



Australian Government
Indigenous Business Australia

IBA Koori Mail Column
20 May 2009
Sustainable Economic Development for Indigenous Australians

In this challenging economic climate the need to be able to build and sustain wealth has never been more important. Aboriginal people and Torres Strait Islanders share this need and organisations like Indigenous Business Australia (IBA) are dedicated to assisting Indigenous Australians to live in better circumstances.

IBA provides a range of commercial services and products for Indigenous Australians that include:

- direct assistance for business success through initial business support, business finance and ongoing business mentoring services.
- providing a range of competitive housing loan products to approved applicants
- assisting Indigenous communities and organisations to participate in business through investment opportunities with IBA and private sector partners.
- undertaking innovative housing, construction and infrastructure projects in remote Indigenous communities throughout Australia.

Many small to medium businesses fail due to poor management and support. IBA provides Indigenous Australians with tailored business finance but more importantly, planning and mentoring support to increase the prospects and development of the businesses. Demand continues to grow for this business support. In 2007–08, this program created or supported 244 jobs, 84% of which were for Indigenous people.

The rate of Indigenous home ownership (36 per cent in 2006) is significantly less than that of non-Indigenous Australians (71 per cent). Traditionally there has been a lack of tailored home loan products for Aboriginal and Torres Strait Islander peoples. IBA's home ownership service provides that gap product which has assisted more than 13,000 Indigenous families to purchase their own home. Using their home as an equity base enables participation in further financial and commercial activities, providing a means for intergenerational transfer of wealth.

Historically, Aboriginal and Torres Strait Islander peoples living on Indigenous land have not been able to purchase homes because their tenure of the property was not secure enough to meet lenders' requirements. This has limited their ability to control their living conditions, improve long-term economic circumstances and transfer assets to future generations. IBA now offers affordable home finance products and support to meet this need.

IBA believes that engagement with the private sector is the soundest way to build a significant asset base, but has historically been difficult for some Aboriginal and Torres Strait Islander peoples. By brokering and supporting industry partnerships with Indigenous businesses, IBA participates in the growth of local economies, encourages Indigenous employment and assists Indigenous communities in exercising more control over their assets.

IBA is making a difference in the remote and rural communities. Their construction and facility management capability delivers essential infrastructure to communities reducing the cost of construction in remote areas, increasing Indigenous participation in the construction of local houses and creating small businesses and self-employment through government outlays for housing.

Sustainability is the most important element in Indigenous economic development. IBA is assisting to build the foundations and equip Aboriginal and Torres Strait Islander peoples to maintain their wealth and assets for future generations; to have greater control over their future.

If you would like to find out more about what IBA has to offer, visit www.iba.gov.au or contact 1800 107 107.