

# Australia's Voice referendum, the record of ATSIC, and the emergence of the Aboriginal elite

Patrick O'Connor  
11 October 2023

In the context of the Labor government's October 14 referendum on the proposed Aboriginal "Voice" to parliament, the experience of the Aboriginal and Torres Strait Islander Commission (ATSIC) from 1990 to 2005 is highly revealing.

ATSIC's record underscores the fact that such advisory bodies have done nothing to resolve the enormous social crisis afflicting ordinary Aboriginal people, as well as how such organisations work to elevate and enrich a narrow layer of the indigenous elite.

ATSIC was not the first advisory body established by Australian federal governments but it was the longest lasting and best funded. Its creation was first proposed in December 1987 by the Labor government of Bob Hawke and instituted in 1990.

The Hawke government established ATSIC while consciously promoting racist identity politics for its own ends, as Prime Minister Anthony Albanese is doing now with the Voice.

In the late 1980s there was a broad working-class movement directed against the Labor government—with strikes, plant occupations, and protests in opposition to mass layoffs, escalating social inequality, and declining real wages. At the same time, there was an emerging political movement for justice and equality for indigenous people.

Popular demands were issued for immediate improvements in Aboriginal health and for an end to the growing numbers of indigenous youth dying in police custody. People of all races joined mass protests during the 1988 bicentennial celebrations of colonial settlement in Australia.

The Hawke government formed ATSIC with the aim of diffusing and dividing this movement.

The organisation was tasked with advising governments on indigenous issues and advocating for Aboriginal rights. None of ATSIC's advice to federal government did anything to counter continuing deterioration of indices on indigenous housing, health, education, and imprisonment. Ordinary Aborigines quickly dubbed ATSIC, "Aborigines Talking Shit in Canberra."

ATSIC was also authorised and funded to deliver some

federal government programs. Towards the end of its existence, ATSIC disbursed more than \$1 billion annually, nearly half of all federal government spending on indigenous affairs.

Many ordinary Aboriginal people were subjected to punitive measures through ATSIC programs. One of the main federal government programs operated by the body was the Community Development Employment Projects (CDEP). Aboriginal people receiving unemployment benefits were forced to work in mostly menial jobs for non-government organisations, charities, and so-called community projects.

CDEP was created before ATSIC, but the scope of the program vastly expanded under the Aboriginal bureaucracy. At its peak, it covered 35,000 unemployed Aboriginal workers, serving to mask mass unemployment wracking indigenous communities.

The CDEP, trialled on the indigenous jobless, served as the forerunner of the reactionary "work for the dole" program that all unemployed workers are subject to.

At the same time, ATSIC helped cultivate a privileged stratum of indigenous bureaucrats and entrepreneurs. Following the 1992 Mabo High Court decision, "native title" land rights became an important component for the enrichment of an Aboriginal elite. ATSIC's promotion of "self determination" meant, in practice, the use of native title rights to negotiate lucrative deals with mining and pastoral interests.

A large national bureaucracy was created—ATSIC had 35 regional councils, each divided into 16 zones, with each of these having a full-time commissioner.

By 1996, ATSIC's chairperson received a \$144,000 salary and deputy chairperson \$89,000, while all 560 commissioners received \$71,000 each. (In 2023, this is the equivalent of \$294,000, \$181,000, and \$145,000 respectively.) Additional money was available for travel, communication, and other incidental expenses.

These salaries and benefits were far higher than what Aboriginal workers and welfare recipients typically received. According to an Australian Bureau of Statistics report issued in 1996, 59 percent of all indigenous people had a gross annual income of less than \$12,000.

Many ATSIC officials enjoyed additional revenue streams via the organisation's provision of loans and subsidies to Aboriginal-owned businesses. The organisation's first chairperson, for example, Lowitja O'Donoghue was involved in two organisations, the Commercial Development Corporation, which made loans to Aboriginal business operators, and Aboriginal Hostels Ltd., which received nearly \$70 million from ATSIC over two years.

ATSIC bureaucrats were widely derided by working class Aborigines, and dubbed "Abocrats." For those ATSIC positions that required an election, voter turnout was persistently low. It was never higher than 30 percent of eligible voters and in many areas was frequently closer to 10 percent.

By the early 2000s, senior ATSIC officials were mired in numerous allegations of corruption. These were used as pretexts by the Liberal-National government of John Howard to shut down ATSIC in 2005, with the full support of the then opposition Labor Party.

ATSIC's shutdown marked a bipartisan drive to shift Aboriginal and social welfare policies to the right. The mantra of "individual responsibility" was used to junk any conception that large scale public investment was required to address the poverty and social problems afflicting Aboriginal communities.

"We are starting to see a recognition that the emphasis that's been placed on the rights and symbolic agenda over the last 20 or 30 years, to the detriment of a greater sense of community responsibility and personal responsibility, has been an error," Howard declared.

The Labor Party echoed this regressive perspective, responding to ATSIC's liquidation by stating, "Australia needs to find new ways of giving indigenous Australians the opportunity to take responsibility for their future."

A new layer of right-wing Aboriginal political leaders was elevated, most notably Noel Pearson, who is now among the most prominent proponents of the Yes case in the Voice referendum campaign. In the early and mid-2000s, surging global mineral prices, especially for iron ore and coal, led to a surge in corporate mining investment. Pearson and others advocated a more direct relationship between the Aboriginal elite and corporations, especially in the mining industry, cutting out the "middle man," namely, the ATSIC bureaucracy.

These well-off indigenous representatives are now among those advocating for the Voice. Key sections of corporate Australia are likewise proponents of the Yes campaign, with the Business Council of Australia, the body representing the country's largest corporations, explaining that the powerless advisory body would "provide a formal and authoritative avenue for corporate Australia" to work with indigenous communities on business "programs and initiatives."

The Voice, in other words, will serve to facilitate corporate profit making, while continuing to enrich a very narrow stratum of indigenous businesspeople and bureaucrats.

Like ATSIC before it, the Voice will do nothing to resolve

the enormous social and economic crisis afflicting ordinary Aboriginal people. The official Yes case in fact argues that a Voice will potentially serve to cut public spending. The official campaign denounces governments for "invest[ing] billions in programs that haven't fixed problems or reached communities," and claims the Voice will "save money" by ensuring "governments don't waste taxpayer money on things that aren't working."

A review of ATSIC's record underscores the bogus nature of the Yes campaign for the Voice referendum. Within the profit system, the only "voices" that matter with regard to government policy making are those from big business and finance capital.

The Socialist Equality Party's campaign for an active boycott has opposed racist politics that dominates both the Yes and No camps in order to unify the working class—indigenous and non-indigenous—on a socialist perspective. This is the only means of redressing the historic crimes of capitalism against, and appalling conditions of, indigenous working people.

As the SEP's statement explains: "In relation to the concrete issues raised by the referendum, an independent line for the working class must begin with an understanding that the oppression of Aboriginal people is a product of capitalism—the private ownership of society's resources by a tiny financial elite. It cannot be resolved by augmenting, altering or reforming the existing state structures which are dedicated to defending that private ownership. This oppression, moreover, is a class question. For more than a century, the ruling class offensive against Aboriginal workers and youth has served as a spearhead for broader attacks on the working class as a whole.

"The struggle to end the oppression of Aborigines, and the struggle for the social rights of the working class, are one and the same. They require a unified movement of the working class, regardless of race, gender and sexuality, against the capitalist profit system itself. This means the fight for socialism, placing society's resources under public ownership and democratic workers' control, thereby guaranteeing the right of all to free education, health care and all the fundamental necessities of modern life."

*Note: Under conditions of compulsory voting, which makes it a crime to urge a boycott of the vote itself, the SEP calls on workers and youth to register their opposition by casting informal ballots and join our active boycott campaign in the lead-up to October 14, that goes well beyond the individual act of voting.*

*Authorised by Cheryl Crisp for the Socialist Equality Party, Suite 906, 185 Elizabeth Street, Sydney, NSW, 2000*



To contact the WSWs and the  
Socialist Equality Party visit:

**[wsws.org/contact](http://wsws.org/contact)**