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# From Exclusion to Dependence: Aborigines and the Welfare State in Australia

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DISCUSSION PAPER No. 1/1991

ISSN 1036 1774

ISBN 0 7315 1159 X



CENTRE  
FOR ABORIGINAL ECONOMIC  
POLICY RESEARCH

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June 2006

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It should be cited as:

Altman, J.C. and Sanders, W. 2006 (1991). 'From exclusion to dependence: Aborigines and the welfare state in Australia', *CAEPR Discussion Paper No. 1*, Centre for Aboriginal Economic Policy Research, The Australian National University, Canberra,  
<[http://www.anu.edu.au/caepr/Publications/DP/1991\\_DP01.pdf](http://www.anu.edu.au/caepr/Publications/DP/1991_DP01.pdf)>.

## ABSTRACT

The paper examines the changing position of Aboriginal people in relation to the Australian welfare state since European settlement. It begins by outlining the regime of exclusion that survived up to the 1950s under the auspices of the broad policy of 'protection'. It then demonstrates how, with the policy shift to assimilation and changes to social security legislation, Aborigines began to be incorporated in the Australian welfare state. It was not until the 1970s that legislative amendment allowed for the full inclusion of Aboriginal people. This change was precipitated by the constitutional amendments in 1967 that opened up the possibility of more direct Commonwealth Government involvement in policy formation and program administration. Then, in 1972, the Whitlam Government adopted a policy of self determination for Aboriginal Australians. This policy shift resulted in the establishment of a federal Department of Aboriginal Affairs and the escalation of specific programs for Aboriginal people. The 1980s saw a rapid growth of financial resources earmarked for Aboriginal people as they were both effectively included in the welfare state and as a number of special Aboriginal assistance programs began operating across a range of Commonwealth and State government departments. With this proliferation of programs, however, two broad problems arose. The first is Aboriginal dependence on welfare provisions. The second is fragmentation, duplication, overlap and inefficiency in program delivery. Both types of problems are discussed in some detail. The paper concludes by speculating on changing future patterns of Aboriginal inclusion in the welfare state, including the role of the newly created Aboriginal and Torres Strait Islander Commission, Federal: State relations in Aboriginal affairs, and recent policy shifts to mainstream welfare provisions for Aboriginal people.

A version of this discussion paper has been prepared as a chapter for the volume *Social Welfare for Indigenous Peoples* that is being edited by John Dixon and Robert Scheurell and is to be published by Routledge, London. The editors have kindly given permission for this chapter to be circulated as a CAEPR Discussion Paper prior to the book's publication in 1992.

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## **European settlement and Aboriginal policy, 1788 to the 1950s: a regime of exclusion**

At the time of the first European settlement in Australia in 1788, the indigenous population probably numbered between 250,000 and 750,000 (Smith 1980; Mulvaney and White 1987). During the 19th century as European settlement spread, this Aboriginal population was reduced through disease and direct contact to perhaps a quarter of its original number. The indigenous population was, in aggregate terms, rapidly outnumbered by the settler population which by 1850 had reached about 450,000 and by 1900 3.5 million. By the end of the 19th century then, Aborigines constituted probably 5 per cent or less of the Australian population, though there were still areas in the more sparsely settled northern and central parts of Australia where they predominated.

Australia in the 19th century comprised six British colonies, each focussed on a coastal port city and each with a gradually expanding rural hinterland. In the course of the century each of these six colonies was granted self-government from Britain and each developed its own policies for dealing with its Aboriginal inhabitants. Though there were some differences in the policy approaches of the colonies, there were also many similarities. Each enacted special bodies of law which set Aborigines apart from the larger population of colonial citizens in a separate legal category. This was done in the name of 'protection', the purpose of which, depending on one's optimism or pessimism, could be variously interpreted as a process of 'smoothing the dying pillow' or of training Aborigines for future full citizenship. 'Reserves' of land were set aside for the purpose of collecting together and supervising groups of Aborigines. Public officials were appointed with titles such as 'Protector of Aborigines'. Through these legal and administrative mechanisms, colonial governments ostensibly developed a high degree of control over the lives of their Aboriginal minorities. However, in reality the day-to-day task of directly supervising and managing all Aborigines within their territories was often beyond the capacity of the government officials concerned. Responsibility was often delegated to missionaries and employers of Aboriginal labour and many Aborigines just slipped through the protection policy net. These latter groups lived an officially unsanctioned existence either on the fringes of European settlement or in the remote hinterland unoccupied by settlers.

After federation of the six colonies into the Commonwealth of Australia in 1901, the new State Governments continued to manage their Aboriginal minorities in much the same ways as their colonial predecessors. The exception was South Australia, which in 1911 ceded the remote northern section of its territorial claim to the Commonwealth. This arrangement for the government of the Northern Territory meant that the new Commonwealth Government's jurisdiction included a large area of the Australian continent in which Aborigines still outnumbered Europeans and which contained a sizeable proportion of the national Aboriginal population. The Commonwealth, like the 19th century colonies, developed the approach of a separate legal status for Aborigines in its administration of the Northern Territory and similarly set aside reserves of land for their use,



supervision and management.

In the early years of the 20th century, the central rationale of Aboriginal policy in Australia continued to be 'protection'. The Aboriginal population, particularly its 'full-blood' component, was probably still decreasing. However, there was also an increasing recognition that a 'part-Aboriginal' population was emerging which was already significant in southern or 'settled' Australia and was likely to increase further. From the 1930s 'assimilation' became the declared goal of Commonwealth and State government policies at least for these Aborigines and the emphasis swung more clearly to training for future full citizenship.

By the 1950s, the Aboriginal population was officially estimated to number between 70,000 and 80,000, or about 1 per cent of the total Australian population. The Aboriginal population seemed now, however, to be stabilising, or perhaps even increasing, and 'assimilation' became the central term of government policy towards all Aborigines. Under the new policy, only officially defined in 1961, Aborigines were supposed in time to 'attain the same manner of living as other Australians and to live as members of a single Australian community enjoying the same rights and privileges, accepting the same responsibilities, observing the same customs and influenced by the same beliefs, hopes and loyalties as other Australians' (Commonwealth Parliamentary Debates, House of Representatives 20 April 1961: 51). The mechanism for achieving assimilation was the granting of exemptions to individual Aborigines from the special bodies of State and Territory law. These 'assimilated' Aborigines were then supposed to take their place in the larger body of Australian citizenry, no longer officially categorised as Aborigines and no longer of a separate legal status.

With the shift to assimilation as the declared goal of governments, the term 'welfare' came increasingly to be used as part of the lexicon of Aboriginal policy. Protectors of Aborigines often became welfare officers and protection authorities, welfare authorities. This Aboriginal welfare system was not, however, in any sense part of the modern Australian welfare state. Indeed those in the Aboriginal welfare system were generally excluded from the provisions of the mainstream Australian welfare system by their separate legal status. The Australian social security legislation, for example, had since its establishment contained explicit provisions disqualifying Aborigines from eligibility for income support payments. Industrial awards, regulating wages and conditions of employment also had exclusionary provisions, as too did laws relating to the electoral franchise. Even the Australian Constitution contained two provisions which specifically excluded Aborigines; the one excluding them from being counted in any reckoning of the numbers of people in the Commonwealth and the other excluding them from the Commonwealth power to make laws in relation to the people of particular races. Even where there was no clear legislative, regulatory or constitutional basis for Aboriginal exclusion, mainstream functional agencies of government generally claimed that responsibility for Aborigines did not lie with them, but with the special purpose Aboriginal welfare authorities. After all, why else did these authorities exist?



## **Breaking down exclusion: a tentative start**

The pattern of exclusion of Aborigines from the rights and benefits of the Australian welfare state began to be dismantled in the middle years of this century. One of the first ways in which this was to occur, and also one that would assume great importance for the economic status of Aborigines over subsequent years, was in the social security system. During the 1940s, the child endowment (family allowance) payment made for the care of dependent children became payable in respect of all Aboriginal children, except the 'nomadic' (Commonwealth Acts No 8 of 1941 and No 5 of 1942). The provisions of the social security legislation relating to the more substantial pension and benefit payments were also amended during the 1940s from wholesale exclusion of Aborigines to a formulation which allowed eligibility to individuals who were either exempt from State or Territory laws 'relating to the control of Aboriginal natives' or whose 'character, standard of intelligence and social development' made it 'reasonable' to grant such eligibility (Acts Nos 3 and 19 of 1942 and No 10 of 1944). The interpretation of these pension and benefit provisions which gained acceptance within the Commonwealth's social security administration at that time was that they allowed eligibility only to those Aborigines who lived away from the reserves administered by the State and Territory Aboriginal welfare authorities. These Aboriginal welfare authorities soon became concerned that the availability of pension and benefit payments off reserves provided an incentive for Aborigines to move away, and from the late 1940s, these authorities, along with others, sought to have pension and benefit eligibility for Aborigines extended (Neville 1947; Rowley 1971a: 390). This objective was achieved in 1959, when provisions of the social security legislation were changed throughout to include all Aborigines except the 'nomadic and primitive' (Act No 57 of 1959). By 1966 even this last qualification was removed from the social security legislation (Act No 41 of 1966). In a statutory sense at least, Aborigines were now included in the social security system on the same basis as other Australians.

The role of the Aboriginal welfare authorities of the 1950s in supporting the inclusion of Aborigines in the Australian social security system may seem a little surprising. At that time, these authorities kept a close watch over their Aboriginal charges, seldom giving them much money. Why then push for Aboriginal eligibility for social security income payments? The answer lies in the provisions of the social security legislation which allowed payments to be made to third parties on behalf of eligible applicants. These provisions had already been used during the 1940s and 1950s to direct child endowment payments to State and Territory Aboriginal welfare authorities, rather than directly to Aboriginal parents. In the negotiations leading up to the legislative changes of 1959, agreement was reached between the Commonwealth's social security administration and the various State and Territory Aboriginal welfare authorities that these provisions would be similarly applied to pensions and benefits. The Aboriginal welfare authorities would be the recipients of social security payments on behalf of many Aborigines. They would be allowed to retain the greater proportion of the payments for expenditure on the welfare



of their Aboriginal charges, having only to pass on a 'pocket money' component to individuals. Direct payment would only be made to individual Aborigines once they had demonstrated their 'ability to handle money wisely' and to 'manage' their 'own affairs' (Commonwealth Parliamentary Debates, House of Representatives 3 September 1959: 930; Department of Social Security 1960: 3). After 1959, the Aboriginal welfare authorities stood to gain a considerable Commonwealth contribution to their recurrent budgets through access to the pensions and benefits of their charges. It is little wonder then that they were at the forefront of public pressure for the legislative inclusion of Aborigines in the social security system.

During the 1960s, many other aspects of the exclusion of Aboriginal people from Australian legal and administrative institutions began to be tentatively dismantled. In 1965 the Commonwealth electoral franchise was extended to Aborigines of voting age on a voluntary basis. (For other Australians of voting age enrolment to vote had long been compulsory.) A number of industrial awards regulating conditions of employment were also extended to cover Aborigines, the most celebrated being the pastoral industry award extended to Aboriginal people from 1968 (Rowley 1971b; Stevens 1974). In 1967, a constitutional amendment referendum was proposed and passed deleting the two exclusionary references to Aborigines from the Australian Constitution. This was of itself a significant achievement, as from federation to 1967 there had been 26 proposed constitutional amendments put to referenda and this was only the fifth to be passed. Furthermore, Australians gave these amendments the highest 'yes' vote yet recorded, with nearly 91 per cent voting for the change (Crisp 1970: 40-57).

The success of the 1967 referendum opened up the possibility of the Commonwealth Government becoming more directly involved in policy towards Aborigines on a national scale. A new Office of Aboriginal Affairs was established within the Commonwealth Government's bureaucratic apparatus, quite separate from its existing Northern Territory Aboriginal welfare administration and with a clearly separate and national role to play. The Office began to make special purpose grants to the States for expenditure on Aboriginal welfare and economic development and also began to provide some funding for Aboriginal community organisations. Assimilation was discarded as the key term of Aboriginal policy in favour of 'integration', though precisely what difference this signified was somewhat unclear (Schapper 1970: 59-60). While these were significant changes, they continued to operate through the established structures and organisations of Aboriginal policy, rather than in any way directly challenging them.

On the social security front, in the 1960s pressure was building up to have pensions, benefits and family allowances paid directly to Aborigines, rather than to their welfare authority, mission or employer custodians (Andrews 1964). In response to such pressure a directive was issued in 1968 by the federal Minister for Social Security that progress towards direct payments to Aborigines should be hastened. However, with the Department of Social Security's 'field' presence among Aborigines being extremely limited, such



a directive was to little avail. Most Aborigines were still dependent on the State and Territory Aboriginal welfare authorities for the majority of their day-to-day needs and had little prospect of receiving their social security entitlements directly. There was in any case still an ambivalence in the larger Australian society over the applicability of social security payments to Aboriginal people, particularly in remote areas. Pensions and family allowances were being paid, but unemployment benefit was still being regarded by the Department of Social Security as inapplicable to Aborigines in remote areas (Sanders 1985).

### **From exclusion to inclusion: the 1970s revolution**

History will record the 1970s as a decade in which Federal Government approaches to Australia's Aboriginal minority underwent radical change. The 1971 Census was the first in which Aborigines were to count in 'reckoning the numbers of people of the Commonwealth' and the first that adopted a self-identification test of Aboriginality. Previous census questions on Aboriginality had asked for distinctions by racial proportion (for example, half Aboriginal/half European, or 'full-blood' Aboriginal) and had come under increasing criticism for their racism, unrealism and inappropriateness. In the 1971 Census, approximately 116,000 people self-identified as Aborigines or Torres Strait Islanders. This was some 14,000 more than had been enumerated in the 1966 Census under the old proportional question, but was still only about 1 per cent of the total Australian population of 12.8 million.

The adoption of a self-identification definition of Aboriginality may not of itself seem a significant development in policy. However, it was indicative of a whole change of philosophy in Aboriginal affairs policy developing at that time. Late in 1972, the Whitlam Labor Government was elected to office and the established regime of Aboriginal policy began to be transformed in ways that would make the changes of previous years look tentative indeed. The Whitlam Government adopted 'self-determination' as the central term of Aboriginal policy. The new Federal Government declared that it would restore to Aborigines their lost power to determine their own futures and ways of life (Whitlam 1973). This was intended to indicate a clear break with past policy philosophy, which was now seen as having determined such choices for Aborigines.

Major institutional changes were also embarked upon in conjunction with the change of policy philosophy. A fully-fledged federal Department of Aboriginal Affairs (DAA) was established, combining in the first instance both the relatively new and small Office of Aboriginal Affairs with the Commonwealth's much more long-standing and larger Aboriginal Welfare Branch of the Northern Territory administration. With the help of the new DAA, the Whitlam Government also established a National Aboriginal Consultative Council, comprised of elected Aborigines from around the country and specifically charged with the task of advising the Commonwealth Government on issues of concern to Aboriginal people. A royal commission to inquire into mechanisms for the granting of



Aboriginal land rights was also established and although its brief was restricted to the Northern Territory in the first instance, (where direct Commonwealth administration would ensure quick implementation), there was also a clear understanding that any proposed mechanism for the Territory could become a model for the rest of Australia.

In as bold an institutional move as any, the Whitlam Government also declared its intentions to take over the policy responsibilities and personnel of State Aboriginal welfare authorities and incorporate them into the new DAA. Explaining his Government's reasons for this takeover to the Council of Commonwealth and State Ministers for Aboriginal affairs in 1973, Whitlam argued that the intention was not to establish a new 'omnibus' Department of Aboriginal Affairs, like a super-sized State or Territory Aboriginal welfare authority, but rather to create a new Commonwealth DAA which:

will instead seek to devolve upon a wide range of Federal, State and local authorities, as well as upon organisations of Aborigines themselves, responsibility for carrying out the policies decided upon by my Government. These authorities would be responsible for Aborigines in the same matters and in the same way as they now are functionally responsible for the community generally (Whitlam 1973: 697).

This approach would, if realised, reverse the previous pattern of Aboriginal exclusion from the mainstream institutions of the Australian welfare state. The Commonwealth's Aboriginal affairs administration was to provide some overall policy direction and some supplementary assistance for Aborigines, but it was to do so in conjunction with and in addition to, rather than instead of, mainstream agencies at all levels of Australian government. The DAA was to encourage Aboriginal community organisations to legally incorporate for the conduct of their own affairs and for the provision of many of their own services, thereby creating new relations with such organisations somewhat akin to those with non-government community welfare agencies more generally. All this promised to be a major change from the past regime of Aboriginal exclusion from the Australian welfare state, which had only been tentatively challenged in previous years.

The realisation of the Whitlam vision required many battles to be fought on many fronts. The DAA did succeed during the Whitlam years in taking over the State welfare authorities in all States except Queensland, where a conservative State Government dominated by rural interests maintained its own State Department of Aboriginal and Islander Advancement (DAIA). A Queensland branch of the new Commonwealth DAA was, however, established in 1975 alongside the State Government's Department. Legislation for land rights in the Northern Territory also reached an advanced stage of preparation during the Whitlam years, though it had to rely for its enactment on the incoming Fraser Government, after the Whitlam Government lost office late in 1975.

In relation to other agencies in the Commonwealth's administrative apparatus, such as the Department of Social Security (DSS) and the Commonwealth Employment Service (CES), which were now supposed to service Aborigines directly, the DAA was constantly pressuring these agencies to take a more active service delivery role. Disagreements



abounded as to just where the responsibility of these functional departments stopped and those of the DAA started. But the DAA was always insistent that the functional agencies were not doing enough and in time they slowly began to do more. The DSS, for example, initiated a process of appointing special purpose Aboriginal liaison officers in 1977 and the CES had already begun appointing Aboriginal vocational/employment officers.

In relation to State Government agencies, such as housing, health and education departments, the DAA's main weapon of persuasion was much increased special purpose grants, which in most States were quickly taken up. However, while these agencies did no more than spend their Commonwealth special purpose grants on services to Aborigines, and this was generally the case, there was a sense in which they were not fully accepting separate responsibility for their Aboriginal clientele. The problem for the DAA was getting State departments to earmark some of their own financial resources for their Aboriginal clients, rather than just taking Commonwealth money.

Throughout the 1970s, the DAA insisted that other agencies at all levels of government should be doing more for Aborigines, while at the same time building up its own array of Aboriginal assistance programs. These programs were defined in functional terms such as housing, health, employment and education. The balance that was to be struck here, was always a difficult one. On the one hand, as long as the DAA developed its own programs and expanded its expenditure, it was easy for other government departments to argue that responsibility for matters relating to Aborigines lay with the DAA. Why else did the DAA's programs exist and why else was it encouraging and directly funding Aboriginal community-based organisations such as health services, housing associations, legal services and, in remote areas, general community councils? On the other hand, if the DAA ceased to develop its own programs, or even withdrew financial support from certain types of activity in Aboriginal communities, would the mainstream functional departments adequately fill the void?

### **The 1980s: a proliferation of programs**

Despite the many battles which needed to be waged, there was a sense in which, by the early 1980s, Aborigines were being included in the Australian welfare state in a way reasonably in line with the Whitlam vision of the early 1970s. The central term of Aboriginal policy had been changed by the Fraser Coalition Government from the somewhat provocative self-determination to the slightly more restrained 'self-management'. The National Aboriginal Consultative Council, the elected national Aboriginal advisory body had been abolished and re-constituted as the National Aboriginal Conference in 1977 and the DAA had been effectively split in two with the creation of the Aboriginal Development Commission in 1980. However, the basic thrust of philosophical and institutional change remained intact. In even the remotest areas Aborigines were by the 1980s being treated as eligible for all social security payments, including unemployment benefit (Sanders 1985; Altman 1985). Aborigines were also increasingly being provided

for through a broad range of special Aboriginal assistance programs operating across a whole range of Commonwealth and State government departments; some provided services direct to Aborigines and some funded community-based service organisations. The underlying rationale for separate Aboriginal assistance programs was the extreme disadvantage and special needs of the Aboriginal clientele.

Some indication of the growth in Aboriginal assistance programs over recent years can be gained from Table 1 where the ratio of Commonwealth Aboriginal affairs portfolio's expenditure on Aboriginal assistance to total Commonwealth expenditure on Aboriginal assistance is calculated. From accounting for over 80 per cent of such expenditure in the early 1970s, the Aboriginal affairs portfolio's share dropped to around 70 per cent by the early 1980s and to around 57 per cent at present. The change has been brought about by the development of Aboriginal assistance programs in Commonwealth agencies outside

**Table 1. Commonwealth Aboriginal assistance programs expenditure (not indexed for inflation)**

Financial year	Aboriginal affairs portfolio (A) (\$ million)	Other C'wealth agencies (B) (\$ million)	Total (C) (\$ million)	(A) as % of (C)
1970/71	20.3	4.4	24.7	82
1971/72	24.0	5.0	29.0	83
1972/73	44.3	14.1	58.4	76
1973/74	78.3	18.4	96.7	81
1974/75	124.8	34.1	158.9	79
1975/76	138.9	47.2	186.1	75
1976/77	121.0	40.5	161.5	75
1977/78	124.3	49.5	173.8	72
1978/79	132.6	19.0	151.6	87
1979/80	140.8	41.2	182.0	77
1980/81	159.4	60.2	219.6	73
1981/82	168.8	90.0	248.8	68
1982/83	198.0	102.4	300.4	66
1983/84	242.8	153.9	396.7	61
1984/85	281.2	186.0	467.2	60
1985/86	295.1	225.1	520.2	57
1986/87	332.1	240.0	572.1	58
1987/88	377.4	278.8	656.2	58
1988/89	450.0	327.6	777.6	58
1989/90	505.8	394.1	917.4	55

Source: DAA (1987) and various annual reports of the Department of Aboriginal Affairs.



the Aboriginal affairs portfolio. The largest of these programs, in terms of expenditure, have been in the areas of employment, education, and housing. However, in more recent years Aboriginal assistance programs have emerged in Commonwealth portfolios as diverse as arts, environment, health, community services and communications (see Table 2).

Table 3 provides a functional breakdown of the Aboriginal affairs portfolio's own program expenditure. There are probably now over one hundred Aboriginal assistance programs and sub-programs provided across the range of government departments and at various levels of Australian government. Even listing these programs, let alone describing their mode of operation, would now be a major undertaking.

The expenditure identified in Tables 1 to 3 on specific Aboriginal assistance programs does not take into account expenditure on Aborigines through general government programs where Aboriginality is not identified, and this too is a significant amount. Expenditure through the social security system is clearly by far the most important such item. One recent estimate by the economist Fisk (1985: 79), which draws together diverse

**Table 2. Mainstream Commonwealth agency expenditure on Aboriginal assistance programs**

	1988/89 \$ million	1989/90 \$ million
Department of Employment, Education & Training	190.9	210.6
including Aboriginal Study Assistance	74.1	74.6
and Aboriginal employment development	72.7	70.8
Department of Community Services and Health	111.7	136.7
including public rental housing	70.0	92.4
Department of Administrative Service	10.2	11.2
Department of the Arts, Sports, the Environment Tourism and Territories	5.3	6.2
Department of Social Security	4.6	1.6
Australian Bicentennial Authority	1.3	0.0
Australian Broadcasting Corporation	1.1	1.4
Department of Transport & Communications	0.7	0.2
Australian Electoral Commission	0.7	0.8
Department of Primary Industries & Energy	0.3	1.0
Special Broadcasting Service - TV	0.2	n/a
Australian Bureau of Statistics	0.2	0.1
Department of Attorney-General	0.2	0.3

Source: DAA (1989) and ATSIC Budget Branch

sources of data on Aboriginal incomes, estimated that social security payments constituted 47 per cent of all Aboriginal personal income in Australia at the time of the 1976 Census and 54 per cent by the 1981 Census. This increase over the five year period was probably due to changing interpretation of Aboriginal eligibility for unemployment benefits and to a decline in Aboriginal employment levels, especially in rural areas, owing to structural changes in the Australian economy. This level of Aboriginal dependence on social security payments can be compared to an estimated 14 per cent social security contribution to the personal incomes of the whole Australian population in 1984 (Australian Bureau of Statistics 1986).

**Table 3. Aboriginal affairs portfolio, expenditure by functional program area**

	1988/89 \$ million	1989/90 \$ million
Employment	99.0	133.2
Housing	96.7	80.9
Community infrastructure	69.3	78.0
Health	43.5	44.0
Enterprise	27.9	27.4
Heritage*	25.8	0.6
Legal aid	17.0	19.7
Social support	10.1	11.0
Consultation and research	8.3	7.4
Recreation	6.4	4.9
Broadcasting	4.5	7.6
Training	4.1	8.5
Art and culture	2.4	4.1
Land ownership and administration*	0.0	40.3
Administration	58.7	76.6
Total	473.7	544.2
Revenue received	(23.7)	(38.4)
Net expenditure	450.0	505.8

\* In 1988/89 'land ownership and administration' was included with 'heritage' figures.

Source: DAA (1989) and ATSIC Budget Branch



Tables 1 to 3 also do not identify expenditure on Aborigines at the State level of Australian government, except where it is derived from Commonwealth special purpose grants. Although probably fairly small in comparison with Commonwealth expenditure, such expenditure does exist and is not entirely insignificant. The New South Wales State Government established a land rights system in 1983 under which about \$30 million per annum of State Government revenue has recently been spent and the Western Australian Government has contributed half of a joint Commonwealth-State \$100 million community improvement program running for the period 1986-91. In Queensland, the Division of Aboriginal and Islander Advancement of the Department of Family Services and Aboriginal and Islander Affairs spends in the region of \$36 million per annum. No doubt there are other State Government contributions which we have not identified. In the Northern Territory, in particular, where Aborigines comprises 22 per cent of the total population, it is likely that a significant proportion of the Territory budget is expended on Aboriginal clients.

In the current absence of comprehensive information on overall expenditure on Aboriginal people by all levels of Australian government, one has to estimate. Such estimates require projections of Fisk's data on social security, combined with the figures in Tables 1 to 3 and some rough estimates of State, Territory and even local government expenditure (other than that already identified in Commonwealth special purpose grants). It is probable that, all told in 1989/90, in the region of \$1800 million was spent by Australian governments on Aboriginal people. This is clearly a very significant amount and represents expenditure in the region of \$7,200 per Aborigine. Much of this expenditure is not, of course, received directly by Aborigines, but is instead paid to organisations that provide goods and services to them. Another problem with such statistics is that they do not differentiate between negative funding on police, justice and welfare and positive funding on, for example, post-primary education (Douglas and Dyll 1985). Information collected on Aboriginal custody rates by the Royal Commission into Aboriginal Deaths in Custody suggest that Aboriginal people are over-represented in negative funding, while their low economic status (Altman 1988) suggests that they are under-represented in positive funding.

In parallel with this proliferation of government programs over recent years there has been a rapid increase in the self-identifying Aboriginal population. By the 1986 Census the Aboriginal and Torres Strait Islander population had reached 228,000 or 1.4 per cent of the total Australian population of 16 million. It is estimated that the current (1991) Aboriginal population totals about 250,000. The high growth rate of the Aboriginal population (4.5 per cent per annum since 1971) which cannot be entirely explained in demographic terms, has lead some to see Aboriginal identification, somewhat cynically, as a matter of convenience. However, it can also be seen as a renewed willingness of people of Aboriginal descent to identify as such, now that Aboriginal affairs policy is moving in a more positive direction.



### **Dependence and program fragmentation: causes for concern?**

The inclusion of Aborigines in the Australian welfare state has not been without its critics. Criticisms are generally of two types. The first points to the extent of Aboriginal dependence on welfare provisions. The second criticises the proliferation of programs now available in terms of fragmentation, duplication, overlap and inefficiency.

For a range of historical, structural and cultural reasons, Aboriginal people have remained largely outside the mainstream Australian economy. This is especially so in regions that are remote from formal labour markets, where a disproportionate number of Aborigines still live, but it is not restricted to Aborigines in these regions. Many Aborigines have therefore become long-term dependents on social security and other social programs, which are only intended as short-term palliatives, and are that, for most Australians. This has resulted in concern about Aboriginal welfare dependence which is by no means new. Indeed it has been evident throughout the period of Aboriginal inclusion in the welfare state and accounts in part for the rather gradual and sometimes quite contested nature of such inclusion. It also accounts for some specific policy and program developments over recent years.

One such development is the Community Development Employment Projects (CDEP) scheme, initiated in 1977. This scheme was a direct reaction to the prospect of large scale unemployment benefit payments in remote Aboriginal communities. Its proponents argued that these payments would be counter-productive in such communities, where much socially useful, if not economically viable, work could be undertaken. The CDEP scheme converts individual unemployment benefit entitlements into a grant to community councils for the purpose of undertaking community works, but only where communities seek such a conversion. Community members were, in effect, being employed by their community councils to work for their unemployment benefit entitlements.

The CDEP scheme encountered many difficulties during the early years of its operation (Sanders 1988). However, the DAA persisted in its support of the scheme and eventually received government backing for its major expansion. In 1987, when the Hawke Labor Government announced a major re-working of Aboriginal employment programs, the two issues which the Federal Government saw as 'paramount' were 'appalling levels of Aboriginal joblessness' and Aboriginal disillusionment with 'the current situation which does not extend beyond the receipt of a welfare payment for many' (Commonwealth of Australia 1987: 2). The expansion of the CDEP scheme was a major component of the Aboriginal Employment Development Policy launched in 1987. The scheme now has over 20,000 Aboriginal participants (including dependents) and accounts for over one quarter of the Commonwealth Aboriginal affairs portfolio's budget. The recent rapid growth of the scheme clearly reflects concerns about Aboriginal welfare dependence, although it is arguable that the scheme itself is still a form of welfare provision.

The second line of criticism of Aboriginal inclusion in the welfare state relating to program



fragmentation has a number of aspects. One is the inter-relatedness and ultimate unity of Aboriginal needs for land, better housing, jobs, and so on. Program interventions, it is argued, need to be coordinated and integrated if they are to be effective. A second aspect of the criticism is that program fragmentation leads to interminable inter-governmental and inter-departmental debates about where responsibilities for servicing Aboriginal people lie. A third is that Aboriginal communities find themselves almost incessantly dealing with different government agencies and trying to steer some course through their differing rules and program requirements. A fourth is that fragmentation is responsible for special Aboriginal program expenditure being used to substitute for, rather than supplement, normal government expenditure.

Though concerns about fragmentation of programs and Aboriginal dependence on the welfare state are legitimate, they can also be overstated. From an historic perspective they overlook the extent to which it has in fact been inclusion in the fragmented array of welfare state programs that has made additional resources available to Aborigines in recent years and has in the process underwritten many positive developments towards greater Aboriginal autonomy.

Social security entitlements have been especially important in providing a 'base level' of resources to both individuals and, if used collectively as they often have been, to Aboriginal community groups. This base level of social security income can be quite significant and has provided Aborigines with a degree of economic independence which they did not enjoy even twenty years ago. Whether all this social security income will be maintained is currently a little uncertain, as from 1991 the Federal Government plans to abolish unemployment benefits and replace them with Newstart, a new employment and training scheme limited to 12 months duration. How Newstart will be applied to Aboriginal and non-Aboriginal Australians who reside at remote locations where there are very limited labour market opportunities is a matter which will not be clarified for some time.

Access to social security income has also increased Aboriginal people's room for manoeuvre in relation to the many other organisational arms of the Australian welfare state. A basic income entitlement to fall back on is a potentially important strategic resource for Aborigines attempting to negotiate with the administrators of other programs intended for their benefit. It should also be noted that the sheer number of such programs and administrators has similarly increased Aboriginal people's room for manoeuvre. Some well-resourced and effective Aboriginal organisations may be able to obtain from one program, department, or level of government, that which they cannot obtain under a slightly different guise from another. However, other Aborigines who lack such ability, but are in greater need, may miss out because they find the fragmented array of programs intimidating and confusing.

There is no doubt that a large proportion of Aborigines are now dependent on the Australian welfare state, but they are not dependent on any one program or any one



agency, as they were under the exclusionary regime of Aboriginal policy described earlier. Escaping from dependence on the welfare state is a legitimate and important goal both for Aboriginal people and for Aboriginal affairs policy in future years, but just to have attained such dependence from the previous position of exclusion has been a major achievement of the last two decades.

### **Changing patterns of inclusion: recent developments and future prospects**

The pattern of Aboriginal inclusion in the Australian welfare state which has developed over recent is not the only one that could exist. The present combination of specific Aboriginal assistance programs, based on claims of disadvantage and special need, and Aboriginal inclusion in general government programs is unlikely to be sustained for ever. It may be useful therefore to speculate on just how this pattern of inclusion is currently developing and how it may develop in the future.

In March 1990, the Federal Aboriginal affairs portfolio was re-organised into an Aboriginal and Torres Strait Islander Commission (ATSIC). Impetus for the re-organisation grew out of the disbanding in 1985 of the Commonwealth Government's previous structure for elected Aboriginal representation, the National Aboriginal Conference, and reservations about the effectiveness of the existing Aboriginal affairs administrative structures, including program fragmentation and duplication. The model for the new Commission attempted to combine previously separate representational and administrative elements. The Commission is staffed by public servants, but its peak decision-making body consists of twenty Aboriginal Commissioners, seventeen Aboriginal-elected and three ministerially-appointed. The Commission also has a regional structure of sixty elected regional councils each of which will play a role in determining the expenditure of Aboriginal assistance money within their region. Under the legislation this role is to apply to some extent not only to Commission expenditure, but also to other Commonwealth, and even State and Territory Government, expenditure. This too reflects the attempt to overcome program fragmentation and lack of co-ordination. However, in reality the role of ATSIC regional councils is likely to be restricted primarily to Commission expenditure, and even within that, it will have to compete with central bureaucratic determination of 'national' priorities. Other federal departments are likely to guard their own abilities to determine their expenditure of Aboriginal assistance moneys and State Government agencies are certain to do so. Although in some ways appearing to strengthen the role of the Aboriginal affairs portfolio in Aboriginal assistance expenditure, we suggest that ATSIC will be unable to reverse the trend of the last twenty years towards greater mainstream welfare state expenditure on Aboriginal assistance and proportionately lower Aboriginal affairs portfolio expenditure (see Table 1).

A more likely development in future years is, in our judgement, an even greater move towards mainstream provision. Perhaps this will mean a growing use of mainstream



government departments to administer the now familiar special Aboriginal assistance programs and a simultaneous further decline in the role of the programs and expenditure within the Aboriginal affairs portfolio. Perhaps it will mean the disappearance of specific Aboriginal programs and their incorporation within the general programs of functionally-defined government departments. The Northern Territory, which since 1978 has been granted a form of Territory self-government not unlike that of a State, has already moved in this direction, and some State Governments are considering similar moves. Such a development will no doubt be highly emotive and keenly contested, as it could be compared with previous unsuccessful and culturally damaging assimilation policies. Aborigines may claim that their special needs and extreme disadvantage are once again being ignored by governments, if specific Aboriginal assistance programs begin to disappear.

However, it may also be the case that even greater resources and expertise are available to Aborigines through inclusion in mainstream programs, than will ever be available to them through specific identified programs. The social security example has supported this view in the past, and may well be emulated in other functional areas of government activity in the future. The likely outcome for Aboriginal community-based organisations, such as community councils, health services, legal services, and so on, is that they will increasingly draw their resources from government programs directed not just at Aboriginal people, but at the community more generally. A shift to greater mainstream provision for Aborigines may also assist Aboriginal affairs policy makers in their constant battle to ensure that special Aboriginal program expenditure is used as a supplement to normal government expenditure rather than as a substitute. There is also an argument to be made that substitution funding will never cease while there are separate budget allocations for Aboriginal people, and that the only means to overcome under-spending on Aboriginal citizens by functional departments is to move towards greater mainstreaming. Another possible advantage of greater mainstreaming is that expenditure on Aboriginal assistance will become less visible. In many depressed rural areas poor non-Aboriginal Australians already feel excluded from the range of programs available to Aboriginal people. If the current (1991) rural recession deepens and is sustained, the risks of such a backlash will increase.

Nevertheless, it is unlikely that separate programs for Aboriginal people will disappear altogether in the foreseeable future, although they may change their form. ATSIC may move away from programs and expenditure defined primarily in functional terms (as in Table 3) towards programs defined more in terms of Aboriginal community types. In the 1970s it was difficult for the Federal Government and the DAA to move in such a direction because of wariness about making distinctions between different Aborigines. So disreputable had the old proportional racial distinctions become, that to see anything other than a single homogeneous Aboriginal population was unacceptable. Hence the DAA's programs from 1972 basically mirrored the functional program divisions of land, education, housing, health and employment and made few, if any, distinctions between



Aboriginal circumstances. Over time a new willingness has developed among Aboriginal affairs policy makers to recognise the diversity and heterogeneity of the Aboriginal population. This heterogeneity does not inhere in the people themselves, as the old proportional distinctions implied, but is a result of differential European settlement in the various regions of Australia. The Commonwealth Aboriginal affairs portfolio has recently identified several categories of Aboriginal community which reflect this differential history of settlement. These include:

- A1: Discrete Aboriginal townships in remote areas often located on Aboriginal land and likely to be responsible for their own municipal-type services.
- A2: Outstations and other small groups in remote areas linked to a resource organisation in a nearby Aboriginal township or other regional centre.
- B1: Aboriginal communities in State or Territory capital cities and major urban areas.
- B2: Aboriginal communities whose members are residents of country towns mixed in with a predominantly non-Aboriginal population.
- B3: Groups of Aborigines living at an identified location or camp site near or within an urban area and having different arrangements from the town for municipal services or no such facilities at all.

In recent years the Aboriginal affairs portfolio has developed some programs directed at specific community-types such as the Accelerated Community Infrastructure Program, Town Campers Assistance Program and the Aboriginal Communities Development Program. While such programs are restricted to the general area of community infrastructure, they do attempt to cross strict functional demarcations between various types of services. In other instances functionally defined programs such as the Aboriginal Employment Development Policy have been differently designed and applied in relation to different community types. All this may be hastened by the decentralisation inherent in the establishment of sixty ATSIC regional councils, which are likely to focus strongly on the totality of community needs rather than on the functional program divisions of the bureaucracy.

Such a restructuring of program orientation would be a recognition of the fact that extremely varied cultural forms seem highly likely to persist in different parts of Aboriginal Australia, ranging from modern hunter-gatherers in Arnhem Land to groups living in inner-city Sydney or Melbourne. These differences will require policy flexibility and diversity. There is no doubt that many Aboriginal people and their leaders living in communities in more settled Australia want full incorporation into the mainstream economy. Other Aboriginal people, living primarily in remote communities are seeking to maintain important cultural and economic components of their traditional lifestyles,



and consequently reject total economic incorporation. There may be a need to develop a better policy balance between the goal of equality between Aboriginal and non-Aboriginal Australians on one hand, and the diverse circumstances and aspirations of the Aboriginal population on the other. Program structures more clearly focused on different Aboriginal community types may provide a better means to achieve such a policy balance.

**Postscript: The retreat of the welfare state, economic restructuring and the reduction of dependence.**

Throughout the 1980s, expenditure on Aboriginal welfare has increased in real per capita terms, despite the rapid growth of the self-identifying Aboriginal population and inflationary pressures. In Australia, as elsewhere in the developed world, there is now a general retreat of the welfare state. There are already some indications that Federal Government forecasted budget outlays on Aboriginal assistance programs from 1991/92 to 1993/94 may decline in real terms (Commonwealth Parliamentary Debates, House of Representatives 11 October 1990: 2800) and the welfare state may be less generous in its provisions for Aboriginal people.

A related issue for the 1990s and beyond, is how Aboriginal people can break away from this dependence in times of economic restructuring. The Australian economy as a whole appears to be in relative decline and is struggling to restructure and improve its position in the world economy. Labour markets will be tight and those, like many Aborigines, with few skills, little work experience and a locational disadvantage will have difficulty finding gainful employment. It is difficult, therefore, to see how the economic situation of Aboriginal people can be improved and their welfare dependence lessened in the immediate future.

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