

CHAPTER 13

INDIGENOUS AUSTRALIANS

It is etched on the collective psyche of Aboriginal and Torres Strait Islander people today that social and economic exclusion was arbitrarily enforced upon us. The ramifications of this exclusion has set the platform for the tragic circumstances experienced by [Indigenous] people in Australia. Some continue to live in absolute forms of poverty.¹

13.1 Indigenous Australians remain the most disadvantaged and marginalised group in Australia. On all the standard indicators of poverty and disadvantage, Indigenous people emerge as the most socially and economically deprived.

Although poverty in Australia is evident among all ethnic groups, it is Indigenous Australians who appear most profoundly affected by poverty. Research has shown, over the past thirty years since the Henderson Inquiry into poverty, that Indigenous Australians are significantly worse off than non-Indigenous Australians, according to all social indicators...Not only is poverty deeply entrenched, the causes are complex...despite government policies directed towards achieving economic equality for Indigenous Australians, there has been little improvement to their relative socioeconomic status, according to standard social indicators.²

13.2 This chapter discusses the nature and extent of poverty among Indigenous people and strategies to improve the social and economic outcomes for Indigenous Australians.

Measuring Indigenous poverty

13.3 There are significant difficulties in defining and measuring Indigenous poverty. There is both a lack of data and the available data is often unreliable. In addition, measures of poverty tend to be culturally-specific as well as subjective.³

13.4 In the case of income distribution statistics several issues have been highlighted. One is the inappropriate use of the nuclear family as the income unit in which income is assumed to be shared – Aboriginal culture places considerable emphasis on the extended rather than the nuclear family and there are strong cultural obligations to share resources. In addition, the non-material poverty, in terms of dispossession from the land, and absolute material deprivation suffered by Aboriginal people suggest a

1 *Committee Hansard* 6.8.03, p.1227 (ATSIC).

2 *Submission* 255, p.1 (CAEPR).

3 *Submissions* 244, pp.8-9 (ATSIC); 255, pp.1-4 (CAEPR).

different order of poverty from that experienced by the rest of the population. One study noted that given the depth and multi-faceted nature of Aboriginal poverty it was questionable whether comparative studies of income poverty between Indigenous and non-Indigenous Australians are relevant.⁴

Nature and extent of Indigenous poverty and disadvantage

13.5 Submissions to this inquiry and numerous reports and studies have outlined the nature and extent of poverty among Indigenous Australians.⁵ The Aboriginal and Torres Strait Islander Commission (ATSIC) also noted that whereas commentators have indicated that most poverty in Australia is relative poverty, some Indigenous communities also face absolute poverty which is reflected in high infant mortality rates and severe malnutrition.⁶ ATSIC stated that the poverty among Indigenous can be illustrated through a number of key points.

- Most indicators of poverty and related disadvantage show that Indigenous people are between two and three times worse off than non-Indigenous people in Australia.
- About 30 per cent of Indigenous households are in income poverty, which indicates that over 120,000 Indigenous people are living below the poverty line.
- Indigenous unemployment rates, which are affected by Community Development Employment Projects (CDEP) participation, are well over twice that of non-Indigenous people in cities and regional centres and are much higher in remote areas.
- Being fully engaged in either employment or education decreases the likelihood of poverty. Indigenous people in full-time employment or education is around 30 per cent of each age cohort, compared to at least 50 per cent of non-Indigenous people in each age cohort.
 - The proportion of Indigenous teenagers (aged 15 to 19 years) not fully engaged in work or education is three times that of non-Indigenous people.

4 Taylor J, 'Aboriginal Australians and Poverty: Issues of Measurement', *Family Matters*, No.35, August 1993, pp.46-47. See also Ross R & Whiteford P, 'Poverty in 1986: Aboriginal Families with Children', *Australian Journal of Social Issues*, Vol.27, No.2, May 1992, pp.92-111.

5 *Submissions* 163, p.11 (ACOSS); 88, pp.4-6 (COALS); 255, pp.1-9 (CAEPR); 24 (Aboriginal Corporation for Homeless & Rehabilitation Community Services).

6 *Submission* 244, p.31 (ATSIC).

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- Approximately 70 per cent of young Indigenous adults (aged 20-24 years), are not fully engaged with work or education.
 - Approximately 50 per cent of Indigenous adults are reliant on some form of welfare payment and for young people (aged 15 to 24 years) the proportion is only slightly lower.
 - As sole parents are vulnerable to poverty, it is of concern that a relatively high proportion of young Indigenous are currently receiving the single Parenting Payment – upwards of 15 per cent of young Indigenous women (compared with around 4 per cent of non-Indigenous women).
 - Indigenous people suffer ill-health and disability at greater rates than non-Indigenous people. This leads to life expectancy rates for Indigenous people being around 20 years less than non-Indigenous rates. Ill-health impacts significantly on work opportunities and places a burden of care on individuals and communities.
 - Families relying on public or private rent are more vulnerable to poverty. For Indigenous people nearly 70 per cent are housed in some form of rental property.
 - Some remote Indigenous communities live in absolute poverty, measured by poor infrastructure with associated diseases that are largely eradicated in other parts of Australia.⁷

13.6 The data show that as a group Indigenous people experience levels of disadvantage and associated risk of poverty at much greater rates than non-Indigenous people. This is partly associated with the geographic distribution of the population. As a higher proportion of Indigenous people live in remote areas and are on low incomes, they are at greater risk of poverty due to poor service delivery and lack of opportunities. The fact that indigenous people experience high poverty rates in cities and regional centres, where a full range of services and facilities exist, shows, however, that Indigenous people do not yet experience the same access to, or outcomes from, these services as do other Australians.

13.7 Studies have found that indigenous poverty appears to be similar to other forms of poverty – with low income being associated with poor outcomes in other spheres of life, such as high arrest rates, poor health and inadequate housing. Studies have also found that a distinguishing feature of Indigenous poverty is the depth of poverty experienced across a range of welfare indicators. One study found that relatively high income Indigenous households also experienced such factors as long-term health problems and high incarceration rates, suggesting that the nature of poverty and

7 *Submission 244*, pp.9-10 (ATSIIC).

deprivation and the correlation between socioeconomic status, income and health outcomes may be quite different for Indigenous and non-Indigenous Australians.⁸

Addressing social and economic disadvantage

*Tackling Indigenous poverty is a fundamental issue facing all Australians, Indigenous and non-Indigenous, if the nation is to meet its obligations to ensure fair and equitable social, economic and cultural living standards for its citizens.*⁹

13.8 A number of major issues of social and economic disadvantage affecting Indigenous people were highlighted during the inquiry. These include unemployment; housing and infrastructure; education; health, child poverty, youth issues and treatment in the criminal justice system. These issues are discussed below.

Unemployment

13.9 Submissions commented on the high rates of unemployment, the lack of engagement by Indigenous people with the labour market, and concerns over welfare dependency.¹⁰ ATSIIC stated that the employment situation of Indigenous people is 'unsatisfactory and in many situations worsening. In fact, the rapid growth of the working age Indigenous population means that the task of achieving improvements in the rates of Indigenous employment, or even maintaining current levels of engagement, is great'.¹¹

13.10 ATSIIC emphasised the need for economic development and self sufficiency as the principal means of overcoming welfare dependency and concomitant social problems in Indigenous communities.¹² Mr John Boersig of the Coalition of Aboriginal Legal Services NSW (COALS) noted that 'none of the people I speak with want to be dependent on welfare; they want to develop a sense of self-determination'.¹³

13.11 ATSIIC highlighted a number of issues that need to be considered in improving the employment opportunities of Indigenous people:

8 Hunter B, 'Three Nations, Not One: Indigenous and Other Australian Poverty', Centre for Aboriginal Economic Policy Research Working Paper No.1, 1999, pp. v-vii, 16-18.

9 *Submission 244*, p.5 (ATSIIC).

10 *Submissions 255*, pp.4-5 (CAEPR); 244, pp.12-16 (ATSIIC).

11 *Submission 244*, p.12 (ATSIIC).

12 *Submission 244*, pp.3, 12-13 (ATSIIC).

13 *Committee Hansard 29.5.03*, p.535 (COALS).

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- Greater emphasise needs to be given to the notion of meaningful jobs, that is, full-time salaried and sustainable employment, as well as on-going part-time employment in communities drawing on the unique circumstances, skills and resources of Indigenous people.
 - The ‘demand side’ problems of generating sufficient jobs where Indigenous people live are significant. Relying on the traditional rural industries will not be sufficient given their decline and reduced demand for labour as a result of mechanisation. Accordingly, a concerted and proactive approach will be required by Indigenous representatives, government and industry to identify market opportunities, meet niche demands and respond to new technologies wherever possible.
 - Various forms of assistance to help enterprises and industries establish on or near Indigenous land and to see them through to viability may need to be considered. Examples may include tax exemptions and tax holidays as incentives, seed funding, wage subsidies and marketing support.
 - Management of national parks, sustainable wild life harvesting, protection and rehabilitation of lands and seas, and aquaculture all have considerable potential given the comparative advantage that Indigenous people have in these areas and their consistency with cultural values.
 - Major established service industries such as health, education, administration, financial services and stores can all provide sustainable sources of employment in remote and regional centres.
 - Indigenous art and culture are already significant generators of employment and income for Indigenous people. Often associated with art and culture, tourism is also a key sector for Indigenous people.
 - There are significant ‘supply side’ problems in relation to Indigenous employment, with low levels of general education and literacy, work experience, and health standards often characterising the Indigenous workforce. Significant effort and resources must be applied in assisting Aboriginal people to be ‘employment ready’.
 - Partnerships with the private sector is a key concept in the context of Indigenous economic development. For example, the non-Government organisation, Indigenous Enterprise Partnerships (IEP), operating principally in Cape York at this stage, aims to foster partnerships that are ‘a dynamic two way mechanism’ that enable philanthropic and corporate Australia to work with Indigenous communities and organisations in a range of areas concerned with economic development and economic and financial management, including at the family level.
 - The idea of partnerships is also fundamental to the development of ‘whole of government’ service delivery model currently being negotiated with

people living in Indigenous communities. This approach, arising from a Council of Australian Governments (COAG) decision to trial a number of whole-of-government arrangements with Indigenous communities, aims to develop a different form of engagement between government and the Indigenous community on the basis of negotiations as equal parties and with tangible outcomes as the objective.¹⁴

13.12 ATSIC emphasised that there is a pressing need for governments and the private sector to establish partnerships with ATSI communities to develop ways to improve local economic growth and social participation in both remote and urban environments. In addition, governments need to collaborate to provide a range of incentives to stimulate the growth of industries and employment to benefit ATSI communities.¹⁵

Recommendation 58

13.13 That the Commonwealth, in conjunction with State Governments, provide a range of incentives to stimulate the growth of industries and employment in Indigenous communities.

Recommendation 59

13.14 That the Commonwealth and State Governments, in co-operation with the private sector, establish partnerships with Indigenous communities to promote employment opportunities.

Community Development Employment Projects

13.15 The Community Development Employment Projects (CDEP) is designed to provide meaningful employment opportunities for Indigenous people as well as enabling Indigenous communities to manage their own affairs and to gain economic and social equity. To participate in the scheme, unemployed members of a community give up their current entitlements with Centrelink. In turn, ATSIC offers a grant to the CDEP community organisation to enable it to undertake community-managed activities and pay wages to participants. Community organisations responsible for projects also receive funding to cover the costs of administration and capital items required to conduct work projects. The primary objective of the CDEP scheme is to provide work in community managed activities that assist individuals to acquire skills that benefit the community, develop business enterprises and/or lead to unsubsidised employment.

13.16 CDEP attempts to provide a bridge or compromise between the welfare economy and the opportunities normally provided by a large labour market. The

14 *Submission 244*, pp.13-15 (ATSIC); *Committee Hansard* 6.8.03, pp.1229-30, 1240 (ATSIC).

15 *Submission 244*, p.16 (ATSIC).

CDEP has been significant in providing a base for Indigenous people to acquire greater skills, employment and enterprise development. While CDEP aims to promote the transition to mainstream employment, 65 per cent of CDEPs operate in remote Australia where labour market opportunities and Job Network coverage are limited and access to training providers and facilities is problematic. The scheme has the dual outcomes of helping to maintain the socio-cultural base in communities and increasing Indigenous participation in the labour market.

13.17 ATSIIC noted that while CDEP has been successful in improving the employment prospects for Indigenous people, it has not necessarily addressed poverty levels and financial hardship circumstances as income levels for participants remain low. Others, such as Anglicare NT, were more critical, saying that CDEP 'does not offer people strong pathways to move into skilled development and then into other sorts of employment. ...in some cases it actually replaces appropriately paid labour'.¹⁶

13.18 CDEP participants forgo their rights to social security entitlements and are paid wages by CDEP organisations that are roughly equivalent to welfare income entitlements. CDEP does, however, provide the opportunity for some participants to earn additional income from top-up wages, from income generating activities and from part-time work with external employers. Further, CDEP tends to provide temporary employment opportunities in low skilled and low paid jobs. CDEP grantee organisations receive oncost funding from ATSIIC, however this is often not sufficient to provide adequate training, supervision and employment outcomes.

13.19 ATSIIC argued that outcomes, and income levels, from CDEP could be significantly improved through program enhancements, increased funding and equity with other government programs, particularly with the Work for the Dole Scheme, which attracts approximately twice the level of on-costs than the CDEP program.¹⁷

13.20 ATSIIC noted that a number of the benefits and strategies of the *Australians Working Together* package (AWT) are likewise not available to CDEP participants. ATSIIC argued that the removal of these barriers to CDEP participants would be advantageous to individuals, increase the effectiveness and coverage of AWT measures and diminish poverty and financial hardship for Indigenous people. Examples of provisions under AWT not applicable to all or some CDEPs include Working Credit, Training Credits, Job Search Training, Transition to Work, and the Personal Support Program.

16 *Committee Hansard* 29.7.03, p.1095 (Anglicare NT).

17 *Submission* 244, pp.19-20 (ATSIIC). See also *Committee Hansard* 6.8.03, pp.1230, 1235-37 (ATSIIC).

Recommendation 60

13.21 That Community Development Employment Projects participants have access to the full range of assistance available under the *Australians Working Together* package in order to increase social and economic participation of Indigenous people.

Housing and infrastructure

13.22 Many Indigenous people are not able to fully access adequate, appropriate or affordable housing. Australian Bureau of Statistics census and other data indicate that Indigenous rates of home-ownership are around half that for other Australians (31 per cent, as against 70 per cent for non-Indigenous Australians); Indigenous families are more reliant on community and public rental housing than other Australians (34 per cent, as against 5 per cent for non-Indigenous Australians); Indigenous households are, in general, about twice as likely as other Australian households to be in need of housing assistance; and Indigenous households experience much higher rates of overcrowding than non-Indigenous households, and this problem is particularly acute in rural and remote areas.¹⁸ Mr Bernard Valadian referred to the problems of Indigenous people living in fringe camps in Darwin and the need to provide appropriate housing for these people.¹⁹ Current housing arrangements remain so substandard that ATSIC estimated that it would require \$3 billion to provide housing of an adequate standard in Aboriginal communities.²⁰

13.23 In recognition of the specific housing disadvantage of Indigenous people, in addition to housing assistance provided under other programs, dedicated Indigenous housing funds are provided for public and community housing by ATSIC's Community Housing and Infrastructure Program (CHIP). As well as housing and infrastructure, CHIP covers municipal services and the National Aboriginal Health Strategy (NAHS) component provides capital funding for housing and related infrastructure to improve environmental living conditions in rural and remote Indigenous communities.

13.24 Homelessness is a key indicator of poverty. The 2001 Census indicated that Indigenous people are much more likely to experience homelessness than other Australians. ATSIC noted that there are a number of issues that require further consideration in respect of Indigenous homelessness, including aspects of the Supported Accommodation Assistance Program (SAAP). Research has revealed that Indigenous people are overrepresented among the number of homeless persons not accommodated by SAAP (that is, not receiving this form of assistance). It has also

18 *Submission 244*, p.20 (ATSIC).

19 *Committee Hansard 29.7.03*, p.1119 (Aboriginal Development Foundation).

20 *Committee Hansard 6.8.03*, p.1239 (ATSIC).

been acknowledged that the level of unmet need among Indigenous people may be under-identified in official ABS and other statistics. ATSIIC stated that the current ABS definition of homelessness is culturally reflective of the non-Indigenous population and may not capture the true nature or extent of Indigenous homelessness. Aspects of homelessness specific to Indigenous people that need to be taken into account may include forms of 'spiritual homelessness' relating to separation from traditional land and family and the impact of this on individuals, groups and communities.

13.25 A number of gaps in service provision were identified as requiring further action including:

- an increase in SAAP services for under-serviced homeless and at risk Indigenous people in rural and remote locations;
- targeted programs for homeless Indigenous people with complex needs that will continue beyond a brief stay in SAAP accommodation;
- an increase in the availability of SAAP accommodation suitable for families;
- crisis support accommodation for women and children escaping family violence that supports all family members;
- increased cultural awareness amongst SAAP staff and programs; and
- improved data collection and reporting.²¹

13.26 ATSIIC argued that there needs to be increased resources provided to Aboriginal communities to reduce homelessness and overcrowding by making available suitable housing, essential services and local infrastructure, particularly where poverty is most prevalent.

Recommendation 61

13.27 That the Commonwealth provide additional funding for Indigenous-specific housing programs.

Education

13.28 Indigenous people are greatly disadvantaged in the education system. At the time of the 1996 census, nearly half of Indigenous people of working age had no formal education at all, and only two per cent held a bachelor degree or above,

21 *Submission 244*, p.22 (ATSIIC).

compared with over 10 per cent of the non-Indigenous population.²² The Queensland Government stated:

Nowhere are the impacts of poverty greater than among Indigenous Australians. Poverty is a major factor impeding Indigenous people's access to quality learning experiences and education outcomes. Indigenous people typically experience rates of school attendance, achievement, retention, and completion well below those of the general population. In turn, this contributes to higher unemployment, lower family incomes and higher incidence of poverty. It is therefore paramount that education initiatives are responsive to the needs, interests and aspirations of Indigenous people.²³

13.29 Educational disadvantage for Indigenous students begins before schooling starts: extreme poverty in many Indigenous communities lays the foundations for poor health, drug dependency, school failure, welfare dependency and antisocial behaviour. While early childhood education is universally acknowledged as being a major benefit in overcoming disadvantage, only a minority of Indigenous children attend pre-school.

13.30 The extent of Indigenous disadvantage in education is also seen in poor school completion rates and measures of literacy and numeracy. About 10 to 20 per cent of Indigenous students leave school before year 10. The national apparent retention rate for Indigenous students for year 10 in 2002 was 86.4 per cent or 11.7 per cent lower than for all students in Australia. Indigenous retention from year 10 to year 12 for all schools in 2002 was 45.8 per cent or 31.2 percentage points lower than for all students in Australia. The retention rates range from 78.8 per cent in the ACT to 29.0 per cent in Western Australia. These retention rates increased between 1998 and 2002 in all jurisdictions except the ACT which remained relatively stable.²⁴

13.31 Literacy and numeracy rates are also much lower for Indigenous students and adults. The literacy national benchmark results in 2001 revealed the gap between all Indigenous students and all students: in year 3, 72.0 per cent of Indigenous students achieved minimum reading standards compared with 90.3 per cent of all year 3 students and in year 5, 66.9 per cent of Indigenous students compared to 89.8 per cent of all year 5 students achieved the national reading standards. Similar results were achieved in numeracy standards.²⁵

13.32 While literacy and numeracy results have improved ATSIC commented:

These are not good. A particularly disturbing factor is the widening gap between Indigenous outcomes and overall outcomes that occurs as students

22 Yencken D & Porter L, *A Just and Sustainable Australia*, Melbourne 2001, p.26.

23 *Submission 129*, p.11 (Queensland Government).

24 *Report on Government Services 2004*, pp.3.20, 3.23-24.

25 *Report on Government Services 2004*, pp.3.38, 3.44.

progress through their school life. With the share of the school age population of Indigenous growing, it can be expected that this issue will only be compounded without appropriate and timely action.²⁶

13.33 The Australian Council for Educational Research (ACER) stated that ‘without success in literacy and numeracy, young Indigenous Australians will continue to face difficulty in remaining at school to complete year 12, entering university and other post-school education and training, and making transitions to stable, full-time employment’.²⁷

13.34 The benefits of completing school are significant for Indigenous students: by completing year 10 or 11, chances of employment increase by 40 per cent. Completing year 12 improves the prospect of employment by a further 13 per cent and having a post-secondary qualification increases employment by between 13 and 23 per cent.²⁸

13.35 In response to the poor literacy and numeracy skills of Indigenous students, the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA) established the National Indigenous English Literacy and Numeracy Strategy (NIELNS) in 2000. The strategy aims to achieve levels comparable to those achieved by other young Australians. There are six key elements in the strategy including improving attendance, overcoming hearing, health and nutrition problems and targeting preschooling experiences.

13.36 In addition to NIELNS, the National Aboriginal and Torres Strait Islander Education Policy contains 21 national goals for bringing about equity in education for Indigenous Australians.

13.37 Indigenous students also remain severely under-represented in higher education. Indigenous participation in higher education increased between 1990 and 1998. The National Tertiary Education Industry Union (NTEU) stated that since 1998 there has been a decline in participation. In 1999, completions decreased by 9.9 per cent on the previous year. In 2000, the overall number of Indigenous students declined by 8.14 per cent, while the number commencing higher education declined by 15.2 per cent. Indigenous students comprise only 1.2 per cent of the domestic student cohort.²⁹

26 *Submission 244*, p.25 (ATSIC).

27 Rothman S & McMillan J, 'Influences on Achievement and Numeracy', Longitudinal Surveys of Australian Youth, Research Report 36, ACER October 2003, p.34.

28 *Submission 163*, p.122 (ACOSS).

29 *Submission 178*, p.11 (NTEU).

13.38 ACOSS also noted that from 2000 to the 2001 school year, the number of school student ABSTUDY recipients fell from 31,734 to 27,200 – a decline of nearly 15 per cent.³⁰

13.39 The Government's *Backing Australia's Future* package introduced initiatives aimed at lifting Indigenous participation. The package increases the Indigenous Support Fund (ISF), creates an indigenous Higher Education Advisory Council, allocates five scholarships per year for Aboriginal and Torres Strait Islander academic and support staff and provides for new Commonwealth Learning Scholarships for full-time undergraduates from low socio-economic backgrounds and/or Indigenous backgrounds.

13.40 The 2003 Senate Employment, Workplace Relations and Education References Committee's inquiry into the Government's higher education package noted that witnesses saw the initiatives as 'tokenism' and the additional incentives would not compensate for the increase in education costs. The Committee also noted that the changes to ABSTUDY had resulted in a drop in participation and the merit-based Equity Scholarship Scheme, which granted HECS exemption to some Indigenous students has been discontinued.³¹

13.41 ATSIC concluded that Indigenous education outcomes can be improved. To do so, will take an education system that:

- genuinely involves Indigenous families in decision-making;
- acknowledges that formal schooling is only one part of a child's education;
- delivers curricula that recognises Indigenous history and knowledge;
- invests in Indigenous teachers and education workers;
- provides appropriate facilities and support to students where they live; and
- views education as an element of a holistic approach to community and economic development.

13.42 ATSIC pointed to a number of barriers to successfully improving outcomes for Indigenous students, including that goals under the National Aboriginal and Torres Strait Islander Education policy are being pursued in an ad hoc fashion on a jurisdictional basis. In addition, many are dependent on supplementary Indigenous-

30 *Submission* 163, p.122 (ACOSS).

31 Senate Employment, Workplace Relations and Education References Committee, *Hacking Australia's Future: Threats to institutional autonomy, academic freedom and student choice in higher education*, November 2003, p.61.

specific funding rather than being an important factor in mainstream education program and policy design.

13.43 Problems also arise from the continued jurisdictional debate between the Commonwealth and States and Territories over responsibility for the delivery of education services and the delivery of services to Aboriginal and Torres Strait Islander people.³²

13.44 ATSIC concluded that ‘education is fundamental to addressing Indigenous disadvantage and requires a continuing high level commitment from governments to provide resources and leadership in this key area’. ATSIC recommended that a National Indigenous Education Advisory Body be established to examine the National Aboriginal and Torres Strait Islander Education Policy to ensure that appropriate cooperative strategies are in place to improve the educational outcomes of Indigenous people.³³

13.45 The Australian Education Union (AEU) argued that another factor contributing to Indigenous students leaving school early is the CDEP program. CDEPs operate in rural and remote areas and participants receive an income payment above that of those who are unemployed or not in the workforce. This makes CDEPs more attractive than staying in the education system. However, ‘the socioeconomic outcomes for the Indigenous workforce would be enhanced if Indigenous youth [were] encouraged to complete school rather than move straight on to a CDEP scheme’.³⁴

13.46 While noting that there are a number of initiatives aimed at improving Indigenous school completion rates, the AEU stated that:

- initiatives were ‘occurring in an ad hoc manner, with little opportunity for the systematization of effective strategies which produce worthwhile educational and employment outcomes, which lead to the amelioration of poverty’;
- the \$6 million of funding to address retention rates through the Working Together for Indigenous Youth Strategy was inadequate ‘to redress this appalling indicator of inequity’; and
- as well as appropriate infrastructure, there needs to be a focus on development of incentives to keep Indigenous youth at school, present them with a range of career options and support them through the attainment of these.

32 *Submission 244*, p.25 (ATSIC).

33 *Submission 244*, p.26 (ATSIC).

34 *Submission 108*, pp.24-25 (AEU).

13.47 The AEU made a number of recommendations regarding Indigenous education including that:

- a National Forum on Indigenous Education be established to provide an opportunity for Indigenous educators and community members to input in to Federal Government decisions at a strategic level;
- an investigation be conducted into the impact of CDEP on school retention rates for Aboriginal and Torres Strait Islander students and develop strategies to ensure that CDEP is not creating an adverse impact on school retention and completion rates. These strategies should be developed and implemented to ensure that the CDEP scheme becomes a true labour-market program, with opportunities and incentives for education, training and economic development built in;
- the Commonwealth provide immediate assistance to the Northern Territory Government to explore the unmet demand in relation to Aboriginal Education in the Territory, to determine the exact number of Aboriginal students (currently estimated at 5000) who have no access to the education system, and to develop strategies, including the immediate training of Assistant Teachers, to alleviate this national crisis; and
- a national audit be conducted in relation to Aboriginal and Torres Strait Islander peoples' access to educational infrastructure and that strategies, such as the establishment of Government-run boarding schools, be explored in the context of ensuring that Aboriginal and Torres Strait Islander students have access to equitable educational infrastructure.³⁵

Conclusion

13.48 The Committee considers that an improvement in Indigenous education and training is fundamental to overcoming disadvantage for Indigenous people. While there has been some improvement in literacy and numeracy and retention rates of Indigenous students, they still lag significantly behind all other Australian students.

13.49 For Indigenous people, educational disadvantage starts at an early age and is a major barrier to completing school and entering higher education and training. The causes are multi dimensional and cannot be addressed in isolation: improvements in health will lead to higher levels of student's attendance and a decrease in hearing and sight problems; lifting attendance rates will require the work of all in communities; more indigenous teachers and education workers will provide culturally appropriate and relevant learning experiences; and greater consultation with higher education institutions to improve participation.

35 *Submission* 108, p.29 (AEU).

Recommendation 62

13.50 That the Commonwealth work with the States and Territories to develop strategies to improve access of Indigenous children to early childhood education facilities.

Recommendation 63

13.51 That the Commonwealth provide additional funds specifically for improving Indigenous literacy and numeracy.

Recommendation 64

13.52 That the Commonwealth investigate the impact of the changes to ABSTUDY on the participation of Indigenous students and implement changes to improve ABSTUDY assistance to Indigenous students.

Health

13.53 Evidence to the inquiry, confirmed by numerous studies, indicates that Indigenous people suffer a greater burden of ill-health than other Australians.³⁶ The health status of Indigenous Australians is poor in comparison with other Australians. Indigenous people are more likely to suffer reduced quality of life due to ill-health, to experience disability and to die at much younger ages than the non-Indigenous population. As noted previously, life expectancy for Indigenous people is approximately 20 years less than the life expectancy of other Australians.³⁷

13.54 The Indigenous population is disadvantaged across a range of socio-economic factors, such as employment, education and housing, and these factors have an impact on health outcomes. However, socio-economic status alone does not explain the variations in health status that exist between Indigenous and other Australians. Health risk factors (for example, smoking, alcohol misuse) and other risk factors (for example, poor housing, exposure to violence) also play a part in explaining the differential burden of disease between population groups. Evidence also suggests that the social environment partially explains health outcomes, including the immediate local environment, social connections with family and the community and control or perceived control in the workplace and the wider society. Indigenous people are disadvantaged in this respect and are often characterised by a sense of hopelessness and a perceived loss of 'control' over life events.³⁸

36 *Submissions* 88, pp.5-6 (COALS); 244, pp.26-27 (ATSIC).

37 *Submission* 244, p.26 (ATSIC).

38 AIHW, *Australia's Health 2002*, pp.197-208.

13.55 In relation to health service provision, the Australian Institute of Health and Welfare (AIHW) estimated that in 1998-99, \$1 245 million was spent on health services by, and for, ATSI people. This amount represented 2.6 per cent of total health expenditure by Commonwealth, State and local governments as well as expenditure from private sources such as private health insurance and out-of-pocket expenses. Indigenous people, however, experienced lower levels of access to health services than the general population, even though they were twice as likely to be hospitalised. This is due to a number of factors, including the fact that Indigenous people are more likely than other Australians to live outside urban areas and therefore lack ready access to a range of urban-centred health services and facilities. Other factors limiting access include the availability of transport, the ability to speak English, and cultural factors such as the availability of same-sex Indigenous health workers.

13.56 Patterns of expenditure indicate differences between Indigenous and the non-Indigenous population in the way that funds are spent on health services. Greater amounts were spent on ATSI people in relation to community and public health services, patient transport, public hospital care (both admitted and non-admitted patient services), and mental health institutions. Lesser amounts were spent through Medicare, the PBS, high-level residential aged care and private health services than for other Australians.³⁹

Recommendation 65

13.57 That the Commonwealth and the States continue to implement programs and strategies to improve access to health care services for Indigenous people.

Indigenous children

13.58 About 40 per cent of the Indigenous population is aged less than 15 years and Indigenous children have the highest rates of poverty of any group in Australia. A Brotherhood of St Laurence study noted that the extent of indigenous poverty has been difficult to determine, though estimates based on earlier research were provided:

- in 1991 on average, 50 per cent of Indigenous families with children had incomes below the Henderson poverty line compared with 21 per cent of non-indigenous families; and
- Indigenous children represented 2.7 per cent of all Australian children in 1991, but constituted 7 per cent of all Australian children living in poverty.⁴⁰

13.59 One of the main factors associated with Indigenous child poverty is the lack of employment opportunities for parents, with over half of all Indigenous families with children having no employed adult in the family unit in 1991. However, almost a

39 AIHW, *Australia's Health 2002*, p.211.

40 McClelland A, *'No child...' Child poverty in Australia*, Brotherhood of St Laurence, April 2000, p.28.

quarter (23.7 per cent) of indigenous couples with children and one adult employed had incomes below the Henderson poverty line. In non-indigenous families only 5.5 per cent were in this situation.

13.60 Another factor contributing to child poverty is the prevalence of sole parent families. Indigenous sole parent families:

- have larger numbers of children;
- are less likely to live in major urban areas;
- are more reliant on public housing and more likely to have inadequate housing;
- are younger and more likely to be never married; and
- have lower levels of education and employment and lower incomes.⁴¹

13.61 ATSIIC also commented on the relatively high proportion of young Indigenous women (15 to 24 year olds) who are currently receiving the single Parenting Payment. Preliminary information suggests this is upwards of 15 per cent of young Indigenous women (compared with around 2 per cent of non-Indigenous women). This suggests that about 10 per cent of the total of 15 to 64 year olds are receiving the single Parenting Payment compared with around 3 per cent of non-Indigenous 15 to 64 year olds.⁴²

13.62 For Indigenous children, poverty is reflected in infant statistics: babies born to Indigenous mothers are twice as likely to be of low birth weight compared with non-Indigenous mothers; and Indigenous infant mortality rates are 2.5 times that of non-Indigenous infant mortality.⁴³ Indigenous children have high rates of illness, greater risk of injuries resulting from accidents, child abuse or neglect, higher risk of asthma and lower developmental achievement.

13.63 ATSIIC stated that:

The profound effect that poverty can have on child health is one of the most important social issues faced by communities and governments. The long term and ongoing effect of poverty on the health of all Indigenous peoples, men, women and children, remains one of the major obstacles to achieving a vastly improved and acceptable level of Indigenous health and wellbeing.⁴⁴

41 McClelland, p.28.

42 *Submission 244*, p.41 (ATSIIC).

43 *Submission 244*, p.33 (ATSIIC).`

44 *Submission 244*, pp 26-27 (ATSIIC).

13.64 Many submissions highlighted the importance of early childhood education for Indigenous communities. ATSIC stated that ‘many of the most pressing social problems faced by Indigenous people have their beginnings in early childhood. The foundations of poor health, drug dependency, school failure, welfare dependency, poverty and criminal behaviour can often be associated with a child’s early years.’⁴⁵

13.65 One way of improving early childhood experiences of Indigenous children is the provision of professional child care. However, QCOSS noted the nonpayment of child care fees in Indigenous communities is a problem. Many indigenous families experience competing demands on funds and experience problems such as substance abuse, which may drain finances. In such circumstances, child care is not necessarily seen as a priority. QCOSS recommended greater support to ensure that childcare services remained viable in these communities. QCOSS also endorsed the expansion and development of Multifunctional Aboriginal Children Services (MACS) and other early childhood services to ensure all indigenous children have access to quality childcare, family support and early intervention program.⁴⁶

Recommendation 66

13.66 That the Commonwealth provide additional funding to improve the affordability of child care for Indigenous children.

Indigenous youth issues

13.67 ATSIC provided data on the employment and education of young Indigenous people. ATSIC found that the proportion of Indigenous teenagers (aged 15 to 19) not fully engaged in work or education is three times that of non-Indigenous people, meaning that Indigenous teenagers are at more risk of not accumulating the necessary experience and qualifications needed to ensure employment and higher paid work in the future. The risk increases by remoteness: from 38 per cent in major cities to 52 per cent in remote areas and 70 per cent in very remote areas.⁴⁷

13.68 For young Indigenous adults (aged 20 to 24 years), close to 70 per cent are not fully engaged with work or education compared to 30 per cent of the non-Indigenous workforce. This means that young Indigenous adults are three times as likely to be unemployed or not in the labour force.⁴⁸ While Indigenous young adults constituted 2.8 per cent of the total young adult population in 2001, they formed only one per cent of those in full-time education, 1.4 per cent of full-time workers, 3.7 per cent of part-

45 *Submission 244*, p.24 (ATSIC).

46 *Submission 160*, p.10 (QCOSS).

47 *Submission 244*, p.38 (ATSIC).

48 *Submission 244*, p.38 (ATSIC).

time workers and 7.6 per cent of those unemployed or not in the labour force.⁴⁹ Again those in the most remote areas of Australia are at greatest risk with 73 per cent in remote areas being at risk and 83 per cent in very remote areas being at risk.

13.69 ATSIIC estimated that about 60 per cent of Indigenous young adults are receiving an income support payment (total Centrelink plus those on CDEP but not on Newstart Allowance). This compares to 23 per cent of non-Indigenous youth. If ABSTUDY is excluded, about 45 per cent are on income support. ATSIIC stated that some double counting was expected when incorporating CDEP participants.⁵⁰

13.70 An analysis by the Dusseldorp Skills Forum on the education and labour market status of teenagers (15-19 years) and young adults (20-24 years) between 1996 and 2001 found some improvements for Indigenous young people:

- there was a 4 per cent increase in the number of Indigenous teenagers in full time education;
- there was a 3 per cent decrease in Indigenous teenagers in part-time work and/or education, unemployed or not in the labour force; and
- there was a slight increase Indigenous young adults undertaking full-time study, accompanied by a decline in the proportion in full-time work and increase in the proportion in part-time work and/or education (14.5 per cent to 16.6 per cent).⁵¹

13.71 The Dusseldorp Skills Forum suggested that 'early connection to full-time work or education for young people is crucial to long-term labour market success, leading to a need for renewed emphasis on improving education and employment outcomes for young Indigenous people'.⁵²

The criminal justice system

13.72 Indigenous people are disproportionately represented in the criminal justice system. While Indigenous people comprise only 1 in 40 of the Australian population as a whole, they comprise 1 in 5 of the prisoner population. The imprisonment rate for Indigenous offenders is more than 15 times higher than the rate for non-Indigenous offenders.⁵³ The Coalition of Aboriginal Legal Services NSW (COALS) noted that on

49 Dusseldorp Skills Forum, *How Young People are Faring, Key Indicators*, 2003, p.43.

50 *Submission 244*, pp.38-39 (ATSIIC).

51 Dusseldorp Skills Forum, pp.39-44.

52 Dusseldorp Skills Forum, p.36.

53 *Submission 244*, pp.22-23 (ATSIIC). See also *Committee Hansard 29.5.03*, pp.529-30 (COALS).

average the NSW Department of Juvenile Justice had 300 juveniles in custody and contact and over 9000 juveniles were before the courts. During 2001-02, Indigenous juveniles comprised 34 per cent of juveniles on remand, 43 per cent under the department's control and 22 per cent in youth conferencing in NSW.⁵⁴ Such high levels of contact with the criminal justice system are exacerbated by, and inherently linked to, the low socio-economic status of Indigenous people.

13.73 The level of imprisonment of Indigenous people is increasing. The cost to the community of maintaining the justice system (police, courts and corrections) is also high and is increasing. ATSIC stated that disruption occurs to both the lives of the prisoner and of his/her family with incarceration for any length of time. The family unit may break down when there is no breadwinner, and this can lead to violence, homelessness and drug addiction.⁵⁵

13.74 Once contact with the criminal justice system occurs, poverty again becomes a factor in terms of affordable access to legal assistance and just sentencing. Most Indigenous peoples, because of poverty, require legal aid for access to legal representation.

13.75 COALS stated that there is increasing demand on Aboriginal and Torres Strait Islander Legal Services (ATSILS) resources by Indigenous clients who require legal advice/representation for civil, family and child-related matters. COALS noted that in relation to Aboriginal Legal Services 'there has been virtually nil increase in funding over the last five years'.⁵⁶ COALS argued that additional funding should be provided.

Any increase in the number of solicitors and field officers for the ATSILS would facilitate earlier contact and representation with Indigenous clients, while a better understanding of Indigenous clients' circumstances would most likely result in lowering imprisonment rates for Indigenous people.⁵⁷

13.76 Indigenous women are at a distinct disadvantage when it comes to accessing legal aid, as the priority for service delivery in this area lies in criminal matters, where the offenders are often male. While women's access to services has improved in recent years, further action is needed to reach a level of equality for all Indigenous people. ATSIC noted that a disturbing trend is the increasing rate of Indigenous women in prison. The number of Indigenous women incarcerated has risen by 255 per cent over the past decade, although in absolute terms the numbers are relatively small.⁵⁸

54 *Submission 88*, p.8 (COALS).

55 *Submission 244*, pp.23-24 (ATSIC); *Committee Hansard 6.8.03*, pp.1231-32 (ATSIC).

56 *Committee Hansard 29.5.03*, p.533 (COALS).

57 *Submission 88*, p.10 (COALS).

58 *Submission 244*, p.24 (ATSIC).

13.77 ATSIIC argued that there is an urgent need to significantly increase the scope of prisoner support services to encompass greater assistance with housing, childcare, and financial concerns. In addition, there is a critical lack of expenditure on post-release support services for prisoners, and this is compounded where immediate poverty is a factor increasing the risk of re-offending. While \$55 000 a year is spent to keep one person incarcerated, only \$300 a year is invested in post prisoner release. The Commission stated that assistance with training, employment, housing, and family care is essential at this stage, and the failure to invest in these social needs inevitably leads to a greater degree of social dysfunction and recidivism.⁵⁹

Recommendation 67

13.78 That the Commonwealth provide additional funding for Aboriginal and Torres Strait Islander Legal Services.

Recommendation 68

13.79 That the States provide additional assistance for programs that address recidivism and post-prison release support services for Indigenous people.

Conclusion

13.80 This inquiry has highlighted the alarming and distressing picture of poverty and disadvantage amongst Indigenous communities across Australia. However, the inquiry has only touched the edges of the absolute poverty and disadvantage of Indigenous Australians that many previous inquiries and detailed studies have revealed. The social and economic disadvantage suffered by Indigenous Australians has many forms including high levels of unemployment, extremely poor health outcomes, far shorter life expectancy than other Australians and high levels of incarceration. The situation represents a serious national problem, and requires a concerted effort at all levels of government to address the underlying causes.

13.81 The Committee believes that a concerted national approach to address the problem of Indigenous poverty requires that agencies within and across governments collaborate with Indigenous communities as well as with other community and private sector agencies. The Committee firmly believes that solutions to the problem of Indigenous poverty must involve extensive consultation with Aboriginal communities to be at all effective.

13.82 Poverty and disadvantage are multi-dimensional and there is a degree of circularity whereby an effect of poverty in turn becomes a cause, and so, for instance, poor housing itself an outcome of poverty, militates against improved health, educational and other outcomes. The implication of this situation is that programs to

59 *Submission 244*, p.24 (ATSIIC).

address Indigenous poverty and disadvantage must be multi-faceted, and resourced to a significant degree, commensurate with the scale of the problem.

13.83 Indigenous poverty appears to be deeply entrenched and persistent. This implies that improvement in Indigenous economic and social status will require long-term government intervention and innovative service models that ensure a high degree of Indigenous involvement in the development and implementation of programs. As one submission noted:

A future challenge for governments will involve implementing approaches that recognise the heterogeneity of Indigenous life influenced by the decisions made by Indigenous people in terms of how and where they want to live. These factors in turn affect how rapidly any progress might be made in improving the economic outlook for Indigenous people. The multi-faceted and complex nature of Indigenous poverty suggests that approaches that merely mirror those for mainstream society, or advocate immediate outcomes, may risk failure.⁶⁰

60 *Submission 255*, pp.3-4 (CAEPR).