

Can We Ever ‘Close the Gap’ in Indigenous Outcomes?

There’s at least one thing that all Australian Governments in the past 25 years have in common: an articulated goal of eliminating socioeconomic differences between Indigenous and other Australians.

The Australia 2020 Summit is about looking to solutions for the future, but I thought it was worth going back over the past thirty years for clues in preparation for the 2020 topic ‘Options for the Future of Indigenous Australia’. With my Centre for Aboriginal Economic Policy Research (CAEPR) colleagues, I’ve compared changes in Indigenous socioeconomic status at the national level between 1971 and 2001 with the latest 2006 Census data.³⁷ And going by the figures, when it comes to Closing the Gap, the future doesn’t look bright.

For the past 25 years, successive governments have trumpeted their plans to tackle Indigenous disadvantage in this country. All these leaders have sought to address an apparently intractable social problem—a blight on the Australian nation—through policy intervention.

In the 1980s, Bob Hawke launched the Aboriginal Employment Development Policy with the declared aim of achieving employment, educational and income statistical equality by the year 2000 (although he’s better remembered for his pledge to have no Australian child living in poverty by 1990).

In the 1990s, John Howard emphasised a more ambitious goal to deliver equality in employment, health, housing and education under his ‘practical reconciliation’ policy umbrella. However, Howard was more politically wily than Hawke and so set no timeframe for the achievement of this lofty task.

And now Kevin Rudd has adopted the language of ‘Closing the Gap’ between Indigenous and other Australians (used in New Zealand in the 1990s as a framework for reducing disparities between Māori and Pākehā).

With that in mind, my CAEPR colleagues Drs Boyd Hunter and Nicholas Biddle and I updated an earlier article we had published on changes in Indigenous socioeconomic status at the national level between 1971 and 2001 with the latest 2006 Census data.³⁸

In absolute terms using either of two series 1971–2006 or 1996–2006 most variables measuring employment, income, housing, education and health status improved. But the story was very different in relative ‘Closing the Gap’ terms.

³⁷ Jon Altman, Nicholas Biddle and Boyd Hunter, ‘The Challenge of ‘Closing the Gaps’ in Indigenous Socioeconomic Outcomes’ (CAEPR Topical Issue 8/2008) <<http://caepr.anu.edu.au/sites/default/files/Publications/topical/ClosingTheGaps.pdf>>.

³⁸ Ibid.

In particular, in the period 1996–2006, relative outcomes improved for nine variables, but got worse for six! In the latest intercensal period, 2001–2006, the late Howard years, in absolute terms everything improved except for labour force participation, suggesting that boom times are also good for Indigenous people. But the story was different in relative terms where in a number of areas Indigenous people went backwards.

Massive budget surpluses in the last decade that should have been invested in addressing Indigenous disadvantage were unfairly directed at middle Australia to win votes. Nevertheless, the Howard Government’s rhetoric of policy failure over the last 35 years does not match the statistical evidence. And one wonders how much better off Indigenous people might have been today with proper needs-based investments and support for, rather than unrelenting attack on, Indigenous institutions during the Howard years.

In our paper we did something else that is unprecedented. Using simple annualised rates based on past evidence, we estimated where we might be in ‘Closing the Gap’ in 35 years’ time in 2041 to provide a degree of symmetry with the last 35 years.

Such prediction is bold because it assumes similar policy settings; and they can only be made with diverging trends, so are very much best-case scenarios. Nonetheless, the findings are very concerning.

We used both our series 1971–2006 and 1996–2006 (the latter being more statistically accurate) and found parity or near parity achieved in only a few variables, notably in areas associated with employment and education.

But in many other areas, including population aged over 55, holding degrees, median weekly income and home ownership we will still be a long way from parity in 2041. And in some other important areas like the employment to population ratio there is divergence, the gaps are widening!

As Murray Edelman noted in his book *Political Languages: Words that Succeed and Policies that Fail* there is an aspect to politics and policy making that makes our leaders, of whatever political persuasion, commit in a highly symbolic way to goals that are destined to fail at least in that leader’s political lifetime.³⁹

That is, according to current policy settings that I would typify as ‘one way’ whether focused on statistical equality (Hawke), practical reconciliation (Howard) or Closing the Gap (Rudd)—one way in seeking statistical equality at the national level between Indigenous and other Australians according to

³⁹ Murray Edelman, *Political Languages: Words that Succeed and Policies that Fail* (Academic Press, 1977).

mainstream social indicator averages.

The crucial challenges I perceive for the Australia 2020 Summit's focus on 'Options for the Future of Indigenous Australia' are twofold. At a philosophical level, we need to get away from narrow one-way thinking that is currently privileged and start thinking two-way: focus on equality and equity, citizenship sameness and citizen plurality, and delivery of entitlements on a needs basis, while recognising difference and diversity.

This two-way thinking might see very positive outcomes that reduce socioeconomic disparities without completely eliminating gaps.

At a practical level, after a decade of relative neglect, the Rudd Government has received a 'hospital pass': it now needs to invest the billions in the essential citizenship catch-up that the Howard Government ignored.

Ensuring relative improvements in Indigenous socioeconomic outcomes will require some fundamental structural changes in how the Australian state is held accountable for its delivery of much-needed social and community infrastructure and services, as well as how it might redistribute some of the nation's wealth tied up in commercially valuable resources to Indigenous Australians. Selling such a fundamentally new framework that might assist to close gaps will be a huge challenge.

17 April 2008