



PRIME MINISTER

53/94

STATEMENT BY THE PRIME MINISTER, THE HON P J KEATING MP

ABORIGINAL AND TORRES STRAIT ISLANDER LAND FUND

Today I introduced into the House of Representatives a Bill to establish a national Aboriginal and Torres Strait Islander Land Fund and the Indigenous Land Corporation.

Late last year we enacted the native title legislation in response to the High Court's historic Mabo decision. That legislation gave effect to the Court's recognition that Australia's indigenous people owned the country before European settlement, and were dispossessed, often violently, of their land. It also provided for the validation of existing interests which may be invalid because of the existence of native title. In a real sense, the Government legislated for all Australians.

The native title legislation is fundamental to the process of addressing dispossession, and will benefit greatly those people who have been able to maintain a connection with their land sufficient to prove native title. Unfortunately, this will be a very small proportion of Aboriginal people, because the majority have been forced from their traditional lands.

The purpose of this Bill is to enable indigenous people to acquire land, and to manage and maintain it in a sustainable way to provide economic, environmental, social and cultural benefits.

The Bill is built on a foundation of input from a wide range of interests, including State and Territory Governments, farming, industrial, environmental and church organisations. In particular, I ensured peak indigenous interests were fully consulted, and were directly involved in the formulation of the Government's proposals. The Bill I introduced today contains a number of provisions which are directly attributable to my discussions with indigenous interests.

The Bill establishes a Land Fund to receive monies from which it will make allocations to the Indigenous Land Corporation for land acquisition and management. We have already allocated \$200 million to the Fund in this year's Budget. The Bill provides continuing allocations of \$121 million indexed in terms of 1994 dollars for a further nine years. Thereafter the fund will be self-sustaining.

The new Corporation will be an independent and commercially oriented statutory authority, with a dedicated focus on land matters, and specialised expertise in land and environmental management.

The Corporation will advance the cause of self-determination by providing indigenous people with greater access to the land and its resources and will be controlled by indigenous people. At least five of the proposed seven members must be Aboriginal people or Torres Strait Islanders.

The Corporation will prepare a national Indigenous Land Strategy based on regional strategies covering three to five year periods, and regional organisations will be involved in planning at the local level. Given the extensive indigenous land holdings in remote areas of the country, the Corporation will provide a vehicle for ensuring that land management and sustainability issues are given much greater focus on indigenous owned lands. This will benefit indigenous landholders directly, but will also have significant spin-offs for the nation as a whole.

The Corporation will receive payments from the Land Fund to enable it to undertake its functions. However, to ensure a smooth transition, ATSIC will retain its land acquisition and management functions and budget for the next three years. ATSIC will also be undertaking the day to day administration of the Fund.

This legislation prohibits the claiming of land acquired by the Indigenous Land Corporation under the Northern Territory Land Rights Act, but does not prevent the conversion of pastoral leases to native title under the Native Title Act.

The Government is committed to redressing Aboriginal and Torres Strait Islander disadvantage, and in particular to formulating a comprehensive response to the Mabo decision. The Bill introduced today is an integral part of this response, and its most financially significant element. It acknowledges that the economic, social and cultural marginalisation still endured by indigenous people can be traced to their dispossession. In a further stage of our response to the Mabo decision, the Council for Aboriginal Reconciliation and ATSIC are undertaking consultations with a view to advising the Government on institutional and structural changes which will assist in remedying indigenous dispossession.

Through the social justice measures, the Government is working towards establishing a new relationship between Australia's indigenous peoples and the wider community, a relationship in which Aboriginal and Torres Strait Islander culture is to be protected and valued, and indigenous people participate fully in Australian economic life.

CANBERRA
30 JUNE, 1994

MAIN FEATURES OF THE ABORIGINAL AND TORRES STRAIT ISLANDER LAND FUND BILL

Background

- In 1992 the High Court in its Mabo decision recognised that Aboriginal and Torres Strait Islander people owned much of the Australian continent before European settlement
- The Commonwealth Government enacted the *Native Title Act 1993* to give legislative recognition to the High Court's decision
- To prove native title, indigenous people must be able to demonstrate a continuing connection with the land
- Because most indigenous people were dispossessed of their land, only a small proportion will be able to prove native title
- The Government is therefore establishing the Land Fund as part of a broader response to the Mabo decision in recognition of the dispossession of indigenous people.

Purpose of the Land Fund

- The Land Fund will provide monies to enable Aboriginal and Torres Strait Islander people to acquire and maintain land in a sustainable way to provide economic, environmental, social and cultural benefits
- The majority of monies allocated to the Fund will be invested, so that after ten years the Fund will be self sustaining
- The Fund will provide money to a new Indigenous Land Corporation, and for a transitional period, to the Aboriginal and Torres Strait Islander Commission, to enable the Corporation and the Commission to purchase land for indigenous people and to assist them to manage and maintain land.

Structure and Funding of the Land Fund

- The Government is providing \$200 million to the Fund for 1994-95 and \$121 million, indexed in term of 1994-95 dollars for the following 9 years
 - the total allocations over 10 years will be \$1.463 billion
 - after allowing for outlays, the Fund is expected to reach \$1.1 billion in \$1994-95 dollars (or \$1.26 billion in nominal terms) after 10 years, assuming a real return on investments of 4% per annum
- The Indigenous Land Corporation will receive from the Fund \$25 million in 1994-95, \$24 million, indexed in terms of 1994-95 dollars for 1995-96 and 1996-97, and \$45 million indexed in terms of 1994-95 dollars for a further seven years thereafter

- After ten years, the Indigenous Land Corporation will receive the returns, after inflation, on the investments of the Fund
 - it is expected that this will be about \$45 million in 1994-95 dollars
- ATSIC will retain the \$21 million it currently spends on land acquisition and management in 1994-95 and will be paid an equivalent amount from the Land Fund in 1995-96 and 1996-97.

The Indigenous Land Corporation

- The Indigenous Land Corporation is being established to provide a specialised focus and expertise on indigenous land issues
- The Corporation will be responsible for purchasing land for the purpose of granting it to the indigenous corporations and providing grants to such corporations for the purpose of purchasing land
 - land may be purchased to provide for economic, environmental, social and cultural benefits
- The Corporation will place particular emphasis on the sustainable management of indigenous held land (including land bought before the establishment of the Land Fund)
 - generally it will do this by entering into agreements with the land holders
 - it may also make grants or loans for land management purposes
- The Corporation will be required to adopt sound land and environmental management practices; to directly involve indigenous land holders in land management activities; and to act in accordance with sound business principles when operating on a commercial basis
 - it will also be required to attempt to maximise the employment of indigenous people and to use goods and services provided by indigenous people
- The Corporation may establish subsidiaries to undertake some of its functions
 - for example the Corporation could establish subsidiaries to undertake its functions in a particular area or region
- The Corporation will be required to develop national and regional strategies for its operations in consultation with relevant indigenous interests
- The Corporation will be headed by a seven person Board of whom at least 5 must be indigenous people.

Purchase of land in the Northern Territory

- Land purchased by the Corporation in the Northern Territory will not be available for claim under the *Aboriginal Land Rights (Northern Territory) Act 1976*

- **this will ensure that there is not a significant increase in pastoral properties claimed under that Act before claims cease in 1997**
- **this will not preclude conversion of such properties to native title**
- **ATSIC moneys will continue to be available for the purchase of properties in the Northern Territory without restriction on claims under the Land Rights Act.**

**Office of Indigenous Affairs
Department of Prime Minister and Cabinet**

30 June 1994