Indigenous participation in labour market and training programs

J. Taylor and B. Hunter

No. 108/1996

ISSN 1036-1774
ISBN 0 7315 1782 2
SERIES NOTE

The Centre for Aboriginal Economic Policy Research (CAEPR) was established in March 1990 under an agreement between The Australian National University (ANU) and the Aboriginal and Torres Strait Islander Commission (ATSIC). CAEPR operates as an independent research unit within the University's Faculty of Arts and is funded by ATSIC, the Commonwealth Department of Social Security and the ANU. CAEPR's principal objectives are to undertake research to:

• investigate the stimulation of Aboriginal and Torres Strait Islander economic development and issues relating to Aboriginal and Torres Strait Islander employment and unemployment;
• identify and analyse the factors affecting Aboriginal and Torres Strait Islander participation in the labour force; and
• assist in the development of government strategies aimed at raising the level of Aboriginal and Torres Strait Islander participation in the labour market.

The Director of the Centre is responsible to the Vice-Chancellor of the ANU and receives assistance in formulating the Centre's research priorities from an Advisory Committee consisting of five senior academics nominated by the Vice-Chancellor and four representatives nominated by ATSIC, the Department of Employment, Education, Training and Youth Affairs and the Department of Social Security.

CAEPR Discussion Papers are intended as a forum for the rapid dissemination of refereed papers on research that falls within the CAEPR ambit. These papers are produced for discussion and comment within the research community and Aboriginal affairs policy arena. Many are subsequently published in academic journals. Copies of discussion papers can be purchased from:

Centre for Aboriginal Economic Policy Research,
Faculty of Arts, The Australian National University, Canberra ACT 0200.
Ph (06) 279 8211 Fax (06) 249 2789.

Abstracts of all CAEPR Discussion Papers can be found at the following World Wide Web address:
http://coombs.anu.edu.au/WWWVLPages/AborigPages/CAEPR/caepr-home.html

As with all CAEPR publications, the views expressed in this Discussion Paper are those of the author(s) and do not reflect an official CAEPR position.

Professor Jon Altman
Director, CAEPR
The Australian National University
ABSTRACT

Using data obtained from various administrative databases held by the Department of Employment, Education, Training and Youth Affairs (DEETYA), this paper describes the changing distribution of Indigenous participation in labour market programs in recent years and provides details of the age, sex and location of program participants. Further insight into Indigenous participation in training courses is provided by data from the 1994 National Aboriginal and Torres Strait Islander Survey. Program participation is shown to have steadily risen in the 1990s with increased emphasis since 1995 on clients in remote rural areas. Also noted is continuation of a well-established trend towards an increasing share of program placements in mainstream programs as well as a higher rate of program placement among males. Notwithstanding these findings the paper highlights the limitations of administrative databases for research and underlines the importance of longitudinal data of the type now being collected by DEETYA.

Acknowledgments

As the data for this paper were derived from collaborative work between a number of parties the contribution of several individuals requires special mention. Prominent among these are Angela Mikalauskas, then of CAEPR, who translated DEETYA administrative data into summary tables. Assistance in this process was provided by Rose Lai of DEETYA. The results of this exercise were subjected to public scrutiny at a CAEPR seminar 'Aboriginal and Torres Strait Islander labour market participation patterns', presented by Angela Mikalauskas with Claire O'Brien as the discussant in December 1995. Improvement to an early draft of this paper was greatly assisted by comments received from Claire O'Brien and Kim Grey of DEETYA. Jon Altman and Bruce Chapman provided helpful suggestions. Thanks are due to Dr Roger Jones for his assistance in converting postcode data to geographic regions. Data from the NATSIS were provided by Cathie Thorp of the ABS's National Centre for Aboriginal and Torres Strait Islander Statistics in Darwin, as part of a collaborative project on 'Employment Outcomes for Australia's Indigenous Peoples'. Editorial assistance was provided by Joy Humphreys, Linda Roach and Hilary Bek.

John Taylor is a Fellow and Boyd Hunter is a Post-Doctoral Fellow at the Centre for Aboriginal Economic Policy Research, Faculty of Arts, The Australian National University, Canberra.
Foreword

Among the range of tasks that CAEPR is requested to undertake according to an agreement between the Commonwealth and The Australian National University (ANU), the establishment of a comprehensive database on the Aboriginal labour force, a regional analysis of the Aboriginal labour force, and an assessment of the effectiveness of Commonwealth and State training programs were targeted for early attention. These tasks form the historic basis for the present discussion paper. In February 1991, CAEPR formally approached the then Department of Employment, Education and Training (DEET) with a view to accessing information from its administrative databases regarding Indigenous participation in labour market programs.

Subsequent discussions led, in June 1993, to the signing of an agreement between the Commonwealth and ANU providing for such access and laying out formal procedures. Unfortunately, considerable delay has been experienced in implementing the terms of this agreement. This eventually came about, in November 1995, when the Evaluation and Monitoring Branch of DEET commissioned CAEPR to examine the pattern of Indigenous client participation in DEET labour market programs and to seek to establish trends over time. This initiative came about as part of DEET's broader attempts to monitor the impact of the Working Nation policy.

As part of CAEPR's goal of public accountability and desire for peer review, this publication aims to disseminate research findings as widely as possible. Accordingly, key data from this report are reproduced here to inform a discussion of Indigenous participation in labour market and training programs. Further information is drawn from the 1994 National Aboriginal and Torres Strait Islander Survey under an agreement with the National Centre for Aboriginal and Torres Strait Islander Statistics of the Australian Bureau of Statistics (ABS) as part of a collaborative exercise with CAEPR in the production of National Aboriginal and Torres Strait Islander Survey 1994: Employment Outcomes for Australia's Indigenous Peoples (ABS cat. no. 4199.0).

This analysis of administrative data and official statistics demonstrates the benefit of university and agency collaboration in ensuring access to statistical information to inform a crucial current policy debate. However, it is strongly emphasised that the views expressed here are those of the authors; the normal disclaimer is made that DEETYA does not necessarily agree with the interpretations presented here.

Professor Jon Altman
Director, CAEPR
April 1996
A major irony in the general conduct of Indigenous affairs since the 1970s is the fact that published information on Indigenous people from administrative databases has diminished, at least until recently, in relation to the level of dedicated expenditure and policy effort (Altman 1992: 2-4). As one indication of this, it was the paucity of policy-relevant information which led to a recommendation of the Royal Commission into Aboriginal Deaths in Custody for a special national survey of the Aboriginal and Torres Strait Islander populations. While the National Aboriginal and Torres Strait Islander Survey (NATSIS) has now been completed, it yielded only select cross-sectional information leaving questions regarding the provision of ongoing data series in many areas of policy interest essentially unanswered.

One specific policy area where information has been inadequate to date relates to the participation of Indigenous people in labour market programs. Since the establishment of the Aboriginal Employment Development Policy (AEDP) in 1987, which significantly boosted expenditure on employment strategies, Indigenous participation in both mainstream and Indigenous-specific labour market programs has steadily increased. According to the Department of Employment, Education and Training (DEET), 22,000 placements of Aboriginal and Torres Strait Islander people were achieved in mainstream labour market programs in 1993-94.¹ In addition to this, approximately 10,000 placements are made each year in Indigenous-specific programs (Commonwealth of Australia 1995: 70, 231-5).²

Notwithstanding this scale of Indigenous involvement in labour market programs, relatively few details about the nature of participation, about the characteristics of those involved and about the success, or otherwise, of outcomes have routinely been available for public scrutiny. Elements of this information have been published to date in piecemeal fashion, for example as part of the review of the Training for Aboriginals Program (Johnston 1991), as part of a wider enquiry into labour market program participation by disadvantaged groups (Jones and McAllister 1991), as an appendix to the review of the AEDP (Commonwealth of Australia 1994a), and in the Annual Reports of DEETYA and the Aboriginal and Torres Strait Islander Commission (ATSIC). However, the detail and range of data from these sources have been variable, while using them to construct a picture of temporal and spatial shifts in participation and outcomes, even at an aggregate level, is problematic.

Attention was drawn to this lack of information in the review of the AEDP which found it difficult to explain a gap between high levels of program participation and a low net increase in employment outcomes between 1986 and 1991 (ATSIC 1994: 89-90). Despite labour market program participation that is estimated in the tens of thousands over this
five-year period, a net gain of only 5,800 jobs for Indigenous people is estimated to have occurred in the mainstream labour market (Taylor 1993: 35). While it is not possible to draw any conclusion from this about the effectiveness of labour market programs, much of the substantive critique in the AEDP review focused on a need to analyse the reasons for relatively low employment growth in the face of sustained policy effort.

This concern would still appear to be valid given the likelihood that no growth in Indigenous mainstream employment occurred over the three-year period between 1991 and 1994 (Australian Bureau of Statistics (ABS) 1996). While many factors outside of government control contribute to employment outcomes for Indigenous people, the impact of labour market programs is one that directly concerns policy makers. However, any assessment of this is predicated on there being a detailed longitudinal profile of client characteristics and their program participation. This, to date, has been inadequate.

One difficulty faced by analysts is that databases compiled by DEETYA are constructed for administrative purposes only. As such, they do not translate readily into stock and flow data required to construct a longitudinal profile of client characteristics and program participation. Complexities involved in manipulating the databases also mean that details of the composition of the Indigenous client base are not easily retrieved from the system. A particular problem arises because program data straddle several databases and for certain types of information it is difficult, if not impossible, to match client records over time in any meaningful way.3

The purpose of this paper, then, is not to consider longitudinal aspects of participation in labour market programs. Analysis of this will probably have to wait for results from the longitudinal survey of Indigenous clients commissioned by DEET as a part of the evaluation of the Working Nation initiatives (DEET 1995a). Rather, the aim is simply to provide an overview of information that can be obtained from existing databases as a means of describing basic characteristics of the client base. In particular, the paper outlines the changing distribution of Indigenous participation in labour market programs in recent years and provides details of the age, sex and location of program participants. To this end, all records with an Aboriginal or Torres Strait Islander identifier at 31 July of each year between 1992 and 1995 were downloaded from the DEET databases, JOBSYSTEM,4 Program Administrative and Statistical System (PASS), Skillshare National Information Processing Systems (SNIPS) and Trainee Record and Payment System (TRAPS).5 While the paper focuses primarily on the period between 1992 and 1995, for some purposes the analysis is
extended back to 1990 using PASS data only. In order to provide a broader context for the discussion of program participation and to consider possible impacts on subsequent labour force status, the DEET data are supplemented with information on Indigenous participation in training courses from the 1994 NATSIS.

The distribution of Indigenous clients by labour market program, 1992-95

The proportion of clients assisted by DEET at the end of July in each year between 1992 and 1995 is shown in Table 1. This proportion was calculated by dividing the total number of Indigenous job seekers registered with DEET and eligible for assistance (the denominator), by the number of Indigenous job seekers placed on labour market programs (the numerator). While conceptually straightforward, the actual calculations were complicated by the structure of DEET databases. As a consequence, the proportions are calculated for distinct points in time and relate only to clients actively participating in a labour market program on 31 July each year.

Table 1. Proportion of Aboriginal and Torres Strait Islander DEET clients in labour market programs, 1992-95.a

<table>
<thead>
<tr>
<th>Year</th>
<th>Number in labour market programs</th>
<th>Number eligible for assistance</th>
<th>Per cent assisted</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992</td>
<td>6,303</td>
<td>55,011</td>
<td>11.5</td>
</tr>
<tr>
<td>1993</td>
<td>6,638</td>
<td>52,455</td>
<td>12.7</td>
</tr>
<tr>
<td>1994</td>
<td>7,241</td>
<td>54,686</td>
<td>13.2</td>
</tr>
<tr>
<td>1995</td>
<td>10,056</td>
<td>58,673</td>
<td>17.1</td>
</tr>
</tbody>
</table>

a. As at 31 July of each year.

Sources: PASS, SNIPS and TRAPS, DEET.

Clearly only a fraction of those eligible for assistance were actually placed in labour market programs at any point in time, although this proportion appears to have risen steadily through the early 1990s and most notably since July 1994 following the introduction of the Labor Government's Working Nation policy.6 The gap between eligibility and actual participation evident in Table 1 is not surprising as many clients find jobs directly by accessing Commonwealth Employment Service (CES) job boards and not all those eligible for assistance are deemed to
require labour market programs. In any case, these data are for a point in time only and the proportions may vary throughout the year.

The changing distribution of Indigenous placements across specific labour market programs is shown in Table 2 for 31 July of each year between 1992 and 1995. The programs are grouped into mainstream programs and those designed specifically for Indigenous clients. To some extent, changes in the scale and pattern of participation post-1994 provide some indication of the change in program mix due to the introduction of Working Nation strategies.

Table 2. Distribution of Indigenous placements in DEET labour market programs, 1992-95.a

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Mainstream</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jobtrain</td>
<td>706</td>
<td>258</td>
<td>386</td>
<td>501</td>
</tr>
<tr>
<td>Jobstart</td>
<td>466</td>
<td>1,057</td>
<td>589</td>
<td>647</td>
</tr>
<tr>
<td>Job search assistance</td>
<td>36</td>
<td>9</td>
<td>19</td>
<td>29</td>
</tr>
<tr>
<td>Jobskills</td>
<td>164</td>
<td>431</td>
<td>327</td>
<td>783</td>
</tr>
<tr>
<td>NEISb</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>8</td>
</tr>
<tr>
<td>Special intervention</td>
<td>102</td>
<td>72</td>
<td>115</td>
<td>204</td>
</tr>
<tr>
<td>Contracted placement</td>
<td>12</td>
<td>42</td>
<td>100</td>
<td>38</td>
</tr>
<tr>
<td>LEAPc</td>
<td>0</td>
<td>322</td>
<td>399</td>
<td>735</td>
</tr>
<tr>
<td>Accredited training for youth</td>
<td>0</td>
<td>168</td>
<td>96</td>
<td>53</td>
</tr>
<tr>
<td>National training wage</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>404</td>
</tr>
<tr>
<td>New work opportunities</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1,338</td>
</tr>
<tr>
<td>Sub-total</td>
<td>1,486</td>
<td>2,361</td>
<td>2,034</td>
<td>4,740</td>
</tr>
</tbody>
</table>

| Indigenous-specific                 |          |          |          |          |
| Employment strategies               | 164      | 294      | 290      | 273      |
| Skills development                  | 1,458    | 1,147    | 1,569    | 2,126    |
| Transition assistance               | 298      | 352      | 612      | 680      |
| Formal training                     | 607      | 436      | 661      | 387      |
| Sub-total                           | 2,527    | 2,229    | 3,132    | 3,466    |

| All programs                        | 4,013    | 4,628    | 5,188    | 8,385    |

| Total participants                  | 100.0    | 100.0    | 100.0    | 100.0    |

a. As at 31 July of each year.
b. New Enterprise Incentive Scheme.
c. Landcare and Environment Action Program.
d. The 1992 sub-total excludes 611 Indigenous placements in Community Training Programs as agency responsibility for these was transferred to ATSIC during the year.

Source: PASS, DEET.
Overall, the number of placements at each point in time more than doubled over the three-year period, though the greatest increase occurred after 1994. No doubt this reflects some of the early impact of the Working Nation initiatives. While changes in the pattern of individual program placements may reflect variation in administrative practices current for the particular months in question, broad system-wide shifts in DEET strategies are also discernible.

Participation in both mainstream and Indigenous-specific programs steadily increased in the 1990s, although the rate of increase in mainstream programs was greater. Since 1994, for example, the balance of Indigenous program participation appears to have moved strongly in favour of mainstream programs. The major structural shifts in terms of proportional representation have occurred due to the recent introduction of the National Training Wage and New Work Opportunities. This has meant that participation in some programs has declined as a proportion of all placements even though the actual number of program participants may have increased. Examples of this include the Jobstart, Special Intervention, Employment Strategies and Skills Development programs.

The increase in the number of mainstream labour market programs in which Indigenous people participate (from six to 11) complicates the analysis of trends in individual program participation. The creation of new programs, such as the New Enterprise Incentive Scheme (NEIS), the Landcare and Environment Action Program (LEAP), Accredited Training for Youth, the National Training Wage and New Work Opportunities, underscores the importance of analysing the whole Indigenous client base simultaneously rather than examining trends in individual programs. The remainder of this paper analyses the aggregate of all the programs in which Indigenous people participate.

**Recycling through programs**

One feature of program participation that has been commented on by policy analysts is the tendency for a proportion of clients to be recycled through a number of labour market programs (Johnston 1991; Smith 1995). Ideally, evidence for this would derive from longitudinal data for individual cases. While it is possible to retrieve individual case histories from DEETYA databases, such an approach would be unavoidably ad hoc given that records of placement are likely to be truncated, at least at one end of the period under analysis. Historically, the problem was that clients were removed from the JOBSYSTEM after 18 months and some clients returning to the system after that time were given a new identification number which meant they could not be subsequently tracked. A system search is conducted to minimise the number of clients receiving new identification numbers.
An indirect and fairly crude measure of recycling can be established, however, from the fact that between January 1990 to November 1995 a total of 136,990 placements of Indigenous job seekers into labour market programs were made on behalf of only 71,044 clients. This includes labour market programs and a number of ancillary forms of assistance such as mobility allowance and referrals to occupational counsellors. Obviously, multiple placements for individual clients were a common feature of the pattern of program participation, as found in previous analyses of Indigenous patterns of program participation (DEET 1994b: 23). This no doubt reflects the numerous disadvantages experienced by many Indigenous people in facing the labour market. The actual breakdown of placement frequencies per client over the five-year period was as follows: 54 per cent had a single placement; 33 per cent had two or three placements; 11 per cent had between four and six placements; and 2 per cent had between seven and 16 placements. What is not available at the aggregate level from administrative databases is information on the duration and nature of each placement and the temporal spacing between them. Were this available, it would assist in explaining the multiple periods in and out of programs that are experienced by Indigenous people.

Since approximately half of all Indigenous clients were engaged in more than one labour market program between 1990 and 1995, this means that the number of placements was always substantially greater than the number of clients. While this incidence of multiple placement no doubt reflects labour market disadvantage experienced by many eligible Indigenous job seekers, programs are often designed to form part of a package or sequence of logical assistance. For example, language and literacy training may be required before a training course is productive. Likewise, a job subsidy placement may be followed by a Jobclub, where the job seeker is assisted in looking for work.

**PASS clients by age, sex and location**

A range of information regarding individual client characteristics is recorded on the PASS in the course of administering program placements. Although variable in coverage and quality, these provide a potentially rich source of information which may be added to existing analyses regarding the underlying determinants of successful employment outcomes (see, for example, Altman 1991; Daly 1995; ABS 1996). Some of these basic characteristics of Indigenous clients are discussed below.
Age and sex

The distribution of PASS clients by age and sex in July 1995 is shown in Table 3. The main point to note is that more than twice as many males as females were in labour market programs, with males accounting for more than two-thirds (69 per cent) of all placements. Whether this preponderance of males was a consistent feature of program placements each year is not clear, but it was certainly higher than the male proportion of Indigenous unemployed persons recorded by the NATSIS which was only 60 per cent (ABS 1995). It also represented a slight increase over time with males accounting for only 65 per cent in 1992. A further point of note is that, in 1995, females were over-represented in the younger age groups (below 25 years) while in the prime working-age group of 25-44 years, males predominated. A somewhat similar pattern was evident in 1992, but the tendency appears to have strengthened since that time.

Table 3. Indigenous labour market program participants by age and sex, 1995.

<table>
<thead>
<tr>
<th>Sex</th>
<th>15-17</th>
<th>18-19</th>
<th>20-24</th>
<th>25-44</th>
<th>45+</th>
<th>Per cent</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Females</td>
<td>16.6</td>
<td>17.5</td>
<td>25.6</td>
<td>35.2</td>
<td>5.1</td>
<td>100.0</td>
<td>2,476</td>
</tr>
<tr>
<td>Males</td>
<td>14.3</td>
<td>14.6</td>
<td>24.7</td>
<td>41.7</td>
<td>4.8</td>
<td>100.0</td>
<td>5,442</td>
</tr>
<tr>
<td>Total</td>
<td>15.0</td>
<td>15.5</td>
<td>24.9</td>
<td>39.6</td>
<td>4.9</td>
<td>100.0</td>
<td>7,918</td>
</tr>
</tbody>
</table>

a. As at 31 July 1995.

Source: PASS, DEET.

This prevalence of males in the placement profile assumes added significance in light of evidence from the 1994 NATSIS which indicated that the previously reported trend of steady improvement in the employment/population ratio for Indigenous females appears to have reversed since 1991 (ABS 1996).

Location

The major geographical identifier available in the PASS is postcode of residence. While this provides for a very detailed geography of program participation, meaningful analysis requires a more structured set of units. For example, it has been noted in the past that Indigenous placements in mainstream labour market programs have tended to be focused on urban areas in more settled parts of the country (Miller 1985; Taylor 1993). To examine whether this remains the case, one
classification, developed by the Department of Primary Industries and Energy and the Department of Human Services and Health (1994), enables postcodes to be converted into area of State measures based on rural, remote and metropolitan area designations.

Briefly, this classification categorises all Statistical Local Areas (SLAs) in Australia according to their remoteness using an index of remoteness calculated for each SLA in non-metropolitan areas. According to this index, non-metropolitan areas are classified as 'rural' or 'remote' and the classification then divides each of the States and Territories into three groups: metropolitan areas, rural zones and remote zones. These, in turn, are further sub-divided according to settlement size and function. Two categories of metropolitan area are recognised – 'capital cities' and 'other metropolitan'. Rural zones are divided into 'non-metropolitan large centres' (which have populations of 25,000 or more), 'non-metropolitan small centres' (with populations between 10,000 and 24,999) and 'non-metropolitan other centres' (the balance of SLAs within the rural zone). The remote zone contains two categories: 'remote centres' (centres in the remote zone with populations of 5,000 or more) and 'other remote centres' (the balance of SLAs within the remote zone).8

The postcodes reported in the PASS relate to the client’s permanent residential address. However, clients may accept a placement in a completely different location than that of their reported permanent residence. For example, among Indigenous placements between 1990 and 1995, the State of residence for around 7 per cent of Indigenous clients differed from the supervising State for their placement. For the entire PASS file (which included 136,992 placements over this period), 111 postcodes could not be classified into area-of-State for this reason, representing 1,045 placements.

The percentage distribution of program placements is shown by State and area-of-State for July 1993 and July 1995 in Table 4. In this case, July 1993 has been employed as the base date to overcome the fact that community programs, administered by DEET prior to this date, were heavily concentrated in rural and remote areas. In the absence of data on eligible clients by geographic area, one crude way of attempting to standardise these State-level data for comparative purposes is to express the number of placements in each State and Territory as a ratio of their respective 1994 working-age populations as estimated by the NATSIS.9 This reveals that, in Australia as a whole, about 2.5 per cent of the Indigenous working-age population were in labour market programs in July 1993. The interesting point to note is that variation around this mean was small with most States within the range, from Queensland at 3.0 per cent to South Australia at 2.5 per cent. Equally of note is that
prominent exceptions included the Northern Territory at just 1.0 per cent, followed by the Australian Capital Territory at 1.8 per cent.

While the use of working-age populations as the denominator is less than ideal, it nonetheless highlights the effect of transferring responsibilities for servicing remote populations away from DEET. This is reflected in the lower rate of placements in the Northern Territory. Given the introduction by DEET of the Remote Area Field Service (RAFS) in 1995, it is interesting to consider whether there was any sign of an increased rate of placement in the Northern Territory in relation to other States. In 1995, the overall number of placements nationally as a proportion of the working-age population (still using the 1994 NATSIS figure) rose to 4.4 per cent. As in 1993, however, the Northern Territory proportion still lagged behind that of other States, although it had increased to 3 per cent. While the full impact of the RAFS was probably not captured by these data, the lower placement rates in the Northern Territory may reflect the dominance of Community Development Employment Projects (CDEP) scheme participation as well as a relative lack of registration with the CES in remote rural areas.

Overall, the number of placements was 74 per cent greater at 31 July 1995 than at July 31 1993. Half of the States experienced percentage increases above this national average, including New South Wales (89.7), South Australia (137.9), Tasmania (94.0), and the Northern Territory (191.8). Those experiencing below national average growth included Western Australia (45.1), Victoria (47.5), Queensland (41.3) and the Australian Capital Territory (54.5). Thus, it appears that some redress to the earlier regional imbalance occurred. States such as Victoria and Queensland, which had above average placements in 1993, gained new placements at a slower rate than other jurisdictions, most notably the Northern Territory which in 1993 was way below average. This pattern of growth in placements is also partially consistent with the regional pattern of long-term unemployment rates as measured by the NATSIS, since both New South Wales and South Australia had above average rates of Indigenous people unemployed for 12 months or more (ABS 1995: 49).

Given that each State and Territory has a different geographic structure in terms of the area-of-State classification, it is not possible to draw interstate comparison of the change in distribution by settlement type. However, if the geographic structure of placements between 1993 and 1995 is assumed to be reasonably stable, then it is possible to reflect on the changes within each State as a whole as well as on the overall shifts in placement distribution according to area-of-State.
### Table 4. Program placements by area-of-State and State, 31 July 1993 and 1995.

<table>
<thead>
<tr>
<th>State</th>
<th>1993</th>
<th>1995</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Area of State</td>
<td>Total per cent</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Australian Capital Territory</td>
<td>100.0</td>
<td>0.0</td>
</tr>
<tr>
<td>New South Wales</td>
<td>32.7</td>
<td>12.9</td>
</tr>
<tr>
<td>Northern Territory</td>
<td>41.2</td>
<td>0.0</td>
</tr>
<tr>
<td>Queensland</td>
<td>27.1</td>
<td>9.5</td>
</tr>
<tr>
<td>South Australia</td>
<td>52.9</td>
<td>0.0</td>
</tr>
<tr>
<td>Tasmania</td>
<td>29.9</td>
<td>0.0</td>
</tr>
<tr>
<td>Victoria</td>
<td>44.3</td>
<td>5.0</td>
</tr>
<tr>
<td>Western Australia</td>
<td>42.9</td>
<td>0.0</td>
</tr>
<tr>
<td>Total per cent</td>
<td>35.5</td>
<td>7.0</td>
</tr>
<tr>
<td>Total number</td>
<td>1,614</td>
<td>318</td>
</tr>
</tbody>
</table>

1. capital cities; 2. other metropolitan; 3. non-metropolitan large centres; 4. non-metropolitan small centres; 5. non-metropolitan other centres; 6. remote centres; 7. other remote centres.

Source: PASS, DEET.
Overall, there has been a shift in emphasis away from placements in capital cities, other metropolitan centres and non-metropolitan large centres, towards small non-metropolitan towns, remote centres and, in particular, other remote centres, which are the smallest and least accessible places. In 1993, 16.4 per cent of all placements were in remote Australia and this rose to 22.6 per cent in 1995. This shift occurred in all States and Territories (except the Australian Capital Territory) with the most notable change evident in the Northern Territory where the share of placements in Darwin fell from 41.2 per cent to 16.8 per cent and the proportion in remote areas rose from 55.1 per cent to 80.1 per cent. This shift in the pattern of placements would seem to be consistent with the emphasis in Working Nation on targeting the long-term unemployed as these are heavily over-represented in remote rural areas (ABS 1996). More directly, it may also reflect the impact of remote area servicing by DEET since 1995.

Indigenous people in training: evidence from the NATSIS

A series of questions regarding participation in all training courses was included in the 1994 NATSIS which covered approximately 5 per cent of Indigenous adults. Of the projected 181,500 persons in 1994 aged 15 years and over, an estimated 14,700 (8 per cent) had attended a training course in the 12-month period prior to the survey (Table 5). While information on training courses from the NATSIS cannot be directly compared with the DEET labour market program data employed here, this figure should be somewhat higher than the number of DEET clients in training over the year 1993-94 as it includes training course participation other than via labour market programs. An estimate of the number of placements in training programs over the 12-month period prior to the NATSIS tends to support this order of magnitude.10

Table 5. Training course attendancea by sex and part-of-State: Indigenous working-age population, 1994.

<table>
<thead>
<tr>
<th></th>
<th>Capital city</th>
<th>Other urban</th>
<th>Rural</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
<td>Male</td>
</tr>
<tr>
<td>Attended a course</td>
<td>2,977</td>
<td>2,960</td>
<td>3,273</td>
</tr>
<tr>
<td>Total population</td>
<td>23,459</td>
<td>25,490</td>
<td>35,880</td>
</tr>
<tr>
<td>Per cent attending</td>
<td>12.7</td>
<td>11.6</td>
<td>9.1</td>
</tr>
<tr>
<td></td>
<td>1,511</td>
<td>1,116</td>
<td>29,177</td>
</tr>
<tr>
<td></td>
<td>5.2</td>
<td>4.0</td>
<td></td>
</tr>
</tbody>
</table>

a. Over the 12 months prior to the survey.

Source: ABS 1996.
The survey figure of those attending a training course was more or less evenly split between males and females, although this produced a slightly higher rate of male participation (8.8 per cent compared to 7.5 per cent). Much greater variation in training participation was evident by part-of-State with a clear gradient from above average rates in capital cities to below average rates in rural areas. The rate at which capital city residents attended training courses was more than twice that of rural residents, both male and female.

Table 6. Population aged 15 years and over: main obstacle to further study or training by sex and part-of-State, 1994.

<table>
<thead>
<tr>
<th>Main obstacle to further study or training</th>
<th>Capital city Males</th>
<th>Capital city Females</th>
<th>Other urban Males</th>
<th>Other urban Females</th>
<th>Rural Males</th>
<th>Rural Females</th>
</tr>
</thead>
<tbody>
<tr>
<td>No childcare</td>
<td>1.6</td>
<td>18.9</td>
<td>*2.3</td>
<td>20.3</td>
<td>*1.3</td>
<td>17.5</td>
</tr>
<tr>
<td>Lack of transport</td>
<td>12.1</td>
<td>7.9</td>
<td>15.2</td>
<td>9.6</td>
<td>20.0</td>
<td>17.6</td>
</tr>
<tr>
<td>Financial problems</td>
<td>17.0</td>
<td>15.6</td>
<td>13.3</td>
<td>9.7</td>
<td>11.5</td>
<td>11.9</td>
</tr>
<tr>
<td>Lack English proficiency</td>
<td>*3.1</td>
<td>*2.7</td>
<td>9.3</td>
<td>5.4</td>
<td>*4.7</td>
<td>*4.8</td>
</tr>
<tr>
<td>Lack of prerequisites</td>
<td>11.5</td>
<td>7.8</td>
<td>4.7</td>
<td>5.4</td>
<td>*4.9</td>
<td>*4.5</td>
</tr>
<tr>
<td>No courses available</td>
<td>*1.9</td>
<td>*1.1</td>
<td>11.5</td>
<td>7.9</td>
<td>21.2</td>
<td>10.4</td>
</tr>
<tr>
<td>Other difficulty</td>
<td>21.5</td>
<td>15.1</td>
<td>12.7</td>
<td>10.0</td>
<td>8.2</td>
<td>9.3</td>
</tr>
<tr>
<td>No difficulty</td>
<td>31.2</td>
<td>30.9</td>
<td>30.1</td>
<td>31.5</td>
<td>27.6</td>
<td>23.6</td>
</tr>
<tr>
<td>Not stated</td>
<td>**0.1</td>
<td>**0.0</td>
<td>*0.9</td>
<td>**0.2</td>
<td>**0.6</td>
<td>**0.4</td>
</tr>
<tr>
<td><strong>Total per cent</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
</tr>
<tr>
<td><strong>Total persons</strong></td>
<td>12,050</td>
<td>13,490</td>
<td>14,690</td>
<td>18,000</td>
<td>9,300</td>
<td>8,680</td>
</tr>
</tbody>
</table>

* Indicates that the estimate is subject to a standard error of between 25 and 50 per cent.
** Indicates that the estimate is subject to a standard error of more than 50 per cent.

Source: NATSIS, unpublished data.

Apart from basic information on course attendance, the survey also acquired attitudinal data regarding the main obstacles perceived by individuals in their pursuit of further studies or training. These results are shown in Table 6. Overall, almost three-quarters of survey respondents (71 per cent) reported some difficulty in pursuing further studies or training, with the highest level of difficulty reported in rural areas. Of the constraints reported, two broad categories were evident. The first category included a set of structural obstacles affecting physical access to training programs. These included a lack of transportation and the absence of locally-available courses. The second category included a set of factors that diminished the ability of
individuals to attend courses even if these were available. These included a lack of childcare facilities, financial difficulties, lack of course prerequisites and low levels of proficiency in English. The degree to which each of these were perceived as constraints varied according to location and sex.

For example, structural factors affecting physical access to courses loomed much larger in rural areas than in urban areas, especially when compared to capital cities. This was particularly so among males in rural areas almost half of whom pointed to a lack of transport and the absence of available courses as their main obstacle. Among females, a lack of childcare facilities was cited as a major difficulty regardless of location. Together with financial problems, these issues related to personal circumstances accounted for up to one-third of the main difficulties reported by females. It is interesting to note that a lack of proficiency in English and lack of course prerequisites were regarded as relatively minor constraints in the face of more practical considerations.

Training and labour force status
A basic proposition of labour economics is that skill enhancement through training increases an individual’s prospects of securing employment. This is examined in a preliminary way using survey data in Table 7. Quite clearly, both males and females who had attended a training course in the 12 months prior to the survey were more likely to be in employment at the time of the survey than those who had not attended a training course. In addition, they were far more likely to be employed in non-CDEP scheme jobs. Further analysis of the NATSIS data using multivariate techniques confirmed that training was significantly associated with being employed even after controlling for other underlying factors such as age, educational attainment and location (ABS 1996). Given the apparent preponderance of DEBT programs in the overall composition of Indigenous training, the NATSIS results may provide an indirect indication of their positive effect.

Table 8 also shows the effect of training on employment across parts-of-State. Attending a training course in the previous 12 months increased the probability of being in non-CDEP scheme employment by more in rural areas compared to other areas. This association between mainstream employment and training experience was particularly strong among rural females. Therefore, in the context of a limited number of mainstream jobs available in rural areas, training appears to be clearly associated with employment outcomes. This is a positive finding for rural residents, in particular, given the increased access to labour market programs in rural and remote localities noted above.

<table>
<thead>
<tr>
<th></th>
<th>Capital city</th>
<th>Other urban</th>
<th>Rural</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Males</td>
<td>Females</td>
<td></td>
</tr>
<tr>
<td>Attended a training course (per cent)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employed</td>
<td>58.3</td>
<td>37.5</td>
<td></td>
</tr>
<tr>
<td>Non-CDEP</td>
<td>56.9</td>
<td>36.9</td>
<td></td>
</tr>
<tr>
<td>CDEP</td>
<td>1.4</td>
<td>0.6</td>
<td></td>
</tr>
<tr>
<td>Unemployed</td>
<td>27.6</td>
<td>37.3</td>
<td></td>
</tr>
<tr>
<td>Not in the labour force</td>
<td>14.1</td>
<td>25.2</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Capital city</th>
<th>Other urban</th>
<th>Rural</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Females</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attended a training course (per cent)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employed</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-CDEP</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CDEP</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unemployed</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not in the labour force</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Did not attend a training course (per cent)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Employed</td>
<td>46.4</td>
<td></td>
</tr>
<tr>
<td>Non-CDEP</td>
<td>43.5</td>
<td></td>
</tr>
<tr>
<td>CDEP</td>
<td>3.0</td>
<td></td>
</tr>
<tr>
<td>Unemployed</td>
<td>26.4</td>
<td></td>
</tr>
<tr>
<td>Not in the labour force</td>
<td>27.1</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: NATSIS, unpublished data.

Policy implications

While the foregoing represents only a partial and preliminary discussion of Indigenous participation in DEETYA labour market programs, and in training more generally, a number of features emerge with potential policy implications. The first point of note was the apparent rise over time in the number of program placements and in the proportion of eligible clients assisted. Much of this appears to have occurred quite recently and no doubt reflects measures introduced by the former government under the Working Nation initiatives. By disaggregating the pattern of placements according to mainstream and Indigenous-specific programs it is also apparent that the trend evident over the period of the AEDP towards an increasing share of total placements in mainstream programs continued in the first half of the 1990s (Commonwealth of Australia 1994a: 173). Reconstructing the relative share of program placements by geographic area proved more difficult due to the lack of regional breakdown of eligible clients, although the effect of transferring remote area servicing away from DEET was apparent in lower rates of placement in the Northern Territory compared to other States. At the same time, the former emphasis on placements in urban and metropolitan areas, a pattern first noted by Miller (1985: 143-47),
seems to have been reversed following the introduction of Working Nation initiatives with rural and remote areas increasing their share of all placements.

Evidence of rural/urban differences in training participation also emerged from the analysis of 1994 NATSIS data with the highest participation rates reported in capital cities. Furthermore, this spatial gradient was supported by individual perceptions of key structural barriers to training and further study, the most obvious being a perception of physical access problems in rural areas. Of key policy interest, however, was the finding from the NATSIS that persons who had attended a training course were far more likely to be employed in the mainstream labour market than those who had not attended. This effect was most evident in rural areas, particularly among females. Aside from these observations regarding trends and patterns of participation, two broad issues with implications for policy emerged.

Data issues
The DEETYA database was not designed for research and there are limitations to its use for this purpose. Many variables that would be of interest to the researcher are not mandatory fields, that is, the recording of information is at the discretion of the client and CES officer. Other fields, such as a client's permanent residence address, are always updated and there is no record of previous entries. While this is administratively efficient, it does not allow for examination of certain issues, such as geographical migration associated with job search.

The need for longitudinal data to assess the success of labour market program outcomes has been noted by a number of authors (Junankar and Kapuscinski 1991; Daly 1992). This is because a longitudinal data set would inform policy makers about the dynamics of transition between labour market states as well as provide information about the nature and extent of client recycling. Junankar and Kapuscinski also suggested that a longitudinal survey of indigenous clients could be limited in scope to contain the potential costs. In response to the need for such data, the Evaluation and Monitoring Branch of DEETYA has commissioned a longitudinal survey of Indigenous clients as a part of the Evaluation Strategy of Working Nation (DEET 1995a).

Employment outcomes
Unfortunately, a major problem to date for the AEDP has been the lack of observable job growth despite substantial numbers of program participants (Commonwealth of Australia 1994a). Aside from key structural and cultural barriers to employment, one explanation offered for this has been that many labour market program placements have not represented 'new' entrants to 'new' jobs, but simply the same individuals
recycled several times through a constant, or even declining, pool of positions (Johnston 1991: 73; Smith 1995). Another factor has been the short duration of job subsidies and program support combined with the high attrition rates among program participants (Commonwealth of Australia 1994a: 159-73). Also to be noted is the general lack of effectiveness of labour market programs in recessionary times (Stretton and Chapman 1990: 4-14; Sloan 1991).

Clearly, a vital measure of the success of employment initiatives would be to ensure sustained program participation together with outcomes that lead to actual growth in employment. Indications from the NATSIS are that growth in employment since 1991 (5 per cent) failed to keep pace with growth in the population of working age (7 per cent). Furthermore, if it had not been for an expansion of jobs via the CDEP scheme, the gap between employment growth and population growth would have been wider.

To date, the main mechanisms for securing Indigenous employment in the mainstream labour market have been the private and public sector strategies of the AEDP, applied most prominently in urban contexts. These now combine with the case management and the job guarantee initiatives announced as part of Working Nation. While it remains to be seen how effective these new measures have been, clearly the main aim must be to ensure that increases in program participation lead to substantially improved growth in employment.

An immediate handicap to improving program outcomes, however, is the limited skill base of many Indigenous job seekers as this may affect the level of demand for their labour, particularly in more mainstream contexts. Data from the NATSIS clearly underline the links between training and employment outcomes; one of the critical findings of the McKinsey Report on business investment in regional Australia, for example, was that employers were generally sceptical of job subsidies, placing emphasis instead on access to skilled workers (McKinsey 1994: 32). Added to this is the fact that the labour market is increasingly dynamic and projected to become more skilled at the expense of jobs at the lower end of the occupational scale, which is where most Indigenous people still find employment (DEET 1995b; Taylor and Liu 1996).

To ensure that Indigenous job seekers are not left behind in a changing labour market there is need for regional estimation of likely areas of employment growth (and decline) and an attempt to focus training and work experience towards matching supply with anticipated demand. Given the diversity of regional economic circumstances, both among Indigenous people (Taylor 1993) and in the mainstream labour market (McDonald 1995), such a task would seem appropriate to the brief of
the 60 DEETYA Area Consultative Committees announced as part of the Working Nation package whose role includes responsibility for regional coordination of Indigenous labour market programs (Commonwealth of Australia 1994b: 133-4).

Clearly, away from urban areas, the main source of employment growth continues to be the CDEP scheme which is administered by ATSIC. To this extent, the scheme operates as an alternative labour market program and may continue to do so, notwithstanding well, documented imperfections (Altman and Sanders 1991; Sanders 1993; Altman and Hunter 1996). While this would ensure a steady increase in numbers registered as employed, the nature of CDEP scheme work as predominantly part-time with wages linked to social security entitlements means that the allied task of the AEDP of raising income levels and reducing reliance on government will remain unresolved. Nor is any movement to this end in sight. A number of communities have participated in the scheme for almost 20 years now and there are few examples of movement away from this arrangement towards mainstream employment.

Despite the growing importance of CDEP scheme work, especially in rural areas, training opportunities offered to CDEP scheme participants are relatively ad hoc and unstructured (Deloitte Touche Tohmatsu 1993: 150). Recommendations 15 and 16 of the review of the AEDP responded to this by laying stress on the contracting of CDEP scheme labour to provide the full range of municipal services and part of this commitment involves the proper training of workers to adequately adopt this role (Commonwealth of Australia 1994a: xix). Scope for broader and more coordinated involvement of CDEP schemes in regional economic activity is also implied in recommendation 56 which seeks a whole-of-government approach to the delivery of AEDP programs and services (Commonwealth of Australia 1994a: xxv).

Collectively, these recommendations espouse an import substitution model and embrace a potentially wide range of industry activities and occupations in areas such as council administration, housing, health, education, stores, airlines, media, roads, power and water supply, land restoration and management, recreation and horticulture. While upgrading of skills in such areas would go some way towards enhancing the status of CDEP scheme work, this still leaves a problem of exit options from the scheme, particularly in rural communities where only a limited number of mainstream employment jobs are available, even for those who may be adequately trained. Part of the difficulty, of course, is structural and to do with the small scale and dispersed nature of rural settlement. The corollary is quite simply the fact that most
mainstream opportunities in non-metropolitan areas, and those projected for the future, remain urban-based.

**Consequences for labour market programs**

It is important to locate Indigenous job seekers in the context of the general debate regarding the efficacy of labour market programs (Stretton and Chapman 1990; Layard et al. 1991; Sloan 1991). The need for labour market programs for Indigenous workers is underscored by their high rates of unemployment vis-à-vis other Australian workers (Daly 1995). The high level of mismatch between unemployment levels means that there are strong arguments for subsidising the employment of Indigenous workers (Layard et al. 1991: 331).14

Furthermore, the traditional queries about the efficacy of labour market programs carry little weight when examining Indigenous unemployment. For example, given the low level of demand for labour in many remote regions it is highly unlikely that many Indigenous people would be able to secure employment if DEETYA's programs did not exist.15 The argument that Indigenous labour market program participants are substituting for other Indigenous workers is a potentially important issue. However, given the large disparity between Indigenous and other Australian employment in Australia there is greater room for substitution of Indigenous with other workers.

On balance, such arguments provide a clear rationale for continuing the involvement of Indigenous people in labour market programs. However, while this paper has gone some way to describing the characteristics of Indigenous participants in DEETYA's programs, there is still a need for more information to be collected on the level of substitution between jobs and program participation in the Indigenous workforce. In particular, the longitudinal data now being collected as part of the evaluation of Working Nation should go some way to assessing whether programs are both well targeted and effective in achieving better employment outcomes.

**Notes**

1. In March 1996, the Department of Employment, Education and Training (DEET) was renamed as the Department of Employment, Education, Training and Youth Affairs (DEETYA). For the most part, as references in the text refer to the period prior to this name change, the term DEET is retained where appropriate to ensure historical accuracy.

2. The participation in Indigenous-specific programs in 1993-94 was from three main sources: 8,398 clients of the Training for Aboriginals Program (administered by DEET); 1,474 clients of the Contract Employment Program for Aboriginals in Natural and Cultural Resource Management (administered by the Australian Nature Conservation Agency); and the Enterprise Employment
Program (administered by the Aboriginal and Torres Strait Islander Commission (ATSIC)).

3. For present analytical purposes a new integrated database is currently being implemented by DEETYA, the Integrated Employment System.

4. Every month (usually on the last day of the month), a dump data set of all the job seeker records on interactive JOBSYSTEM is created. Dumps over 18 months old are not retained unless they are a January or July dump, which are kept for five years (starting 31 January 1992). As a result, job seeker assistance proportions are calculated for January and July. The first step is to determine the number of unemployed Indigenous job seekers on JOBSYSTEM at each point in time. This is complicated by the retention of records on the system for 12 months after the cessation of unemployment. In addition, employed job seekers may be registered with CES because they are seeking an improved position. Each job seeker's record has the start date of the current unemployment registration and the date unemployment ended. A job seeker is defined as unemployed if the current period of unemployment has not ended. For each point in time, the total number of currently unemployed clients on JOBSYSTEM is calculated, based on current unemployment start and end dates. This is not, however, the total pool of Indigenous job seekers needed for the calculations. For administrative purposes, placement on certain labour market programs terminates current unemployment on JOBSYSTEM. Specifically, labour market programs which terminate current unemployment include all placements on the NEIS and the TRAPS; placements on the PASS with the exception of Job Clubs, Jobsearch, Mobility Assistance, Post Placement Support, JOBTRAIN and Special Intervention. Placements on SNIPS do not terminate current unemployment on JOBSYSTEM.

5. The number of Indigenous clients on TRAPS and PASS databases (except those on Job Clubs, Jobsearch, Mobility Assistance, Post Placement Support, JOBTRAIN and Special Intervention) are added to the number of unemployed clients pulled from JOBSYSTEM. Note that placements which do not terminate current unemployment are already accounted for in the count of currently unemployed in JOBSYSTEM. This represents the total pool of Indigenous clients who are eligible for DEETYA labour market programs. Therefore for each point in time, the total number of placements is the sum of Indigenous placements on TRAPS, PASS and SNIPS, representing the number of Indigenous clients on labour market programs.

6. Supplementary information from DEETYA suggests that Indigenous clients experience a higher rate of assistance than DEET clients in general. This is implied by data from the PASS which indicates that Indigenous clients who received a labour market program placement in 1994-95 represented 68 per cent of those registered at the end of this period compared to a figure of only 41 per cent for all clients.

7. DEETYA has now arranged to keep records for Indigenous clients on the database rather than deleting them from JOBSYSTEM after 18 months.

8. For remote and rural zones client postcodes may not necessarily relate to permanent residential addresses as clients may use the postcode of the nearest urban centre.

9. Ideally, the numbers eligible for placement would be used for this purpose but these were unavailable due to computational difficulties in matching databases. An alternative might have been to use NATSIS figures of Indigenous unemployed by State and Territory but these also suffer from overestimating the
level of unemployment (see ABS 1996) and, in any case, do not tally with the DEETYA definition of eligibility for placement.

10. Calculation of this estimate was as follows: in 1993-94, around 32,000 Indigenous placements were made in all labour market programs (Commonwealth of Australia 1995: 70, 231-5). Using the ratio of two placements per client observed for the period 1990-95 as a rough guide, this translates into 16,000 Indigenous clients in 1993-94. From the 1994 data in Table 2, it would seem that only about two-thirds of these would have been in training programs of a type similar to those recorded by the NATSIS. These programs included: Jobtrain, Jobskills, Accredited Training for Youth, National Training Wage, Skills Development and Formal Training. This proportion of two-thirds in training programs converts to a figure of around 10,000 individuals.

11. Junankar and Kapuscinski (1991) suggest that such a survey might be limited to a few States such as New South Wales and Queensland.

12. The first field phase of this survey, currently under way, involves 2,500 face-to-face interviews, conducted primarily by Indigenous interviewers and through Indigenous organisations, in nine regions of Australia. Unlike Junankar and Kapuscinski's suggestion, these regions include Sydney, Brisbane, Hobart, Cairns, Dubbo, Shepparton, Alice Springs, Port Augusta and Broome. A second field phase is planned for six months time.

13. According to the 1994 NATSIS, approximately 26 per cent of the Indigenous employed were participants in the CDEP scheme.

14. Layard et al. (1991) conclude that where the mismatch of concern is between exogenously defined groups, such as groups based on racial characteristics, then it pays to subsidise employment where it is low and tax employment where it is high.

15. This is an argument against what is known in the economics literature as the deadweight loss problem with labour market programs.

References

Aboriginal and Torres Strait Islander Commission (ATSIC) 1994. Review of the AEDP, ATSIC, Canberra.


McDonald, P. 1995. 'Creating jobs: where they are needed, when they count', *Australian Urban and Regional Development Review Discussion Paper No. 3*, Department of Housing and Regional Development, Canberra.


CENTRE FOR ABORIGINAL ECONOMIC POLICY RESEARCH
(CAEPR)

MONOGRAPHS


For information on earlier CAEPR Discussion Papers please contact Publication Sales, Centre for Aboriginal Economic Policy Research, Faculty of Arts, Australian National University, Canberra ACT 0200. Ph (06) 279 8211 Fax (06) 249 2789. Abstracts of all CAEPR Publications can be found at the following WWW address: http://coombs.anu.edu.au/WWWVLPages/AborigPages/CAEPR/caepr-home.html.
CENTRE FOR ABORIGINAL ECONOMIC POLICY RESEARCH (CAEPR)

RECENT DISCUSSION PAPERS


77/1994 The relative mobility status of indigenous Australians: setting the research agenda, J. Taylor and M. Bell.


80/1995 Looking beyond the borderline: development performance and prospects of Saibai Island, Torres Strait, R. Davis.

81/1995 Performance indicators for Aboriginal Health Services, I. Anderson and M. Brady.


84/1995 Local governments and indigenous Australians: developments and dilemmas in contrasting circumstances, W. Sanders.


86/1995 Negotiations between mining companies and Aboriginal communities: process and structure, C. O'Faircheallaigh.

87/1995 Aboriginal employment, native title and regionalism, J. Finlayson.


92/1995 Twenty years of policy recommendations for indigenous education: overview and research implications, R.G. Schwab.

94/1995  Equity for Aboriginal families in the 1990s: the challenges for social policy, J. Finlayson.


98/1995  Coping with locational advantage: the economic development potential of tourism at Seisia community, Cape York Peninsula, J.C. Altman.


100/1995  The calculus of reciprocity: principles and implications of Aboriginal sharing, R.G. Schwab.


105/1996  Reforming financial aspects of the Native Title Act 1993: an economics perspective, J.C. Altman.


For information on earlier CAEPR Discussion Papers please contact Publication Sales, Centre for Aboriginal Economic Policy Research, Faculty of Arts, Australian National University, Canberra ACT 0200. Ph (06) 279 8211 Fax (06) 249 2789. Abstracts of all CAEPR Publications can be found at the following WWW address: http://coombs.anu.edu.au/WWWVLPages/AborigPages/CAEPR/caepr-home.html.