



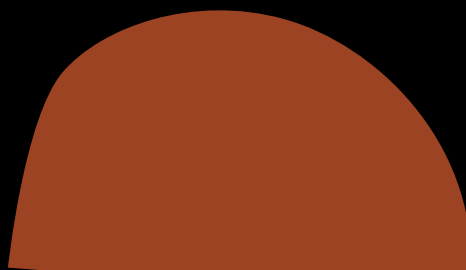
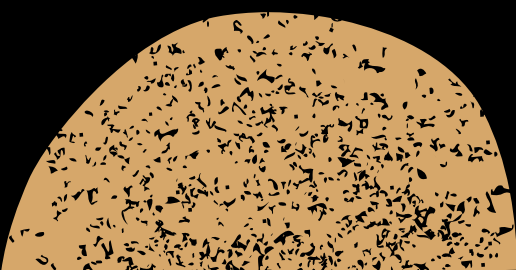
SERVING INDIGENOUS AND PACIFIC ISLAND COMMUNITIES

RESEARCH SUMMARY

IMPROVING FINANCIAL WELLBEING IN REMOTE EAST KIMBERLEY
INDIGENOUS COMMUNITIES (NORTH WEST AUSTRALIA)

A PATH FORWARD ...

This research lights the path toward enhancing financial wellbeing by exploring the relationships between contemporary money management strategies and traditional cultural practices among Indigenous communities in remote East Kimberley. This study is significant because it fills a gap in our understanding of how contemporary financial strategies intersect with Indigenous cultural knowledge, particularly in a region as isolated and remote as East Kimberley in North West Australia.





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UNDERSTANDING FINANCIAL CHALLENGES

The research identifies why poor financial wellbeing, characterised by the lack of individual savings, is prevalent among Indigenous people in East Kimberley. The literature reveals that financial stress among Aboriginal Australians is five times higher than non-Aboriginal people. This disparity is exacerbated in remote regions like East Kimberley due to high welfare dependency, limited access to services and high living costs. Consequently, financial stress and poverty levels are significantly heightened.

Key challenges in East Kimberley include social disadvantage, dependency on government benefits, a lack of culturally appropriate employment opportunities, and social issues such as substance abuse stemming from intergenerational trauma. These factors hinder the establishment of good money habits, including saving.

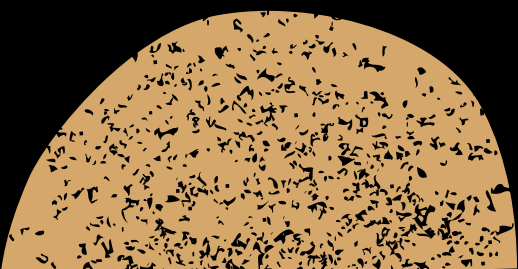


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FACTORS INFLUENCING FINANCIAL WELLBEING

The research identifies six core factors impacting the financial wellbeing of Indigenous people in East Kimberley:

1. Money Management Practices: Personal barriers prevent consistent saving due to the cultural practice of sharing resources with family.
2. Income Instability: High dependency on welfare payments and irregular income sources like royalty payouts.
3. Employment Challenges: Limited capacity to engage in market income-generating activities.
4. Crisis-Driven Spending: Immediate financial needs often precede long-term planning.
5. Cultural Practices: Traditional practices of sharing and caring can conflict with modern money management.
6. Historical Trauma: Historical events have negatively impacted Indigenous people's relationship with money.



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STRATEGIES FOR IMPROVEMENT

Improving financial wellbeing in a way that aligns with local context and cultural values involves several strategies:

1. **Money Management Education:** Culturally relatable narratives can foster better money habits by teaching budgeting and savings practices. For instance, likening money to a boomerang or a spear can create an emotional connection and encourage viewing money as a tool rather than just a commodity.
2. **Role Modelling and Goal Setting:** Indigenous participants identified that having a savings goal, such as purchasing a house, motivates them to adopt good money habits. Seeing role models with strong financial wellbeing also encourages emulation of those practices.
3. **Managing Demand Sharing:** Setting boundaries on demand sharing, a traditional practice, can help individuals save. Strategies include limiting financial support to a few relatives or using state interventions like the Indue card to manage excessive demands.
4. **Promoting Financial Literacy:** Financial literacy programs must be contextualised and relevant, addressing regular demands and savings goals. These programs should also harness the strength of social relationships to spread awareness and information.
5. **Economic Opportunities:** Native title determinations are opening up economic opportunities on country, such as tourism enterprises, which can provide sustainable income sources aligned with cultural practices.

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RECOMMENDATIONS FOR POLICY AND PRACTICE

To effectively improve financial wellbeing in East Kimberley Indigenous communities, the following recommendations are essential:

1. **Trauma-Informed Approach:** Financial education and counselling services should be trauma-informed, acknowledging the impact of intergenerational trauma on financial behaviours.
2. **Recognition of the Customary Sector:** Accepting and accommodating the customary economy within financial management practices is crucial. This sector includes activities like hunting, fishing, and art, which are integral to Indigenous communities' cultural and economic life.
3. **Culturally Relatable Money Narrative:** Developing a culturally relevant money narrative can help Indigenous people better relate to and manage money. This narrative should align with traditional practices and contemporary financial strategies.
4. **Financial Wellbeing as a 'Closing the Gap' Measure:** Including financial wellbeing as a measure in the 'Closing the Gap' initiative can help track progress and address the specific challenges Indigenous Australians face in achieving financial stability.
5. **Theory of Change:** Developing a Financial Wellbeing Theory of Change for East Kimberley can guide the creation and evaluation of programs to improve financial wellbeing, ensuring they are relevant and effective.

In conclusion, addressing financial wellbeing in the East Kimberley (North West Australia) requires a detailed but not complicated approach that respects and integrates cultural practices while promoting modern financial management strategies. By adopting these recommendations, policymakers, service providers, and community stakeholders can work together to enhance the financial wellbeing of Indigenous communities in this remote region.

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