

Patterns of Indigenous Job Search Activity

B.H. Hunter and M.C. Gray

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August 2004

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FOREWORD

This discussion paper is based on the second of three reports which analyse and document the Department of Employment and Workplace Relations (DEWR) data from the longitudinal survey of Aboriginal and Torres Strait Islander (ATSI, or Indigenous Australian) job seekers. The Centre for Aboriginal Economic Policy Research (CAEPR) at the Australian National University (ANU) co-ordinated a consortium of policy analysts, labour economists and statisticians to analyse these data. The consortium included researchers from CAEPR, the Centre for Economic Policy Research (CEPR) at the ANU, York University in Canada, and a private consulting company (Quantitative Evaluation and Design Pty Ltd).

Three reports, all published in 2000, were completed for DEWR. The first, *An Analysis of Data from the Longitudinal Survey of ATSI Job Seekers: Labour Market Participation Patterns and Pathways to Employment*, by Boyd Hunter, Matthew Gray and Roger Jones, focused on describing the strengths and weaknesses of the data and provided an overview of how Indigenous labour market behaviour changes over time. The second, *An Analysis of Data from the Longitudinal Survey of ATSI Job Seekers: Job Search Behaviour*, by Matthew Gray and Boyd Hunter, focused on job search behaviour amongst Indigenous Australians and how search effort translates into employment outcomes. That report forms much of the substance of this Discussion Paper. The third report, *An Analysis of Data from the Longitudinal Survey of ATSI Job Seekers: Labour Market Programs and Indigenous Australians*, by Boyd Hunter, Matthew Gray and Bruce Chapman, examined the extent to which DEWR's data can be used to evaluate the efficacy of labour market programs in enhancing employment outcomes for Indigenous participants.

Taken together the three reports represent a major advance in our understanding, providing the first insights into labour force dynamics among Indigenous job seekers. The results provide particularly useful information on how Indigenous employment and labour force status adjusts in the short-term. It may be a long time before another data collection exercise of this type is conducted and therefore the findings of this survey could provide the only source of insight for policy makers about the dynamics of Indigenous labour market participation for the foreseeable future.

I commend this discussion paper as a comprehensive description of the job search behaviour of Indigenous job seekers in the late 1990s. The insights from this paper should inform policy decisions about the future direction of the Indigenous Employment Policy and the parts of the Job Network that deal with Indigenous clients, especially Indigenous Employment Centres.

Professor Jon Altman
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August 2004

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ABBREVIATIONS AND ACRONYMS

ABS	Australian Bureau of Statistics
AIFS	Australian Institute of Family Studies
ANU	The Australian National University
ATSI	Aboriginal and Torres Strait Islander
AWIRS	Australian Workplace Industrial Relations Survey
CAEPR	Centre for Aboriginal Economic Policy Research
CDEP	Community Development Employment Projects
CEPR	Centre for Economic Policy Research
CES	Commonwealth Employment Service
DEET	Department of Employment, Education and Training
DEWR	Department of Employment and Workplace Relations
DEWRSB	Department of Employment, Workplace Relations and Small Business
IEC	Indigenous Employment Centre
IEP	Indigenous Employment Policy
IJSS	Indigenous Job Seeker Survey
NATSIS	National Aboriginal and Torres Strait Islander Survey
OECD	Organisation for Economic Cooperation and Development
SEUP	Survey of Employment and Unemployment Patterns
TAFE	Technical and Further Education
TAP	Training for Aboriginals and Torres Strait Islanders Program

ABSTRACT

There have been a number of labour market programs that have attempted to increase rates of employment of Indigenous Australians by influencing job search behaviour. However, remarkably little is known about the job search behaviour of Indigenous job seekers or how this compares with the job search behaviour of other job seekers. This paper provides the first ever baseline of data on the job search behaviour of Indigenous job seekers and how it compares to the job search of non-Indigenous job seekers. Clear differences in the job search behaviour between Indigenous and non-Indigenous Australians are apparent. Indigenous Australians rely disproportionately on friends and relatives as a source of information about jobs, although their networks tend to have fewer employed members and therefore are of less value than those of non-Indigenous job seekers. Non-Indigenous job seekers are more likely to use more proactive search methods than are Indigenous job seekers.

ACKNOWLEDGMENTS

The origin of this paper dates back to a report presented to the Department of Employment and Workplace Relations (DEWR) in 2000 that was eventually published on their web site last year. The authors are sincerely grateful to the relevant DEWR staff who provided detailed feedback on this paper and its earlier manifestations, especially Kim Grey and Eric Hubbard. We would like to thank Jon Altman, Tony Eardley, and John Taylor for their constructive criticism. Thanks are also due to Hilary Bek and Frances Morphy for editorial assistance, and to John Hughes for layout.

INTRODUCTION

There are many reasons why people look for work and many different pathways to finding a job. Success in finding employment will vary depending upon the intensity of search, the type of search method used and the characteristics of the job seeker. Success is also influenced by the number of available jobs, the recruitment methods of employers and the quality of the institutional systems that are in place to match job seekers to potential positions.

One possible explanation for the high rates of unemployment of Indigenous Australians is differences between them and other job seekers in job search methods and search intensity. However, remarkably little is known about the job search behaviour of Indigenous job seekers or how this compares with the job search behaviour of other job seekers.

Even though studies of Indigenous job search behaviour are scarce, there is reason to suspect that what constitutes successful behaviour will vary both between the Indigenous and non-Indigenous populations and between different groups within the Indigenous population. For example, the incidence and duration of unemployment is higher among Indigenous than among non-Indigenous unemployed. Another reason for expecting differences in job search behaviour is that the financial benefits to finding employment are lower on average for Indigenous Australians than for other Australians (Daly & Hunter 1999).

This paper begins to fill this gap in our knowledge by providing a detailed description of the job search behaviour of Indigenous job seekers. Some comparisons of Indigenous job search behaviour with that of other Australians are also made. Data from the Indigenous Job Seeker Survey (IJSS) is used. The IJSS is a longitudinal survey of Indigenous people who were registered with the Commonwealth Employment Service (CES) as seeking employment in early to mid 1995.¹ Three waves of interviews were conducted during 1996–97.

Describing the job search methods used by Indigenous job seekers is of importance in policy terms since one of the key ways in which governments attempt to decrease the number of unemployed is by influencing the job search process. This involves either attempting to improve the effectiveness of job search behaviour or increasing the intensity of job search. A companion discussion paper will use the longitudinal dimension of the IJSS to explore how subsequent employment outcomes are associated with the initial job search activity (Gray & Hunter 2004).

The next section introduces the relevant institutional background for Indigenous job search activity. The data used in the paper is then described and the job search literature briefly summarised. Indigenous job search behaviour is benchmarked against non-Indigenous behaviour. The paper then provides a comprehensive description of Indigenous job search behaviour. The last section relates the findings to important aspects of the Indigenous Employment Policy (IEP), especially the Indigenous Employment Centres (IECs).

INSTITUTIONAL BACKGROUND

Government intervention is a significant factor both in the process of job matching and in influencing job search behaviour. It is important therefore, to start with an overview of key aspects of the institutional arrangements which are related to job search activities.

Within the Australian income support or social security system, in order to receive an unemployment payment an unemployed person must demonstrate that they are available for and actively seeking paid work. The second of these criteria is referred to as the 'activity test'. A major part of the activity test is that the recipient is required to apply for jobs, not just look for them.

In practice, the 'activity test' is not always enforced where the employment prospects are weak (Sanders 1999). The unemployed can be granted an exemption, under the relevant legislation, from the activity test in areas where there are no locally accessible labour markets, labour market programs or vocational training courses. These administrative arrangements could have a significant impact on the intensity of job search activity. However, in the areas in which respondents to the IJSS lived there was no general remote area exemption from the activity test.

The number of jobs unemployment benefit recipients were required to apply for was increased in March 1996, and in July 1996 the new job seeker's diary was introduced to encourage intensive job searching in the early stages of unemployment (Sanders 1999).² The number of job searches per fortnight required in the diary-based activity test ranged from two to eight and was calculated with reference to a range of factors including level of education, age, labour market conditions, transport difficulties, and cost and language barriers. However, it should also be noted that there are provisions within the Social Security legislation for unemployment payment recipients to be allowed to meet the activity test through a broader range of activities than just looking for jobs.

WORKING NATION: LABOUR MARKET ASSISTANCE IN THE MID 1990S

In response to a rapid increase in the unemployment rates and relatively high rates of long-term unemployment during the early to mid 1990s, government spending on labour market programs was substantially increased. Of particular significance was the *Working Nation* initiative introduced in May 1994.

Under *Working Nation*, expenditure on active labour market programs (per person unemployed) more than doubled (Martin 1998). In addition to the overall increase in spending on labour market programs, the composition of expenditure shifted towards training based programs, with the proportion of total expenditures accounted for by training programs increasing from 4 per cent to 18 per cent between 1985 and 1996.

The *Working Nation* initiative included more individualised assistance for the unemployed through Case Management, a Youth Training Initiative, training wages for all trainees and direct job creations programs (New Work Opportunities and the Job Compact). Under the Job Compact, any person who had been on

unemployment benefits for over 18 months was offered a full time job (for at least 12 months), usually in the private sector.³ The increased funding resulted in a large number of additional program placements, particularly among disadvantaged job seekers—and many Indigenous unemployed were thus classified (Taylor & Hunter 1996).

Case management was designed to improve service delivery to job seekers. Case managers were encouraged to tailor employment related program assistance to the needs of individuals to provide a better linkage to employment opportunities.⁴ An element of competition was introduced through the use of contract providers from the private and non-government sectors. Case management was targeted towards individuals who had been unemployed for more than 12 months and towards those who were assessed as being at high risk of long-term unemployment.

A program which was quite important for Indigenous job seekers was Jobs Clubs, which commenced operation in 1988 as part of the Job Search Training Program (Redway & Patston 1994). The objectives of the program were to obtain satisfactory employment for each participant in the shortest possible time; develop self help skills and provide support and practical assistance for jobseekers; and to function as a jobseeker servicing mechanism for the work-ready unemployed. Initially participants were taught about how to search for employment, contacting employers, interview technique, maintaining motivation while searching for employment and keeping a job. Individuals were then given practical experience in finding employment. In the mid 1990s, participation in a Job Club ranged from two to six weeks.

Another program that was important for Indigenous job seekers was SkillShare, the Commonwealth Government's principal community based labour market program in the mid 1990s, with almost 400 individual projects operating at any point in time (Department of Employment Education and Training (DEET) 1993). It aimed to assist the most disadvantaged job seekers to obtain employment, or to proceed to further education and training. The major form of assistance provided by SkillShare projects was Structured Skills Training. Projects were tailored to 'fit' the capabilities of their clients and the specific needs of employers in the local labour market. Structured Skills Training was supplemented by a range of services such as help with job searching techniques and resumé writing.⁵

Indigenous-specific labour market programs came under the auspices of the Training for Aboriginal and Torres Strait Islanders Program (TAP). TAP consisted of two key elements: Network Delivery and Employment Strategies. Network Delivery programs were delivered through CES outlets and the Employment Strategies were administered through DEET offices. The Employment Strategies element of TAP enabled employers or organisations to develop medium to long-term strategies for Aboriginal and Torres Strait Islander employment, recruitment and career development programs. Employment strategies were targeted at major employers in the private and public sectors, and at organisations with a capacity to secure placements in targeted regions or industries. The strategies addressed the employment of Aboriginal and Torres Strait Islander people from the perspective of the employer while still allowing for the needs of the individual job seeker to be catered for.

THE JOB NETWORK: LABOUR MARKET ASSISTANCE FROM 1998

From May 1998 the Federal government introduced the Job Network, a national network of private and community organisations (employment service providers) contracted by the Commonwealth government to provide services to eligible unemployed people. As part of the shift to the Job Network, CES offices were closed and most of the functions previously undertaken by the CES were privatised. While most of the established wage and training subsidy and job creation projects were abolished after 1998, the same generic programs may re-appear because employment service providers in the Job Network have the discretion to offer whatever assistance they deem necessary for their clients.

The Job Network may not be the radical break that it may first appear. The 1980s and 1990s were distinguished by diversification in the delivery mechanisms of programs, a reduced reliance on public training infrastructure and public sector employment, and a broad mix of private sector and local government employment, self-employment, community sector, Technical and Further Education (TAFE) and private provider training and counselling, and referral and placement services (Jarvie & McKay 1993). That is, the Job Network may be a part of an ongoing trend towards indirect public funding of programs provided by the non-government sector. A certain sense of continuity notwithstanding, the Job Network is the most 'hands off' method of delivering employment services in Australian policy history.

Indigenous-specific program funding continued to rise after 1996 despite an overall decline in expenditure on labour market programs. Of relevance here is the Government's 1996 employment policy statement, *Reforming Employment Assistance*, which contained an undertaking to maintain the level of service provision to Indigenous people.

One important contemporary institutional feature is the IEP, a significant component of which is the Wage Assistance Program.⁶ Under this program, employers are given a subsidy for each Aboriginal or Torres Strait Islander who is employed in a permanent job for more than 26 weeks.⁷ The IEP also provides incentives for Community Development Employment Project (CDEP) schemes to place participants in full-time, non-CDEP employment.

Under the Job Network there have now been three rounds of contracts with employment service providers.⁸ The third employment services contract implements an Active Participation Model, designed to improve linkages between mainstream services and complementary employment and training programs such as Wage Assistance and other elements of the IEP.⁹

THE LITERATURE ON JOB SEARCH BEHAVIOUR

THEORY OF CHOICE OF SEARCH METHOD

One of the major tasks of the labour market is to coordinate information or signals between employers and their potential workforce (Ehrenberg & Smith 1997). Matching workers and employers is a difficult task because workers have varying skills and preferences about the type of job; jobs differ in requirements and working environment; and obtaining information both about jobs and potential employees is costly.

The process of finding the appropriate worker–employer match is facilitated by the job search behaviour of workers, the recruitment procedures of employers, and the institutional systems in place to coordinate the signals of the respective parties.

Holzer (1988) has developed a job search model that relates the choice about job search method and intensity to the expected cost and effectiveness of the search methods. Holzer posits that unemployed individuals maximise their utility by choosing a reservation wage (the minimum wage at which they will accept a job), search method and intensity. The relevance of Holzer's (1988) model is that he allows individuals to choose from a set of search methods that vary in both cost and effectiveness for any given individual.¹⁰ For example, Indigenous job seekers who may have few employed friends or relatives and who live far from job opportunities may find direct contact with employers relatively costly and the use of friends and relatives less productive than will other individuals.¹¹ While Holzer (1988: 4) frames his model in terms of unemployed job search activity, similar factors will be relevant for employed job search activity.

Within this stylised model, a job seeker will not use a job search method if expected costs exceed expected benefits at any level of usage. Of course, non-pecuniary aspects of employment are also important for many job seekers. For example, if the source of income matters to an individual, then they may actively seek work irrespective of the expected financial gains.

As suggested by Holzer's (1988: 4) model, an important factor in determining job search behaviour among those who wish to find employment (or change jobs) is the financial gain if employment is found. The incentives to look for work are weakest where welfare entitlements are high relative to the wage that a job seeker can expect to receive (i.e. the replacement rate is high). Daly and Hunter (1999) document the substantial differences in labour force history and financial incentives for job searching between a range of Indigenous unemployed and other Australian unemployed.

Many Indigenous job seekers receive only weak financial incentives to seek paid employment. It is likely, therefore, that some are only undertaking job search in order to qualify for unemployment related government benefits. Indigenous job seekers in this situation are likely to choose search methods that have the minimum cost and to search with minimum intensity (only to a degree that will satisfy the activity requirement).

From the employer's perspective, finding suitable employees can be expensive. The recruitment strategy used is likely to vary according to the type of job, the costs of making a poor hiring choice, the local labour market conditions and the institutional arrangements influencing job search behaviour.

It is customary to divide the channels through which information about job opportunities is obtained into two categories—formal and informal (Norris 1996). Formal information networks include the former CES, private employment agencies, newspapers, journal advertisements, and increasingly the internet. Informal information channels include job noticeboards posted on the business premises, and information gathered from friends and relatives.

Job search methods can also be described in terms of levels of proactiveness. The more proactive search methods include: answering a newspaper job advertisement; checking noticeboards or signs on an employer's premises; contacting employers to find out if there is a job going; advertising or tendering for work; or starting a business and becoming self-employed. A third way of describing job search behaviour is in terms of the intensity of search. This has variously been measured as the number of contacts made (Blau & Robins 1990; Holzer 1988); the time spent using search methods (Holzer 1988); and the number of search methods used (Böheim & Taylor 2002).

Studies have consistently found that informal networks are an important means of finding employment (Granovetter 1995). An influential hypothesis concerns the 'strength of weak ties', in which it is argued that having ties with persons in networks distant from oneself enables one to access the resources of that network, for personal gain (Granovetter 1973, 1974).

The burgeoning field of social capital theory has important implications for the analysis of Indigenous job search behaviour—especially in the *networks* view of social capital which stresses the 'importance of vertical as well as horizontal associations between people and of relations within and among such organisational entities as community groups and firms' (Woolcock & Narayan 2000: 230). While it is debatable how relevant or valid it is to import the concept of social capital into understanding Indigenous disadvantage (Hunter 2004b), it is clear that Indigenous Australians are less likely to have access to networks in which a high proportion of members are in paid employment or who are in a position to assist with finding employment than are many other groups of Australians. This will almost certainly reduce the effectiveness of friends and relatives of Indigenous Australians as a conduit for finding employment. This issue will be analysed in detail in Gray and Hunter (2004).

THE EMPIRICAL LITERATURE

In Australia, job seekers report using a wide range of search methods and most report using multiple search methods. According to Australian Bureau of Statistics (ABS 2003) data, the most commonly reported steps taken to find work by unemployed persons were: 'wrote, phoned or applied in person to an employer for work' and 'looked at advertisements for jobs in a newspaper' (both 84%). Other steps included: 'answered an

advertisement for a job in a newspaper' (66%) and 'registered with Centrelink as a jobseeker' (59%). Around 53 per cent of unemployed persons stated they had 'registered with a Job Network employment agency'.

There appear to be occupational differences in the relative importance of different types of networks (Norris 1996). The CES tended to offer vacancies in jobs that do not require many qualifications. Highly qualified people are more likely to be recruited through advertisements in national newspapers, specialist journals and private employment agencies. However, informal channels may allow job seekers to find out more about the nature of the job, attitudes of supervisors and working conditions.

Although this paper has a focus on describing the job behaviour of Indigenous Australians, when interpreting the results it is important to keep in mind which job search methods are most effective. The economics literature has paid relatively little attention to the *effectiveness* of different patterns of job search, with several notable exceptions (see Addison & Portugal 2002; Blau & Robins 1990; Böheim & Taylor 2002; Holzer 1987, 1988; Jones 1989). Reviews of this literature are provided by Devine and Kiefer (1991) and Heath (1999).

This notwithstanding, within sociology (and to a lesser extent economics) there has been considerable interest in the role that social networks play in job search (Granovetter 1973, 1974; Lin 1999). Using data on unemployed United States youth for 1981, Holzer (1988) finds that 'friends and relatives' are the most heavily used path for job searching, followed closely by direct application. These methods are also more intensively used than either searching through public employment agencies or through newspapers. Holzer (1988) also examines the effect that different job search method choices have on the probability of receiving a job offer. He shows that the two most commonly used methods, 'friends and relatives' and direct approaches to employers are also the most effective in terms of generating job offers. Job offers generated through 'friends and relatives' also have a higher acceptance rate than do offers generated by other search methods.

While informal methods of job search are clearly important, an earlier study by Holzer (1987) finds that informal methods may not work for everyone. Virtually all of the difference in employment probabilities between black and white young Americans can be explained by differences in the number of job offers produced by each search method rather than differences in search methods used or the rates at which job offers are accepted.

McGregor (1983) suggests that the job-information network provided by friends and relatives is local in nature. If this is correct, then the Indigenous unemployed, who often live in depressed local labour market regions, are likely to have particular trouble in finding a suitable job. While McGregor's findings indicate that neighbourhood unemployment rates do not influence the probability that friends and relatives are used for search, his empirical results do not provide any information about how effective these direct job search methods are in locating suitable job offers.

Blau and Robins (1990) find that individuals who search for a new job while working are, on average, more successful at finding a job than otherwise similar unemployed searchers. There is evidence that the resources

available to an individual's network also matter. Specifically, status attainment research in the United States finds the employment and occupational status of the people in an individual's informal network, and what type of job status they have, are likely to affect the quality of a job found through informal channels (Lin 1999).

On the demand side of the labour market, Holzer (1988) suggests that employers regard referrals from employees as more informative and reliable than direct applications and use them as a relatively cheap screening and signalling mechanism. Rees (1966) argues that employees only refer capable workers to ensure that their own reputation with their employer is not tarnished, and suggests that good jobs are usually found through informal networks and personal contacts. Montgomery (1991) develops a search model in which employers use informal information recruitment methods (e.g. friends and relatives) as a way of screening potential employees to ensure that they are highly productive, and suited to the job and workplace culture.

There is very little empirical evidence on the recruitment methods used by employers to recruit Indigenous employees. The only existing evidence is provided by Hunter and Hawke (2002) who document the industrial relations practices, including recruitment methods, in workplaces that employ Indigenous Australians using Australian Workplace Industrial Relations Survey (AWIRS) 1995 data. Hunter and Hawke (2002) show that external advertisements are the major recruitment method for all occupations, but they are more likely to be used in ATSI workplaces than in other workplaces. For example 77.1 per cent of professionals hired in ATSI workplaces are recruited by this method as compared to 62.8 per cent in non-ATSI workplaces.

The lower rates of job vacancies filled by word of mouth in workplaces with ATSI employees, especially in occupations which have large concentrations of Indigenous workers, such as labourers, probably indicates that there are substantial impediments to Indigenous employment arising from poor access to informal job networks (Hunter & Hawke 2002). While problems of access to informal job networks are an issue for all low socioeconomic status workers, it is particularly pronounced in the Indigenous population where relatively few family members and friends are likely to be employed in mainstream employment. External advertisements are the major recruitment method for all occupations, but are more likely to be used in workplaces with ATSI employees than other workplaces.

DATA: THE INDIGENOUS JOB SEEKER SURVEY (IJSS)

In order to document job search behaviour by Indigenous job seekers we use the IJSS. The IJSS tracked the labour market experiences of Indigenous Australians, over an 18 month period in 1996 and 1997. The sample consisted of 1,580 Indigenous Australian job seekers who were registered with the CES. Information was collected in three waves, with the first wave interviews being conducted between March and June 1996 and the last wave between June and September 1997.¹² The survey data has been combined with administrative data on labour market program participation and case management (Hunter, Gray & Chapman 2000; Hunter, Gray & Jones 2000).

The sample was selected to include Indigenous job seekers living in a range of urban areas, covering metropolitan areas (Sydney, Brisbane–Ipswich, Hobart, Cairns), large rural centres (Dubbo, Shepparton, Launceston, Port Augusta) and 'remote' centres (Broome–Derby and Alice Springs). The sample was selected to exclude truly remote communities that have no access to the mainstream labour markets. For these communities the majority of job search activity may be aimed at satisfying the eligibility requirements for receipt of social security payments rather than at finding employment.

While the IJSS is a unique and valuable source of data on Indigenous job search behaviour it has several limitations that need to be borne in mind when interpreting the data. First, the survey is not representative of Indigenous job seekers as a whole since the CES disproportionately registered the long-term unemployed.¹³ Second, the proportion of the initial sample selected from the administrative data who were successfully interviewed was 35 per cent (Roy Morgan Research 1998). While only a third of the sample issued were successfully interviewed, it should be noted that a substantial proportion of the initial sample issued could not be contacted.¹⁴ Although the proportion of initial sample interviewed is a little lower than on some other surveys of samples drawn from administrative data, it is not exceptionally low, particularly given the high rates of geographic mobility of Indigenous Australians.¹⁵

Third, there was a relatively high rate of attrition of the sample between the survey waves (61% of those interviewed at wave 1 were interviewed again at wave 3). The sample attrition may lead to some biases in longitudinal analyses of the data. However, this paper is based only on the first wave of the data and so the results are not affected by sample attrition. The lack of detailed information on the people in the initial sample who were not interviewed means that the representativeness of the sample can not be ascertained. It therefore inappropriate to weight results in order to make inferences about a wider population of job seekers.

Perhaps the key limitation for the purpose of analysing job search behaviour is that there were major changes in the questions about job search behaviour between the three waves. This severely limits the extent to which the data from the three waves is comparable (see Gray & Hunter 2000: Appendix A). For example, job search methods across waves can only be compared at a broad level of aggregation.

These issues notwithstanding, the overall lack of data on Indigenous job search behaviour means that the IJSS provides a rare opportunity to investigate Indigenous job search activity.

BENCHMARKING INDIGENOUS JOB SEARCH BEHAVIOUR

In this section, the job search methods used by Indigenous job seekers are compared with those used by non-Indigenous job seekers. Differences in the categories used in the IJSS and other sources of information on job search behaviour severely limits the extent to which Indigenous and non-Indigenous search patterns of behaviour can be compared.¹⁶

One data source on non-Indigenous job search behaviour that is, to some degree, comparable with the IJSS, is the Survey of Employment and Unemployment Patterns (SEUP) collected by the ABS. The SEUP provides data on job search methods for the first wave of the IJSS. When comparing the job search methods used by Indigenous and non-Indigenous Australians, it is important to bear in mind that the IJSS is only representative of job seekers who registered with the CES, and who live in particular areas, whereas the SEUP data are representative of all job seekers across Australia. Note that some Indigenous people may be included in SEUP but the estimates are weighted to be consistent with the total Australian population.

While the categories of job search methods from the SEUP survey are not directly comparable with those in the IJSS, some broad comparisons are possible. Table 1 shows the job search methods used by Indigenous and non-Indigenous job seekers by employment status.¹⁷

For Indigenous job seekers, the most common method of job search used in the four weeks prior to the survey was to look at the job advertisements in newspapers, with 79.2 and 84.1 per cent of the employed and unemployed (respectively) using this search method. For the employed the next most common search method was to ask a friend or relative about jobs, with 67.4 per cent reporting doing this in the previous four weeks. Among the unemployed the second most common method was checking a CES job board, with 78.5 per cent using this method. Asking friends or relatives about jobs was also important for unemployed Indigenous job seekers, with 71.1 per cent using this method. Other important methods of job searching included checking noticeboards or signs at employer's premises and contacting employers to find out if there was a job.

Among non-Indigenous job seekers the most common search method was to contact employers directly; over nine-tenths of employed and unemployed job seekers used this method. This is much higher than the incidence of employed and unemployed Indigenous job seekers who directly contacted employers (55.1% and 54.3% respectively). The proportion of non-Indigenous and Indigenous job seekers who answered a newspaper job advertisement is similar.

The most striking difference between the Indigenous and non-Indigenous job seekers is that the Indigenous are much more likely than the non-Indigenous to report having asked friends or relatives about a job. For example 71.1 per cent of the unemployed Indigenous people reported asking friends or relatives as compared to only 46.6 per cent of unemployed non-Indigenous job seekers. For both Indigenous and non-Indigenous job seekers the search methods used by the employed and unemployed are broadly similar.

While the SEUP data contains information on the number of job offers received by job seekers, the number of job offers is measured over a 12-month period rather than the four weeks for which the IJSS collected information. This means that it is not possible to directly compare the number of job offers received by Indigenous and non-Indigenous job seekers. Nonetheless, for both Indigenous and non-Indigenous job seekers, the employed receive more job offers than the unemployed.

Table 1. Job search method for Indigenous and non-Indigenous job seekers by employment status, 1996		
	Employed (%)	Unemployed (%)
Non-Indigenous job seekers		
Answered a newspaper advertisement for a job	41.0	41.7
Checked factory or CES noticeboard/Registered with the CES	80.8	87.5
Wrote, phoned or applied in person to an employer	91.3	90.4
Contacted relatives/friends	50.5	46.6
Checked or registered with other employment agency/Advertised or tendered for work/Other	20.3	15.4
Number of respondents	620	2,672
Indigenous job seekers		
Looked at the job advertisements in newspapers	79.2	84.1
Answered a newspaper job advertisement	43.2	40.1
Checked CES job board	61	78.5
Attended a Skillshare or a Job Club	13.6	14.4
Checked noticeboards or signs at employer's premises	46.6	40.5
Contacted employers to find out if there was a job	55.1	54.3
Asked friends or relatives about jobs	67.4	71.1
Contacted any other organisation that helps people find work	32.6	24.5
Advertised or tendered for work	7.2	4.6
Started a business or became self-employed	4.2	0.8
None of these search methods	4.7	2.6
Number of respondents	236	971
Note: The estimates for the non-Indigenous job seekers are from the SEUP survey for March 1996. The estimates for the Indigenous population are from the IJSS and are for wave 1 (March to June 1996). Respondents could report using more than one job search method; the column totals sum to more than 100 per cent.		
Source: Gray and Hunter (2000: Table 32).		

Table 2. Method of job attainment, Australia, 2000	
	Method of job attainment %
Job seeker approached employer	
Tendered or advertised for work	1.6
Contacted likely employers	15.5
Friends, relatives or company contacts	24.4
Registered with or used Centrelink services	2.8
Employment agency	3.3
School programs	0.4
Newspaper advertisements, internet sites	17.2
Signs or notices on employer's premises	1.6
Other	10.7
Employer approached job seeker	22.6
Note: Figures are for persons who successfully sought employment in the 12 months to July 2000.	
Source: Adapted from ABS (2000: Table 3).	

In summary, the usage of job search methods differs between Indigenous and non-Indigenous job seekers. Non-Indigenous job seekers are more likely to use more proactive search methods (such as answering newspaper job advertisements, directly contacting employers, advertising or tendering for work, or checking noticeboards on employer's premises) than are Indigenous job seekers. In particular, non-Indigenous job seekers are more likely than Indigenous job seekers to have contacted employers directly. Indigenous job seekers are more likely to report having asked friends or relatives about jobs.

It is also important to consider which search methods are most commonly used to successfully find employment. Table 2 shows the methods by which successful job seekers found out that the job they got was available. The figures are from the ABS Labour Force Survey and are for 2000. The single most common way in which successful job seekers found the job they got was through friends, relatives or company contacts (24.4%), followed closely by the employer approaching the job seeker (22.6%). Other common sources include newspaper advertisements or internet sites (17.2%) and contacting likely employers (15.5%).

Although the categories used to describe successful job search methods differ from the categories used to describe job search methods (Table 1) some broad points can be made. Indigenous job seekers are much less likely than others to have contacted employers to find out whether there was a job available even though this is a relatively common way of finding employment in Australia as a whole.

Table 3. Job search method by region and sex, 1996					
	Region			Sex	
	Major urban (%)	Regional centres (%)	Remote Urban areas (%)	Female (%)	Male (%)
Job search method					
Looked at the job advertisements in newspapers	87.7	82.9	47.1	82.5	83.5
Answered a newspaper job advertisement	51.8	24.2	16.5	42.9	39.6
Checked CES job board	75.7	78.3	62.4	69.7	77.6
Attended a Skillshare or a Job Club	15.9	13.1	8.2	14.9	13.9
Checked noticeboards or signs at employer's premises	42.6	39.3	47.1	39.1	42.9
Contacted employers to find out if there was a job	59.5	44.7	43.5	44.0	59.4
Asked friends or relatives about jobs	74.0	63.0	71.8	67.4	71.8
Contacted any other organisation that helps people find work	26.9	24.5	32.9	24.9	26.7
Advertised or tendered for work	6.3	2.0	4.7	3.9	5.7
Started a business or became self-employed	1.5	1.1	1.2	0.8	1.8
None of these search methods	2.6	3.1	4.7	3.1	2.9
Average number of search methods used	4.4	3.7	3.4	3.9	4.2
Number of respondents	741	351	85	389	818
Notes: The table population refers to all job seekers in wave 1. The respondents are grouped into three broad geographic classifications according to where they lived at the time of the respective surveys: major urban (Sydney, Brisbane, Ipswich, Hobart, Cairns), regional centres (Dubbo, Shepparton, Launceston and Port Augusta) and remote urban areas (Alice Springs, Derby and Broome). Figures are for job search methods used in the four weeks prior to the survey.					
Source: Adapted from Gray and Hunter (2000: Tables 4 and 5).					

Indigenous job seekers are more likely to have used the most common method of finding employment in Australia—contacting friends or relatives. However, as discussed above, there are good reasons to expect Indigenous people's social networks to be less effective in helping them to find employment than is the case for non-Indigenous people. The ABS (2000) statistics also show that where a person had knowledge that a job was available before contacting the employer, in 42 per cent of cases this information was obtained from a friend, relative or company contact. However, where the person approached the employer with no

prior knowledge that a job was available, in only 16 per cent of cases was contacting friends or relations the first step taken. Given that Indigenous networks are less likely to include people with paid employment, Indigenous people are much more likely to fall into the category of not having prior knowledge of available jobs.

CHARACTERISING INDIGENOUS JOB SEARCH BEHAVIOUR

In this section the job search behaviour of Indigenous Australians is described in more detail using the IJSS. Table 3 shows the job search method used by Indigenous job seekers by region of residence and sex.

There are large differences in job search methods used across major urban, regional centres and remote urban areas. Jobseekers in regional centres and remote urban areas have substantially lower usage of most search methods than city-based job seekers in major urban areas. The largest difference is that job seekers in regional centres and remote urban areas were one-half and one-third as likely, respectively, to have answered a newspaper advertisement as city-based job seekers.

One explanation for this observation is that labour demand is lower in regional centres and remote urban areas and therefore fewer jobs are advertised in newspapers. The lack of suitable job opportunities outside the major cities is underscored by the difference between the proportion of jobseekers who looked in the newspapers compared to the number of people who answered a job advertisement. While 82.9 per cent of respondents looking for work in regional centres looked at job advertisements in newspapers, only 24.2 per cent actually answered an advertisement. There was a similar disparity for remote urban areas.

The attendance at Skillshare and Job Clubs is also lower in regional and remote urban areas. This may be a reflection of the access to labour market programs in such areas. However, access may not be the whole story; Taylor and Hunter (1996) show that there were substantial increases in the number of program placements in small non-metropolitan towns and remote centres between 1993 and 1995 relative to placement levels in major urban areas.

The number of job search methods used is reflected in the average number of search methods used in the various areas. In major cities 4.4 different methods are used, as compared to only 3.7 and 3.4 methods in regional centres and remote urban areas respectively. This regional variation in the intensity of job search may reflect differences in the demand for labour between areas, a lack of access to facilities and some administrative arrangements in place in some areas. It may also reflect a more relaxed application of the activity test in remote Australia (Sanders 1999).

While there are few major differences in the search methods used by sex, males tend to use more search methods than do females. On average, males used 4.2 different methods and females used 3.9 methods. The largest gender difference in search method arose for those contacting employers to find out if there was a job. Males were 15.4 percentage points more likely to have contacted employers to find if there was a job. Males were also more likely to have checked the CES job board.¹⁸ The only job search methods which females

used more often were answering a newspaper advertisement and attending a Skillshare or Job Club program. However, the gender differences for these two methods are not significant. Gray and Hunter (2000: 16) also show there appears to be little or no difference in the search methods used by Indigenous respondents by broad age group or by whether or not the job seeker was case managed.

Search methods may vary according to an individual's employment history. This is likely to be particularly important for Indigenous job seekers because frequent changes between employment and non-employment mean that the point-in-time employment status may not be a good measure of lifetime labour force experience (Hunter, Gray & Jones 2000). In many ways it is lifetime labour force experience which is important in conditioning job search behaviours.

Table 4. Search methods by proportion of time spent employed since leaving school					
Job search method	Cumulated duration of employment at wave 1 (expressed as a proportion of the time since left school)				
	<0.25 (%)	0.25-0.5 (%)	0.5-0.75 (%)	0.75+ (%)	Missing (%)
Looked at the job advertisements in newspapers	79.2	86.9	86.5	90.4	65.9
Answered a newspaper job advertisement	31.6	42.6	46.8	55.5	22.0
Checked CES job board	76.1	72.9	75.5	75.1	76.5
Attended a Skillshare or a Job Club	17.5	18.7	8.7	10.5	13.8
Checked noticeboards or signs at employer's premises	37.4	40.5	46.0	52.1	28.4
Contacted employers to find out if there was a job	44.8	59.9	57.0	66.0	42.2
Asked friends or relatives about jobs	65.7	72.9	72.8	78.4	57.7
Contacted any other organisation that helps people find work	21.5	25.0	28.7	35.4	19.5
Advertised or tendered for work	3.1	4.6	6.4	7.2	5.7
Started a business or became self-employed	0.6	2.1	1.1	2.4	1.6
None of these search methods	4.0	2.4	3.0	0.5	5.7
Number of respondents	326	284	265	209	123
Notes: Statistics include all job seekers (employed and unemployed). There is missing information on the cumulated duration of employment for 123 individuals who were looking for employment at the wave 1 interview. This is due to missing information on year left school, the number of years since leaving school that they had a paid job, and the number of years not working but looking for work. In addition, there are some cases for whom the number years of employment is much greater than number of years since leaving school. These cases are set to 'missing'.					
Source: Gray and Hunter (2000: Table 7).					

A basic measure of employment history is constructed and related to the patterns of job search behaviour in the first wave (Table 4). Employment history is measured as the proportion of the time spent employed since leaving school. It is possible to construct a measure of unemployment history since leaving school using the IJSS. However, employment history probably better describes the relevant labour force experience of the Indigenous population because rates of marginal attachment to the labour force are relatively high for Indigenous Australians (Hunter & Gray 2001).

Job seekers who have spent a larger amount of their working lives employed search more intensely and use more active search methods. Those with a history of employment are more likely to use job search methods that involve direct contact with an employer (e.g. checked noticeboards or signs on an employer's premises or contacted employers to find out if there was a job going). Having a history of employment is also associated with other relatively proactive methods (contacted any other organisation that help people find work, advertised or tendered for work, started a business or became self-employed).

The ability to be proactive in looking for a job could also be portrayed in terms of better access to information networks about job openings. While looking for jobs through friends or relatives tends to be favoured by job seekers with longer employment histories, the association is not as strong as compared to other search methods. Since the majority of job seekers ask friends and relatives about jobs, the lesser association may hide the better quality contacts of those who have more experience in the workforce.

COMBINING JOB SEARCH TECHNIQUES

As shown in the previous section, most people seeking employment use multiple research methods. In this section information on the combinations of search methods used by Indigenous job seekers is presented. One way of summarising the ways in which job search methods are combined is using the proportion of job seekers who used combinations of job search methods (Table 5). The main diagonal (numbers in bold print) represents the number of job seekers who used only one search method. For example, the first entry indicates that 1.2 per cent of respondents who looked at job advertisements used no other search method. However, of those who looked at job advertisements, 80.3 per cent also checked the CES noticeboard. On average, those looking at job advertisements used 3.6 different search methods. The other rows have a similar interpretation.

Several key points can be taken from Table 5. First, for all search methods only a very small proportion of job seekers report using only that search method (i.e. the main diagonal has the smallest proportion for each search method). This indicates that very few people rely on only one method to find employment. Indeed, no one only replied to a job advertisement without using another technique. The explanation for a seemingly diversified strategy in job searching is that most of the techniques are interdependent. For example, it is not possible to reply to a job advertisement unless one first finds the job advertised.

Second, some job search methods are typically combined with a larger number of other methods than are others. Those who advertise or tender for work use an average of 5.7 different search methods. Other methods

Table 5. Proportion of job seekers using various combinations of search methods

Proportion using respective job search methods (%)

	MI	M2	M3	M4	M5	M6	M7	M8	M9	M10	Number of job seekers	Average number of search methods
Job search method												
Job advertisements (M1)	1.2	48.5	80.3	15.2	46.3	58.7	74.7	27.6	5.5	1.3	1,004	3.6
Replied to job ad (M2)	99.2	0.0	79.6	18.7	58.2	71.9	79.0	35.8	9.0	1.2	491	4.5
CES (M3)	89.0	43.2	2.8	16.7	45.0	58.2	73.3	28.0	5.3	1.1	906	3.6
Job Club (M4)	89.0	53.5	87.8	0.6	46.5	64.5	70.9	41.3	11.0	1.2	172	4.7
Employer notice boards (M5)	92.4	56.9	81.1	15.9	0.4	70.2	83.5	35.8	8.3	2.0	503	4.5
Contacted employer (M6)	89.6	53.7	80.2	16.9	53.7	1.2	79.3	34.2	7.8	2.0	657	4.2
Friends/relatives (M7)	88.3	45.7	78.2	14.4	49.5	61.4	2.2	29.6	5.8	1.6	849	3.8
Other organisations (M8)	87.9	55.9	80.6	22.5	57.1	71.4	79.7	2.5	10.8	2.2	315	4.7
Advertise/tender (M9)	88.7	71.0	77.4	30.6	67.7	82.3	79.0	54.8	0.0	16.1	62	5.7
Self employed (M10)	72.2	33.3	55.6	11.1	55.6	72.2	77.8	38.9	55.6	0.0	18	4.7

Note: Table population is the 1,171 respondents who indicated a job search method in wave 1. While 1,207 respondents answered the relevant questions, 36 people indicated that none of the prompted search methods were appropriate. Job search methods for the columns are identified by titles M1 to M10 which are described in relevant row heading titles (see codes in parentheses).

Source: Gray and Hunter (2000: Table 8).

associated with use of a larger number of search methods are Job Clubs, contacting other organisations that help people find work, or starting a business or becoming self-employed. It is not surprising that Job Clubs are associated with more intense or proactive search activity since the program is designed to enhance the ability to look for work.

This is consistent with our earlier classification of methods that are more proactive than simply looking at job advertisements or going to the CES which was, more or less, routine for most unemployed job seekers.

For most job search methods, a substantial proportion of the job seekers using them also use other search methods. However, there is some variation in the proportion of job seekers using the various techniques. Users of the more proactive methods tend to be a separate group, especially those who advertise and tender or start up their own business. For example, 16.1 per cent of those who advertise or tender also try to set up their own business or become self-employed. This greatly exceeds the proportion of other search methods are self-employed. The job search method profile of those who use Job Clubs is somewhat similar to other job seekers but they are more likely to advertise and tender than the less proactive job seekers.

The fact that most job seekers use multiple methods means that it will be difficult to attribute success or the lack of success to any one job search method. Indeed this could also be an argument that the best indicator of search intensity is the number of jobs applied for rather than the number of search methods used (Böheim & Taylor 2002).

Table 6. Number of jobs applied for in the last four weeks by employment status and region, 1996					
No. of jobs applied for	Employed (%)	Unemployed (%)	Major urban (%)	Regional centres (%)	Remote urban areas (%)
0	40.9	34.0	26.8	49.9	46.8
1	15.6	10.2	10.4	11.3	17.7
2	9.3	12.8	12.2	11.0	16.5
3	11.6	11.1	13.6	7.7	5.1
4	4.9	11.5	11.0	9.6	6.3
5	4.0	5.4	6.7	2.8	1.3
6+	13.8	15.0	19.2	7.7	6.3
Average number of jobs applied for in last 4 weeks	1.9	2.3	2.7	1.6	1.4
Number of respondents	225	945	728	363	79
Notes: Average number of jobs applied for includes respondents who applied for no jobs. Those who applied for six or more jobs were assumed to have applied for six jobs.					
Source: Adapted from Gray and Hunter (2000: Table 10 and 12).					

INTENSITY OF JOB SEARCH ACTIVITY

This section explores the job search intensity of job seekers. Table 6 show the number of jobs applied for in the previous four weeks. Of employed job seekers, 40.9 per cent did not apply for any jobs in the previous four weeks. This is somewhat higher than the analogous statistic for unemployed job seekers (34 %). Employed and unemployed job seekers are similarly likely to have applied for six or more jobs. This result is not surprising given that a condition of the receipt of unemployment benefits is proof of applying for a number of jobs. The unemployed job seekers may also be more 'desperate' for work than the employed job seekers and therefore apply for almost any job irrespective of the likelihood of being successful in the application.

The regional variation in number of jobs applied for reflects systematic variations in both labour demand and the application of the activity test (Table 6). As noted above, the greater tendency to grant exemptions to the activity test in regional and remote Australia means that there is less pressure on unemployed job seekers in such areas to demonstrate that they are actively looking for work. For employed job seekers, there is also perhaps less incentive to apply for jobs because there are fewer better jobs available. Irrespective of the reasons for the regional variation in the number of job applications, Table 6 illustrates that the job seekers in major urban areas apply for about twice as many jobs as those in remote urban areas.

JOB OFFERS IN THE PREVIOUS FOUR WEEKS

The effectiveness of job search activity can be measured by the number of job offers received. In this section the link between search behaviour and the number of job offers received is explored.¹⁹ Around 27 per cent of employed job seekers had received one or more job offers in the previous four weeks, which is much higher than the 13 per cent of unemployed job seekers who received a job offer. Given that there is little difference in the types of search methods used by employment status (Table 1), and that unemployed job seekers are looking for work more intensely than are employed job seekers, the difference in the efficacy of job search efforts must be explained by other factors. One possibility is that on average, the employed have personal characteristics that make them more attractive to employers than the unemployed. Another possibility is that the search techniques used by the employed and the unemployed are qualitatively different. For example, the employed may have informal networks that have better access to information about jobs or are more likely to be able to assist with finding employment than do the unemployed.

The finding that employed job seekers have a higher job offer rate than the unemployed resonates with Blau and Robins' (1990) United States study which found that the offer rate per contact is greater for employed searchers than for unemployed searchers. However, the analysis in this paper does not take account of differences in the characteristics of employed and unemployed job seekers and so we must be cautious about interpreting the findings to mean that employed job seekers are more effective in finding work than

Table 7. Job offers by search intensity and search method, employed and unemployed job seekers, 1996		
	Employed (%)	Unemployed (%)
All Job seekers	27.2	13.2
Search Intensity (number of jobs applied for in previous 4 weeks)		
0	7.6	4.6
1	44.2	15.2
2	42.8	20.0
3+	36.4	17.7
Search method		
Looked at the job advertisements in newspapers	28.3	12.3
Answered a newspaper job advertisement	24.7	16.0
Checked CES job board	28.8	14.0
Attended a Skillshare or a Job Club	21.9	18.9
Checked noticeboards or signs at employer's premises	37.1	12.1
Contacted employers to find out if there was a job	32.6	16.7
Asked friends or relatives about jobs	30.0	13.6
Contacted any other organisation that helps people find work	36.8	18.9
Advertised or tendered for work, started a business or became self-employed	30.8	27.5
None of these	0.0	0.0
Source: Gray and Hunter (2000: Table 16).		

unemployed job seekers. Gray & Hunter (2004) provide a more detailed analysis of the success of different job search behaviours.

There are very few differences in the patterns of job offers received between unemployed male and female job seekers. While unemployed males are slightly more likely than females to have received job offers, the gender differences are relatively minor. However, young unemployed are twice as likely to have received two or more job offers in the previous four weeks than are their older counterparts. Given that there is little difference in search methods and intensity across the broad age groups, this may provide some evidence that employers are more likely to want to employ younger workers.

Table 7 contrasts the number of job offers received for both employed and unemployed by intensity and method of search. It shows that employed job seekers receive more job offers at each level of search intensity than the unemployed. For example, employed job seekers are 18.7 percentage points more likely to receive at least one job offer if they applied for three or more jobs in previous four weeks.

Table 8. Main difficulties finding work (last year) by employment status and age, 1996				
	Employment status		Age	
	Employed (%)	Unemployed (%)	15–24 (%)	25+ (%)
Employers think too young/too old	8.2	5.9	2.3	10.4
Don't have enough education/training	12.6	13.9	17.0	10.5
Don't have enough work experience/skills	22.0	17.2	25.4	12.4
No jobs around	18.7	17.5	17.7	18.0
Lack of motivation/not interested	1.5	1.5	2.0	1.1
Transport difficulties	14.5	15.4	16.7	13.8
Personal or family situation	5.0	7.2	5.5	7.5
Health reasons	2.2	7.5	2.9	8.8
Racism/discrimination	6.0	3.3	2.5	5.5
Alcohol or drug problem	0.6	2.1	0.8	2.3
Other	8.1	6.5	5.8	7.8
No particular problem/not difficult	0.6	1.8	1.2	1.6
Number of respondents	545	1,392	909	1,028
Source: Gray and Hunter (2000: Table 17).				

Table 7 also shows that the employed receive more job offers than do the unemployed for all search methods with the exception of advertising, tendering for work, starting a business or becoming self-employed. For example, employed job seekers who checked noticeboards or signs on an employer's premises were 24.9 percentage points more likely to get a job offer than the unemployed who used this search method. This differential could reflect access to employer's premises.

Another indication that access to information about jobs is better among employed job seekers is that asking friends and relatives about jobs is more likely to result in a job offer for the employed than for the unemployed. However, the differential in the offer rate for this informal method of job search is only slightly higher than that of the average differential between employed and unemployed job seekers. While the results are consistent with the literature on the relative merits of informal job search methods, the quality of information networks is probably the most important determinant of the eventual job search outcome.

While there are some differences in the likelihood of having received a job offer amongst job seekers using the various job search methods the differences are in general quite small. This is probably a consequence of the fact that job seekers use multiple search methods.

PROBLEMS IN FINDING WORK

The analysis above shows that a large proportion of job seekers did not receive any job offers in the previous four weeks. This, combined with the high rates of Indigenous unemployment, demonstrates that many of the respondents in the survey experience considerable difficulties in finding work. The main difficulties encountered in finding work in the 12 months prior to the interview are analysed by employment status and broad age group (Table 8).

There is a remarkable similarity between employed and unemployed respondents in the main difficulties reported. The predominating reasons for both groups include lack of work experience and work skills, there being no jobs available, transport difficulties, and lack of education and training. This similarity could be due to the high level of flows between these labour force states identified in Hunter, Gray and Jones (2000) for Indigenous people. That is, given that many employed either lose or leave their jobs in the short term, it will be difficult to identify separate problems in finding work for employed and unemployed job seekers. Nevertheless, the previous section identified differences in the rates at which the employed and unemployed receive job offers.

As expected, the most important difficulty reported by the younger age group (15–24 years) was lack of work experience and work skills (25.4%), followed by no jobs available (17.7%), then lack of education and training (17.0%). The older age groups nominated no jobs and transport difficulties as their main difficulties. Consistent with the generally poorer health of older Indigenous job seekers noted elsewhere (Hunter, Gray & Jones 2000), the older age group was between three and four times more likely to nominate health reasons than the younger age group.

The gender breakdowns of the difficulties experienced are not reported in Table 8 because there is generally little difference between the responses of males and females. However, females are slightly more likely than males to respond that the main difficulty is that they do not have enough work experience or work skills. Perhaps the most interesting difference is that 11.5 per cent of females responded that a personal or family situation was the main difficulty whereas only 3.4 per cent of males nominated this as the major difficulty.

WILLINGNESS TO MOVE TO TAKE UP EMPLOYMENT

Ability and willingness to move in order to take up employment is sometimes argued to be an important factor underlying success in finding employment. This is particularly true for Indigenous people living in geographic areas where there are few labour market opportunities. The lack of ability or willingness to move is sometimes associated with the strong social, cultural and spiritual links that Indigenous Australians have with their land and the complex social bonds which link Indigenous families and communities together.

Table 9 documents the ability or willingness of job seekers to move to take up employment. The figures show that a larger number of unemployed job seekers were not prepared to move as compared to employed

Table 9. Preparedness to move in order to take up employment by employment status, sex and age, 1996						
	Employed (%)	Unemployed (%)	Female (%)	Male (%)	15–24 (%)	25+ (%)
Yes	48.3	40.6	37.0	44.5	47.7	38.2
No	34.3	39.5	48.1	34.0	29.8	44.6
Depends	17.4	19.1	14.9	21.5	22.5	17.2
Source: Gray and Hunter (2000: Table 18).						

job seekers. This provides some support for the hypothesis that part of the reason for poor employment outcomes among the Indigenous population is lack of willingness to move in order to take up employment. In addition, a higher proportion of employed job seekers gave an unqualified 'yes' when asked whether they would have been prepared to move to take up employment. Amongst the respondents who said that their preparedness to move depended on a range of factors, there was little difference in the factors nominated between the employed and unemployed job seekers. The main factors nominated by those who specified conditions on their willingness to move were, in order of importance, job conditions, personal reasons, and locational disadvantage.

There were substantial differences between males and females and younger and older job seekers (Table 9). Females were much more likely than males to be unwilling to move, and males more likely to be definitely prepared to move. Amongst those who responded that their preparedness to move was conditional, males were more likely than females to nominate that it depended upon the job conditions. Females were more likely to indicate that it depended on personal and family reasons.

Younger job seekers were less likely to say that they would not move. This is consistent with the findings of Taylor and Bell (1999), who used 1996 Census data to show that that geographic mobility among Indigenous population decreases with age (also see the discussion on mobility in Hunter 2004a; Hunter, Gray & Jones 2000). The fact that youth expressed a greater willingness to move and placed fewer conditions on moving is also consistent with the evidence presented above that they have fewer family and social commitments than older job seekers.

A disproportionate number of unemployed job seekers were not prepared to move as compared to employed job seekers. The main factors nominated by those who specified conditions on their willingness to move were, in order of importance, job conditions, family or personal reasons and location in a particular community, town or city.

WHAT SORT OF WORK ARE JOB SEEKERS LOOKING FOR?

The IJSS contains information on the type of work Indigenous job seekers are looking for. There is little existing information on this issue. For example, while the National Aboriginal and Torres Strait Islander Survey (NATSIS) 1994 provides some scant information on the hours of work preferences of Indigenous workers, there was no information on whether a person was looking for casual or permanent work. Therefore the IJSS provides a step forward in the analysis of the search behaviour of Indigenous Australians.

Table 10 shows the proportion of job seekers who are looking for full-time, part-time or either type of employment for employed and unemployed job seekers. Also shown is the proportion who are looking for permanent as compared to casual employment. The figures are presented separately by sex and broad age-group.

Table 10. Type of employment being sought by sex and broad age group, 1996				
	Sex		Age	
	Female	Male	15-24	25 plus
	(%)	(%)	(%)	(%)
Looking for part-time or full-time work				
Employed				
Full-time	59.0	64.4	68.0	57.6
Part-time	16.2	4.6	9.4	8.6
Either	24.8	31.0	22.7	33.8
Unemployed				
Full-time	38.2	50.0	47.7	44.3
Part-time	20.3	5.5	11.2	10.0
Either	41.6	44.5	41.2	45.7
Looking for permanent or casual employment				
Employed				
Permanent	68.6	66.7	71.9	63.6
Casual	7.6	6.3	9.4	4.6
Either	23.8	27.0	18.8	31.8
Unemployed				
Permanent	43.6	51.1	50.9	46.2
Casual	15.8	6.7	11.2	8.6
Either	40.5	42.2	37.9	45.2

Source: Gray and Hunter (2000: Table 13).

The employed job seekers are more likely to be looking only for full-time employment than the unemployed job seekers (Table 10). This simply reflects the fact that those who already have a job (particularly if it is full-time) are only looking for another job if it is better than their existing job, either in terms of hours worked, hourly rate of pay or non-pecuniary aspects of the job. The high incidence of underemployment among Indigenous employees means that many workers are looking for jobs with longer hours (Hunter & Taylor 2002).

There is a distinct gender difference in the type of work being sought, with both the employed and unemployed females much more likely to only want part-time employment as compared to their male counterparts. These patterns are consistent with the NATSIS 1994 evidence that females are less likely to be underemployed than males (ABS/CAEPR 1996). That is, males employed part-time are more likely to prefer to work more hours than females employed part-time.

Younger workers are more likely to be searching only for full-time employment. This probably does not reflect the fact they are underemployed since Indigenous underemployment tends to be prominent in the middle of the life cycle where family commitments, and hence resource requirements, tend to be concentrated (ABS/CAEPR 1996). In any case, older workers may still be underemployed given that they are more likely to indicate that they are looking for either part-time or full-time work.

Young job seekers are more likely to want only permanent or only casual work and less likely to be looking for either. That is, their preference for work is less flexible than it is for older job seekers. It may be that the resource requirements in the middle stages of the life cycle makes it necessary for older workers to be more flexible in the sort of work they will accept.

HOW IMPORTANT ARE ATTITUDES TO WORK IN THE JOB SEARCH PROCESS?

Attitudes to work and the preferences of individual job seekers play a potentially important role in determining labour market success. This section explores attitudes to work and the perceived importance of various characteristics of jobs using a typology developed and analysed by Gray and Hunter (2000).²⁰ We also present an analysis of what type of organisations respondents say they would or would not like to work in.

The importance of the opportunity for promotion, job security and work which 'helps' Indigenous people varies according to employment status. The employed are much more likely to respond that the opportunity for promotion is 'very important' as compared to the unemployed. The employed are also significantly more likely than the unemployed to have responded that job security is 'very important', again emphasising that 'fussiness' is not the reason for them being unemployed.

One job characteristic not related to financial aspects of employment is whether it is 'important' that work helps Indigenous people. The importance of having such work will be associated with a range of social and cultural factors. Over two-thirds of respondents said that it was 'very important' to have work which helps

Indigenous people. In addition, almost one-quarter answered that it was 'important' to have work which help Indigenous people. The employed are slightly more likely to have responded that it is 'very important' than the unemployed. There are very few differences between the sexes and broad age groups in respondent's attitudes to promotion, job security and 'Indigenous-friendly' work.

These attitudes are reflected in the response to the question on whether the respondents would like to work for government, Aboriginal organisations or private companies. Around two-thirds of respondents said they would like to work in an Aboriginal organisation. Only 10 per cent responded that they would not like to work in an Aboriginal organisation. In contrast, 21.9 and 15.7 per cent of females and males respectively said that they would not like to work in a private company. The responses for the government sector are similar to those for private companies.

Clearly the preferences of Indigenous people about working in the private sector will be an important factor in the success of policies aimed at increasing Indigenous private sector employment (i.e. the IEP). Slightly less than one-half of the respondents indicated that they would like to work in the private sector and another one-third said it does not matter whether a job is in the private sector. Less than 20 per cent responded that they would not like to work in the private sector.

There are some differences in the preferences about working in the private sector by sex and broad age group. Males are more likely than females to say they would like to work in the private sector. Similarly, younger workers (aged 15 to 24 years) were more likely to express this preference than older workers respondents (aged 25 years and over). This suggests that the policy of increasing Indigenous employment in the private sector may have more success for younger workers and males. Given the projected increases in Indigenous new entrants to the work force (most of whom will be school leavers) and the diminishing importance of public sector employment, growth in private sector employment amongst younger workers is going to be critical to future improvements in Indigenous employment levels.

CONCLUDING COMMENTS

Information on job search patterns is important for the development of labour market assistance programs that attempt to increase rates of employment by influencing job search behaviour. While there have been many studies of the reasons for the low rates of employment of Indigenous Australians, virtually nothing is known about their job search behaviour.

This paper begins to fill this gap in our knowledge by providing a detailed description of job search patterns among Indigenous and other job seekers. Non-Indigenous job seekers are more likely to use more proactive search methods such as answering newspaper job advertisements and directly contacting employers. Indigenous job seekers are more likely to report having asked friends or relatives about jobs.

WHO YOU KNOW IS IMPORTANT

Given this pattern, Indigenous social networks are likely to be a major factor determining the success of the process. Although asking friends or relatives about jobs is the single most common method by which employment is actually found, there are good reasons to think that, for Indigenous job seekers, relying on friends or relatives is less likely to result in employment than for non-Indigenous job seekers. This is simply because the Indigenous networks have a disproportionate number of interactions with other Indigenous people, who themselves have much lower employment rates than the non-Indigenous population. Even when Indigenous people are working they generally have low-paid and low-status jobs and hence are of less use to other Indigenous job seekers, at least in terms of finding work. Of course, Indigenous people's networks of family and friends are not exclusively Indigenous. For example, at the time of the 2001 Census, 69 per cent of Indigenous couples include a non-Indigenous partner.²¹ However, if Indigenous people associate with non-Indigenous people with similar socioeconomic status (i.e. have similar levels of education, occupation or income) then utility of Indigenous networks for finding jobs will still be circumscribed.

Stone, Gray and Hughes (2004) investigate the relationship between social capital, labour force outcomes and job search method for the Australian population as a whole. Using a social capital typology (developed in Stone & Hughes 2002), Stone, Gray and Hughes (2004) show that the social capital poor are less likely to be employed than are other social capital types ('social capital rich', 'informal emphasised' and 'strong norms and civic connections'). However, if they do find employment they are much more reliant than are other groups on friends or relatives and external advertisements as the means to finding employment. That is, the social capital poor are much less likely to have used workmates or professional contacts to find employment.

Unfortunately, many Indigenous people do not fit easily within the social capital typology developed by Stone and Hughes (2002). For example, many Indigenous people have very extensive informal networks, especially within the Indigenous community, and hence do not fit within the social capital poor category. However, this reflects more on the fact that social capital is an under-developed theory which has many shortcomings when applied cross-culturally than it does on the point being made here—that is, who one knows is likely to be an important influence on the success of Indigenous job search activity.

WHERE YOU LIVE IS IMPORTANT

There are large differences in job search behaviour across major urban, regional centres and remote urban areas. Job seekers in regional and remote urban areas show lower rates of use of most search methods and apply for fewer jobs than those in major urban areas. There are few differences in the rate of usage of search methods between males and females, although males tend to use more job search methods on average than do females.

There is only a weak overall relationship between search activity and labour market success (as defined by job offers). However, the quality of job search activity and the 'search technology' of job seekers may still be

Fig. 1. Location of Indigenous Employment Centres, 2004

Notes: Cairns has two IECs.

Source: DEWR web site <www.dewr.gov.au> accessed 14/05/2004.

important. Employed job seekers in the IJSS tend to use search methods more effectively than unemployed job seekers. One explanation for the differences in outcomes between employed and unemployed job seekers is that informal information networks about jobs are clearly important. The quality of information about job opportunities is likely to be better when one is working. In addition, the proximity to the workplace means that employers are more aware of the personal qualities of particular workers, and may therefore be less resistant to hiring that person rather than an unknown person in another job. While there is some evidence of attitudinal differences between employed and unemployed job seekers, the IJSS indicates that the unemployed are not in that position because they are too fussy about what sort of job they will take. They really do want to work. The introduction of the Job Network in 1998 changed the way in which employment assistance is delivered in Australia. There is some evidence that initially Indigenous clients had difficulties effectively accessing the Job Network, especially outside urban areas; this was raised as an

issue by Indigenous job seekers, Centrelink staff and Job Network Members (DEWR 2001). These concerns led to changes to the Job Network, which included providing a number of specialist service providers for Indigenous job seekers. While DEWR (2001: 38–41) presents some evidence about the services provided by Job Network members to Indigenous job seekers, it remains to be seen how successful recent institutional developments have been in improving the access of Indigenous job seekers.

In attempts to provide job search assistance to CDEP participants Indigenous Employment Centres (IECs) were introduced in 2001.²² IECs have been established in around 30 CDEPs which are located in regions in which there is a viable mainstream labour market (Fig. 1 shows the location of IECs as of May 2004). The IECs have many similarities with Job Network providers and receive payments for providing assistance to job seekers and payments for IEC participants who are successful in finding mainstream employment.

There is some evidence that some IECs have been quite successful in having CDEP participants move into non-CDEP employment (Gray forthcoming; Hansard Senate, Tuesday 11 May, 2004, Question Number 2733). Gray (forthcoming) shows that the Bungala Aboriginal Corporation's IEC effectively undertakes the job search on behalf of the job seeker. That is, the IEC staff appear to have been quite successful in matching Indigenous job seekers with potential employers. This may be particularly important in overcoming the lack of effectiveness of Indigenous people's networks in assisting with obtaining paid employment.

OTHER FACTORS UNDERLYING THE EFFECTIVENESS OF INDIGENOUS JOB SEARCH

The differences in the job search behaviour of Indigenous and non-Indigenous job seekers may not be the only factor perpetrating the disparity in job outcomes. Hunter (2004a) argues that the scope for labour market discrimination to explain ongoing Indigenous employment disadvantage is greater than previously thought. Therefore irrespective of any differential access to useful social networks, employer discrimination may mean that Indigenous employment outcomes will continue to be low for the foreseeable future. That is, even if Indigenous people could be 'taught' to look for employment just like non-Indigenous job seekers, there would be little or no improvement in Indigenous employment rates.

While the provision of job search assistance may increase the rates of employment of Indigenous Australians, in the end it will only be effective to the extent to which Indigenous job seekers are job ready, employable and are prepared to live in regions in which there are mainstream employment opportunities. Addressing the low level of demand for Indigenous labour and ensuring that sound macroeconomic policies are in place are probably more effective instruments in improving employment outcomes. It is also necessary to ensure that safeguards are in place to minimise discrimination against Indigenous workers using public education, industrial relations, and related policies.

Notwithstanding, one should not be too dismissive of the study of job search behaviour because a thick or qualitative description of behaviour may yield insights into the mechanisms of racial discrimination. For example, if Indigenous people cannot access particular types of information or networks because of fears or

attitudes of employers or fellow workers, then the analysis of job search activity may be able to demonstrate one potential, but hitherto hidden, process underlying racial discrimination. Unfortunately, the detailed qualitative data required were not collected by the IJSS and hence this is a matter for future research.

NOTES

1. The survey was commissioned by the then Department of Employment, Workplace Relations and Small Business.
2. The introduction of the diary increased respondents' reportage of job search activity after this date (Gray & Hunter 2004), but it will not affect our analysis which focuses on the period leading up to the introduction of the diary.
3. This involved subsidies to employers and case management with the objective of making the unemployed 'job ready'. The Job Compact participant had to 'accept any reasonable job offer'.
4. A case management approach was first introduced under the title Newstart in 1993.
5. SkillShare projects were managed by non-profit community organisations or local government authorities, known for this purpose as sponsors. The sponsor was responsible for employing staff and directing the work of the project. Most sponsors set up a Project Advisory Committee drawn from the relevant employer and educational groups in their local community to assist them in relating project activities to local needs. As well as these arrangements there was a formal consultative structure established at the Area/Regional, State/Territory and national levels.
6. However, overall, wage subsidies under the Job Network are now a much smaller feature of mainstream employment assistance than they were under Working Nation.
7. The value of the subsidy is \$4,400 over 26 weeks for an ongoing full-time job or \$2,200 for ongoing part-time work of a minimum of 15 hours per week
8. The first contract with these providers came into effect in May 1998, the second in early 2000, and the third contract commenced on 1 July 2003.
9. Under the third Job Network contract, 109 Job Network members will operate from 1,129 sites. It is interesting to note that the second Job Network contract started with 205 providers at 1,710 permanent and 404 outreach sites (2,045 sites at its end), so the trend is towards a small number of Job Network Member providing services from fewer outlets (O'Neill 2003).
10. Effectiveness is related both to the probability of finding employment and the quality of employment found.
11. This is a translation of an example given by Holzer (1988: 4) to the situation of Indigenous Australians.
12. The interviews were conducted face-to-face, predominantly involving Indigenous interviewers. In a few cases the interviews were conducted by telephone where a face-to-face interview could not be obtained. For further details of survey methodology, readers are referred to Roy Morgan Research (1998) and Hunter, Gray & Jones (2000).
13. A detailed discussion of the representativeness of the IJSS is provided by Hunter, Gray & Jones (2000).
14. For example, for the wave 1 main sample, 39.8 per cent of interviews attempted resulted in a completed interview and total non-response was 60.2 per cent. The non-response consisted of 7.1 per cent refusals, 14.1 per cent not available (which may actually be a form of refusal), 32.5 per cent because the person had moved and the new address was not available and 6.5 per cent other non-response.
15. The relatively low rate of obtaining interviews from the initial sample may in part be the result of the relatively long period of time (up to 12 months) between sample extraction and the interviews being conducted. This is likely to have been exacerbated by the relatively high geographic mobility rate of Indigenous Australians.
16. For example, the categories of job search methods used in the Labour Force Survey (ABS 1994) differ from those used in the IJSS.

17. The definition of unemployment used in this paper does not include the active search criteria which is used in the conventional ABS definition.
18. Estimates from the SEUP survey show that the pattern of job search methods used by non-Indigenous males and females was also similar.
19. Gray & Hunter (2000) present information on the characteristics of job seekers who are most likely to receive job offers.
20. The respondents to the survey were asked a series of questions about how they feel about work according to a 10-point scale, where 1 is not important and 10 is very important. Respondents were given no guidance as to what scores between 1 and 10 represent. In order to aid interpretation of the results, the answers are grouped into the following categories: job characteristic is not important (1); a little important (2 to 4); somewhat important (5 and 6); important (7 to 9); and very important (10). It is essential to bear in mind that this categorisation and the associated labels are, in some sense, arbitrary.
21. While there is some evidence that the economic outcomes of 'mixed' couples lies between Indigenous only households and the average Australian couples in North West New South Wales (Peterson & Taylor 2002), there has been no study on the distribution of employment within mixed or other Indigenous households.
22. IECs can provide some support for other Indigenous job seekers who are not in a CDEP. This can include help with Centrelink or Job Network or with talking to an employer about a job. This is only a small part of what the IEC does. The main source of support for these job seekers continues to be Centrelink and Job Network.

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