same age group a higher proportion of Indigenous males than Indigenous females received disability support pension, newstart allowance and youth allowance (table 8A.4.10).

Information on the proportions of Indigenous and non-Indigenous people on income support are reported for additional payment types for 2006 in table 8A.4.10. Attachment tables 8A.4.8 to 8A.4.13 present numbers of Indigenous and

non-Indigenous people, by sex, on income support by payment types for 2003 to 2008.

Figure 8.4.5 People aged 15–64 years receiving income support payments, by State/Territory, 2006^{a, b, c, d}



^a Non-Indigenous includes people whose Indigenous status was unknown. ^b Each State and Territory total is the sum of the number reported against each individual payment type. Payment types with fewer than 20 Indigenous or non-Indigenous recipients are not included in totals. All data are point in time data. Depending on the particular payment type, data are reported as at various days in June and July 2006. ^c The Australian total includes people where State/Territory was unknown or where a person resides outside Australia. ^d Definitions of payment types and other information about these data are in table 8A.4.26.

Source: Centrelink (unpublished); table 8A.4.16

In 2006:

- in all states and territories there was a higher proportion of Indigenous people than non-Indigenous people aged 15–64 years on income support payments. Indigenous proportions were 2 to 3 times non-Indigenous proportions for all states and territories, except Tasmania (1.2) and the NT (4.9) (figure 8.4.5)
- the NT reported the largest difference between Indigenous people (49.4 per cent) and non-Indigenous people (10.0 per cent) aged 15–64 years on income support, with newstart allowance being the most common payment for Indigenous people in the NT (19.2 per cent of Indigenous people aged 15–64 years) (figure 8.4.5).

State and Territory data on the proportions of Indigenous and non-Indigenous people on income support are reported for additional payment types for 2006 in table 8A.4.16. Attachment tables 8A.4.14 to 8A.4.19 present the number of Indigenous and non-Indigenous people, on income support by payment types for 2003 to 2008, by State and Territory. To supplement these data, the number of Indigenous and non-Indigenous people on income support by payment types for 2003 to 2008, by remoteness are presented at tables 8A.4.20 to 8A.4.25.

8.5 Future directions in data

Labour market participation (full time /part time) by sector and occupation

In addition to the five-yearly Census, the ABS program of ongoing Indigenous specific surveys, including the National Aboriginal and Torres Strait Islander Health Survey (NATSIHS) and the National Aboriginal and Torres Strait Islander Social Survey (NATSISS), provides labour force data (including CDEP) on a three yearly cycle. Labour force information from the 2008 NATSISS will separately identify CDEP participants. These data will be available from late 2009.

Additional estimates of Indigenous labour force data over the period 2002 to 2007 are available, from the monthly Labour Force Survey (ABS 2008). These estimates are annual and hence more frequent than the Census, but, because the estimates are based on a smaller sample, they are of lower quality.

8.6 References

8.1 Labour market participation (full time /part time) by sector and occupation

Australian Bureau of Statistics 2008, *Labour Force Characteristics of Aboriginal and Torres Strait Islander Australians*, Cat. no 6287.0, ABS, Canberra.

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