



2006

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# **SELF-EMPLOYED ABORIGINAL AND TORRES STRAIT ISLANDER PEOPLE**

AUSTRALIA

EMBARGO: 11.30AM (CANBERRA TIME) TUES 7 JUL 2009

## **C O N T E N T S**

	<i>page</i>
Notes .....	2
Introduction .....	3
Demographic characteristics .....	4
Work .....	5
Education and individual income .....	8
Other selected characteristics .....	10
Summary .....	11

For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070.

## NOTES

### INQUIRIES

For information about this product, contact the Assistant Director, National Centre for Aboriginal and Torres Strait Islander Statistics in Canberra on (02) 6252 6301.

For further information about these and related statistics, please access the following:

Australian Bureau of Statistics: [www.abs.gov.au/indigenous](http://www.abs.gov.au/indigenous)

National Centre for Aboriginal and Torres Strait Islander Statistics (NCATSIS)

Free Call: 1800 633 216

or Email: [indigenous.statistics@abs.gov.au](mailto:indigenous.statistics@abs.gov.au)

or contact the National Information and Referral Service on 1300 135 070.

Brian Pink  
Australian Statistician

# INTRODUCTION

## INTRODUCTION

Over the past decade, Australian Governments have promoted business activity by Aboriginal and Torres Strait Islander people through facilitating links with the private sector, providing financial assistance (e.g. low cost loans), fostering skills development and offering mentoring opportunities<sup>1</sup>. Business activity, along with other employment strategies, are seen as ways of improving self-sufficiency and reducing reliance on government welfare.

Self-employment has been identified as one of the few available indicators of Indigenous business activity. Being self-employed can provide substantial economic benefit and autonomy for Aboriginal and Torres Strait Islander people. Economic benefits have additional flow-on effects such as a greater sense of wellbeing and community cohesion<sup>2</sup>. However, there are barriers that limit the number of Indigenous people who become self-employed. These include a relative lack of education and training in general (and specifically in business management), as well as limited access to finance, and racial and gender discrimination<sup>3</sup>. Nevertheless, 6,600 Indigenous people were counted as being self-employed in the 2006 Census of Population and Housing.

In this article, self-employed people are defined as those who own an unincorporated or incorporated business. These businesses may or may not employ staff. Employees are people who are employed, but do not own a business.

## DATA SOURCE

Information from the 2006 Census of Population and Housing is used in this snapshot. In the Census, employed people are classified as self-employed, as employees or as contributing family workers, on the basis of their main job.

The characteristics of self-employed Indigenous people aged 15-64 years presented in this article include industry type, occupation, income and education level. Where relevant, the circumstances of self-employed Indigenous people have been compared with those for Indigenous employees, and with non-Indigenous self-employed people.

In the 2006 Census, 121,500 Indigenous people aged 15-64 years (45%) indicated they were employed and 119,600 of them reported their employment type. Of the latter, 6,600 were self-employed, a further 112,000 were employees (including 14,000 people who identified they were participants in the Community Development Employment Projects program) and 1,000 were contributing family workers. The self-employment rate among Indigenous people aged 15-64 years was 6%; around one-third the self-employment rate for non-Indigenous people in this age range (16%).

In this article, the term 'self-employment rate' refers to the number of self-employed people as a proportion of all employed people.

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1 Department of Education, Employment and Workplace Relations, 2009, <http://www.deewr.gov.au/Indigenous/Employment/Pages/default.aspx>

2 Steering Committee for the Review of Government Service Provision 2007, **Overcoming Indigenous Disadvantage: Key Indicators 2007**, Productivity Commission, Canberra.

3 Biddle, N, Taylor, J and Yap, M 2008, *Indigenous Participation in Regional Labour Markets, 2001-06*, Centre for Aboriginal Economic Policy Research, Discussion Paper No 288, Canberra.

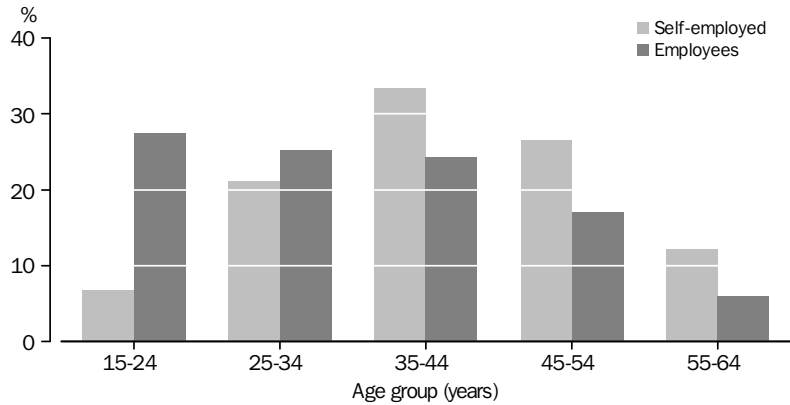
## DEMOGRAPHIC CHARACTERISTICS

### DEMOGRAPHIC CHARACTERISTICS

The age distribution of Indigenous people who were self-employed differed from that of Indigenous employees. Results from the 2006 Census show:

- The greatest proportions of self-employed Indigenous people were aged 35–44 years (33%) and 45–54 years (27%).
- By contrast, Indigenous employees tended to be younger, with the highest proportions aged 15–24 years (27%) and 25–34 years (25%).

### SELECTED EMPLOYMENT TYPES BY AGE, Indigenous persons aged 15–64 years



Source: 2006 Census of Population and Housing

- These employment patterns were similar in the non-Indigenous population.
- More males than females were self-employed. Males comprised 68% and females 32% of self-employed people in both the Indigenous and non-Indigenous populations.

## WORK

### INDUSTRY AND OCCUPATION OF EMPLOYMENT

According to the 2006 Census:

- One in four self-employed Indigenous people worked in the Construction industry (26%) and around one in ten worked in the Transport, Postal and Warehousing industries (9%).
- By comparison, one in five self-employed non-Indigenous people worked in the Construction industry (20%) and around one in ten worked in the Professional, Scientific and Technical Services industries (11%).

### SELECTED EMPLOYMENT TYPES BY INDUSTRY OF EMPLOYMENT (a)(b)

Industry	INDIGENOUS		NON-INDIGENOUS	
	Self-employed	Employees	Self-employed	Employees
	%	%	%	%
Agriculture, Forestry and Fishing	6.3	2.8	7.4	1.5
Mining	0.8	2.3	0.3	1.4
Manufacturing	6.6	8.0	7.8	11.5
Electricity, Gas, Water and Waste Services	0.8	1.0	0.4	1.2
Construction	25.7	6.2	19.9	5.7
Wholesale Trade	3.1	2.6	4.2	4.6
Retail Trade	7.4	8.1	9.8	12.1
Accommodation and Food Services	4.1	6.8	4.9	6.8
Transport, Postal and Warehousing	8.6	3.9	6.0	4.6
Information Media and Telecommunications	1.4	1.1	1.3	2.2
Financial and Insurance Services	1.4	1.2	2.7	4.3
Rental, Hiring and Real Estate Services	1.3	1.0	2.2	1.6
Professional, Scientific and Technical Services	6.1	2.2	11.0	6.1
Administrative and Support Services	5.7	3.8	4.7	2.9
Public Administration and Safety	1.4	19.1	0.6	8.1
Education and Training	3.3	9.2	2.4	9.1
Health Care and Social Assistance	6.5	15.9	6.0	11.8
Arts and Recreation Services	3.0	1.6	1.6	1.4
Other Services	6.4	3.3	6.9	3.2
Total	100.0	100.0	100.0	100.0

(a) Aged 15–64 years.

(b) Excludes persons for whom industry was inadequately described.

Source: 2006 Census of Population and Housing

### REMOTENESS AREAS

According to the 2006 Census:

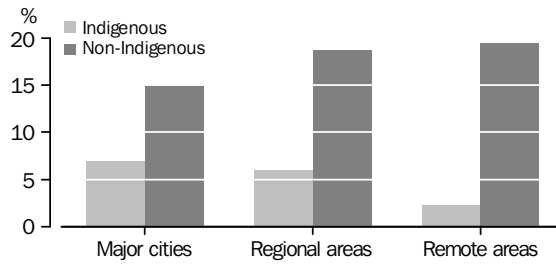
- For non-Indigenous people, self-employment rates were lower in major cities (15%) than in regional and remote areas (both 19%).
- By contrast, self-employment rates for Indigenous people were lower in remote areas (2%) than in regional areas (6%) and major cities (7%).
- Among self-employed people in remote areas, only 15% of Indigenous people worked in the Agriculture, Forestry and Fishing industries (e.g. farming) compared with 44% of non-Indigenous people.

## WORK *continued*

### REMOTENESS AREAS

*continued*

### SELF-EMPLOYED PERSONS (a) BY REMOTENESS



(a) Aged 15–64 years.

Source: 2006 Census of Population and Housing

### OCCUPATION

- One in four self-employed Indigenous people (26%) were working in the Technicians and Trades Workers group of occupations.
- A much higher proportion of self-employed Indigenous people than employees were managers (18% compared with 5%).

### SELECTED EMPLOYMENT TYPES BY OCCUPATION, Indigenous persons aged 15–64 years



Source: 2006 Census of Population and Housing

### FULL-TIME AND PART-TIME WORK

In 2006:

- A higher proportion of Indigenous self-employed people than employees were engaged in full-time work (i.e. 35 hours or more per week) (68% compared with 59%).
- Indigenous males who were self-employed were more likely than Indigenous male employees to work full-time (76% compared with 68%).
- For both groups of employed Indigenous females, around half worked full-time and half part-time.
- The average number of hours per week worked by self-employed Indigenous people was 41 hours and for employees, was 34 hours. The patterns were similar for non-Indigenous people with an average of 42 hours for those self-employed, compared with 36 hours for employees.
- One in three self-employed Indigenous people (34%) and one in ten employees (11%) worked 49 hours or more per week.

## WORK *continued*

FULL-TIME AND  
PART-TIME WORK *continued*

WORK PATTERNS BY EMPLOYMENT TYPE, INDIGENOUS STATUS AND  
SEX (a) (b)

	SELF-EMPLOYED		EMPLOYEES	
	<i>Full-time</i>	<i>Part-time</i>	<i>Full-time</i>	<i>Part-time</i>
<b>Indigenous</b>				
Males (%)	76.4	23.6	67.9	32.1
Females (%)	51.1	48.9	48.9	51.1
Persons (%)	68.4	31.6	58.8	41.2
Total (no.)	4 134	1 915	59 571	41 750
<b>Non-Indigenous</b>				
Males (%)	82.2	17.8	83.2	16.8
Females (%)	50.6	49.4	53.8	46.2
Persons (%)	72.2	27.8	68.8	31.2
Total (no.)	948 387	365 470	4 587 481	2 079 653

(a) Persons aged 15–64 years.

(b) Excludes persons who were employed and away from work.

Source: 2006 Census of Population and Housing

## EDUCATION AND INDIVIDUAL INCOME

### EDUCATION

Education is positively linked to employment prospects and higher income both for self-employed people and employees. According to the 2006 Census, 3,600 self-employed Indigenous people (or 55%) and 45,000 employees (or 41%) had a non-school qualification.

- Nearly one in three self-employed Indigenous people had a Certificate level III or IV qualification (30%); almost double the proportion of Indigenous employees (16%).
- Self-employed Indigenous people were also more likely than Indigenous employees to have a Diploma, Bachelor degree or higher qualification (15% compared with 12%).
- Consequently, self-employed Indigenous people were slightly less likely than Indigenous employees to have only completed Year 12 (9% compared with 15%).

### SELECTED EMPLOYMENT TYPES BY INDIGENOUS STATUS AND EDUCATIONAL ATTAINMENT (a)(b)

	INDIGENOUS			NON-INDIGENOUS		
	Self-employed	Employees	Total employed	Self-employed	Employees	Total employed
	%	%	%	%	%	%
Diploma, Advanced Diploma and higher degrees(c)	15.0	12.4	12.4	28.8	33.2	32.2
Certificate level III or IV	30.0	16.5	17.1	26.5	17.2	18.7
Certificate levels I and II	1.3	2.9	2.8	0.8	1.5	1.4
Total with a non-school qualification(d)	55.5	41.3	42.1	63.3	59.0	59.5
Year 12 or equivalent	8.9	14.7	14.3	13.0	18.2	17.3
Year 10 or 11	22.2	27.7	27.4	17.4	17.7	17.8
Year 9 or below(e)	12.7	15.4	15.2	5.9	4.7	5.0
Total(f)	44.5	58.7	57.9	36.7	41.0	40.5
Employed persons	100.0	100.0	100.0	100.0	100.0	100.0

(a) Persons aged 15–64 years.

(b) Excludes persons who were still at school.

(c) Includes Bachelor Degree, Graduate Diploma and Graduate Certificate and Postgraduate Degree.

(d) Includes persons with Certificate level nfd and those for whom level of non-school qualification was not stated or inadequately described.

(e) Includes persons who did not go to school.

(f) Includes persons for whom highest year of schooling was not stated.

Source: 2006 Census of Population and Housing

### INDIVIDUAL INCOME

The following analysis is restricted to Indigenous people who were employed *full-time* and who stated their income (for Indigenous people this comprised 4,000 self-employed people and 58,400 employees).

- The median individual weekly income (from all sources) for full-time self-employed Indigenous people was \$749 compared with \$704 for full-time Indigenous employees.
- For self-employed males, the median individual weekly income was \$802, higher by \$87 than the median income of male employees (\$715).
- By contrast, for self-employed females, the median individual weekly income was \$582, lower by \$105 than the median income of female employees (\$687).
- Compared with employees, the above pattern of higher income for self-employed males and lower income for self-employed females was evident both for Indigenous people with and without qualifications.
- Among non-Indigenous people with a qualification, the incomes of employees were considerably higher than the corresponding incomes of self-employed people.



## EDUCATION AND INDIVIDUAL INCOME *continued*

INDIVIDUAL INCOME  
*continued*

- Median incomes for non-Indigenous people were higher than those for Indigenous people with the same employment type and level of educational attainment.

### MEDIAN INDIVIDUAL WEEKLY INCOME, PERSONS EMPLOYED FULL-TIME (a)

	INDIGENOUS		NON-INDIGENOUS	
	Self-employed	Employees	Self-employed	Employees
<b>Males</b>				
Has a non-school qualification (\$)(b)	865	834	981	1 105
No non-school qualification (\$)	715	634	771	764
Total (\$)	802	715	909	957
<b>Females</b>				
Has a non-school qualification (\$)(b)	603	766	763	919
No non-school qualification (\$)	566	596	614	681
Total (\$)	582	687	691	809
<b>Persons</b>				
Has a non-school qualification (\$)(b)	819	798	944	1 021
No non-school qualification (\$)	667	620	727	729
Total (\$)	749	704	860	897
Persons (no.)(c)(d)	4 032	58 384	927 327	4 525 236

(a) Persons aged 15–64 years.

(b) Includes persons for whom level of non-school qualification was not stated or inadequately described.

(c) Excludes persons who were still at school.

(d) Excludes persons who did not report their income.

Source: Source 2006 Census of Population and Housing

## OTHER SELECTED CHARACTERISTICS

### OTHER SELECTED CHARACTERISTICS

In 2006, when compared with Indigenous employees, self-employed Indigenous people were:

- more likely to own their own home (fully owned or being purchased), across all age groups (68% compared with 40% overall);
- less likely to speak an Australian Indigenous language at home (3% compared with 12%);
- more likely to be married, across all age groups (73% compared with 49% overall); and
- more likely to have spent five hours or more on domestic work in the week before the Census (54% compared with 46%).

### SELECTED EMPLOYMENT TYPES BY INDIGENOUS STATUS AND OTHER SELECTED CHARACTERISTICS (a)

<i>Selected characteristics</i>	INDIGENOUS		NON-INDIGENOUS	
	<i>Self-employed</i>	<i>Employees</i>	<i>Self-employed</i>	<i>Employees</i>
Home owner(b) (%)	68.2	39.9	83.9	72.7
Speaks an Australian Indigenous language at home (%)	3.4	11.8	—	—
Married(c) (%)	72.7	49.3	82.0	59.9
Five hours or more of unpaid domestic work(d) (%)	53.7	45.7	53.6	42.2
Total persons (no.)	6 599	112 000	1 387 075	7 102 086

— nil or rounded to zero (including null cells)

(a) Not stated responses have been excluded when calculating proportions.

(b) Persons in homes that were owned or being purchased by a household member.

(c) Comprises registered marriage and de facto marriage.

(d) In the week prior to the Census.

Source: 2006 Census of Population and Housing

## SUMMARY

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### SUMMARY

In 2006, when compared with Indigenous employees, self-employed Indigenous people were:

- older;
- four times more likely to be working in the Construction industry (26% compared with 6%);
- more likely to be managers (18% compared with 5%);
- if male, more likely to work full-time (76% compared with 68%);
- if female, equally as likely to work full-time (51% compared with 49%);
- if male, having higher median weekly income (\$802 compared with \$715);
- if female, having lower median weekly income (\$582 compared with \$687); and
- more likely to have attained a Certificate III or higher degree (45% compared with 29%).

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