

# Indigenous Business Banking



## Insights on the 2017-18 Federal Budget for the Indigenous Business Banking Sector

*The Treasurer Scott Morrison has delivered the Federal Budget 2017 to Parliament, which aims to reduce the cost of living for Australian families and boost economic growth by securing more and better paying jobs. This has been a more complex and far reaching Budget than expected, and initial reviews by parliament have been positive.*

*Below are some of the key budget areas that may impact Indigenous businesses and communities. Please note, Budget announcements are proposals only until passed through parliament.*

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### INDIGENOUS BUSINESS

- Reallocation of \$146.9 million in funding over four years from Indigenous Business Australia to the Department of the Prime Minister for the delivery of innovative and effective support for Indigenous businesses and entrepreneurs.

These support services will include workshops, business planning and training; tailored loan products and capital assistance for Indigenous entrepreneurs to establish or grow their business.

### Closing the gap

- To help address literacy differences between Indigenous and non-Indigenous Australians, the Government will allocate \$5.9 million over four years to trial the use of digital technology to improve English literacy outcomes of Aboriginal and Torres Strait Islander children. Trials will be held in 20 preschools over a two year period (2019 – 2020).
- Commencing in 2017, \$61.8 million will be allocated from the Community Child Care Fund to provide continued support for the Budget Based Funded Program (which provided child care in regional, remote and Aboriginal and Torres Strait Islander communities) to increase the number of Indigenous children taking part in early learning and care.
- To assist in closing the employment gap for Indigenous Australians, \$55.7 million over five years (from 2016/17) will be provided to enhance engagement opportunities by

employment service providers. This financial package includes:

- Pre-employment training and mentoring, and expansion of access to the Transition to Work Program for Indigenous job seekers 21 years or under (\$33.2 million over five years).
- \$17.6 million over five years from 2016-17 to trial employment assistance measures to support Indigenous prisoners as they prepare and transition from prison to an employment assistance program after their release.
- \$5 million over four years (from 2017-2018) for implementation of a community-designed and delivered employment services in Yarrabah, Queensland.
- An immediate increase in wage subsidies (rising from \$6,500 to \$10,000) for Indigenous participants to provide additional support around employment outcomes. Funding to come from the existing Wage Subsidies Funding Pool.
- Expansion of the ParentsNext program over four years from 2017-2018, with an additional \$263 million in funds allocated. Delivered in two streams the program will provide specific support across different regions:
  - \$150.1 million for the national expansion of ParentsNext to 51 employment regions covered by job active providers.

- \$113 million for an intensive service offering in 30 locations with a high number of Indigenous Parenting Payment recipients. This aims to boost participation of Indigenous parents in the labour market and help achieve Closing the Gap employment targets.

### Health and welfare

- Veteran's Gold cards, which cover most health costs, to be provided to Indigenous peoples who were at or near Maralinga, Emu Fields or the Mote Bello Islands during the British Nuclear Tests conducted in the 1950s and 1960s.
- 12 month extension of the cashless debit card trials in Ceduna, South Australia, and the East Kimberley, in Western Australia, until 30 June 2018. Two new locations will also be trialled from 1 September 2017.
- An additional \$55.7 million over three years has been allocated for legal assistance services. This includes \$16.7 million for Indigenous Legal Assistance Providers (ILAPs) to assist in addressing Indigenous incarceration rates and \$39 million for Community Legal Centres to support victims of domestic violence.

### Policies, programs and research

- An allocation of \$52.9 million (over four years from 2017/2018) for a whole-of-government research and evaluation strategy for programs and policies impacting Indigenous Australians,

including the establishment of an Indigenous Research Fund.

This strategy will include:

- \$40 million over four years from 2017-2018 to improve evaluation of the Indigenous Advancement Strategy.
- \$10 million over three years from 2017-18 for the establishment of an Indigenous Research Fund.
- \$2.9 million over four years from 2017-18 for the Productivity Commission to enhance Indigenous policy evaluation and Commission expansion to include an additional Commissioner with relevant Indigenous policy experience.
- An allocation of \$40.9 million over four years from 2017-2018 for the continuation of four major Australian longitudinal studies including the Longitudinal Study of Indigenous Children.
- \$1.1 billion over seven years (from 2016 – 2017) for the ongoing delivery of the national Landcare Programme to support natural resource management, local and long-term environmental, sustainable agriculture and Indigenous outcomes. This measure includes a \$15 million allocated under the 'Green Army' program – termination' for new Indigenous Protected Areas.

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