9 Economic participation

|  |
| --- |
| Strategic areas for action |
|  |
| |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | |  |  |  |  |  | |  |  |  |  | |  |  |  |  | | Governance, leadership and culture |  | Early child development |  | Education and training | |  | Healthy lives |  | Economic participation | |  | Home environment |  | Safe and supportive communities | |  | | | | |  | | | | |  | | | | | | 9.1 Employment by full time/part time status, sector and occupation  9.2 Indigenous owned or controlled land and business | | | | | | | | | 9.3 Home ownership  9.4 Income support | | | | | | |  | | | | |  | | | | |  | | | | | |
|  |
|  |

Economic participation can affect people’s wellbeing in many ways. 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.

* Employment by full time/part time status, sector and occupation (section 9.1) — having a job can lead to improved incomes for families and communities, and also enhances self‑esteem and reduces social alienation. This indicator, which is closely associated with employment (section 4.7), examines some of the characteristics of the employment undertaken by Aboriginal and Torres Strait Islander people.
* Indigenous owned or controlled land and business (section 9.2) — land can be important to Aboriginal and Torres Strait Islander people for a range of cultural, environmental social and economic reasons. The economic benefits of land depend on factors such as location, land tenure rights, the governance arrangements of landholding bodies, and the aspirations of the Aboriginal and Torres Strait Islander landowners. Aboriginal and Torres Strait Islander controlled businesses have broad benefits for the economy, their local communities and the individuals who own them.
* Home ownership (section 9.3) — home ownership, although not an aspiration of all Aboriginal and Torres Strait Islander people, is an important indicator of wealth and saving. The importance of a safe home environment is discussed in section 10.
* Income support (section 9.4) — although provision of income support can prevent individuals from experiencing deprivation, reliance on income support is correlated with the disadvantages that accompany low socioeconomic status and can contribute to long-term welfare dependency. This is not always the case, with some people accessing income support to help sustain themselves while they are studying and/or training.

As noted above, economic participation is closely related to employment (section 4.7), as well as household and individual income (section 4.10).

The extent to which people participate in the economy is closely related to their personal circumstances (Hunter and Gray 2012). Other COAG targets and headline indicators that can directly influence economic participation are:

* early childhood education (section 4.3)
* reading, writing and numeracy (section 4.4)
* school attendance in Years 1 to 10 (section 4.5)
* Year 12 attainment (section 4.6)
* disability and chronic disease (section 4.9)
* imprisonment and juvenile detention rates (section 4.13).

In addition, improving financial literacy facilitates and supports individuals, families and communities to progressively achieve greater financial security and independence by making better financial decisions, including budgeting and the purchase of financial products and services (ASIC 2014; Wagland and Taylor 2015).

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

* governance, leadership and culture (chapter 5)
* early child development (chapter 6)
* education and training — school engagement, transition from school to work) (chapter 7)
* healthy lives (chapter 8)
* safe and supportive communities — alcohol, drug and substance misuse and harm (chapter 11).

Attachment tables for this chapter are identified in references throughout this chapter by an ‘A’ suffix (for example, ‘table 9A.1.1’). These tables can be found on the review web page (www.pc.gov.au/oid2020).

### References

ASIC (Australian Securities and Investments Commission) 2014, *National Financial Literacy Strategy   
2014–17*, Canberra.

Hunter, B.H. and Gray, M.C. 2012, *Continuity and Change in the CDEP Scheme*, CAEPR Working Paper No. 84/2012.

Wagland, S. and Taylor, S. 2015, ‘The conflict between financial decision making and Indigenous Australian culture’, *Financial Planning Research Journal*, vol. 1, no. 1, pp. 33–54.

## 9.1 Employment by full time/part time status, sector and occupation[[1]](#footnote-2)

|  |
| --- |
| Box 9.1.1 Key messages |
| * Understanding the full time/part time status, sector and occupation of people’s employment provides insights into the work people do. Individuals may select their work (for example, part time work may be desirable for those with caring commitments), or it may be all that is available to them. * Nationally, full time employment of Aboriginal and Torres Strait Islander people has changed little over the past 15 years — but the gap with non-Indigenous people has narrowed, with full time employment decreasing for non-Indigenous people. In 2017–19, the number of people aged 18–64 years in full time employment as a proportion of those employed was 63 per cent for Aboriginal and Torres Strait Islander people and 67 per cent for non‑Indigenous people. * Full time employment of Aboriginal and Torres Strait Islander people has increased in very remote areas — both as a proportion and as a number of people — but not enough to influence the overall full time employment rate. There has also been a decline in both the proportion and number of people working part time in remote areas. * Further research into what proportion of Aboriginal and Torres Strait Islander people are working part time by preference and what proportion may be underemployed would assist in developing policies and programs better suited to the needs of Aboriginal and Torres Strait Islander people. * While most Aboriginal and Torres Strait Islander people work in the private sector, the proportion of all public sector employees that are Aboriginal or Torres Strait Islander is higher. In 2016, almost four in every five employed Aboriginal and Torres Strait Islander people worked in the private sector (79 per cent), with one in five working in the public sector (21 per cent, compared to 15 per cent for non-Indigenous people). * Occupations that Aboriginal and Torres Strait Islander people are employed in are more likely to be lower paying than those in which non‑Indigenous people are employed. In 2018-19, the majority of Aboriginal and Torres Strait Islander people who were employed were employed as community and personal service workers (17 per cent) and labourers (15 per cent). * Patterns in employment by industry are fairly similar for Aboriginal and Torres Strait Islander and non-Indigenous employees, with the largest proportions employed in the health care and social assistance industry (14-15 per cent). |
|  |
|  |

|  |
| --- |
| Box 9.1.2 Measures of employment by full time/part time status, sector and occupation |
| There are three main measures for this indicator:   * *Working hours (full time or part time)* is defined as the proportions of employed people who are working full time or part time hours. The main data source is the ABS National Aboriginal and Torres Strait Islander Health Survey (NATSIHS)/National Aboriginal and Torres Strait Islander Social Survey (NATSISS), with the most recent available data (for 2018‑19) from the NATSIHS. Data for the non‑Indigenous population are sourced from the Australian Health Survey (AHS)/ National Health Survey (NHS)/General Social Survey (GSS), with the most recent data (for 2017‑18) from the NHS. Supplementary data are also available from the Census of Population and Housing, with the most recent available data for 2016. * *Sector of employment (public or private)* is defined as the proportion of employed people who are working in each sector. The main data source is the Census, with the most recent available data for 2016. * *Occupation* is defined as the proportion of employed people who are working in each occupation type. The main data source is the Census, with the most recent available data for 2016.   Data are also reported for a supplementary measure of the proportion of employed people by industry of employment.  NATSIHS/NATSISS data are reported for persons aged 18–64 years to enable comparisons of outcomes in 2004‑05, 2008, 2011‑13 and 2014‑15 with those in 1994 and 2002. Census data are available for persons aged 15‑64 years. Survey and Census data are not directly comparable.  Data are available for all jurisdictions by age, sex, and remoteness. |
|  |
|  |

Understanding the full time/part time status, sector and occupation of people’s employment provides insights into the work people do. Individuals may select their work (for example, part time work may be desirable for those with caring commitments), or it may be all that is available to them. Where there is over- or under-representation in a category of employment, this may indicate that people prefer it or that there are barriers to entering (or exiting) that category. Information on aggregate employment and labour force participation is available in section 4.7 *Employment*.

### Full time employment of Aboriginal and Torres Strait Islander people remains unchanged, but the gap with non-Indigenous people has narrowed

Full time employment of Aboriginal and Torres Strait Islander people has remained statistically unchanged since 2004-05. In 2018-19, 63 per cent of employed Aboriginal and Torres Strait Islander people aged 18–64 years were in full time employment (table 9A.1.1).

The gap between employed Aboriginal and Torres Strait Islander people and non‑Indigenous people in full time employment is narrowing, with the proportion of employed non‑Indigenous people in full time employment decreasing. In 2017-18, 67 per cent of employed non‑Indigenous people worked full time, compared with 71 per cent in 2004-05 (table 9A.1.1). This decrease has contributed to a narrowing of the gap from 12 percentage points in 2004‑05 to four percentage points in 2018-19 (figure 9.1.1).

|  |
| --- |
| Figure 9.1.1 Proportion of employed people aged 18–64 years in full time employment, 2004–05 to 2017–19**a,b,c** |
| |  | | --- | | Figure 9.1.1 Proportion of employed people aged 18–64 years in full time employment, 2004–05 to 2017–19  More details can be found within the text surrounding this image. | |
| a Includes CDEP employment for 2004-05, 2007-08 and 2011–13. b Error bars represent 95 per cent confidence intervals around each estimate. c See table 9A.1.1 for detailed definitions, footnotes and caveats. |
| *Source*: ABS (unpublished) NATSIHS 2004‑05; ABS (unpublished) NHS 2004-05; ABS (unpublished) NATSISS 2008; ABS (unpublished) NHS 2007-08; ABS (unpublished) Australian Aboriginal and Torres Strait Islander Health Survey (AATSIHS) 2012-13 (core component); ABS (unpublished) AHS 2011–13 (2011-12 Core component); ABS (unpublished) NATSISS 2014-15; ABS (unpublished) GSS 2014; ABS (unpublished) NATSIHS 2018‑19; ABS (unpublished) NHS 2017-18; table 9A.1.1. |
|  |
|  |

The proportion and number of Aboriginal and Torres Strait Islander employees working full time in remote areas has increased, but not enough to affect the proportion of people working full time. In 2004-05, 45 per cent (17 100) of Aboriginal and Torres Strait Islander employees were working full time, increasing to 59 per cent (20 500) of Aboriginal and Torres Strait Islander employees in 2018-19 (table 9A.1.1).

The proportion and number of employed Aboriginal and Torres Strait Islander people working part time in remote areas has declined over the same period — from 55 per cent (20 700 people) in 2004-05 to 41 per cent (14 400 people) in 2018-19 (table 9A.1.1). This decline has largely been in very remote areas, and may partly be due to the changes in the treatment of Community Development Employment Projects (CDEP)/Community Development Program (CDP) in employment data.[[2]](#footnote-3)

### More information is needed on Aboriginal and Torres Strait Islander employees and their work preferences

Not all people want to work full time. Many people may prefer to work part time, so a mix of full and part time employment opportunities is likely to be preferable (ABS 2014; Hunter and Gray 2016). For some Aboriginal and Torres Strait Islander people, extended family commitments and expectations may place greater demands on their time (GenerationOne 2013; Walker and Shepherd 2008) and so part time work may be preferable.

There are also people who want to work full time, but are currently working part time. They are underemployed[[3]](#footnote-4), as part time employment is not their preference.

It is difficult to know whether people are working part time by choice or if they would prefer working full time. Further research to estimate the preferred rate of full time to part time employment for Aboriginal and Torres Strait Islander people would assist in understanding what proportion of people are working part time by preference and what proportion may be underemployed, to inform the development of policies and programs better suited to the needs of Aboriginal and Torres Strait Islander people. Where there is underemployment, similar measures to those outlined in section 4.7 *Employment* should be adopted.

### While most Aboriginal and Torres Strait Islander employees work in the private sector, they are well represented in the public sector

Most Aboriginal and Torres Strait Islander employees work in the private sector. In 2016, almost four in every five employed Aboriginal and Torres Strait Islander people aged   
15–64 years worked in the private sector (79 per cent), with about one in five working in the public sector (21 per cent) (table 9A.1.4). These proportions represent a shift of five percentage points to the private sector since 2006 (table 9A.1.6).

Whilst most Aboriginal and Torres Strait Islander employees work in the private sector, the proportion of employees that are Aboriginal and Torres Strait Islander people is higher in the public sector (2.3 per cent) compared to the private sector (1.6 per cent) (table 9A.1.4). Available research indicates that Aboriginal and Torres Strait Islander employees in the public sector are largely represented in lower employment classifications and lower paying roles (Inside Policy 2019).

### Occupations that Aboriginal and Torres Strait Islander people are employed in are more likely to be lower paying than those in which non‑Indigenous people are employed

In 2016, the majority of Aboriginal and Torres Strait Islander people who were employed were employed as community and personal service workers (17 per cent) and labourers (15 per cent) (table 9A.1.16). There has been relatively little change in the occupations of Aboriginal and Torres Strait Islander people since 2006 (all within around two percentage points), with the exception of a decline in the proportion employed as labourers (down nine percentage points, from 24 per cent) (table 9A.1.18).

The occupations Aboriginal and Torres Strait Islander people were more likely to be employed in are lower paying relative to those of non‑Indigenous employees. For example, 20 per cent of employed Aboriginal and Torres Strait Islander people were managers or professionals, compared with 35 per cent of non-Indigenous employees (table 9A.1.16). Reasons for this may include that:

* Aboriginal and Torres Strait Islander people may prefer work that more tangibly helps the community, such as the work done by community and personal service workers (including health and welfare support workers and carers)
* higher paying occupations are primarily located in non-remote areas and are not necessarily available to employees in remote areas, where Aboriginal and Torres Strait Islander people are overrepresented
* higher paying jobs — such as those of managers and professionals — often require tertiary qualifications, and Aboriginal and Torres Strait Islander people are still underrepresented as holders of these qualifications (section 4.8 *Post-secondary education*) (Taylor et al. 2012).

However, the number of Aboriginal and Torres Strait Islander student enrolments in Bachelor or higher degrees has more than doubled since 2008 (section 4.8 *Post-secondary education*). Higher levels of education increase the rate of labour force participation and employment, including in higher paying occupations (section 7.3 *Transition from work to school*) which is anticipated to lead to higher Aboriginal and Torres Strait Islander incomes in the future.

### Patterns in employment by industry are similar across the Australian population, with the largest proportion employed in health care and social assistance

In 2018‑19, the largest proportions of employed Aboriginal and Torres Strait Islander people aged 18–64 years were in the health care and social assistance industry (15 per cent) and construction industry (14 per cent) (table 9A.1.20). Aboriginal and Torres Strait Islander people were least likely — within the industries examined — to be employed in rental, hiring and real estate services (less than one per cent) (table 9A.1.20). There were relatively small changes in the proportions across industries since 2014‑15 — with one exception, an increase of 4 percentage points in the proportion of Aboriginal and Torres Strait Islander people employed in construction (tables 9A.1.20 and 22).

Similarly, the largest proportion of employed non-Indigenous people aged 18–64 years in 2017-18 was in the health care and social assistance industry (14 per cent). The proportions employed in each of the other industries were less than 10 per cent. Non-Indigenous people were also least likely — within the industries examined — to be employed in rental, hiring and real estate services (two per cent) (table 9A.1.21).

### Future directions in data

Further research into the preferred rate of full time to part time employment for Aboriginal and Torres Strait Islander people would help to estimate what proportion of people are working part time by preference and what proportion may be underemployed. This would assist public policy decisions targeted at improving employment outcomes (similar to those outlined in section 4.7 *Employment*).

### References

ABS (Australian Bureau of Statistics) 2014, *Underemployed Workers, Australia, September 2013*, Cat. No. 6265.0, Canberra.

GenerationOne 2013, *Everybody’s Business: A Handbook for Indigenous Employment*, GenerationOne, Reconciliation Australia and Social Ventures Australia, Perth.

Hunter, B. and Gray, M. 2016, *The Ins and Outs of the Labour Market: Employment and Labour Force Transitions for Indigenous and Non-Indigenous Australians*, Working Paper, 104/2016, Centre for Aboriginal Economic Policy Research, Canberra.

Taylor, J., Gray, M., Hunter, B., Yap, M. and Adamson, J. 2012, *Higher Education and the Growth of Indigenous Participation in Professional and Managerial Occupations*, CAEPR Working Paper 83/2012.

Walker, R. and Shepherd, C.C. 2008, *Strengthening Aboriginal Family Functioning: What Works and Why?*, Kulunga Research Network, Telethon Institute for Child Health Research, Western Australia.

## 9.2 Indigenous owned or controlled land and business[[4]](#footnote-5)

| Box 9.2.1 Key messages |
| --- |
| * Land and waters ownership or rights, self-employment and business ownership can lead to autonomy and economic independence for all people. Control over assets is a means of wealth creation for communities and families, and it can deliver increased income and employment. * Aboriginal and Torres Strait Islander people currently own or control about 15 per cent of the land area of Australia, and have native title rights over almost 40 per cent and Indigenous Land Use Agreements (ILUAs) covering 33 per cent (recognition of native title and ILUAs are not mutually exclusive). * The proportion of land covered by native title and/or ILUAs has increased over time, but Aboriginal and Torres Strait Islander people’s direct ownership or control over land has remained unchanged. * Moreover, most of this land is in very remote areas, where it has a lower commercial value and higher transaction costs. * The potential economic benefits of ownership or access to lands and waters are significant, but depend on the location of the lands and waters and on what the lands can be used for. * For these economic benefits to be realised barriers to access to and use of land need to be removed. Governance arrangements that support shared decision-making for Aboriginal and Torres Strait Islander people alongside governments may be one way of removing barriers and increasing economic benefits. * The number of Aboriginal and Torres Strait Islander people in business (or self-employment) appears to have grown, but as a proportion of those employed (about 11 per cent in 2018‑19) has remained relatively unchanged over time. Furthermore, of those who are employed, Aboriginal and Torres Strait Islander people are less likely to be in business or self-employed than non-Indigenous people, though the gap appears to be narrowing. * Indigenous businesses face unique barriers — and, while there are many programs and policies in place to address these barriers more needs to be known about their effectiveness and the lessons learned should then be shared. |
|  |
|  |

| Box 9.2.2 Measures of Indigenous owned or controlled lands and business |
| --- |
| There are five main measures for this indicator.   * *Land tenure*. The different forms of land tenure reported overlap and cannot be aggregated. * *Indigenous owned or controlled lands* is defined as the proportion of all land which is Indigenous owned or controlled. Indigenous owned or controlled lands may be freehold, leasehold, crown, license, Aboriginal Deed of Grant in Trust or a form of land tenure that is not stated. The most recent available data for this measure are from the Indigenous Land and Sea Corporation (ILSC), as at May 2020 (all jurisdictions; remoteness). These data do not include Indigenous owned or controlled waters. * *Native title* is defined as the proportion of lands and inland water sources where native title has been found to exist wholly or partially. * *Indigenous land use agreements* (ILUAs) has two sub measures, defined as: * the number of ILUAs that intersect each State/Territory * the proportion of lands and inland waters that are subject to ILUAs   The most recent available data for the measures of native title and ILUAs are for 30 June 2019, from the National Native Title Tribunal (NNTT) (all jurisdictions; remoteness).   * *Economic benefits of Indigenous rights to lands* is reported using qualitative information about home ownership, service delivery, the customary economy, tradeable assets,  eco-services/land management and commercial businesses. * *Self-employment* is defined as the number of employed people aged 18–64 years who are self-employed; this is used as a proxy for Indigenous businesses. The main data source is the ABS National Aboriginal and Torres Strait Islander Health Survey (NATSIHS)/National Aboriginal and Torres Strait Islander Social Survey (NATSISS) with the most recent data for 2018-19 from the NATSIHS (all jurisdictions; age; sex; non‑remote areas only). Data for the non-Indigenous population are sourced from the ABS National Health Survey, with the most recent data for 2017-18. Supplementary data are available from the ABS Census of Population and Housing (Census) with the most recent data for 2016 (all jurisdictions; age; sex; remoteness). Survey and Census data are not directly comparable. |
|  |
|  |

Land and waters ownership or rights, self‑employment and business ownership can lead to autonomy and economic independence for all people. Control over assets is a means of wealth creation for communities, families and future generations, and it can deliver increased income and employment.

Land and waters ownership or rights are particularly important for Aboriginal and Torres Strait Islander people. Lands and waters are more than assets, they are fundamental to the identity of Aboriginal and Torres Strait Islander people. Having rights to lands and waters can also provide social and economic benefits to Aboriginal and Torres Strait Islander people. Salmon et al (2019, p. 9) found that for Aboriginal and Torres Strait Islander people “positive relations with Country fostered through caring for and being on Country help to develop key skills and knowledges, increasing a sense of self-worth and autonomy”.

Self-employment and participation in ownership of enterprises can allow individuals to improve overall levels of economic participation through increased financial capacity and independence. It can also deliver commercial benefits such as increased income, profits and employment. Encouraging growth in Indigenous businesses is one means of increasing Aboriginal and Torres Strait Islander people’s employment (section 4.7 *Employment*).

### Aboriginal and Torres Strait Islander people have three main forms of rights or tenure over their traditional lands, which determine the economic benefits they can derive from the land

Aboriginal and Torres Strait Islander people have three main forms of rights and/or tenure over lands and waters in Australia, by which they can potentially derive some economic benefit.

* *Indigenous owned or controlled lands and waters* are those owned or controlled through freehold, leasehold, crown, license, Aboriginal Deed of Grant in Trust or other forms of land title or through water allocation. The extent of the economic and other benefits from lands and waters that can be derived depends on the title type. The Indigenous Land and Sea Corporation (ILSC) has a significant role in this area:
* The ILSC purchases areas of lands and waters that cannot be acquired by other means (for example, land not available for claim under native title) and then divests them to prospective Aboriginal and Torres Strait Islander groups. The ILSC monitors the divested properties and, where they are at risk of being lost from the Indigenous estate[[5]](#footnote-6) due to insolvency, they are reacquired. In 2018‑19, the ILSC acquired five properties, reacquired three properties and divested seven properties (ILSC 2019). Table 9A.2.11 provides a map of the ILSC’s land acquisition activity.
* *Native title* is land for which the Australian legal system[[6]](#footnote-7), through the *Native Title Act 1993*, recognises Aboriginal and Torres Strait Islander peoples’ relationships to lands and waters arising from their continuous connection to Country (Pearson 2017). It provides varying degrees of control and management of lands and waters[[7]](#footnote-8), but not necessarily possession or ownership (Pearson 2010). Some (but not all) traditional owners (or claimants) have had their pre-existing rights recognised in the legal system, often with non-exclusive rights co-existing with other parties, while others have had title extinguished (Reid 2018). Native title rights allow Aboriginal and Torres Strait Islander people the right to practice their customs that existed pre-colonisation, but does not grant the right to use the land for economic purposes (Creamer 2020) and therefore commercial gain can be difficult (Department of the Prime Minister and Cabinet 2018).
* Compensation is to be provided to native title holders if the government stops native title holders from exercising their rights — for instance, by extinguishing native title to build a bridge or a road (Kimberley Land Council 2019). A High Court ruling in 2019 defined the definition of compensation as including both the loss of economic value and an estimation of the cultural loss caused by the relevant extinguishing acts (Dillon 2019).
* *Indigenous Land Use Agreements* (ILUAs) are a mechanism by which Aboriginal and Torres Strait Islander people can grant other parties access to or use of their lands and waters, in exchange for some form of benefit. The *Native Title Act 1993 (Cth)* allows Aboriginal and Torres Strait Islander people the right to make these Agreements with other parties (government or mining companies, for example) about the use or management of their lands or waters, either instead of, or in addition to, determining native title. For example, native title groups can enter into ILUAs — agreements that grant access or use of their lands or waters — in exchange for compensation, employment, training or other benefits for the native title owners (ATIC nd).

Each of these arrangements can provide economic benefits in terms of income or jobs, however they cannot always guarantee connection to lands for cultural and social activities. The social and cultural importance of lands and waters to Aboriginal and Torres Strait Islander people is discussed in section 5.8 *Access to traditional lands and waters*.

### Aboriginal and Torres Strait Islander people currently own or control about 15 per cent of the land area of Australia and have native title rights over about 40 per cent…

The different forms of land rights or tenures overlap (and so cannot be aggregated) but their coverage is as follows:

* Nationally in 2020, under different forms of title Aboriginal and Torres Strait Islander people directly owned or controlled 15 per cent of the land area of Australia   
  (table 9A.2.1).
* As at 30 June 2019, native title had been determined to exist in full or in part across 38 per cent of the total area of Australia, with the largest proportions in South Australia (55 per cent) and Western Australia (61 per cent) (tables 9A.2.3).
* Applications for determinations of native title commence as proceedings in the Federal Court and remain until they are resolved through determination, withdrawal, strike-out or dismissal. By 30 June 2019, a total of 452 determinations had been registered since 1994 — including 78 determinations that native title does not exist — with 163 active applications currently in the system (Federal Court of Australia 2019).
* Under the *Native Title Act 1993 (Cth)*, native title is extinguished over areas that were granted as freehold on or before 23 December 1996. Native title claimants cannot include any of these lands or waters in their applications[[8]](#footnote-9) (National Native Title Tribunal nd). This mainly affects non-remote areas where private property rights were established and public infrastructure existed in 1996.[[9]](#footnote-10)
* Although native title also applies to waters, Aboriginal and Torres Strait Islander peoples’ control of waters has been difficult to achieve because of the existing rights of other water users that hold water licences (Hoey 2019; Jackson 2017; PC 2017). For example, Aboriginal entities only control 0.2 per cent of the water entitlements in the NSW portion of the Murray Darling Basin, yet comprise 9 per cent of the local population (Hartwig, Jackson and Osborne 2020). In 2020, native title exists over 1.3 per cent of Australia’s sea maritime boundaries; this is an increase of 0.3 per cent since 2011 (The Commonwealth Government and Coalition of the Peaks 2020).
* On 30 June 2019, 33 per cent[[10]](#footnote-11) of the total area of Australia was subject to ILUAs, (table 9A.2.6). The total number of ILUAs increased from 84 on 30 June 2003 to 1289 on 30 June 2019 (table 9A.2.5) — with almost two‑thirds of all ILUAs (64 per cent) in Queensland, and with 58 per cent of land in South Australia subject to an ILUA (table 9A.2.5).

Tables 9A.2.7–11 contain maps showing the areas directly owned or controlled by Aboriginal and Torres Strait Islander people, or covered by native title registered ILUAs, by State and Territory and by remoteness.

### … but most of the owned and controlled and native title land is in very remote areas, where it has low commercial value and high transaction costs

Much of the Aboriginal and Torres Strait Islander owned or controlled land in Australia is of great cultural significance, but has low commercial value and high transaction costs due to remoteness. For areas owned or controlled by Aboriginal and Torres Strait Islander people, almost all (98 per cent) are in very remote areas; further, the majority of land is classified as ‘tenure not stated’, so it cannot be determined what economic development capacity the land has (table 9A.2.2). Similarly, almost all (95 per cent) of native title determinations are in very remote areas (primarily due to extinguishment prior to 1996 discussed above) (table 9A.2.4). For ILUAs the proportion in very remote areas was lower, at 75 per cent (table 9A.2.6).

Furthermore, constraints around native title may be preventing native title holders from using their property rights to engage in the economy without having to surrender and permanently extinguish their native title rights and interests (Wensing 2016). The Australian Trade and Investment Commission (nd) clarifies the differences between land tenure and native title as:

…land tenure are not the same as native title because tenure often includes a range of ownership rights that create commercial value and enable the traditional owners to pursue economic development opportunities. Native title rights by contrast comprise a bundle of residual rights related to traditional affiliations that have continued without extinguishment for the last two centuries since European settlement.

### The proportions of lands and waters covered by native title and/or ILUAs have increased over time, but the proportion of land under direct ownership or control has not changed

Aboriginal and Torres Strait Islander people’s tenure over lands and waters have increased over the past 15 years (figure 9.2.1). For native title and ILUAs, this increase has been by about 30 percentage points each. However, the proportion of land that is under direct ownership or control has remained unchanged since 2014, at about 15 per cent[[11]](#footnote-12) (table 9A.2.1).

| Figure 9.2.1 Proportion of land where Aboriginal and Torres Strait Islander people have some form of tenure, by tenure type, 2004 to 2020**a,b** |
| --- |
| | Figure 9.2.1 Proportion of land where Aboriginal and Torres Strait Islander people have some form of tenure, by tenure type, 2004 to 2020  More details can be found within the text surrounding this image. | | --- | |
| a The apparent overall decrease in Indigenous owned or controlled land since 2016 is due to revisions to the property register, no actual decrease has been observed. b See tables 9A.2.1, 9A.2.3 and 9A.2.5 for detailed definitions, footnotes and caveats. |
| *Source*: Indigenous Land and Sea Corporation 2020 (unpublished), National Native Title Tribunal (unpublished); tables 9A.2.1, 9A.2.3 and 9A.2.5. |
|  |
|  |

### The potential economic benefits of ownership or of access to lands and waters are significant, but depend on what the lands and waters can be used for…

The potential for deriving economic benefits from activities on lands and waters depends on: their location and its remoteness (discussed earlier); the attributes of the land; the extent of ownership and control over the land (for example, communal or otherwise restricted land title may limit the ability to sell or lease the land, or restrict land use); and the capacity and aspirations of the traditional owners.

Potential economic benefits from rights to lands and waters may accrue to Aboriginal and Torres Strait Islander people through:

* *Home ownership* — Private home and land ownership can provide economic benefits from living in, renting out, selling or borrowing against the property (see section 9.3 *Home ownership* for more information on home ownership). Many Aboriginal and Torres Strait Islander people live in community housing built on communally owned land, where ‘inalienable’ communal title prevents land from being sold or mortgaged. While this ensures ongoing Indigenous ownership of land, it has created barriers to individuals using land for housing or business or as security for a loan (though the granting of 99-year leases in some jurisdictions, such as Queensland and South Australia, goes some way towards addressing this issue).
* *Township leasing* — In 2006, the Commonwealth amended the Northern Territory *Aboriginal Land Rights (Northern Territory) Act 1976* and provided incentives (such as building community housing) to communities on Aboriginal land in the Northern Territory to lease their townships in exchange for rent. Some are leased to the Executive Director of Township Leasing (a statutory authority) which then administers and manages the sub-leases (including to schools and local councils), while others are managed by community corporations.
* *Service delivery* — Communally owned land can be used to site and deliver services (such as community housing, aged care and postal services) to Aboriginal and Torres Strait Islander communities, while income from land investments can enable the funding of services.
* *The customary and hybrid economy* — Aboriginal and Torres Strait Islander people can benefit from customary (non-monetary) activities associated with lands and waters such as harvesting or creating products for sale (Sanders 2016).
* *Providing access to lands* *and waters in exchange for compensation* — Aboriginal and Torres Strait Islander people have negotiated land use agreements (see the earlier discussion on ILUAs) with governments and others (for example, mining companies and pastoralists). These agreements can yield benefits in the form of: compensation; support for community services, facilities and infrastructure; employment and training programs; and protection of cultural sites (National Native Title Tribunal nd).
* *Eco-services and lands and waters management* — Many programs recognise and employ Aboriginal and Torres Strait Islander people with land management skills to jointly manage conservation reserves, national parks and marine parks. The Indigenous Protected Areas (IPAs) program aims to assist Aboriginal and Torres Strait Islander people in promoting a balance between conservation and other sustainable land uses to deliver social, cultural and economic benefits for their local communities. In 2020 there are 76 IPAs in place spanning 67 million hectares; an increase of 6 IPAs and 2 million hectares since 2016 (Department of the Environment nd; NIAA 2020).
* *Commercial businesses* — Enterprise development on Indigenous owned or controlled lands and waters provides opportunities for economic development, while allowing Aboriginal and Torres Strait Islander people to maintain a close connection to the land (Bawinanga Aboriginal Corporation 2007; Fordham, Fogarty and Fordham 2010).

### … but for these economic benefits to be realised barriers to the access and use of lands and waters must be removed; governance that supports shared decision-making could be key

Box 9.2.3 provides examples of shared decision-making between Aboriginal and Torres Strait Islander people and governments, with the aim of deriving benefits from lands and waters.

| Box 9.2.3 Shared decision-making with the aim of deriving benefits from lands and waters |
| --- |
| There are various approaches to increasing Aboriginal and Torres Strait Islander people’s access to, and control over, lands and sea. Three examples of shared decision making aimed at facilitating this are provided below.  **Traditional Owners and the Queensland Government negotiate annual work plans for the management of lands and sea**  Since the commencement of the Queensland Indigenous Land and Sea Ranger Program in 2007, the Queensland Government partners with Aboriginal and Torres Strait Islander communities to care for land and sea under Queensland jurisdiction.  Annual work plans are developed in partnership between the Traditional Owners, local communities and the Queensland Government regarding the conservation, protection and management of the lands and sea. The Queensland Government provides $12 million per year in grants to Aboriginal and Torres Strait Islander organisations to employ Ranger groups and implement the annual work plans. The program supports the employment of over 100 Aboriginal and Torres Strait Islander people across 24 regional and remote communities.  The Aboriginal Land Council of Tasmania (ALCT), a statutory body, works in conjunction with the Tasmanian Government to facilitate the return of land to Aboriginal people  The ALCT promotes and supports the cultural aspirations of Aboriginal people and negotiates with the Tasmanian Government for the return of land, and for funding support to manage Aboriginal lands. Under this arrangement more than 55 thousand hectares of land has been returned to Aboriginal people in Tasmania, with the majority of this land returned in 1995 and 2005.[[12]](#footnote-13)  The ALCT was established under the Aboriginal Lands Act 1995 (Tas) (the Act) which specifies the functions and powers of the ALCT. The ALCT has eight Aboriginal members, elected by Aboriginal persons aged 18 years or over, with two members representing each of the three mainland regions of Tasmania and one each from Flinders Island and Cape Barren Island. The ALCT is provided with funding by the Tasmanian Government for its operations. |
| (continued next page) |
|  |
|  |

| Box 9.23 (continued) |
| --- |
| Under the Act, Crown land can be returned to Aboriginal people with the agreement of the Parliament, by a mechanism that transfers the title to the ALCT, which then holds the title in perpetuity for Aboriginal people. In 2012 and 2013 attempts to return Crown land including sites at larapuna (Eddystone Point) and Rebecca Creek failed to pass the Legislative Council.  Despite these challenges, the return of more land to its original custodians remains a key part of the Tasmanian Government’s policy. As such, a review of the model for returning land to the Aboriginal community has been initiated to identify barriers to returning land, and seeking options to improve the land return process.  Furthermore, the political and social landscape in which land return and management is progressed in Tasmania has changed significantly since the Act passed in 1995. It has become more common for the ALCT to enter into its own property acquisition arrangements with partner organisations outside of the Act.[[13]](#footnote-14) In addition, the ALCT has also acquired land outside the Act.[[14]](#footnote-15)  The Aboriginal Lands Trust, a statutory board, works with the Western Australian Government to determine to whom Aboriginal people’s estate is divested  The ALT is a statutory board convened under the *Aboriginal Affairs Planning Authority Act 1972 (WA)* and is responsible for providing advice to the Minister for Aboriginal Affairs on ALT land issues, including divesting parcels of land from the ALT estate to Aboriginal people. Divestment provides Aboriginal people with both ownership and management rights over the land.  The ALT Board comprises seven members. Aboriginal people from WA can put in an expression of interest to be on the Board and are considered for selection by the Western Australian Government.  The ALT estate covers approximately 10 per cent of land in Western Australia. Aboriginal people and organisations with an interest in the land parcels are encouraged to determine the most appropriate Aboriginal organisation to receive the divestment of the land. The divestment process requires the development of a divestment strategy for recommendation to the Board. The divestment strategy involves ongoing engagement and negotiation between the Department of Planning, Lands and Heritage and interested Aboriginal people and organisations. The Board decides whether or not the land should be divested to a particular organisation or group of people, the appropriate tenure and conditions for divestment and makes a recommendation to the Minister of Aboriginal Affairs for approval, together with recommendations for the Minister for Lands, prior to divestment occurring. |
| *Source*: Department of Finance (2020); DPLH (2019, 2020), Tasmanian Government (2018, 2019); Tasmanian Government (unpublished), Queensland Department of Environment and Science (2018) Queensland Government (nd), Queensland Government (unpublished), Western Australian Government (unpublished). |
|  |
|  |

Changes in technology and infrastructure will alter the opportunities for Aboriginal and Torres Strait Islander people to derive economic benefit from their lands and waters if they desire. Box 9.2.4 provides a case study of how shared decision-making aims to facilitate this.

| Box 9.2.4 Joint Governance in the Dampier Peninsula Project |
| --- |
| The Dampier Peninsula Project (the Project) aims to maximise the benefits for the local Aboriginal communities, by balancing economic, cultural, social and environmental values  The Project, which began in 2019, aims to maximise the benefits for Aboriginal communities and industries on the Dampier Peninsula of Western Australia, from increased visitors due to the sealing of the Broome–Cape Leveque road. The sealing of the road is expected to increase the number of day visitors to the Dampier Peninsula, which will increase both the social and economic opportunities for, and impacts and risks to, the Aboriginal communities.  The Dampier Peninsula Working Group (DPWG) was established by Dampier Peninsula communities in 2017 to represent the interests of local communities and industries. As part of the Project, the DPWG are also working with the Western Australian Government to maximise the opportunities for local communities and industries, while also protecting and enhancing local cultural, social and environmental values.  Participation by local Aboriginal communities in decision-making is key to ensuring this balance, and is achieved through the DPWG…  For the Project, the DPWG shares decision-making power with the Western Australian Government by:   * providing recommendations to the Senior Officers Working Group (SOWG), which is made up of employees from 19 Western Australian Government agencies who implement the recommendations * having the DPWG chair, and the local coordinator as part of the SOWG.   All recommendations from the DPWG are forwarded to the SOWG, with decisions and funding commitments considered by Directors General and the Jobs and Economic Development sub‑committee of the Western Australian Cabinet.  … that has the representation and resources to operate effectively  DPWG members are representatives from the four largest Aboriginal communities, the four native title groups, Aboriginal ranger groups and outstations[[15]](#footnote-16) on the Dampier Peninsula. The DPWG decide their own structure, membership and set the agenda for their meetings. Funds from the Western Australian Government are used to employ a full time coordinator through the Kimberley Land Council to support the DPWG, and to reimburse members for meetings and travel costs. |
| (continued next page) |
|  |
|  |

| Box 9.2.4 (continued) |
| --- |
| The DPWG has identified key priorities for facilitating economic opportunities and protecting local values and secured additional funding for infrastructure  After consultation with communities the DPWG identified four work streams: visitor management, social support, economic opportunities and project coordination.  One of the sub projects identified is ‘land tenure and approvals support.’ Simplifying the land tenure and approvals is intended to assist local Aboriginal people and organisations to undertake a commercial business or expand existing operations, and be compliant with statutory requirements on Native Title Determined Lands. |
| *Source*: Department of Premier and Cabinet (unpublished); Government of Western Australia (2019a, 2019b, 2019c); Kimberley Land Council (2020). |
|  |
|  |

### There are also other ways to support Aboriginal and Torres Strait Islander people in realising the economic benefits of their lands and waters

Ways to address barriers that restrict Aboriginal and Torres Strait Islander people’s ability to create economic development opportunities on Indigenous land have previously been identified (Australian Human Rights Commission roundtable with Aboriginal and Torres Strait Islander leaders on economic development and property rights), and comprise five key areas:

* *Fungibility*[[16]](#footnote-17) *and native title* — at present native title is communally held and inalienable (that is, it cannot be changed or removed). But this should not be used to prevent it from creating future economic gain; that is, fungibility and native title should be able to co‑exist. Enabling this co-existence would require a change to the Native Title Act.
* *Business development support and succession planning* — ensuring that Aboriginal and Torres Strait Islander people have sound and sustainable governance and structures in place to successfully engage in business and manage their estates (see also the section 4.10 *Household and individual income* on the importance of financial literacy).
* *Financing economic development* — creating financial products, such as bonds, to underwrite economic development by engaging the financial services sector and related Aboriginal and Torres Strait Islander organisations.
* *Promoting Aboriginal and Torres Strait Islander peoples’ right to development* — promoting opportunities for development on Indigenous land including identifying options to provide greater access to resources (AHRC 2015).

Five key areas for governments to focus their efforts were identified in 2015 (Senior Officers Working Group 2015):

* *Gaining efficiencies and improving effectiveness in the process of recognising rights* — the process of recognising Aboriginal and Torres Strait Islander people’s rights and interests in land of under the Native Title Act and statutory land rights regimes can be time consuming and expensive. For example, as at 30 June 2019, 122 of the current 339 native title cases in the Federal Court had been filed before 2014 (that is, more than   
  one-third of then-current cases were filed in the court more than five years ago) (Federal Court of Australia 2019 sec. appendix 5).
* *Supporting bankable interests in land* — As Indigenous land has mostly communal and inalienable title (meaning that it cannot be sold or mortgaged), innovative mechanisms are required so that land can be used as collateral for a loan. Establishing a forum for Aboriginal and Torres Strait Islander stakeholders and the banking sector to better understand opportunities for private investment could help identify appropriate mechanisms.
* *Improving the process for doing business on Indigenous owned lands and land subject to native title* — Compliance with the processes specified under the Native Title Act and the various statutory land rights regimes can be time consuming and expensive, and a deterrent to investment. More efficient and accountable decision-making processes could facilitate greater investment and economic development opportunities[[17]](#footnote-18).
* *Investing in the building blocks of land administration* — Remote Indigenous communities often have limited or no access to the basic building blocks of land administration such as cadastre surveys, town planning and zoning, and essential services infrastructure.[[18]](#footnote-19) State and territory legislation such as environmental, planning and heritage regulations, when applied to remote Aboriginal and Torres Strait Islander communities, can unreasonably restrict development opportunities.
* *Building capable and accountable landholding and representative bodies* — Much of the institutional infrastructure of landholding and representative bodies was developed to achieve successful claims for recognition of native title or Indigenous land. This infrastructure has not yet fully adapted to supporting the use of those rights as part of the economy (Australian Government 2015).

The Australian Government and the states and territories are implementing the recommendations in the five focus areas ‘subject to their unique circumstances and resource constraints’ (COAG 2015; DITRDC 2019).

The Our North, Our Future White Paper also identified ways to ‘simplify and modernise’ land arrangements in Northern Australia (Australian Government 2015). Pilot programs to broaden the commercial development of land and increase business activity are being trialled (Office of Northern Australia 2019).

### The number of Aboriginal and Torres Strait Islander people who are self-employed appears to have grown, but as a proportion of those employed it is relatively unchanged

The number of Aboriginal and Torres Strait Islander people who are in business (or self‑employment) has grown in recent decades (Shirodkar, Hunter and Foley 2018), at a similar rate to employment. Between the 2006 and 2016 Censuses the number of identified Aboriginal and Torres Strait Islander people aged 18–64 years who were self‑employed grew by almost 70 per cent; however, as a share of those employed the proportion was relatively unchanged (figure 9.2.2).

| Figure 9.2.2 Aboriginal and Torres Strait Islander people who are self‑employed, as a number and proportion of those employed aged 18–64 years**a** |
| --- |
| | Figure 9.2.2 Aboriginal and Torres Strait Islander people who are  self-employed, as a number and proportion of those employed aged 18–64 years  More details can be found within the text surrounding this image. | | --- | |
| a See table 9A.2.15 for detailed definitions, footnotes and caveats. |
| *Sources*: ABS (unpublished) derived from the Census of Population and Housing various years (2006, 2011 and 2016); table 9A.2.15. |
|  |
|  |

Self-employment as a share of employment increases with age and is more common for men. The proportions of those employed who are self-employed are highest for males aged   
55–64 years for both Aboriginal and Torres Strait Islander and non-Indigenous people (table 9A.2.15).

Similar patterns of self-employment are indicated in survey data reported over a longer period (from 1994 to 2018-19) for Aboriginal and Torres Strait Islander people in non‑remote areas. However, large margins of error limit the analysis. In 2018-19, 11 per cent of employed Aboriginal and Torres Strait Islander people were self‑employed, with the only statistically significant difference in the past 25 years occurring in 2012-13 with the proportion about five percentage points lower (table 9A.2.12).

### Aboriginal and Torres Strait Islander people who are employed are less likely to be in business or self-employed than non-Indigenous people, but the gap appears to be narrowing

Aboriginal and Torres Strait Islander people who are employed are less likely to be in business or self-employed than non-Indigenous people. In 2018-19, employed non‑Indigenous people were 1.6 times more likely to be self-employed than employed Aboriginal and Torres Strait Islander people. However, the gap in self-employment rates appears to have narrowed, having been twice as large up to 2001 (figure 9.2.3).

| Figure 9.2.3 Proportion of employed people who were in business or self‑employed, by Indigenous status, 1994 to 2018-19**a** |
| --- |
| | Figure 9.2.3 Proportion of employed people who were in business or  self-employed, by Indigenous status, 1994 to 2018-19  More details can be found within the text surrounding this image. | | --- | |
| a See table 9A.2.12 for detailed definitions, footnotes and caveats. |
| *Source*: ABS (unpublished) National Aboriginal and Torres Strait Islander Survey 1994; ABS (unpublished) National Health Survey 1995, 2001 (including the Indigenous supplement (NHS)), 2004-05, 2007-08, 2017-18; ABS (unpublished) National Aboriginal and Torres Strait Islander Health Survey 2004-05, 2018-19; ABS (unpublished) National Aboriginal and Torres Strait Islander Social Survey 2008, 2014-15; ABS (Unpublished) Australian Aboriginal and Torres Strait Islander Health Survey 2012-13 (2012-13 Core component); ABS (unpublished) Australian Health Survey 2011­13 (2011­12 Core component); ABS (unpublished) General Social Survey, 2014; table 9A.2.12. |
|  |
|  |

### Aboriginal and Torres Strait Islander-owned businesses face barriers to establishment and growth…

Supply Nation and First Australians Capital (2018) summarised statistics, expert interviews and literature reviews, and identified the following barriers to the establishment and growth of Indigenous businesses:

* process and capabilities — limited ability for large businesses to accommodate small‑scale Aboriginal and Torres Strait Islander business in the supply chain
* business skills — limited holistic business skills and/or operational experience
* networks and support — limited access to networks for developing business membership and early stage support as well as advice on scaling and access to resources to expand business
* entrepreneurship and business mindset — contributing to the community rather than increasing personal income[[19]](#footnote-20), was the most common reason for starting a business
* start-up and scale funding — start-up funding was affected by a lack of inter-generational wealth, low personal savings and low home ownership, while difficulties existed in accessing funding with the right risk profile and size to scale the businesses.

### … but greater understanding about the effectiveness of the programs and policies aimed at removing these barriers is needed

There are currently many programs and policies aimed at addressing these unique barriers[[20]](#footnote-21), but we do not know how effective they are in doing so. For example, an audit of the Indigenous Procurement Policy found that the design of the policy was sound but there had been inadequate implementation planning and delays in the process (Australian National Audit Office 2020). More guidance and attention was needed on the implementation of the policy to ensure that it was meeting its objective of increasing economic opportunities for Aboriginal and Torres Strait Islander people and businesses (Australian National Audit Office 2020). The ANAO (2020) recommended implementing an evaluation strategy that clearly outlines the approach to measuring the impacts of the policy on Aboriginal and Torres Strait Islander employment and business outcomes.

Evaluations should be conducted by evaluators who are technically and culturally capable (PC 2020). The lessons learned from the evaluations should be considered when formulating or modifying policies and programs.

### Future directions in data

There is a lack of data on Aboriginal and Torres Strait Islander peoples’ ownership and control of waters. Collecting these data would be beneficial to our understanding of the amount of economic opportunity available to Aboriginal and Torres Strait Islander people from water resources.

The tenure type for Indigenous owned or controlled land is recorded as ‘not stated’ in around 80 per cent of the ILSC data on Indigenous owned or controlled land (table 9A.2.1). As different tenure types have different governance arrangements and rules for how the land can be used, better information on tenure type is critical.

Data on self-employment for Aboriginal and Torres Strait Islander people and non‑Indigenous people in remote areas are not currently available from ABS surveys — largely due to the difficulty of obtaining a sufficient sample for reliable estimates. An alternative approach to collecting these data should be investigated.

### References

AHRC (Australian Human Rights Commission) 2015, *Communiqué: Indigenous Leaders Roundtable on Economic Development and Property Rights*, 19 May, Broome, https://www.humanrights.gov.au/our-work/aboriginal-and-torres-strait-islander-social-justice/projects/indigenous-property-rights (accessed 20 May 2016).

—— (Australian Human Rights Commission) 2016, *Indigenous Property Rights Project - Garma Roundtable Background Paper*, https://humanrights.gov.au/sites/default/files/ Garma%20discussion%20paper% 2011%20August%202016\_1.pdf (accessed 13 July 2020).

ATIC (Australian Trade and Investment Commission) nd, *Aboriginal and Torres Strait Islander Land*, https://www.austrade.gov.au/land-tenure/Land-tenure/aboriginal-and-torres-strait-islander-land (accessed 7 July 2020a).

—— (Australian Trade and Investment Commission) nd, *What is Land Tenure?*, Australian Trade and Investment Commission, https://www.austrade.gov.au/land-tenure/Land-tenure/about-land-tenure (accessed 5 November 2020b).

Australian Government 2015, *Our North, Our Future: White Paper on Developing Northern Australia*, Department of Industry, Science, Energy and Resources, Canberra.

—— 2018, *Indigenous Business Sector Strategy: Supercharging Indigenous Business Start-Up and Growth 2018–2028*, Text, Canberra.

Australian National Audit Office 2020, *Aboriginal and Torres Strait Islander Participation Targets in Major Procurements*, Auditor General Report, 25, Canberra.

Bawinanga Aboriginal Corporation 2007, *Djelk Wildlife Enterprises Business Plan 2007-08/09*, Bawinanga Aboriginal Corporation, Maningrida.

COAG (Council of Australian Governments) 2015, *COAG Meeting Communiqué, 11 December 2015*, Canberra.

Creamer, J. 2020, ‘Call to add economic rights to native title to bolster Indigenous communities’, ABC news radio, https://www.abc.net.au/radio/programs/pm/call-to-add-economic-rights-to-native-title/12642540 (accessed 9 October 2020).

Department of Communities 2018, *Discussion paper: Improving the model for returning land to the Aboriginal community*, Tasmanian Government, Hobart.

—— 2019, *Consultation and Stakeholder Feedback Report: Improving the Model for Returning Land to Aboriginal Communities*, Tasmanian Government, Hobart.

Department of Finance 2020, *Types of Australian Government Bodies*, Australian Government, https://www.finance.gov.au/government/managing-commonwealth-resources/structure-australian-government-public-sector/types-australian-government-bodies (accessed 7 August 2020).

Department of the Environment nd, *Indigenous Protected Areas*, https://www. environment.gov.au/land/ indigenous-protected-areas (accessed 11 July 2016).

Department of the Prime Minister and Cabinet 2018, *Closing the Gap Prime Minister’s report 2018*, Australian Government, Canberra.

Dillon, M.C. 2019, *Policy Implications of the Timber Creek Decision*, CAEPR Working Paper, 128/2019, Centre for Aboriginal Economic Policy Research, Canberra.

DITRDC (Department of Infrastructure, Transport, Regional Development and Communications) 2019, *Building Stronger Regional Communities 2019-2020*, Budget 2019-20, Australian Government, Canberra.

DPLH (Western Australian Department of Planning, Lands and Heritage) 2019, *Annual Report 2018/19: Aboriginal Affairs Planning Authority*, Perth.

—— (Western Australian Department of Planning, Lands and Heritage) 2020, *Aboriginal Lands Trust*.

Federal Court of Australia 2019, *Federal Court of Australia Annual Report 2018-19*, Canberra.

Fordham, A., Fogarty, B. and Fordham, D. 2010, *The Viability of Wildlife Enterprises in Remote Indigenous Communities of Australia: A Case Study*, Working Paper, 63/2010, Centre for Aboriginal Economic Policy Research, Canberra.

Fryer-Smith, S. 2000, ‘Safe backyards?: Freehold land and native title’, *Legal Issues in Business*, vol. 2.

Government of Western Australia 2019a, ‘Dampier Peninsula Project’, *Project Update*, October 2019, https://www.wa.gov.au/sites/default/files/2019-10/Dampier%20 Peninsula\_Project-Update\_October-2019.pdf (accessed 3 August 2020).

—— 2019b, ‘Dampier Peninsula Project’, *Newsletter*, October 2019, https:// www.wa.gov.au/sites /default /files/2019-11/Dampier%20Peninsula\_newsletter\_FINAL\_October\_2019\_0.pdf (accessed   
3 August 2020).

—— 2019c, *Infrastructure boost for Dampier Peninsula*, Media release, Perth, https://www.mediastatements.wa.gov.au/Pages/McGowan/2019/09/Infrastructure-boost-for-Dampier-Peninsula.aspx (accessed 5 November 2020).

Hartwig, L., Jackson, S. and Osborne, N. 2020, ‘Trends in Aboriginal water ownership in New South Wales, Australia’, *Land Use Policy*, vol. 99.

Hoey, J. 2019, ‘What needs to change to secure Indigenous water rights?’, *Current*, vol. 3, no. 1.

ILSC (Indigenous Land and Sea Corporation) 2019, *Indigenous Land and Sea Corporation Annual Report 2018-19*, Australian Government, Canberra.

Jackson, S. 2017, *Enduring and Persistent Injustices in Water Access in Australia*, Natural Resources and Environmental Justice, Griffith university, Queensland, pp. 121–123.

Kimberley Land Council 2019, *Native Title Compensation*, https://www.klc.org.au/native-title-compensation#\_ftn1 (accessed 7 June 2020).

—— 2020, *Dampier Peninsula Project Newsletter*, Newsletter, Edition # 2, Broome.

National Native Title Tribunal nd, *​About Indigenous Land Use Agreements*, Government, National Native Title Tribunal, http://www.nntt.gov.au/ILUAs/Pages/default.aspx (accessed 7 July 2020a).

—— nd, *Native Title Claims and Freehold Land*, http://www.nntt.gov.au/nativetitleclaims/ Pages/Native-title-claims-and-freehold-land.aspx (accessed 21 July 2020b).

NIAA (National Indigenous Australians Agency) 2020, *Indigenous Protected Areas*, https://www.niaa.gov.au/indigenous-affairs/environment/indigenous-protected-areas-ipas (accessed 7 July 2020).

—— (National Indigenous Australians Agency) nd, *Caveat Removal Guidelines*, https://www.niaa.gov.au/indigenous-affairs/commonwealth-caveated-property/caveat-removal-guidelines (accessed 27 July 2020).

Office of Northern Australia 2019, *Indigenous Businesses and Entrepreneurs*, Northern Australia agenda, Department of Industry, Science, Energy and Resources, Darwin.

PC (Productivity Commission) 2017, *National Water Reform*, Report no. 87, Canberra.

—— (Productivity Commission) 2020, *A Guide to Evaluation Under the Indigenous Evaluation Strategy*, Draft Report, Canberra.

Pearson, N. 2010, ‘Opinion: Promise of Mabo not yet realised’, *The Australian*, 28 May.

—— 2017, ‘Opinion: Resistance to full embrace jars 25 years after Mabo’, *The Australian*, 3 June.

Poelina, A. 2019, ‘A coalition of hope! A regional governance approach to Indigenous Australian cultural wellbeing’, *Australasian Journal of Environmental Management*, pp. 153–180.

Queensland Department of Environment and Science 2018, *Queensland Indigenous Land and Sea Ranger Program Guidelines*.

Queensland Government nd, *Indigenous Land and Sea Ranger Program*, https://www.qld.gov.au/environment/ plants-animals/conservation/community/land-sea-rangers/about-rangers (accessed 5 November 2020).

Reid, L. 2018, ‘Native title, land rights and Aboriginal self-determination’, *Emerging scholars in Australian Indigenous Studies*, vol. 4, no. 1, pp. 8–13.

Salmon, M., Doery, K., Dance, P., Chapman, J., Gilbert, R., Williams, R. and Lovett, R. 2019, *Defining the Indefinable: Descriptors of Aboriginal and Torres Strait Islander Peoples’ Cultures and their Links to Health and Wellbeing*, Research School of Population Health, The Australian National University, Canberra.

Sanders, W. (ed) 2016, *Engaging Indigenous Economy: Debating Diverse Approaches*, Centre for Aboriginal Economic Policy Research, ANU Press, Canberra.

Senior Officers Working Group 2015, *Investigation into Indigenous Land Administration and Use*, Australian Government, Canberra.

Shirodkar, S., Hunter, B. and Foley, D. 2018, *Ongoing Growth in the Number of Indigenous Australians in Business*, 125, Centre for Aboriginal Economic Policy Research, ANU.

Supply Nation and First Australians Capital 2018, *Indigenous business growth - Working together to realise potential*, Australia.

The Commonwealth Government and Coalition of the Peaks 2020, *People Maintain a Distinctive Cultural, Spiritual, Physical and Economic Relationship with their Land and Waters*, Closing the Gap in Partnership.

Wensing, E. 2016, *The Commonwealth’s Indigenous Land Tenure Reform Agenda: Whose Aspirations, and for What Outcomes?*, AIATSIS research publications, Canberra.

## 9.3 Home ownership[[21]](#footnote-22)

|  |
| --- |
| Box 9.3.1 Key messages |
| * Home ownership is an important indicator of wealth and saving. It also provides security of tenure and allows greater control over living arrangements which are important for improving people’s physical health, mental wellbeing, feelings of safety, education, employment and  intergenerational wealth. * In 2018-19, one in three Aboriginal and Torres Strait Islander households owned or were purchasing a home, and about three in ten Aboriginal and Torres Strait Islander adults lived in a home owned by a household member. These figures have remained relatively unchanged over the past 10–15 years. * For Aboriginal and Torres Strait Islander adults, higher proportions were living in homes owned by a household member in major cities and inner regional areas than in other areas. * While the proportion living in a home owned by a household member was lower than for non‑Indigenous adults, the gap has decreased since 2002 (from 46 to 37 percentage points). This is primarily due to a decline in the proportion of non‑Indigenous adults living in homes owned by household members. * Low rates of home ownership for Aboriginal and Torres Strait Islander people likely result from both historic policies and their ongoing intergenerational impact, and current barriers to home ownership (such as lower incomes, lower employment rates, lack of savings for a deposit or insufficient credit history, racism and land tenure constraints). But some Aboriginal and Torres Strait Islander people may find that the concept of individual home ownership does not work for their community. * A range of policies are in place to overcome these barriers and increase home ownership for Aboriginal and Torres Strait Islander people. Evaluations (with Aboriginal and Torres Strait Islander perspectives at the centre) would improve our understanding of their effectiveness (or lack thereof) in increasing homeownership. |
|  |
|  |

|  |
| --- |
| Box 9.3.2 Measures of home ownership |
| There are two main measures for this indicator.   * *Living in a home owned with or without a mortgage* is defined as the proportion of people aged 18 years or over who were, living in homes that someone in their household owned, with or without a mortgage. The main data source is the ABS National Aboriginal and Torres Strait Islander Social Survey (NATSISS)/ National Aboriginal and Torres Strait Islander Health Survey (NATSIHS), with the most recent data available for 2018-19 (NATSIHS). Data for the  non-Indigenous population are sourced from the Australian Health Survey (AHS)/ General Social Survey (GSS)/ National Health Survey (NHS), with the most recent data available for 2017-18 (NHS). Supplementary data are also available from the Census of Population and Housing, with the most recent available data for 2016. Survey and Census data are not directly comparable. * *Proportion of Aboriginal and Torres Strait Islander households owning or purchasing a home* is defined as the number of Aboriginal and Torres Strait Islander households owning or purchasing a home as a proportion of the total number of Aboriginal and Torres Strait Islander households. An Aboriginal and Torres Strait Islander household is defined as a household where one or more occupants identify as being of Aboriginal and/or Torres Strait Islander origin. Data are sourced from the NATSISS/ NATSIHS, with the most recent data available for 2018-19 (NATSIHS) (all jurisdictions; location; tenure). |
|  |
|  |

Home ownership is an important indicator of wealth and saving. Owning a home provides a secure asset base against which people can borrow, contributes to financial stability and presents opportunities for wealth creation (Forrest 2014; Senior Officers Working Group 2015).

Home ownership also provides security of tenure and greater control over living arrangements (Anderson et al. 2018). Having this security and control are important for improving people’s physical health, mental wellbeing, feeling of safety, education and employment opportunities and inter-generational wealth creation (Brackertz, Davison and Wilkinson 2017; Deloitte Access Economics 2019). Home ownership is closely related to other indicators in this report, particularly those concerning education (see section 4.3 *Early childhood education*, section 4.4 *Reading, writing and numeracy*, section 4.5 *Year 1 to 10 attendance*, section 4.6 *Year 12 attainment*, and section 4.8 *Post‑secondary education*), employment (section 4.7 *Employment*) and people’s home environment (chapter 10 *Home environment*).

However, the concept of ‘home ownership’ does not necessarily have the same meaning for some Aboriginal and Torres Strait Islander people as it does for many non-Indigenous people. Some Aboriginal and Torres Strait Islander people have a preference for communal or community ownership of housing rather than individual ownership (Crabtree et al. 2018; Terrill 2017). The communal ownership perspective focuses ‘on strengthening culture and community, promoting health, fostering stability, or any of the other functions of housing’, which are important to many Aboriginal and Torres Strait Islander people (Crabtree 2016, p. 230). But the security of tenure that can be provided by individual home ownership is also important to many Aboriginal and Torres Strait Islander individuals and families.

Furthermore, the desire to own a home is not homogenous, and there are benefits to having a diverse range of housing tenures available to suit a range of preferences. For example, some Aboriginal and Torres Strait Islander people prefer to rent (Crabtree et al. 2018). In 2018‑19, almost two-thirds of Aboriginal and Torres Strait Islander households lived in rental properties (ABS 2019) — but it is not known what proportion chose to rent for mobility or other reasons, as distinct from the proportion who rented but would have preferred to own a home if they could.

### About three in ten Aboriginal and Torres Strait Islander adults live in homes owned by a household member, a proportion that has remained unchanged since 2002…

The proportion of Aboriginal and Torres Strait Islander adults living in a home owned, with or without a mortgage, by a member of their household has remained relatively unchanged since 2002 (from 27 per cent in 2002 to 31 per cent in 2018-19). While, the proportion of Aboriginal and Torres Strait Islander adults living in homes owned with a mortgage increased slightly from 17 per cent in 2002 to 21 per cent in 2018-19, the proportion living in homes owned outright in 2018-19 remained at 10 per cent — the same as in 2002 (table 9A.3.1).

### …but this proportion is lower for Aboriginal and Torres Strait Islander adults living in remote areas

For Aboriginal and Torres Strait Islander adults, higher proportions in major cities and inner regional areas were living in homes owned by a household member than in other areas. In 2018-19, around two in five Aboriginal and Torres Strait Islander adults in major cities and inner regional areas lived in a house owned by a household member, compared with 25 per cent in outer regional areas, 19 per cent in remote areas and 6 per cent in very remote areas (table 9A.3.1).

### The gap with non-Indigenous adults has narrowed over time, driven by a decrease in the proportion of non-Indigenous adults living in homes owned by a household member

The gap between the proportions of Aboriginal and Torres Strait Islander adults and non‑Indigenous adults living in a home owned, with or without a mortgage, by a household member has narrowed since 2002 (from 46 percentage points in 2002 to 37 percentage points in 2017–19). This narrowing was primarily driven by a decrease in the proportion of   
non-Indigenous adults living in homes owned by a household member (from 74 per cent in 2002 to 68 per cent in 2017-18) (tables 9A.3.1-2).

However, the proportion of non-Indigenous adults living in a home owned by a member of their household is still twice the proportion for Aboriginal and Torres Strait Islander adults (table 9A.3.1), and this gap increases as remoteness increases (figure 9.3.1).

|  |
| --- |
| Figure 9.3.1 Proportion of adults living in homes owned by a household member, by remoteness and Indigenous status, 2017–19**a,b,c** |
| |  | | --- | | Figure 9.3.1 Proportion of adults living in homes owned by a household member, by remoteness and Indigenous status, 2017–19  More details can be found within the text surrounding this image. | |
| a See table 9A.3.1-2 for detailed definitions, footnotes and caveats b Error bars represent 95 per cent confidence intervals around each estimate. c The rate ratio is of non-Indigenous adults to Aboriginal and Torres Strait Islander adults. |
| *Source*: ABS (unpublished) National Aboriginal and Torres Strait Islander Health Survey 2018-19; ABS (unpublished) National Health Survey, 2017-18; tables 9A.3.1-2. |
|  |
|  |

### Consistent with the results above, about one in three Aboriginal and Torres Strait Islander households own or are purchasing a home, and this proportion has not changed over time

The proportion of Aboriginal and Torres Strait Islander households owning or purchasing a home remains unchanged from 2008 (at around 32 per cent in both 2008 and 2018-19) (tables 9A.3.10–13). A higher proportion of households owned or were purchasing a home with a mortgage (23 per cent) than without a mortgage (10 per cent) in 2018-19 (table 9A.3.14) — similar to the proportions recorded in 2012-13 (tables 9A.3.16).

Home ownership varied across Indigenous regions. Available data for 2016 show that Aboriginal and Torres Strait Islander people were more like to own or be purchasing their home if they lived in more populated areas (figure 9.3.2).

| Figure 9.3.2 Proportion of Aboriginal and Torres Strait Islander households that owned or were purchasing their home by Indigenous region in 2016**a** |
| --- |
| | Figure 9.3.2 Proportion of Aboriginal and Torres Strait Islander households that owned or were purchasing their home by Indigenous region in 2016  Map of Australia - Torres Strait  More details can be found within the text surrounding this image.Figure 9.3.2 Proportion of Aboriginal and Torres Strait Islander households that owned or were purchasing their home by Indigenous region in 2016  Map of Australia - Legend  More details can be found within the text surrounding this image.Figure 9.3.2 Proportion of Aboriginal and Torres Strait Islander households that owned or were purchasing their home by Indigenous region in 2016  Map of Australia  More details can be found within the text surrounding this image. | | --- | |
| a See table 9A.3.18 for detailed definitions, footnotes and caveats. |
| *Source*: ABS (unpublished) Census of Population and Housing 2016 (TableBuilder); table 9A.3.18. |
|  |
|  |

### What are the barriers preventing Aboriginal and Torres Strait Islander people from owning their own homes, and how can they be removed?

The low rate of home ownership for Aboriginal and Torres Strait Islander people is likely a result of both historic policies (and their ongoing intergenerational effects) and current barriers to home ownership.

The intergenerational effects of historical government policies (see chapter 1 and section 4.10 *Household and individual income*) continue to impact younger Aboriginal and Torres Strait Islander people’s home ownership rates (PMC 2018). For example, Aboriginal and Torres Strait Islander people have only had unrestricted rights to own property since after the 1967 referendum (Reconciliation Australia 2018). International research has found that people are three times as likely to own a property if their parents were homeowners (Wood and Clarke 2018). With potentially only three generations of Aboriginal and Torres Strait Islander people able to have owned property, the proportion of young Aboriginal and Torres Strait Islander people owning property is likely to remain lower than for non-Indigenous people.

In addition, and related to these intergenerational effects, Aboriginal and Torres Strait Islander people in both non-remote and remote areas face a range of barriers to owning a home — including lower incomes (see section 4.10 *Household and individual income*), lower employment rates (see section 4.7 *Employment*), lack of savings for a deposit, or insufficient credit history (AIHW 2019).

Furthermore, land tenure arrangements can be an additional barrier to home ownership, which may explain the lower home ownership rates in remote areas (Brackertz, Davison and Wilkinson 2017; FaHCSIA 2013). In particular, native title does not grant freehold rights, meaning that building homes on native title land is generally not allowed (Maurus 2017). However, extinguishing native title to transfer to another tenure that would allow home ownership may not be desirable to the traditional owners, as it can be seen as dissolving the cultural integrity of the community and allowing the alienation of traditional lands (Maurus 2017).

Declining household affordability and difficulties accessing finance also make it more difficult for Aboriginal and Torres Strait Islander people to become home owners (Anderson et al. 2018). House prices have risen more rapidly than incomes since the mid-1990s for all Australians, and this has resulted in a decline in housing affordability (Daley and Coates 2018). There is evidence to suggest this affordability barrier is compounded for Aboriginal and Torres Strait Islander people who continue to be subjected to interpersonal and institutional racism as a barrier to accessing finance and home ownership (Moodie, Maxwell and Rudolph 2019; Shelter WA and Aboriginal Legal Services of Western Australia 2010) — and who, on average, have lower incomes and less savings compared to non-Indigenous people (section 4.10 *Household and individual income*; AIHW 2019).

A range of policies are currently in place to overcome these barriers and increase home ownership among Aboriginal and Torres Strait Islander people (for those wanting ownership). These policies include home loan schemes, rent to buy schemes, shared equity schemes and long‑term leases (Brackertz, Davison and Wilkinson 2017).

But the barriers to home ownership do not affect everyone equally. It is important to target programs to where they are most needed and can make the biggest impact. For example, an evaluation of a home loan scheme for Aboriginal and Torres Strait Islander people could not verify that the financial assistance was going to people unable to access finance, rather than to those who could (ANAO 2015). In addition, home ownership, rent and mortgages are concepts that may not have the same meaning for some Aboriginal and Torres Strait Islander people as they do for non-Indigenous people (Crabtree 2016).

Understanding households’ tenure preferences could assist in identifying areas where barriers are significant or where assistance could be better targeted. For example, a survey of Alice Springs town camp residents found that 38 per cent expressed a desire to own their homes, 35 per cent preferred to rent and 26 per cent opposed the idea of owning a home (Crabtree et al. 2018). If the home ownership rate was significantly lower than 38 per cent assistance could be targeted towards identifying addressing the main barriers to home ownership.

Evaluations of the different policy options would improve our understanding of the policies’ effectiveness at increasing homeownership. Aboriginal and Torres Strait Islander priorities and perspectives need to be central to any evaluation and the subsequent lessons learned (Crabtree 2016; PC 2020).

### Future directions in data

Data on Aboriginal and Torres Strait Islander people’s views and preferences on home ownership are currently only collected through small-scale research. Collecting this data would assist with public policy decisions regarding home ownership for Aboriginal and Torres Strait Islander people.

### References

ABS (Australian Bureau of Statistics) 2019, *National Aboriginal and Torres Strait Islander Health Survey, 2018-2019*, Cat. no. 4715.0, Canberra.

AIHW (Australian Institute of Health and Welfare) 2019, *Aboriginal and Torres Strait Islander People: A Focus Report on Housing and Homelessness*, 29 March, Cat. no. HOU 301, Canberra.

ANAO (Australian National Audit Office) 2015, *Indigenous Home Ownership Program*, Audit Report No. 11 2015-2016, Canberra.

Anderson, M., Williamson, A., Fernando, P., Wright, D. and Redman, S. 2018, ‘Housing conditions of urban households with Aboriginal children in NSW Australia: tenure type matters’, *BMC Public Health*, vol. 18, no. 70.

Brackertz, N., Davison, J. and Wilkinson, A. 2017, *How can Aboriginal Housing in NSW and the Aboriginal Housing Office Provide the Best Opportunity for Aboriginal People?*, AHURI, New South Wales.

Crabtree, L. 2016, *Exploring Hybridity in Housing: Lessons for Appropriate Tenure Choices and Policy*, Centre for Aboriginal Economic Policy Research, Canberra, pp. 223–237.

——, Davis, V., Foster, D. and Klerck, M. 2018, ‘A tale of (at least) three reports: Agency and discourse in the Alice Springs town camps’, *Global Media Journal*, vol. 12, no. 1.

Daley, J. and Coates, B. 2018, *Housing Affordability: Re-imagining the Australian Dream*, 2018–04, Grattan Institute, Melbourne.

Deloitte Access Economics 2019, *Indigenous Home Ownership: Impact Analysis*, IBA: Building communities, Canberra.

FaHCSIA (Department of Family, Housing, Community Services and Indigenous Affairs) 2013, *Indigenous Home Ownership Paper - Select Council on Housing and Homelessness*, Australian Government, Canberra.

Forrest, A. 2014, *The Forrest Review: Creating Parity*, Commonwealth of Australia, Canberra.

Maurus, J. 2017, ‘“The Australian dream”: Is ordinary freehold the last and best home-ownership option for Torres Strait Islanders?’, *Australian Indigenous Law Review*, vol. 20, pp. 178–214.

Moodie, N., Maxwell, J. and Rudolph, S. 2019, ‘The impact of racism on the schooling experiences of Aboriginal and Torres Strait Islander students: A systematic review’, *The Australian Educational Researcher*, vol. 46, pp. 273–295.

PC (Productivity Commission) 2020, *Indigenous Evaluation Strategy: Draft Report*, Canberra.

PMC (Prime Minister and Cabinet) 2018, *Aboriginal and Torres Strait Islander Consumers’ Interactions with Financial Services*, Background paper for the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry, Canberra.

Reconciliation Australia 2018, *27 May - 1967 Referendum*.

Senior Officers Working Group 2015, *Investigation into Indigenous Land Administration and Use*, Australian Government, Canberra.

Shelter WA and Aboriginal Legal Services of Western Australia 2010, *Joint Submission to the Australian Government, Department of Families, Housing, Community Services and Indigenous Affairs: Home ownership*, Submission, Western Australia.

Terrill, L. 2017, ‘Township leases and economic development in Northern Territory Aboriginal communities’, *Monash University Law Review*, vol. 43, no. 2.

Wood, C. and Clarke, S. 2018, *House of the Rising Son (or Daughter): The Impact of Parental Wealth on their Children’s Homeownership*, England.

## 9.4 Income support[[22]](#footnote-23)

|  |
| --- |
| Box 9.4.1 Key messages |
| * A person’s wellbeing is influenced by many factors, but having an adequate income remains an essential component of individual and household wellbeing. Income support aims to support people who cannot, or cannot fully, support themselves. * In 2018‑19, government pensions and allowances (45 per cent) and employee income (44 per cent) were jointly the main source of personal cash income for Aboriginal and Torres Strait Islander people aged 18−64 years. A lack of comparable data has limited analysis of income sources over time. * Aboriginal and Torres Strait Islander people continue to be overrepresented in the income support system across each of the selected income support payment types. This reflects their ongoing experience of structural barriers affecting their earning capacity and financial security. * Furthermore, since the introduction of social security in Australia, Aboriginal and Torres Strait Islander people have been treated differently (and often detrimentally) through the income support system (including through income management and conditions on income support payments). For income support programs to be effective and equitable, the ability of Aboriginal and Torres Strait Islander people to meet and comply with the requirements needs to be considered when developing them. |
|  |
|  |

|  |
| --- |
| Box 9.4.2 Measures of income support |
| There are two main measures for this indicator.   * *Personal cash income* is defined as the proportion of people aged 18–64 years by main source of personal cash income. The main data source is the ABS National Aboriginal and Torres Strait Islander Social Survey (NATSISS)/National Aboriginal and Torres Strait Islander Health Survey (NATSIHS) with the most recent data available for 2018‑19. Data for the  non-Indigenous population are sourced from the Australian Health Survey (AHS)/ General Social Survey (GSS)/ National Health Survey (NHS) with the most recent data for 2017-18.   Data on main source of personal cash income from the 2018-19 survey are not comparable with previous surveys for Aboriginal and Torres Strait Islander people, and data for non‑Indigenous people for the current period are only available for non-remote areas (see ‘Future directions in data’ for more information).   * *People receiving income support payments* is defined as the proportion of people aged  15–64 years receiving income support payments by payment type. The main data source is Services Australia’s administrative data, with the most recent data available for 2019. As individuals can receive multiple payment types, these data cannot be aggregated. |
|  |
|  |

A person’s wellbeing is influenced by many factors, but having an adequate income remains an essential component of individual and household wellbeing (AIHW 2019b). Income support aims to support people who cannot, or cannot fully, support themselves through other means, such as employment (AIHW 2019a). Income support may be provided to the aged, people with disability, carers, youth and students, families with children, the unemployed, and widows.

### Government pensions and allowances and employee income are the main sources of personal cash income for Aboriginal and Torres Strait Islander people

In 2018‑19, government pensions and allowances (45 per cent) and employee income (44 per cent) were the main sources of personal cash income for Aboriginal and Torres Strait Islander people aged 18−64 years (table 9A.4.1).

As remoteness increases, these proportions increase for government pensions and allowances and decrease for employee income. The proportion of Aboriginal and Torres Strait Islander people whose main source of personal cash income was a government pension or allowance was 36 per cent in major cities, rising to 57 per cent in outer regional and 48 per cent in very remote areas (table 9A.4.4). Conversely, the proportion whose main source was employee income was 53 per cent in major cities, falling to 32 per cent in very remote areas (table 9A.4.4).

Data for non-Indigenous people are only available for non-remote areas for the most recent reporting period. Across these areas (major cities and regional areas) in 2017–19, Aboriginal and Torres Strait Islander people received government pensions and allowances as their main source of income at 3.5 times the rate of non-Indigenous people (table 9A.4.4).

For all people in non-remote areas, the proportion whose main source of income was government pensions and allowances increased as remoteness increased, possibly reflecting the greater number of employment opportunities in less remote areas (AIHW 2019a). But the increase was larger for Aboriginal and Torres Strait Islander people (21 percentage points) than for non-Indigenous people (8 percentage points) (figure 9.4.1).

Data is also available for people receiving government cash pensions and allowances irrespective of whether it is their main source of personal cash income (tables 4A.9.5–9).

| Figure 9.4.1 Main sources of personal cash income, non-remote areas only, people aged 18–64 years, 2017–19**a,b,c** |
| --- |
| | Figure 9.4.1 Main sources of personal cash income, non-remote areas only, people aged 18–64 years, 2017–19  More details can be found within the text surrounding this image. | | --- | |
| a Relative standard errors and 95 per cent confidence intervals should be considered when interpreting these data. b Bars do not sum to 100 per cent as some people registered no source of income or not stated. c See table 9A.4.4 for detailed definitions, footnotes and caveats. |
| *Source*: ABS (unpublished) National Aboriginal and Torres Strait Islander Health Survey 2018-19; ABS (unpublished) National Health Survey 2017-18; table 9A.4.4. |
|  |
|  |

### A higher proportion of Aboriginal and Torres Strait Islander people than non‑Indigenous people receive income support, across all payment types

A higher proportion of Aboriginal and Torres Strait Islander people than non‑Indigenous people receive income support. In 2019, Newstart Allowance was the most common income support payment received by Aboriginal and Torres Strait Islander people (going to 14 per cent of people aged 15–64 years), followed by the Disability Support Pension (DSP) (nine per cent) and the Parenting Payment Single (seven per cent). The DSP and Newstart Allowance were the most common income support payment received by non‑Indigenous people (each being received by four per cent of people aged 15–64 years) (figure 9.4.2).

Proportions have remained relatively stable over the last decade with the exception of the increase in receipt of Newstart Allowance among Aboriginal and Torres Strait Islander people (by about three percentage points between 2012 and 2015[[23]](#footnote-24)) (figure 9.4.3).

|  |
| --- |
| Figure 9.4.2 People aged 15–64 years receiving income support payments, by selected payment type, 2019**a** |
| |  | | --- | | Figure 9.4.2 People aged 15–64 years receiving income support payments, by selected payment type, 2019  More details can be found within the text surrounding this image. | |
| a See table 9A.4.13 for detailed definitions, footnotes and caveats. |
| *Source*: Centrelink (unpublished); ABS 2019, *Australian Demographic Statistics, June 2019* Cat. no. 3101.0; ABS 2019, *Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2006‑31*, Cat. no. 3238.0; table 9A.4.13. |
|  |
|  |

|  |
| --- |
| Figure 9.4.3 People aged 15–64 years receiving income support payments, by selected payment type, 2010 to 2019**a** |
| |  | | --- | | Figure 9.4.3 People aged 15–64 years receiving income support payments, by selected payment type, 2010 to 2019  More details can be found within the text surrounding this image. | |
| a See table 9A.4.13 for detailed definitions, footnotes and caveats. |
| *Source*: Services Australia administrative data; ABS (various years) Australian Demographic Statistics, June (various years), Cat. no. 3101.0; ABS (2014) Estimates and Projections, Aboriginal and Torres Strait Islander Australians 2001 to 2026, Cat. no. 3238.0; table 9A.4.13. |
|  |
|  |

### What are some of the structural barriers facing Aboriginal and Torres Strait Islander people that relate to income support payments?

Aboriginal and Torres Strait Islander people are more likely to face barriers affecting their earning capacity and financial security, which in turn contribute to their continued over-representation in the income support system. A person’s capacity to earn an adequate income is influenced by many factors such as: availability of employment; level of education, training or skills; caring responsibilities; or limitations due to health status or disability (AIHW 2019a). As established in other sections of this report Aboriginal and Torres Strait Islander people face more barriers affecting their earning capacity (see sections 4.6 *Year 12 attainment*, 4.7 *Employment*, 4.8 *Post-secondary education*, 4.9 *Disability and chronic disease* and 4.10 *Household and individual income*). Relatively low levels of financial literacy also make it more difficult for Aboriginal and Torres Strait Islander people to achieve financial security (financial literacy is discussed in section 4.10 *Household and individual income*).

Furthermore, since the introduction of social security in Australia, Aboriginal and Torres Strait Islander people have been treated differently (and often detrimentally) through the income support system. There have been many periods in which Aboriginal and Torres Strait Islander people either did not have the same access to income support payments as non‑Indigenous people, received support in a different way or had greater conditions placed on payments (Venn, Biddle and Sanders 2020). This has been true in recent times and is even true today. For example:

* income management arrangements[[24]](#footnote-25) affect the way in which income support payments are delivered and how the money can be spent; these restrictions disproportionately affect Aboriginal and Torres Strait Islander people due to the trial sites selected (ANAO 2018). Income management was introduced in the NT in 2007 and has since been expanded to selected locations around Australia (Bray 2016; DSS 2015). Evaluations of income management in Australia have not found consistent benefits or positive effects (ANAO 2018; Bray et al. 2012, 2014; Hunt 2017)
* conditions placed on income support payments in the now ceased School Enrolment and Attendance Measure (SEAM)[[25]](#footnote-26), introduced in 23 remote Aboriginal communities in the NT (Australian Government 2020). As with income management, the locations where it was introduced meant that the additional regulatory requirements to receive income support payments disproportionately affected Aboriginal and Torres Strait Islander people.

Aboriginal and Torres Strait Islander people continue to face barriers to meeting both access and compliance requirements for income support payments.

* Aboriginal and Torres Strait Islander people living with disability face more barriers to accessing the DSP than non-Indigenous people (Fitts and Soldatic 2018; Neave 2016). In 2015, the eligibility criteria and assessment process for the DSP changed requiring a greater amount of proof of disability (Fitts and Soldatic 2018). Obtaining this proof is often harder for Aboriginal and Torres Strait Islander people due to communication and language barriers, barriers to accessing specialist services and the cost of gathering the evidence relative to their income (Fitts and Soldatic 2018, 2019). For information on disability and chronic diseases see section 4.9.
* Over time, people in remote employment services (through the Remote Jobs and Community Program and the Community Development Program (CDP)) were made subject to more stringent obligations (often above those required for non-remote programs[[26]](#footnote-27)) and there were inadequate adaptations for Aboriginal and Torres Strait Islander people’s different cultural, social and economic circumstances (Fowkes 2016, 2019). This was in contrast to the original Community Development Employment Projects program which for many Aboriginal and Torres Strait Islander people was valued as an empowering program that improved both individual and community wellbeing (Jordan 2016). These changes have contributed to a substantial escalation in penalties for non-compliance which can result in a loss of income payments for up to eight weeks (Fowkes 2016, 2019).

For income support programs to be effective and equitable, the ability of Aboriginal and Torres Strait Islander people to meet and comply with the requirements needs to be considered in the application process (Fitts and Soldatic 2018; Neave 2016). This is particularly true for remote areas where these requirements can disproportionately affect Aboriginal and Torres Strait Islander people. For example, a study of remote Indigenous communities found insufficient digital infrastructure and low digital literacy impacted the ability of residents to apply for support and fulfil reporting requirements (O’Sullivan and Walker 2018). Furthermore, these requirements don’t address the actual barriers to engagement in employment or education in these areas (Billings 2011). Alternatively, the requirements could be adapted for the social, cultural and economic differences of Aboriginal and Torres Strait Islander people (Klein 2016).

### Future directions in data

Changes in the ABS’s survey method for collecting income data in the 2018-19 NATSIHS have meant that data are not comparable for main source of personal income:

* between the 2018-19 survey and previous surveys for Aboriginal and Torres Strait Islander people, and so cannot be used to understand how income has changed over time
* with the non-Indigenous personal income data collected through the 2017-18 NHS which did not survey in remote areas. This means that the gap between Aboriginal and Torres Strait Islander and non-Indigenous people cannot be ascertained, nor whether it has changed over time.

Data collection that allows analysis of income over time, and between Aboriginal and Torres Strait Islander people and non-Indigenous people, should be maintained.

### References

AIHW (Australian Institute of Health and Welfare) 2019a, *Australia’s welfare: data insights*, Cat. no. AUS 226, Australia’s welfare series no. 14, Canberra.

—— (Australian Institute of Health and Welfare) 2019b, *Indigenous income and finance*, Australia’s welfare, Canberra.

ANAO (Australian National Audit Office) 2018, *The implementation and performance of the cashless debit card trial*, Audit Report, Canberra.

Australian Government 2020, *Social Security Guide*, Social Security Guide, Canberra.

Billings, D.P. 2011, ‘Income management in Australia: Protecting the vulnerable and promoting human capital through welfare conditionality’, *Journal of Social Security Law*, vol. 18, no. 4, pp. 167–191.

Bray, J.R., Gray, M., Hand, K. and Katz, I. 2014, *Evaluating New Income Management in the Northern Territory: Final Evaluation Report*, Social Policy Research Centre, UNSW, Sydney.

Bray, R. 2016, *Income management evaluations - What do we know? Placing the findings of the evaluation of new income management in the Northern Territory in context*, CAEPR Working Paper No. 111/2016, Centre for Aboriginal Economic Policy Research, Canberra.

——, Gray, M., Hand, K., Bradbury, B., Eastman, C. and Katz, I. 2012, *Evaluating New Income Management in the Northern Territory: Final Evaluation Report*, University of New South Wales, Sydney.

DSS (Department of Social Services) 2015, *Income Management – 2015 Budget*, https://www.dss.gov.au/sites /default/files/documents/05\_2015/2015\_budget\_fact\_sheet\_-\_income\_management\_-\_final\_0\_0.pdf (accessed 30 June 2016).

Fitts, M. and Soldatic, K. 2018, ‘Disability income reform and service innovation: Countering racial and regional discrimination’, *Global Media Journal*, vol. 12, no. 1, p. 13.

—— and —— 2019, ‘Sorting yourself out of the system: Everyday processes of elusive social sorting in Australia’s disability social security regime for Indigenous Australians’, *Disability and Society*, vol. 35, no. 3, pp. 347–365.

Fowkes, L. 2016, *Impacts on social security penalties of increased remote work for the dole requirements*, CAEPR Working Paper no. 112/2016, Centre for Aboriginal Economic Policy Research, Canberra.

Fowkes, L. 2019, *The Application of Income Support Obligations and Penalties to Remote Indigenous Australians, 2013–2018*, CAEPR Working Paper no. 126/2019, March, Centre for Aboriginal Economic Policy Research, Canberra.

Hunt, J. 2017, *The Cashless Debit Card Trial Evaluation: A Short Review*, CAEPR Working Paper no. 1/2017, Centre for Aboriginal Economic Policy Research, Canberra.

Jordan, K. 2016, *Better Than Welfare?: Work and Livelihoods for Indigenous Australians after CDEP*, Research Monograph, 36, Centre for Aboriginal Economic Policy Research, Canberra, p. 282.

Klein, E. 2016, *How the Ideas Behind Universal Basic Income can Inform the Development of Employment Policy for Remote Indigenous Australia*, CAPER Topical Issue, 2/2016, Job creation and income support in remote Indigneous Australia: Moving forward with a better system, Centre for Aboriginal Economic Policy Research, Canberra.

Neave, C. 2016, *Department of Human Services: Accessibility of Disability Support Pension or Remote Indigenous Australians*, Commonwealth Ombudsman, Canberra.

O’Sullivan, S. and Walker, C. 2018, ‘From the interpersonal to the internet: Social service digitisation and the implications for vulnerable individuals and communities’, *Australian Journal of Political Science*, vol. 53, no. 4.

Venn, D., Biddle, N. and Sanders, W. 2020, *Trends in Social Security Receipt Among Indigenous Australians: Evidence from Household Surveys 1994-2015*, CAEPR Working Paper no. 135/2020, Centre for Aboriginal Economic Policy Research, Canberra.

1. The Steering Committee notes its appreciation to Dr Heron Loban, Griffith University, who reviewed a draft of this section of the Report. [↑](#footnote-ref-2)
2. Prior to 2007, all CDEP participants were classified as employed. Post-2007 participants in CDP have not been classified as being in the labour force in official statistics; they have therefore generally been classified as not employed (see section 4.7 *Employment* for more detail). [↑](#footnote-ref-3)
3. Underemployment occurs when an individual would like to, and is available to, work more hours than they currently are. [↑](#footnote-ref-4)
4. The Steering Committee notes its appreciation to Dr Heron Loban, Griffith University, who reviewed a draft of this section of the Report. [↑](#footnote-ref-5)
5. The Indigenous estate comprises the assets held, or reasonably likely to be held, by or for the benefit of Aboriginal and/or Torres Strait Islander people (NIAA nd) [↑](#footnote-ref-6)
6. In 1992, in the Mabo case the High Court of Australia decided that the common law of Australia would recognise native title. This decision led to the *Native Title Act 1993 (Cth)*, which has subsequently been amended several times. A range of other legislation and arrangements, including Indigenous laws, affect Aboriginal and Torres Strait Islander peoples’ title-holding and management of lands and waters. For example, several native title holder groups may come together to protect and manage a river as a single living system (Poelina 2019). [↑](#footnote-ref-7)
7. Native title and associated rights can co-exist with some forms of land tenure such as pastoral leases and Crown land, but can be extinguished by others such as freehold titles (ATIC nd). Native title rights and interests may include rights to: live on the area and/or to access the area for traditional and cultural reasons (ATIC nd). [↑](#footnote-ref-8)
8. A native title application may be made over freehold land on the basis that it was invalidly granted, but the chances of this happening are very low (National Native Title Tribunal nd). [↑](#footnote-ref-9)
9. An article by Fryer-Smith (2000) stated that ‘approximately 21 per cent of Australia’s land area is currently freehold’. Most freehold land is likely to be located in urban areas (based on information on WA and the NT from AusTrade nd). [↑](#footnote-ref-10)
10. Land subject to ILUAs refers to the total area of a State or Territory covered by ILUAs registered with the NNTT as a proportion of the total area of the State or Territory. ILUAs can overlap (a place may be subject to multiple ILUAs) but these figures do not include any double counting. Data on the gross area of ILUAs are in table 9A.2.5. [↑](#footnote-ref-11)
11. Duplications of land parcels in the property register have been removed since the 2016 reporting period. That change has meant that the data show a one percentage point decrease in the proportion of Indigenous held land in 2020 compared with 2016, but no actual decrease in land area has occurred. [↑](#footnote-ref-12)
12. In 1995, 13 parcels of land were returned; and in 2005, Cape Barren Island and Clarke Island were returned. [↑](#footnote-ref-13)
13. For example, the Kings Run property is a 338 hectare site between the Arthur River and Marrawah in   
    North-West Tasmania and was purchased by the ALCT through a collaborative funding arrangement with other organisations. [↑](#footnote-ref-14)
14. This saw the private gifting of 110 hectares in eastern Tasmania by the Teniswood family in 2019 to the ALCT. [↑](#footnote-ref-15)
15. An outstation is a very small permanent community of Aboriginal people, often family groups. These can also be known as homeland communities. [↑](#footnote-ref-16)
16. Fungibility refers to the notion that goods or property are interchangeable with other commodities of the same kind and amenable to being bought and sold on a market. Aboriginal and Torres Strait Islander peoples’ interests in land generally comes from their connection to particular areas and so the land doesn’t have the quality of fungibility (AHRC 2016). [↑](#footnote-ref-17)
17. One of the recommended actions for governments supporting this area was amending the Native Title Act to create choice in decision-making for native title holders and greater. At the same time, the *Aboriginal Land Rights (Northern Territory) Amendments Act 2015* was amended to allow NT land councils to delegate certain functions and powers to Aboriginal corporations and improve their capacity to take advantage of economic opportunities. [↑](#footnote-ref-18)
18. A cadastre is a comprehensive recording of the owners of the land and the amount and value of the land. [↑](#footnote-ref-19)
19. This can be a barrier to growth, if growing the business would be detrimental to the community. For example, a business might be able to increase its profits by moving manufacturing from the community to an area with cheaper labour, but an owner more concerned with the community might not do this because it would reduce the number of jobs in the community and leave the community worse off. [↑](#footnote-ref-20)
20. See the Indigenous Business Sector Strategy (Australian Government 2018) and Indigenous Business Growth (Supply Nation and First Australians Capital 2018) for examples. [↑](#footnote-ref-21)
21. The Steering Committee notes its appreciation to Dr Heron Loban, Griffith University, who reviewed a draft of this section of the Report. [↑](#footnote-ref-22)
22. The Steering Committee notes its appreciation to Dr Heron Loban, Griffith University, who reviewed a draft of this section of the Report. [↑](#footnote-ref-23)
23. A similar but smaller percentage point increase was seen for non-Indigenous people (figure 9.4.3). [↑](#footnote-ref-24)
24. Income management process controls the way in which people can spend a portion of the income they receive from income support and related government transfer payments (Bray 2016). [↑](#footnote-ref-25)
25. SEAM aimed to ‘increase the enrolment and regular school attendance of compulsory school-age children whose parents are receiving a schooling requirement payment, by placing conditions on the parents' receipt of such payments’ (Australian Government 2020). [↑](#footnote-ref-26)
26. For example, people aged 18-49 on the CDP are required to complete 1150 hours of work for the dole activities per year with activities held Monday to Friday. By contrast, Jobactive (the program for non-remote participants) requires participants to only 650 hours of activities per year with flexibility as to when the activities can be undertaken (Fowkes 2019). [↑](#footnote-ref-27)