

The Labour Market Position of Aboriginal People in Non-Metropolitan New South Wales

Author:

Ross, Russell

Publication details:

Working Paper No. 1

Social Welfare Research Centre discussion papers

0858237482 (ISBN)

1031-9689 (ISSN)

Publication Date:

1988

DOI:

<https://doi.org/10.26190/unsworks/137>

License:

<https://creativecommons.org/licenses/by-nc-nd/3.0/au/>

Link to license to see what you are allowed to do with this resource.

Downloaded from <http://hdl.handle.net/1959.4/33918> in <https://unsworks.unsw.edu.au> on 2024-03-28

SOCIAL WELFARE RESEARCH CENTRE

DISCUSSION PAPERS

THE LABOUR MARKET POSITION
OF ABORIGINAL PEOPLE
IN NON-METROPOLITAN
NEW SOUTH WALES

Russell T. Ross

No.1

August 1988



Social Welfare Research Centre

THE UNIVERSITY OF NEW SOUTH WALES
P.O. BOX 1 • KENSINGTON • NEW SOUTH WALES • AUSTRALIA • 2033

The Social Welfare Research Centre was established in January 1980 under an Agreement between the University of New South Wales and the Commonwealth Government. In accordance with the Agreement the Centre is operated by the University as an independent unit within the University. The Director of the Centre is responsible to the Vice-Chancellor and receives assistance in formulating the Centre's research agenda from an Advisory Committee and a Research Management Committee.

SOCIAL WELFARE RESEARCH CENTRE DISCUSSION PAPERS are intended as a forum for the publication of selected research papers on research within the Centre, or commissioned by the Centre, for discussion and comment in the research community and/or welfare sector prior to more formal publication. Limited copies of each DISCUSSION PAPER will be available on a first-come, first-served basis from the Publications and Information Officer, Social Welfare Research Centre, University of New South Wales, P O Box 1, Kensington, NSW 2033 [tel: (02) 697 5150]. A full list of available DISCUSSION PAPERS can be found on the inside back cover.

As with all of the Centre's publications, the views expressed in this DISCUSSION PAPER do not reflect any official position on the part of the Centre.

Russell Ross
Editor

**THE LABOUR MARKET POSITION OF ABORIGINAL
PEOPLE IN NON-METROPOLITAN NEW SOUTH WALES**

Russell T. Ross

ISSN 1031 9689
ISBN 0 85823 748 2

Revised version of paper presented to the Labour Market Symposium at the ANZAAS Centenary Congress, Sydney, May 1988 under the title 'Employment Prospects for Aboriginal People in Rural New South Wales'. Funding for the data collection phase of this project was provided by the now defunct New South Wales Ministry of Aboriginal Affairs. The assistance of The New South Wales State Aboriginal Land Council, and the Far South Coast, Western, North West, and Wiradjuri Regional Aboriginal Land Councils in facilitating access to Aboriginal communities is gratefully acknowledged. None of the above organisations or individuals within those organisations have had any editorial impact on the paper. David Ingles, Marilyn McHugh and Margaret Patterson provided excellent assistance in the preparation of this paper. Responsibility for all errors remains with me and the views expressed in the paper are my own.

ABSTRACT

This paper analyses the labour market position of Aborigines living in non-metropolitan New South Wales using original data collected between November 1986 and July 1987. The major findings are: (i) only 17.7% of males and 12.3% of females were employed at the time of the survey - the great majority of whom were concentrated in low pay and/or low tenure jobs; (ii) using the definition of unemployment used by the Australian Bureau of Statistics in its monthly labour force surveys, unemployment rates are estimated to be 75.9% for males and 65.3% for females; (iii) among those unemployed there was a large core of long term unemployment; two-thirds of all people unemployed at the time of the survey had been unemployed for at least two years; (iv) two factors influencing labour market success were education and access to labour market programs; more highly educated Aborigines were more likely to be employed, as were those who had been involved in a labour market program.

1. INTRODUCTION

The belief that Aborigines are at the very end of the unemployment queue in New South Wales has been substantiated by official unemployment statistics and recent research.¹ The causes of Aboriginal unemployment appear to include the following:

- * the concentration of Aborigines in rural areas,
- * the loss of access to traditional pre-whites land necessitating greater reliance on the formal economic system,
- * the loss of access to traditional formal employment with white farmers as a result of the secular decline in agricultural output and the trend to greater mechanisation of farming,
- * low levels of inherited economic wealth and a high level of reliance on social security leading to low incomes and a cycle of poverty,
- * low levels of access to higher levels of formal education and a low level of educational achievement, and
- * low levels of job related skills.

The interactions between these causes are complex but result in an almost certain guarantee of life-long poverty.

Data on six hundred and seventy-seven working age Aborigines were collected from a number of localities throughout New South Wales during the period November 1986 to July 1987. The survey method involved the completion of an interviewer-assisted questionnaire by individuals selected using a clustered sample sampling design. Appendix A lists the regions of New South Wales that were surveyed, the exact localities which were surveyed within each region, the sample size for each locality and the timing of the survey.² The present paper focuses on the labour market position of the six hundred and twenty-nine individuals who were living outside of the Sydney metropolitan region. The definitions of key labour market concepts used in this paper coincide with those adopted by the Australian Bureau of Statistics (ABS) in its dissemination of labour force statistics; the definitions used in this paper are in Appendix B. In particular, the definition of unemployment covers only individuals who were out of work at the time of the survey and had undertaken specific types of active job search at some stage during

1 e.g. R. Castle and J. Hagan, 'Aboriginal Unemployment in Rural New South Wales 1883-1982' in R. Castle and J. Mangan (editors) *Unemployment in the Eighties*, Melbourne: Longman Cheshire 1984, and R. Ross, 'The Labour Market Position of Aboriginal People in New South Wales', Working Paper No. 99, Department of Economics, University of Sydney, 1987.

2 Further details on the survey methodology and the data collection experience can be found in Ross (1987) *ibid*, pp 4-7.

the four weeks prior to the survey; see Appendix B for details. In the discussion of unemployment, two phrases need to be clearly understood. The **incidence of unemployment** is used to indicate the percentage of the relevant **population** which is unemployed, while the **unemployment rate** is used to indicate the percentage of the **labour force** which is unemployed.

2. LABOUR FORCE STATUS

2.1 Labour Force Participation

The labour force status of the sample is illustrated in Figures 1, 2, 3, 4, and 5.³ The statistics in Figure 1 indicate that among the population of working age (i.e. 15-64 years) seventy-three percent of the men and thirty-five percent of the women were labour force participants (i.e. were either employed or unemployed) but that the substantial majority of labour force participants were unemployed.⁴ Only 17.7% of all males and 12.3% of all females were in paid employment, and a considerable proportion of these had only part-time employment; 23.3% of employed males and 45.7% of employed females were in part-time employment. A number of dimensions of labour force participation are examined in the remainder of this section, and a similar examination of unemployment rates can be found in Section 3.

2.2 Regional Labour Force Participation Patterns

Labour force participation rates for males varied from 83.2% (North West region) to 69.7% (Western) while those for females varied from 43.1% (Far South Coast) to 26.6% (Wiradjuri). Generally, these participation rates lend considerable support for the concept of the 'added worker hypothesis'. This hypothesis suggests that when male participation rates fall, female participation rates rise as families seek to minimise the impact on family income of the reduced male income. The two regions with the lowest male participation rates (Western and Far South Coast) have the two highest female participation rates, and conversely the two regions with the highest male participation rates (Wiradjuri and North West) have the lowest female participation rates. Figure 2 illustrates how labour force participation varied across the four regions. Several points are apparent. First, the two regions with the highest incidences of male unemployment have the lowest incidences of female unemployment. Second, male employment rates

3 The raw data for these Figures and those in the following sections are in Appendix C.

4 The impact on the level of Aboriginal unemployment of alternative definitions of unemployment is the subject of another paper.

Figure 1: Labour Force Participation Status

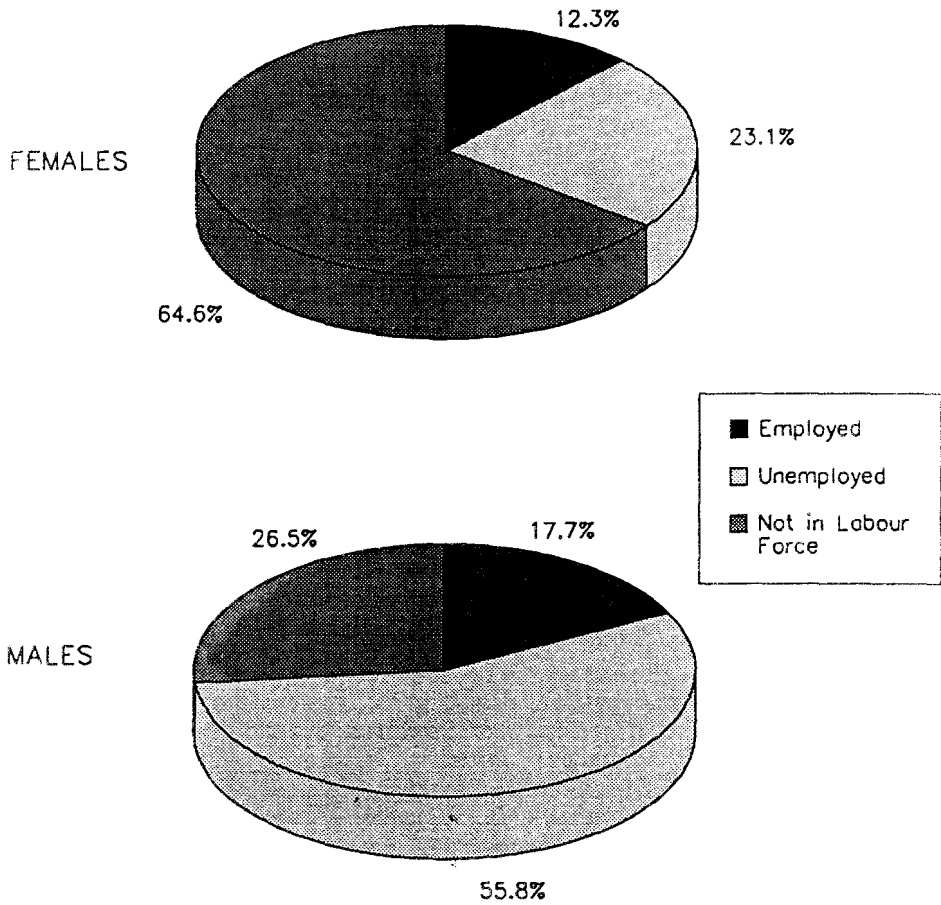
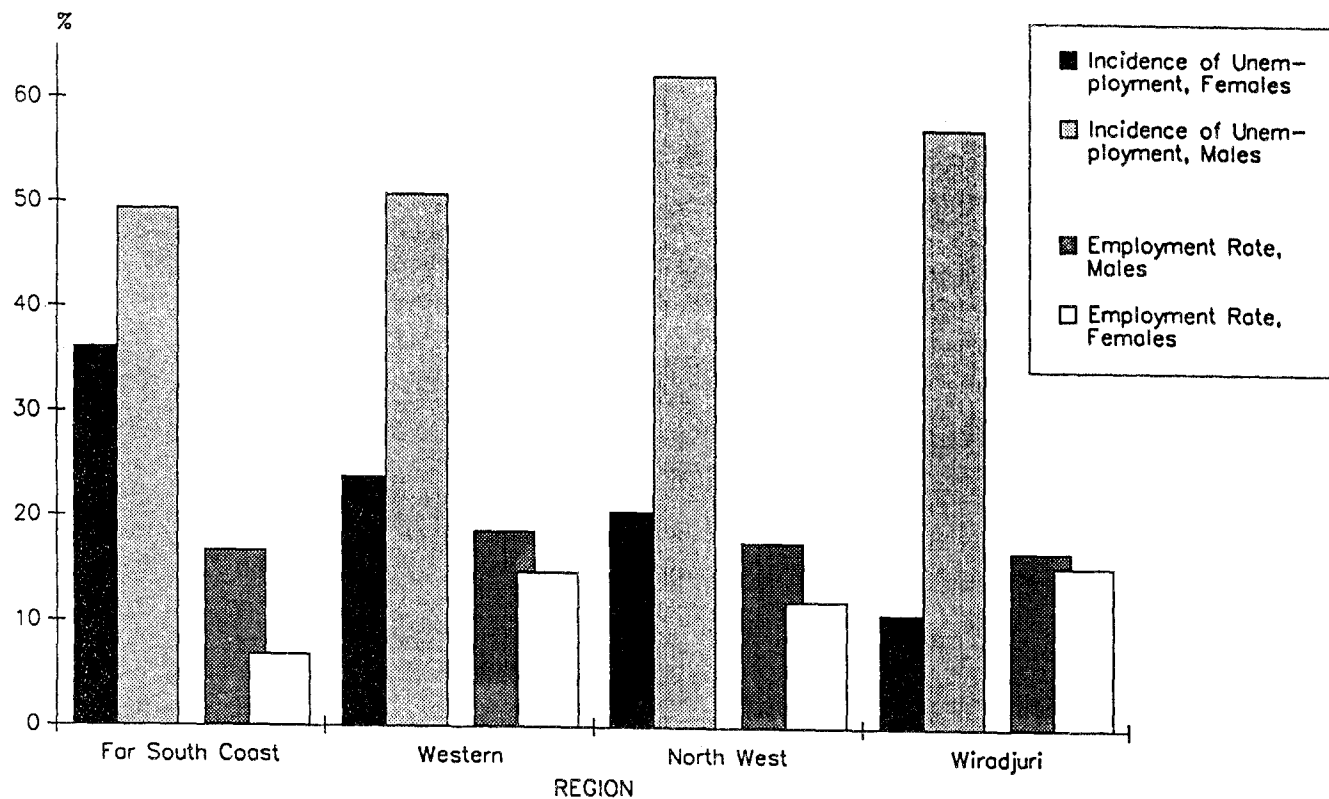


Figure 2: Labour Force Participation by Region



are very similar across all regions although there is considerably more variation in female employment rates. Third, for females there appears to be an inverse relationship between unemployment and employment; thus the Far South Coast region has the highest incidence of unemployment and the lowest employment rate while the Wiradjuri region has the lowest incidence of unemployment and the highest employment rate.

2.3 The Age Profile of Labour Force Participation

Figure 3 illustrates the age profile of labour force participation. The most notable feature is the complete absence of labour force participation after age 50 for females and age 60 for males.⁵ In other respects, the labour force participation pattern is similar to that observed in the broader population. For example, male participation is characterised by 'inverted-U' profiles for both unemployment and employment. The unemployment profile is skewed towards the younger ages while the employment profile is more symmetrical.

The age profile of participation for females is also fairly conventional with the employment rate dipping in the so-called prime child-bearing ages then rising above its teenage levels before declining after age 50 (although the complete withdrawal from the labour force after age 50 is not observed in the wider community), and the incidence of unemployment declining with age.

2.4 Labour Force Participation and Marital Status

Married men had the highest participation rate (79.9%), followed by unmarried men⁶ (72.7%). Among women, married women had a lower participation rate than did those women who had never been married although only marginally so (40.0% compared to 41.7%).⁷ For both sexes, participation rates for separated-widowed-divorced persons were considerably lower; 48.4% for men and 17.7% for women. Figure 4 shows the relationship between marital status and labour force participation. Although the variations in participation patterns reflects the age profile of the Aboriginal population - i.e. the unmarried people were concentrated amongst the younger age groups while the separated-divorced-widowed people were concentrated more toward the upper end of the

⁵ All persons who were aged fifty or older who were not in the labour force were receiving either the Sickness Pension, the Invalid Pension or, less commonly, the Supporting Parent Benefit.

⁶ Unmarried is defined to cover only persons who have never been married; see Appendix B.

⁷ The impact of children on labour force participation is omitted from this discussion due to data limitations.

Figure 3: Labour Force Participation by Age

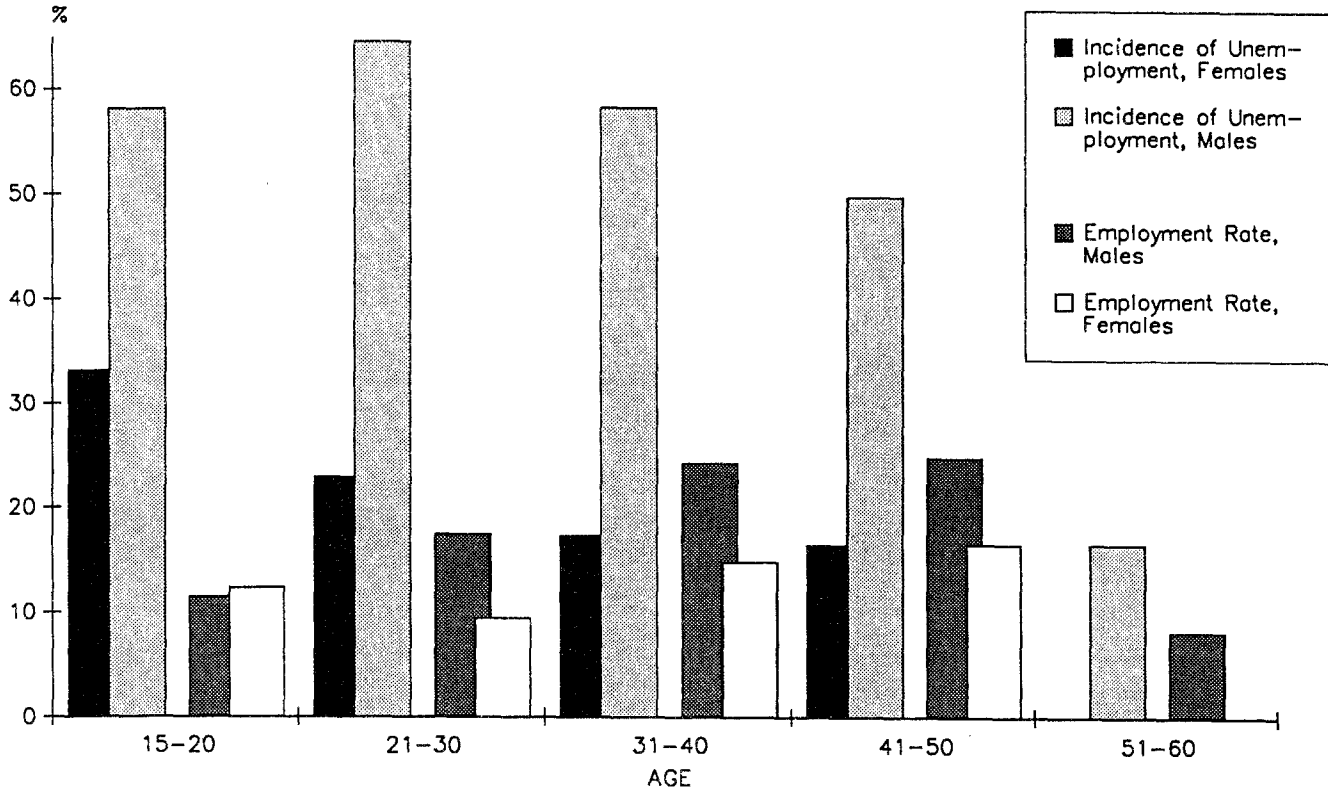
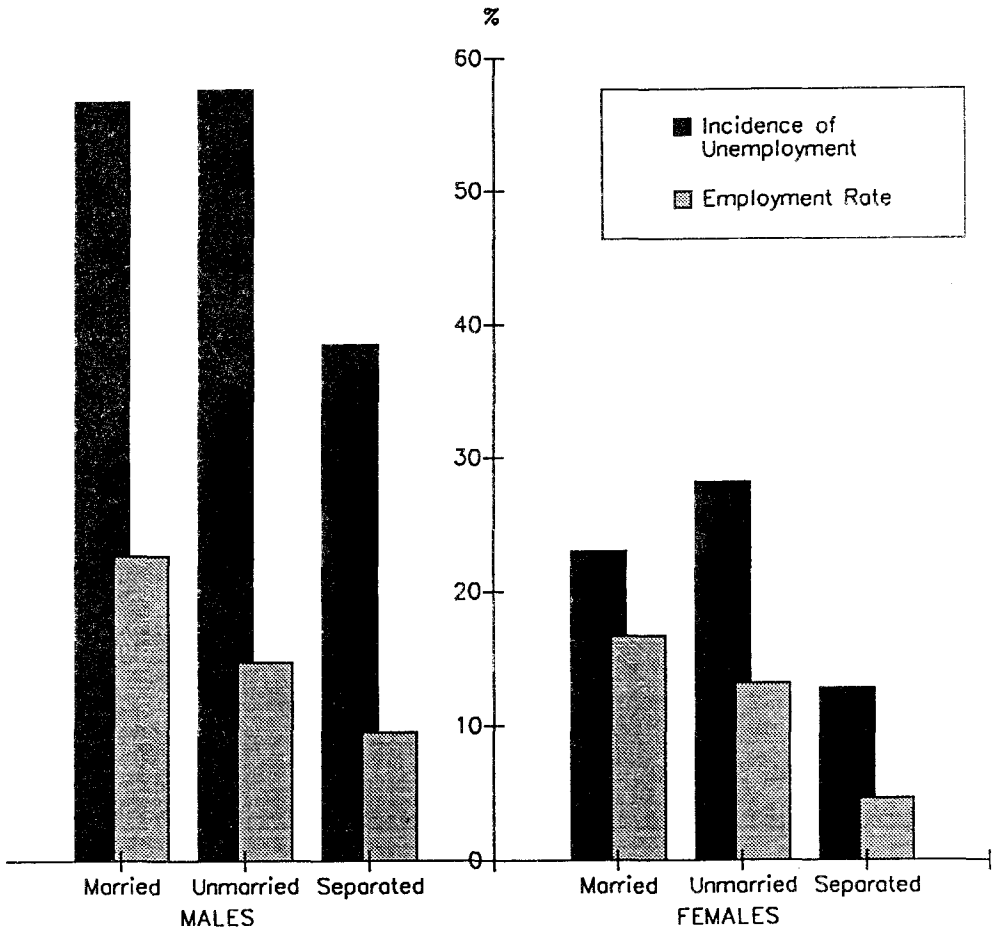


Figure 4: Labour Force Participation by Marital Status



age range - it also indicates the impact of the social security system on Aboriginal participation in the labour force.

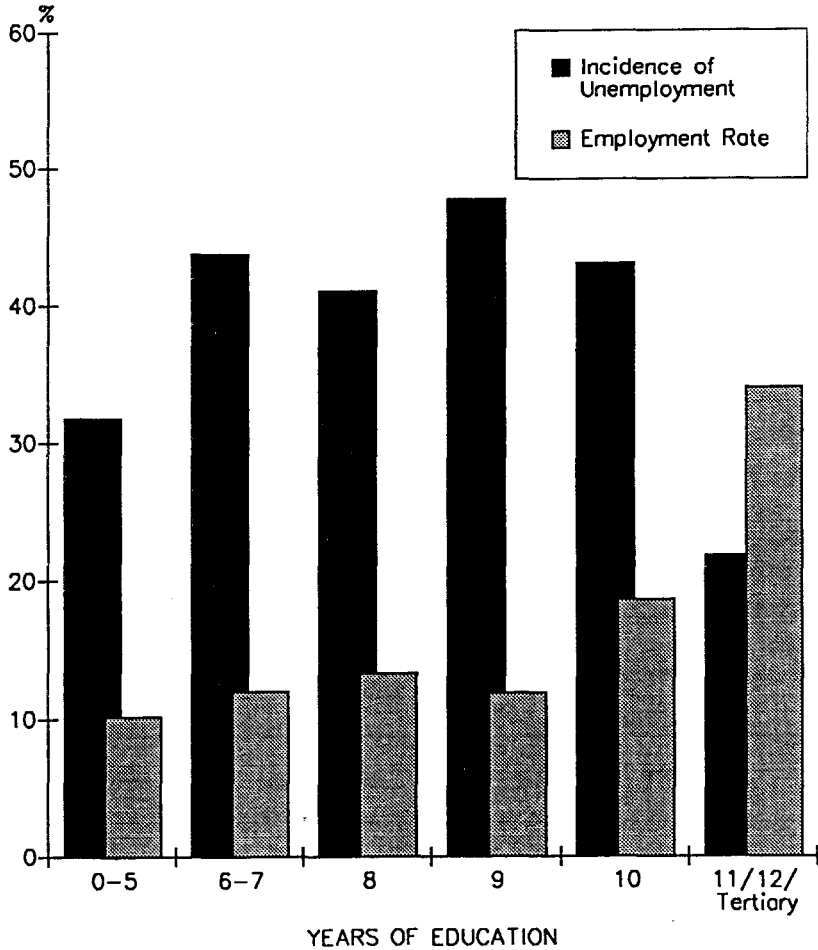
For example, although the employment rates for married men and women are very similar, the incidence of unemployment is lower among married women than among married men. The explanation lies in the fact that the Unemployment Benefit is family income tested; if the male is employed the woman would be likely to fail the income test while if the male is unemployed they will already be receiving the Unemployment Benefit at the married couple rate. In either case, the woman would be deemed ineligible for the Unemployment Benefit and therefore have no incentive to undertake active job search in order to qualify for the Unemployment Benefit. Consequently she is less likely to meet the ABS definition of unemployment; see Appendix B.

With respect to unmarried women, their employment rate is much lower and their incidence of unemployment much higher than is the case for married women. The incidence of unemployment among unmarried women is expected to be higher than that for married women as they typically have less access to other sources of income (unless they are also solo parents). Therefore they are more likely to undertake active job search in order to maintain eligibility for the Unemployment Benefit. If active job search is undertaken, then the unmarried woman will be classified as unemployed under the ABS definition of unemployment.

2.5 Labour Force Participation and Educational Achievement

The link between education and participation is illustrated in Figure 5. Although labour force participation rates appear not to vary significantly with years of education, it is very clear that more highly educated Aborigines are more likely to be in employment and less likely to be unemployed. The employment rate for the Year 11-Year 12-Tertiary group is statistically significantly higher (at the 99% level of confidence) than the employment rate for the whole sample, and their incidence of unemployment is statistically significantly lower (also at the 99% level of confidence) than that for the whole sample. Indeed, individuals who have achieved Year 11 or higher are the only group in which the employment rate is numerically higher than their incidence of unemployment. Further, the employment rate for the Year 10 group is statistically significantly higher (at the 95% level of confidence, but not at the 99% level) than that for the whole sample, although for this group their incidence of unemployment is not significantly different to that for the whole sample.

Figure 5: Labour Force Participation by Education



2.6 Labour Force Participation, Employment and Earnings

The situation of employed Aborigines is bleak as they are concentrated in jobs which are characterised by poor conditions and low pay.

Of the ninety-seven people who were employed, forty-six percent of the women and twenty-three percent of the men were in part-time employment.⁸ Further, the job security of employed Aborigines is very poor. Only thirty-seven (i.e. 38.1%) had been employed for all of the preceding twelve months. Among the sixty who had not been employed for all of the last twelve months, forty-six indicated that they had had at least one spell of unemployment during that period. For these forty-six, the average number weeks employed during the twelve months was only twenty-one while the average number of weeks of unemployment was twenty-four.

Employed Aborigines are predominantly in low paid jobs. Gross (i.e. before tax) average weekly earnings for those in full-time employment were estimated to be only \$235 for males and \$225 for females, for those in part-time employment gross average weekly earnings estimates were \$175 for males and \$210 for females.⁹ The gap between part-time earnings and full-time earnings is very small, especially for females. There are two explanations for this.

First, the distinction between part-time and full-time jobs is somewhat arbitrary. A full-time job is one in which at least thirty-five hours are worked per week; of the sixty-six people classified as in full-time employment, fifty-six worked between thirty-five and forty hours in the survey week while of the thirty part-timers, nine worked between thirty and thirty-five hours and another four worked between twenty-five and thirty hours. Such a narrow band of hours suggests that there is likely to be a fairly small gap in average earnings between those in part-time and those in full-time employment.

Second, those in full-time employment generally have relatively more secure employment - although in jobs which are low skilled, low paid but with some non-monetary benefits - whereas those in part-time employment have less job security and no non-monetary benefits which is partially compensated for by higher hourly wages.

8 Sixteen of the thirty-five women and fourteen of the sixty men who were employed had part-time jobs.

9 These figures are very preliminary estimates. In the survey, earnings information was restricted to a set of twenty-eight income ranges covering gross earnings in the fortnight prior to the survey. Each person was assigned as their earnings value the mid-point of the relevant range. This figure was divided by two to get a weekly estimate. However, twenty of the ninety-seven employed persons did not 'declare' their earnings range; they have been excluded from these estimates. The figures in the text are in 1987 dollars and have been rounded to the nearest five dollars.

Forty-four percent of the full-time workers had worked for all of the last year and a further twenty-one percent had worked between six and twelve months in the last year; i.e. 65% of all those with full-time employment had worked for at least half the year. By contrast, among part-timers only a quarter had worked all year and another quarter had worked between six and twelve months in the last year; i.e. only a half of those with part-time employment worked for at least half the year.

2.7 Labour Force Participation, Employment and Underemployment

Eight of those in paid employment were wanting to work longer hours than they worked in the survey week; that is some 8%¹⁰ of all workers were wanting more work than they currently had. Six of these people were currently in part-time employment while two were in full-time employment. All eight had looked for a full-time job at some stage in the four weeks immediately prior to the survey.

3. WHO ARE THE UNEMPLOYED?

3.1 Official Unemployment Rates

Based on the statistics in Figure 1, the unemployment rate for Aboriginal males living in non-metropolitan New South Wales is estimated to be 75.9% and that for females is estimated to be 65.3%. These estimates are based on the definition of unemployment used by the Australian Bureau of Statistics in its monthly labour force surveys; see Appendix B. Underlying these aggregate unemployment rates are significant variations in the unemployment situations of people in different regions, age groups, educational backgrounds and marital situations.

3.2 Regional Unemployment Patterns

Figure 6 indicates that male unemployment rates were in excess of seventy percent in all regions while there was considerable variation in the female rates. For males, the highest rate was in the North-West region (78.6%) and the lowest was in the Western region (73.1%). The female unemployment rates varied from a high of 83.9% (Far South Coast) to a low of 41.2% (Wiradjuri). The North West and Western regions had similar rates; 63.0% and 61.5% respectively. Interestingly, the Far South Coast was the

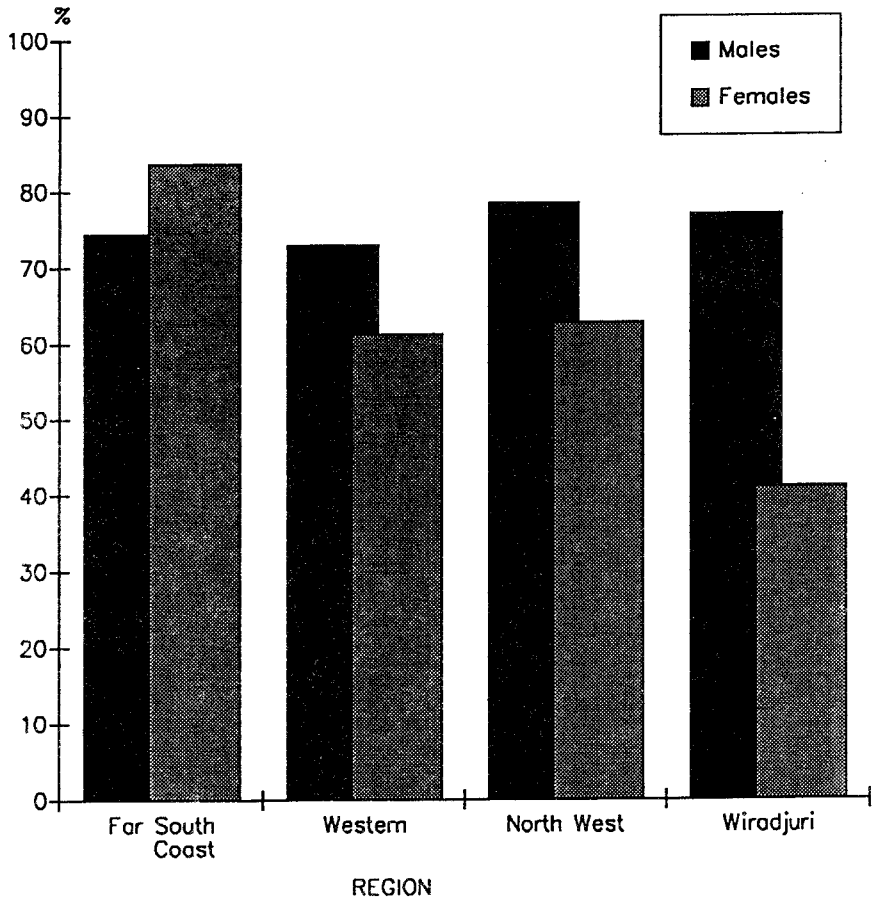
¹⁰ Given the small number of people involved, this figure should be read with caution.

NOTE:

This Discussion Paper is also included in the **Australian Bulletin of Labour**, Vol.15, No.1, December 1988 and contains the paragraph reproduced below. This paragraph to be read as the final paragraph of 2.6 (p.11).

These earnings figures indicate that Aborigines employed in rural areas have lower incomes than their city counterparts. Treadgold (1988, Table 8) estimates that real mean annual incomes for Aborigines employed at the time of the 1986 Census were \$9872 for males and \$7996 for females. These figures are in 1980-81 dollars and include income from all sources, not just earnings. Comparative figures from this survey are much lower at \$5525 (males) and \$5530 (females). Given the way in which the earnings component of the survey estimates were derived (see endnote 9) these estimates should be regarded as indicators of orders of magnitude only. It is not possible to ascertain whether the substantially lower incomes of rural Aborigines is due to their low job security (discussed above), their locality, or some other factor(s).

Figure 6: Unemployment Rates by Region



only region in which the female unemployment rate exceeded the male rate.¹¹ The explanation for this can be seen in the female participation rate. The Far South Coast has the highest female labour force participation rate, suggesting that women in that region remain in the labour force (but unemployed) longer than do women in other regions.

3.3 The Age Profile of the Unemployed

The relationship between age and unemployment is shown in Figure 7. The highest unemployment rates are experienced by teenagers and young adult males. The unemployment rate for teenage males is over 83% while that for teenage females is almost 73%. For males aged 21-30 years, the unemployment rate is 78%. The labour market position of teenage males is particularly precarious; they have a comparatively low participation rate - 70.9% compared to 77.6% for adult males - which combined with a higher than average unemployment rate results in a very poor employment position. From Figure 6 it can be seen that only 11% of all teenage males are employed while 19.5% of adult males are employed. These statistics suggest that in the absence of access to any alternative sources of income, teenage males remain in the labour force and undertake active job search in order to be eligible for the unemployment benefit rather than in any real hope of finding employment.

Unemployment rates for both females and males appear to decline with age slightly but still remain very high at least up to age fifty; although given the small number of individuals in each of the upper age groups this conclusion can only be tentative.

3.4 Unemployment and Marital Status

For both sexes married persons have the lowest unemployment rates as is shown in Figure 8. Among both females and males, separated individuals have relatively high unemployment rates despite having the lowest participation rates.

The employment position of males indicates that unmarried males fare somewhat worse than do married men.¹² Whereas 23% of all married men are employed, only 15% of all unmarried men are employed; this pattern to some extent reflects the age profile of the sample as unmarried men tend to be concentrated at the bottom end of the age range (i.e.

11 The incidence of male unemployment is still higher than that for females in this region as it is based on a much higher labour force participation rate. Forty-seven males and twenty-six females were unemployed in the Far South Coast region.

12 i.e. unmarried males have a higher unemployment rate despite having a lower participation rate than married males.

Figure 7: Unemployment Rates by Age

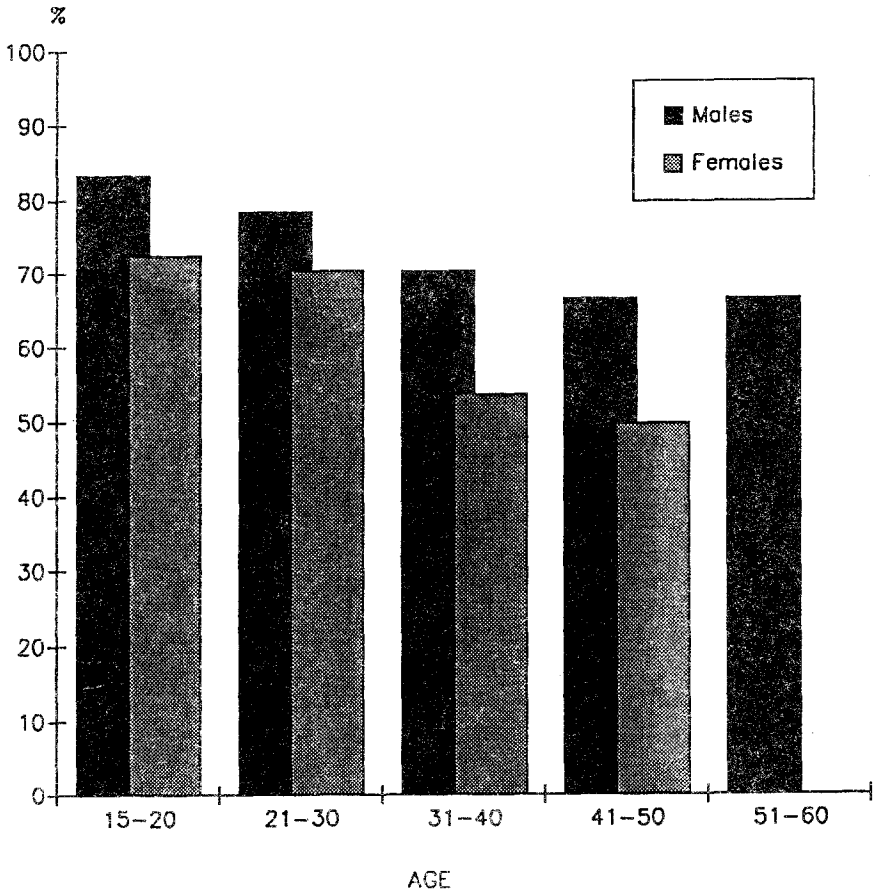
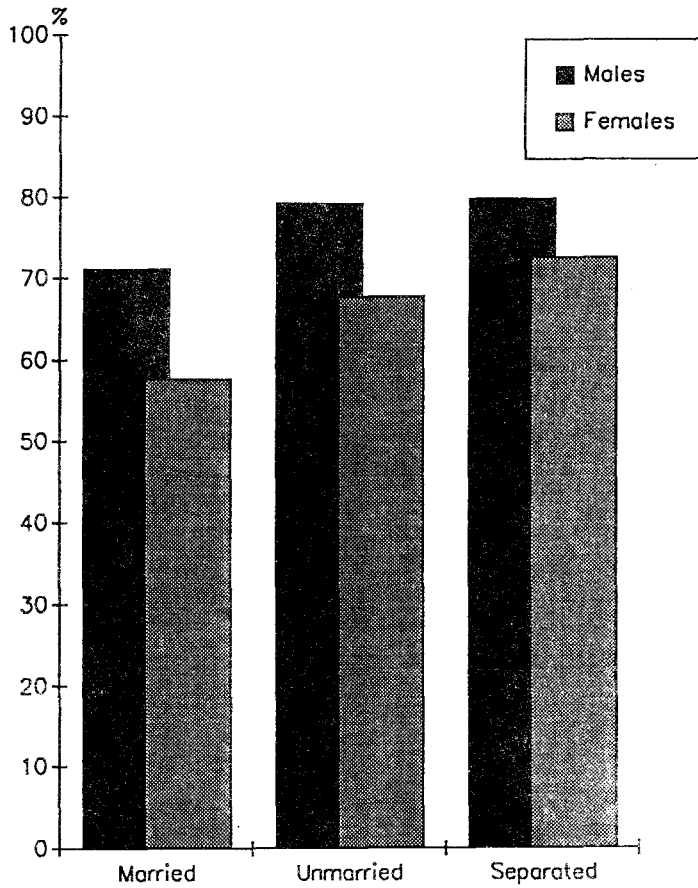


Figure 8: Unemployment Rates by Marital Status



up to age 30) while married men are concentrated more in the middle age groups. A similar pattern is observed for females, although the 'gap' is slightly less dramatic; 17% of married women are in paid employment compared to 12.5% of unmarried women.

3.5 Unemployment and Educational Achievement

Figure 9 depicts the relationship between schooling and unemployment. It is quite clear that the most highly educated Aborigines fare much better in the labour force than do less educated Aborigines. Those whose education went no further than Year 9 face unemployment rates in excess of seventy-five percent and have very poor employment prospects.¹³ In contrast, the unemployment rate for those who completed Year 10 is slightly lower, at 69%, and for those who completed Years 11 or 12 or went on to tertiary education the unemployment rate dropped to 39%.¹⁴

3.6 Duration of Unemployment

Figures 10 and 11, which are based on the 257 individuals classified as officially unemployed¹⁵ indicate that long term unemployment is a very severe problem among Aboriginal people. Figure 10 shows the proportion of the past twelve months spent in unemployment by those Aborigines who were unemployed at the time of the survey. Three out of every four unemployed Aborigines had been unemployed for **all** of the past year. A further 15% had been unemployed for at least nine months while only 11% had been unemployed for less than nine of the last twelve months.

From Figure 11 it can be seen that almost one half of the unemployed persons had not had a job for **at least** two years, a further 22% had never had a job and another 9% ceased their last job between one and two years ago.

13 Again, the combination of a high unemployment rate and a low participation rate indicates that the employment rate is low; 12% of all individuals whose formal education ceased at or before Year 9 were employed whereas 22% of those whose formal education continued to or beyond Year 10 were employed.

14 Years 11, 12 and tertiary education are combined in this analysis as there are such small numbers in each of these categories.

15 See Appendix B.

Figure 9: Unemployment Rates by Education

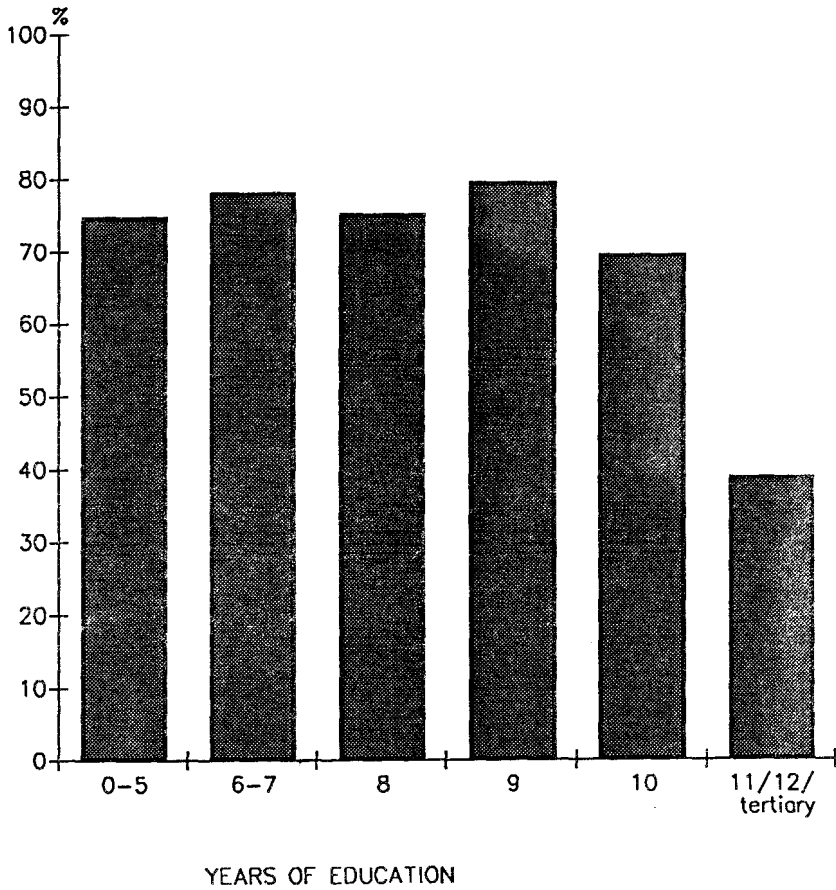


Figure 10: Number of Weeks Unemployed in last Twelve Months, (Currently Unemployed Persons only)

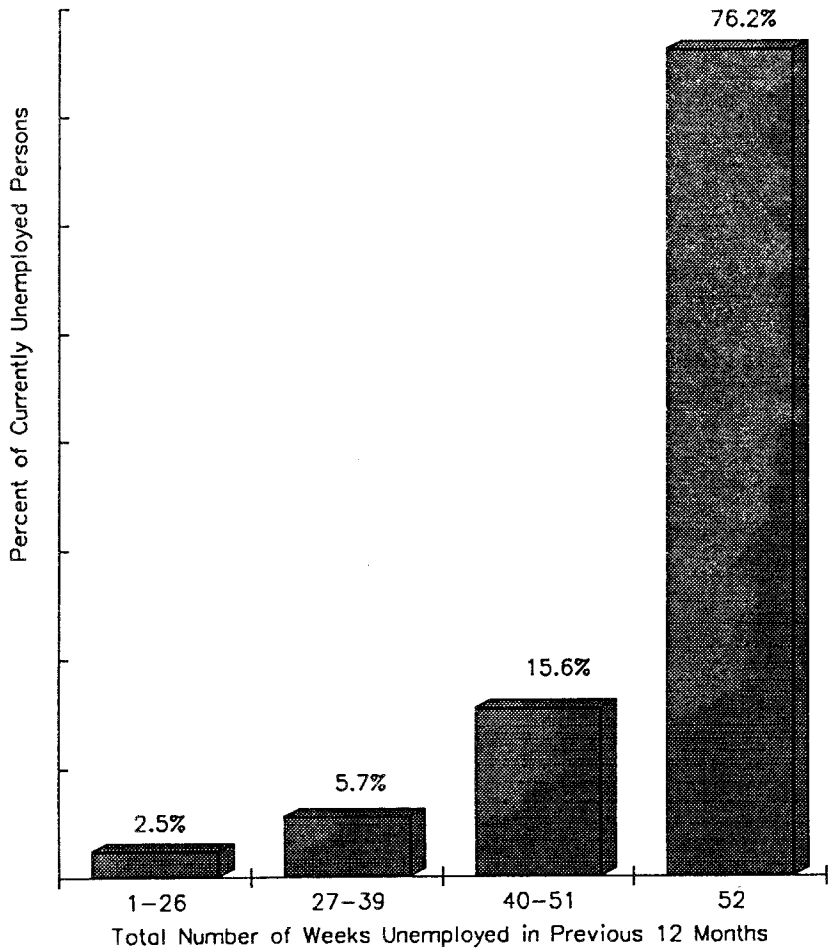
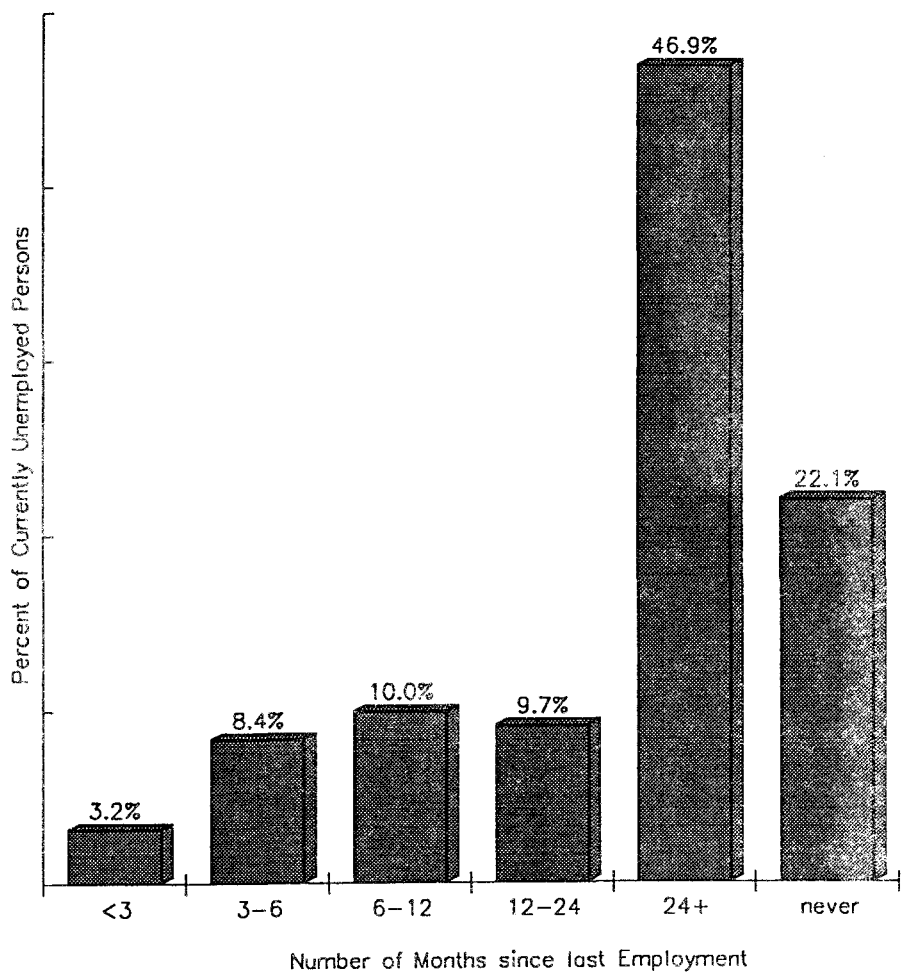


Figure 11: Number of Months Since Last in Paid Employment,
(Currently Unemployed Persons only)



4. THE IMPACT OF LABOUR MARKET PROGRAMS ON EMPLOYMENT PROSPECTS

4.1 The Work Skills of Aborigines

In addition to the low levels of education already discussed, Aborigines appear to have acquired very few work-related skills. Although twenty percent of all people in the survey indicated that they had acquired some job skill(s) other than those acquired through formal education, almost all of these skills were of a minimal nature. For example of the ninety-eight people in employment, forty-seven stated that they had at least one job skill. However, most of these skills were associated with low-skill jobs. For example, thirteen people had skills associated with labourers/process workers, seven were in transport jobs, six were clerical skills, four were skills associated with farm hands/timber workers, and two had sales skills. Of the relatively more highly skilled persons, twelve had skills of a professional/technical nature, four had skills connected with a trade and two had skills in the services industries. There is a clear need for allocating more resources to labour market programs which are designed to equip Aborigines with better work-related skills.

4.2 The Incidence of Labour Market Programs

Since January 1984, only twenty-seven individuals in the survey had been employed in a job which was funded by either the New South Wales or Commonwealth governments through one of the following labour market programs; Community Employment Program (CEP), Training for Aborigines Program (TAP), National Employment Strategy for Aborigines (NESA), and Special Works Projects (SWP). This indicates that only a very small proportion of the Aboriginal labour force have had access to such programs. These people represent only 7.6% of the labour force - a surprisingly low figure given the supposed attention that has been given to the need for Aboriginal training.

As a group these people were considerably better off compared to the rest of the sample; thirteen were in full-time employment at the time of the survey, one was in part-time employment, seven were unemployed (using the ABS definition of unemployment), and six were outside the labour force. Thus their labour force participation rate is 77.8%, their employment rate is 51.9%, their incidence of unemployment is 25.9%, and their unemployment rate is 33.3%.¹⁶ The position of these twenty people is all the more remarkable when it is realised that sixteen of them are under age 30, i.e. they are in the

¹⁶ The corresponding statistics for the whole sample are 56.2%, 15.4%, 40.9% and 72.5%.

age groups which have the highest unemployment rates and lowest employment prospects.

Of the seven who were unemployed at the time of the survey, three had had some employment in the last twelve months.

Of the six who were currently outside the labour force, only two had not had a job at some stage within the last year. The other four had averaged four months employment over the last year.

5. CONCLUSIONS AND POLICY IMPLICATIONS

5.1 Conclusions

There is no doubt that unemployment among Aborigines is one of the major problems facing New South Wales. It is chronic and even the most conservative estimate indicates that the **incidence of unemployment** is such that over fifty-five percent of all Aboriginal men and over twenty-three percent of all Aboriginal women are unemployed. Further, **unemployment rates** are in excess of sixty-five percent for Aboriginal women and almost seventy-six percent for Aboriginal men.

The position of Aborigines in the labour market is even worse than these statistics suggest. In addition to the high incidence of unemployment and the high unemployment rates, there is considerable evidence of hidden unemployment since many Aborigines who are not considered to be in the labour force are nevertheless interested in gaining meaningful employment but are not actively looking for employment due to the very depressed state of their local labour market.¹⁷ The position of employed Aborigines is not much better; many had been unemployed at some time during the last year, a relatively high proportion have only part-time employment, and almost all of those with full-time employment are in low paying jobs. Among those Aborigines who are outside the labour force there is almost total dependence on the public sector for income support.

The reasons for the chronically poor position of Aborigines in the labour market appear to include

- * residence predominantly in rural areas and small country towns which are in economic decline,
- * inability to derive adequate standards of living from traditional sources,
- * very low levels of ownership of economic resources such as farms and very high reliance on owners of those resources for paid employment,

¹⁷ The evidence for this claim is presented in Section 4 of Ross (1987).

- * lack of education beyond basic education, and
- * very low levels of job skills.

The interactions between these causes are complex and result in a virtual guarantee of life time poverty. For example, the depressed world market for Australia's agricultural products has resulted in both lower farm incomes and less demand for farm workers. Over the same period there has been a trend towards greater mechanisation of agricultural activities and this has further depressed demand for farm labour. Unable to resume their traditional activities outside of the formal economic structure, because of the previous alienation of their land, Aborigines have turned to rural towns for alternative employment but the situation there is similarly bleak. One consequence of the decline in farm incomes is the multiplier effect on the local economies. Lower farm incomes means lower expenditure by farm owners and therefore less income to local shop keepers, freight agents and so on; all of which means that demand for labour is reduced in the rural township as well.

5.2 Policy Implications

The information from this survey indicates very clearly that Aborigines are at a serious disadvantage in the labour market. The survey also indicates clearly that those Aborigines who are the least disadvantaged are those who have completed higher levels of formal education and/or have had access to a labour market program such as CEP, TAP or NESA. Although no detailed policy prescriptions are canvassed in this report, there would seem to be several main directions in which policy discussion ought to proceed as a matter of urgency.

1. greater encouragement and support for Aboriginal organisations such as the Aboriginal Land Councils to set up viable co-operative ventures which enable their members to partially or completely withdraw from the formal labour market without being dependent on the public sector for income support.
2.
 - a. better **access** to and **participation** in higher levels of education with curriculum orientated towards labour market success and maintaining Aboriginal identity, and
 - b. better **access** to and **participation** in the acquisition of useful job-related skills other than through the education system.
3. greater encouragement to the private sector to employ Aboriginal workers in employment other than low pay, low tenure jobs.

Ideas such as these are based on the inescapable fact that Aboriginal unemployment is going to be a major problem until such time as Aborigines are in a position to be far more economically independent than is currently so. In order to be independent, Aboriginal people will need to be equipped with those skills which enable them to take advantage of whatever job opportunities exist - be they either in paid employment, self employment, community ventures or co-operative ventures.

However, the greatest caveat is that greater job opportunities must become available. If this does not occur then all that will happen is a re-ordering of the unemployment 'queue' with some Aborigines displacing other Aborigines from positions higher up the queue. In order to prevent this re-ordering from occurring, in the short and medium term substantial government resources will need to be committed to some imaginative and radical policies designed to assist Aborigines to a more independent labour market position.

Appendix A: Localities Surveyed

| Region/Locality | Sample Size | Survey Dates |
|----------------------|-------------|------------------------------|
| WESTERN | | |
| Broken Hill | 61 | November 1986 |
| Wilcannia | 38 | November 1986 |
| Menindee | 19 | November 1986 |
| Wentworth | <u>45</u> | December 1986 |
| Regional Total | 163 | |
| NORTH WEST | | |
| Brewarrina | 50 | December 1986 |
| Bourke | 73 | June 1987 |
| Walgett | <u>61</u> | July 1987 |
| Regional Total | 184 | |
| WIRADJURI | | |
| See text | 115 | February-April 1987 |
| FAR SOUTH COAST | | |
| Wallaga Lake Reserve | 50 | January 1987 |
| Narooma | 34 | November 1986 |
| Moruya | 44 | November 1986 |
| Bateman's Bay | <u>39</u> | November 1986 |
| Regional Total | 167 | |
| WESTERN METROPOLITAN | | |
| Campbelltown | 48 | November-December 1986 |
| TOTAL SAMPLE | 677 | November 1986 - July 1987 |

NB:

Regions refer to Aboriginal Land Council regions. Localities refer to local government areas. The data used in this paper do not include those for Campbelltown.

Appendix B: Glossary of Terms

Labour Force Status:

| | |
|------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Employed Full-time: | worked at least 35 hours in the survey week |
| Employed Part-time: | worked between 1 and 34 hours inclusive in the survey week |
| Unemployed (ABS definition): | not employed but wanting employment and at some time during the four weeks prior to the survey undertaken at least one of the following forms of active job search; written, phoned or applied in person; answered a newspaper advertisement; registered with the CES; checked CES noticeboards; or checked factory noticeboards. |
| Labour Force: | includes everyone who is either employed or unemployed |
| Participation Rate: | labour force as a percentage of the population |
| Employment Rate: | the employed as a percentage of the population |
| Unemployment Rate: | Unemployment as a percentage of the labour force |
| Incidence of Unemployment: | Unemployment as a percentage of the population |

Education:

| | |
|-----------|---------------------------------------------------------------------------------------------------------------------|
| Years: | The highest year of schooling completed or the year in which the highest qualification attained is normally awarded |
| SC: | School Certificate |
| HSC: | Higher School Certificate |
| Post-Sec: | Covers all educational qualifications awarded by tertiary institutions |

Marital Status:

| | |
|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| Married: | Living with a spouse, including de facto relationships |
| Separated: | Legally married but living apart from the spouse. *NB includes persons who are divorced or widowed due to the very small numbers in these categories |
| Unmarried: | Never been married |

Appendix C: The Data

I. Data for Figures 1 to 9. All statistics are from the survey. Statistics in columns 1 to 3 indicate numbers of individuals. Statistics in columns 4 to 7 are percentages. Totals may exceed the sum of the component parts due to missing values. The columns are (all terms are defined in Appendix B):

1. Number of employed persons
2. Number of unemployed persons (using ABS definition of unemployment)
3. Number of persons not in the labour force
4. Labour Force Participation Rate (sum of columns 1 and 2 as a percentage of the sum of columns 1 to 3)
5. Employment Rate (column 1 as a percentage of the sum of columns 1 to 3)
6. Incidence of Unemployment (column 2 as a percentage of the sum of columns 1 to 3)
7. Unemployment Rate (column 2 as a percentage of the sum of columns 1 and 2)

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|------------------------|----|-----|-----|------|------|------|------|
| Gender | | | | | | | |
| Males | 60 | 189 | 90 | 73.5 | 17.7 | 55.8 | 75.9 |
| Females | 35 | 66 | 184 | 35.4 | 12.3 | 23.2 | 65.3 |
| Total | 97 | 257 | 275 | 56.2 | 15.4 | 40.9 | 72.6 |
| Region | | | | | | | |
| Western | | | | | | | |
| Males | 18 | 49 | 29 | 69.8 | 18.8 | 51.0 | 73.1 |
| Females | 10 | 16 | 41 | 38.8 | 14.9 | 23.9 | 61.5 |
| North West | | | | | | | |
| Males | 18 | 66 | 17 | 83.2 | 17.8 | 65.3 | 78.6 |
| Females | 10 | 17 | 55 | 32.9 | 12.2 | 20.7 | 63.0 |
| Wiradjuri | | | | | | | |
| Males | 8 | 27 | 12 | 74.5 | 17.0 | 57.4 | 77.1 |
| Females | 10 | 7 | 47 | 26.6 | 15.6 | 10.9 | 41.2 |
| Far South Coast | | | | | | | |
| Males | 16 | 47 | 32 | 66.3 | 16.8 | 49.5 | 74.6 |
| Females | 5 | 26 | 41 | 43.1 | 6.9 | 36.1 | 83.9 |

Age Groups**Males**

| | | | | | | | |
|-------|----|----|----|------|------|------|------|
| 15-20 | 10 | 51 | 25 | 70.9 | 11.6 | 59.3 | 83.6 |
| 21-30 | 21 | 77 | 21 | 82.4 | 17.6 | 64.7 | 78.6 |
| 31-40 | 13 | 31 | 9 | 83.0 | 24.5 | 58.5 | 70.4 |
| 41-50 | 6 | 12 | 6 | 75.0 | 25.0 | 50.0 | 66.7 |
| 51-60 | 1 | 2 | 9 | 25.0 | 8.3 | 16.7 | 66.7 |
| 61-65 | 0 | 0 | 2 | 0.0 | 0.0 | 0.0 | 0.0 |

Females

| | | | | | | | |
|-------|----|----|----|------|------|------|------|
| 15-20 | 9 | 24 | 39 | 45.8 | 12.5 | 33.3 | 72.7 |
| 21-30 | 10 | 24 | 70 | 32.7 | 9.6 | 23.1 | 70.6 |
| 31-40 | 6 | 7 | 27 | 32.5 | 15.0 | 17.5 | 53.8 |
| 41-50 | 3 | 3 | 12 | 33.3 | 16.7 | 16.7 | 50.0 |
| 51-60 | 0 | 0 | 8 | 0.0 | 0.0 | 0.0 | 0.0 |
| 61-65 | 0 | 0 | 0 | 0.0 | 0.0 | 0.0 | 0.0 |

Marital Status**Males**

| | | | | | | | |
|-----------|----|----|----|------|------|------|------|
| Married | 33 | 82 | 29 | 79.9 | 22.9 | 56.9 | 71.3 |
| Unmarried | 24 | 91 | 45 | 72.7 | 14.9 | 57.8 | 79.5 |
| Separated | 3 | 12 | 16 | 48.4 | 9.7 | 38.7 | 80.0 |

Females

| | | | | | | | |
|-----------|----|----|----|------|------|------|------|
| Married | 16 | 22 | 57 | 40.0 | 16.8 | 23.2 | 57.9 |
| Unmarried | 16 | 34 | 70 | 41.7 | 13.3 | 28.3 | 68.0 |
| Separated | 3 | 8 | 51 | 17.7 | 4.8 | 12.9 | 72.7 |

Years of Education

| | | | | | | | |
|-----------|----|----|------|------|------|------|------|
| 0-5 Years | 7 | 21 | 40 | 41.2 | 10.3 | 30.9 | 75.0 |
| 6-7 " | 11 | 40 | 40 | 56.0 | 12.1 | 44.0 | 78.4 |
| 8 " | 13 | 40 | 44 | 54.6 | 13.4 | 41.2 | 75.5 |
| 9 " | 20 | 79 | 67 | 59.6 | 12.0 | 47.6 | 79.8 |
| 10 " | 29 | 67 | 59 | 61.9 | 18.7 | 43.2 | 69.8 |
| 11 " | 4 | 6 | 12) | | | | |
| 12/HSC " | 5 | 1 | 4 } | 56.0 | 34.1 | 22.0 | 39.1 |
| Post-Sec | 5 | 2 | 2) | | | | |

II. Data for Figures 10 and 11: All statistics are from the survey and relate only to the 257 individuals who were classified as unemployed (ABS definition).

Figure 10; Number of Weeks Unemployed in last Twelve Months

| Weeks Unemployed | Number of Persons | Percentage (%) |
|------------------|-------------------|----------------|
| 52 | 186 | 72.3 |
| 40-51 | 38 | 14.8 |
| 27-39 | 14 | 5.5 |
| 14-26 | 4 | 1.6 |
| 1 -13 | 2 | 0.8 |
| Total | 257 | 100.0 |

NB: Total includes 13 individuals with incomplete information.

Figure 11; Number of Months Since Last in Paid Employment

| Months Since Last Job | Number of Persons | Percentage (%) |
|-----------------------|-------------------|----------------|
| < 3 | 8 | 3.1 |
| 3 - 6 | 21 | 8.1 |
| 6 - 12 | 25 | 9.7 |
| 12 - 24 | 23 | 9.0 |
| 24 + | 117 | 45.5 |
| Never had a job | 55 | 21.4 |
| Total | 257 | 100.0 |

NB: Total includes 8 individuals with incomplete information.

SOCIAL WELFARE RESEARCH CENTRE DISCUSSION PAPERS:

- | | | | |
|----|-------------------------------------------------------------------------------------|---------------------------------|-------------|
| 1. | The Labour Market Position of Aboriginal People in Non-Metropolitan New South Wales | Russell Ross | August 1988 |
| 2. | Welfare Fraud, Work Incentives and Income Support for the Unemployed | Bruce Bradbury | August 1988 |
| 3. | Taxation and Social Security: An Overview | Peter Whiteford | August 1988 |
| 4. | Income Inequality in Australia in an International Comparative Perspective | Peter Saunders and Garry Hobbes | August 1988 |