

Deborah Wade-Marshall
& Peter Loveday

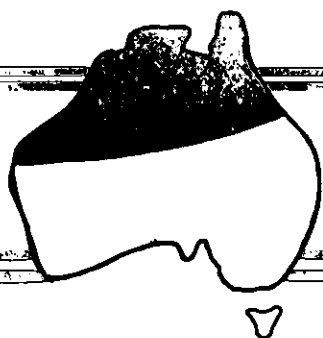
Editors

EMPLOYMENT & UNEMPLOYMENT

A collection of papers

Contributors:

Jon Altman
Stephen Baker,
Paul Nicoll,
Wai Fong Yik
Sheila Bonnell,
Brian Parmenter,
Russell Rimmer
Bettina Cass
Robert Castle,
Jim Hagan
Richard Curtain,
Alex Mokrij
John Fox
Peter Loveday
Carol Manuel
Dawn May
Peter Mewett
Ciaran O'Faircheallaigh
Lyn Riddett
Russell Rogers
Will Sanders
Owen Stanley
Barry Thompson
Elspeth Young



Australian National University
North Australia Research Unit
Monograph
Darwin 1985

NARU
Display
Copy
\$18

EMPLOYMENT AND UNEMPLOYMENT

A Collection of Papers

Edited by Deborah Wade-Marshall and Peter Loveday

Australian National University
North Australia Research Unit
Monograph
Darwin 1985

First published in Australia 1985

Printed in Australia by the Australian National University

© Australian National University North Australia Research Unit

This book is copyright. Apart from any fair dealing for the purpose of private study, research, criticism or review, as permitted under the Copyright Act, no part may be reproduced by any process without written permission. Inquiries should be directed to the publisher, North Australian Research Unit, Casuarina NT 5792, Australia

National Library of Australia
Cataloguing-in-publication entry

Employment and unemployment.

Includes bibliographies.

ISBN 0 86784 767 0.

[1]. Aborigines, Australian - Employment - Australia, Northern - Congresses. 2. Mineral industries - Australia, Northern - Congresses. I. Wade-Marshall, Deborah. II. Loveday, P. (Peter), 1925- . III. Australian National University. North Australia Research Unit. (Series: Monograph (Australian National University. North Australia Research Unit)).

331.6'9'9915

CONTENTS

PREFACE	v
OVERVIEW OF CONFERENCE THEMES Bettina Cass	1
THE ABS LABOUR FORCE SURVEY - AN OVERVIEW Russell Rogers	11
ABORIGINAL EMPLOYMENT - TO WHAT PURPOSE? Elspeth Young	23
ABORIGINAL UNEMPLOYMENT: GOVERNMENT PROGRAM RESPONSES John Fox	34
A CRITIQUE OF ABORIGINAL EMPLOYMENT AND TRAINING PROGRAMS Robert Castle and Jim Hagan	40
MINING AS A SOURCE OF EMPLOYMENT IN THE NORTHERN TERRITORY Ciaran O'Faircheallaigh	50
FOOTLOOSE AND FANCY-FREE? MIGRATION, STABILISATION AND THE URBAN WORKFORCES OF MT ISA AND PT HEDLAND Peter Mewett	66
ABORIGINAL PARTICIPATION IN THE COMMUNITY EMPLOYMENT PROGRAM - STATE/TERRITORY ELEMENT IN THE NORTHERN TERRITORY AND AUSTRALIA Stephen Baker, Paul Nicoll and Wai Fong Yik	83
EQUAL EMPLOYMENT OPPORTUNITIES IN DARWIN? ABORIGINES IN THE WORKFORCE Carol Manuel	97
ABORIGINAL EMPLOYMENT IN KATHERINE Peter Loveday	116
THE POLITICS OF UNEMPLOYMENT BENEFIT FOR ABORIGINES: SOME CONSEQUENCES OF ECONOMIC MARGINALISATION Will Sanders	137

ABORIGINAL EMPLOYMENT IN THE INFORMAL SECTOR: THE OUTSTATION CASE Jon Altman	163
PROSPECTS FOR DEVELOPMENT AND EMPLOYMENT IN RURAL ABORIGINAL COMMUNITIES Owen Stanley	175
ABORIGINAL EMPLOYMENT IN THE PASTORAL INDUSTRY (N.T. 1930-1966) Lyn Anne Riddett	199
THE ROLE OF THE STATE IN FABRICATING A BLACK WORKING CLASS IN THE NORTH QUEENSLAND CATTLE INDUSTRY Dawn May	208
A PROFILE OF WAGE PAUSE PROGRAM PARTICIPANTS IN THE NORTHERN TERRITORY Richard Curtain and Alex Mokrij	215
MACROECONOMIC POLICY AND EMPLOYMENT IN THE NORTHERN TERRITORY Sheila M. Bonnell, Brian R. Parmenter and Russell J. Rimmer	237
EMPLOYMENT CONSEQUENCES IN THE NORTHERN TERRITORY OF CHANGES IN RECENT GOVERNMENT EXPENDITURE 1985-1986 Barry G. Thomson	258

PREFACE

This monograph is comprised of the papers delivered at the North Australia Research Unit's annual conference over two days in June 1985.

Around the theme of Employment and Unemployment, the papers are presented here in the same order as they were at the conference. One exception is Bettina Cass's contribution. As an overview this was logically presented at the end - rather than position it there in print, we have brought it forward to serve more as an introduction to what the volume contains.

For the running of the conference as well as the production of this monograph we are grateful to many people. The conference was the first major one to be held on-site at NARU, the efficiency of Jann King ensured that there were no organisational or administrative difficulties. We join with delegates in our thanks to Jann.

On the production side, special thanks are due to Janet Sincock for her patience with the word processing equipment and more so her patience with us over the many changes we made throughout.

To Sally Roberts we are grateful for proof-reading the text and to Colleen Pyne thanks are due for assistance with standardising the reference lists.

OVERVIEW OF CONFERENCE THEMES

Bettina Cass
Associate Professor of Social Policy
University of Sydney

The Conference on Employment and Unemployment has ranged widely from accounts of the nature of the Northern Territory labour force, Aboriginal peoples' job aspirations and training needs, the generation of employment through Aboriginal-managed enterprises, analyses of labour market training and job creation programs, the development of 'outstation' economies, labour supply and demand in Darwin and Katherine, the winning of Aboriginal peoples entitlement to unemployment benefits, the tension between 'work or welfare'. We have also heard historical accounts of Aborigines' employment in the pastoral industry. In addition, papers have addressed the role of mining in the Territory economy and the patterns of migration and settlement in Northern mining towns. A macroeconomic model was presented, tracing the implications for employment in the Territory of certain policy changes. Finally, these riches of research and the enthusiastic policy debates which were generated were situated in the context of Commonwealth and Northern Territory governments' expenditure policies.

Yet clear themes emerged from this diversity: contested debates about the nature of market work and socially useful work; the problems of unemployment and marginal labour force attachment; the gap between job training and job creation and plans for their integration; the role of self-managed Aboriginal enterprises in job generation; the respective roles of social security and block-funding of employment projects in supporting Aboriginal communities; the over-whelming importance of public expenditure in developing enterprises and community services in the North.

Russell Rogers' paper opened the conference appropriately by alerting us to the problems confronting the Australian Bureau of Statistics in collecting information on the Northern Territory labour force. The monthly Labour Force Survey is a very important vehicle for research and public policy, providing information on the numbers and composition of the population in the labour force, employed and unemployed, and those outside the labour force either voluntarily or involuntarily. Rogers noted in particular the methodological and sampling problems entailed in data collection in remote rural settlements, in remote Aboriginal communities and in small sparsely settled urban areas. However, even more interesting problems of definition were raised which foreshadowed issues noted later by Elspeth Young, Jon Altman and Will Sanders. These issues relate to the applicability of white Australian and official International Labour Organisation (ILO) definitions of 'work', 'employment' and 'unemployment' to Aboriginal communities, in particular non-urban Aboriginal communities.

The technical problems of data collection relate to minimising errors of sampling and non-response in a terrain of great distances, sparsely settled communities and small, mobile populations. But the problems of definition of the labour force categories highlight the tension between official labour force enumeration and traditional Aboriginal patterns of work.

To begin with the definition of 'work', which in the ILO conventions adopted in the ABS Labour Force Survey is defined as 'economic work', or gainful employment. Persons in paid employment or in self-employment are defined as being 'employed' and hence in the labour force, while homemakers, unpaid carers of children, the sick and the aged, volunteer workers and people working unpaid in a family business or farm for less than 15 hours per week are not defined as taking part in 'economic work'. They are neither employed, nor in the labour force. As a result, the unpaid work of Aboriginal people in household and community is not likely to be enumerated in employment and labour force statistics, even though their work is producing goods and services of essential value. This issue has been raised in relation to the hidden nature of women's unpaid work in household and community, and indeed to all non-market work in the broader Australian community (Baldock, 1983).

However the matter is particularly pertinent in the context of traditional and emerging patterns of work in Aboriginal settlements. Jon Altman's paper emphasised that individuals on 'outstations' are engaged in the production of goods and services for community use and consumption. In that sense of 'economic work' such settlements have a labour force participation rate of 100 per cent. In terms of conventional ABS definitions however, there will be no labour force participation. As a result, there is a significant under-enumeration of the total contribution of labour and production of goods and services in the Territory.

A related problem for accurate measurement and appropriate policy lies in the definition of 'unemployment'. Current official definitions create a 'hidden unemployment' factor, persons without a job, who would like to work, but who have given up actively looking because of their perception that there are few or no jobs available to them. In white Australian as well as in Aboriginal communities the rigid official definition of unemployment, which entails active job search, has obscured a significant amount of joblessness (Stricker and Sheehan, 1981).

Both the definitions of employment and unemployment result in under-statements of the numbers of labour force participants and the numbers of jobless who wish to work, in both rural and urban conditions, but particularly in rural conditions. Russell Rogers' paper notes recent ABS usage of the definitions of 'marginal attachment to the labour force' and 'discouraged job seekers', definitions which include in their ambit jobless persons with a commitment to work but who are not engaged in active job search, for a variety of reasons relating to the scarcity of appropriate jobs in their local region commensurate with their skills and training. Such expanded definitions would certainly construct a better profile of joblessness and hence of potential labour force participants under Territory conditions. In addition an expanded definition of 'economic work', taking account both of waged work and socially useful work in Aboriginal communities would create a fuller understanding of labour supply and of job aspirations in Aboriginal populations.

Elsbeth Young's paper ('Aboriginal Employment, To What Purpose?') pushed these ideas further, exploring rural Aborigines' views of employment and unemployment, and urging that public sector training and employment policies take these views into account. She identified a tension between a professed policy of self-management, and the retention in some public sector programs of the philosophy of 'make work'. The economy of most rural communities is resource poor and therefore heavily dependent on public sector funding, (a point very well demonstrated in Owen Stanley's paper on 'Prospects for Employment in Rural Aboriginal Communities'). This makes the workforce extremely vulnerable to bureaucratic and political redefinitions of funding criteria. Cessation of funding can end an enterprise, or investment in an enterprise requiring considerable technological skill can take management out of local hands.

Young's paper highlighted Aboriginal definitions of socially useful work: work for the purpose of contributing to individual/family/community well-being and way-of-life, comprising in particular community services and commodity production. She called for a method of public sector funding which was neither unemployment benefit nor Community Development Employment Project (CDEP) funding, but an extension of the CDEP model, providing block grants to communities to fund self-managed enterprises. Her criticism was not of public sector funding itself, but its variability and insecurity, and the extent to which the conditions attached to it might militate against the useful employment of Aboriginal people in self-defined and self-managed projects.

This perspective was very similar to Stanley's definition of an independent stage of economic development in rural Aboriginal communities characterised by: a growing visibility of traditional Aboriginal authority patterns; the desire to manage and direct socially important institutions; a much greater emphasis on commodity production; public expenditure support redirected from infrastructure to enterprise, funded by block grants.

Elsbeth Young raised the importance of Aboriginal training needs, a point which recurred frequently in subsequent papers and in discussion. But at the same time she noted the high skill levels already present in communities, skills which often remain unrecognised. Her call for an inventory of skills to be drawn up: what are the skills available? what extra training is required? what are the gaps in service provision? moved between supply side factors and demand side factors in planning the labour resources required in communities. In an analogous way Peter Loveday's paper ('Aboriginal Employment in Katherine') categorised the demand side factors in job generation:

- . What jobs will be available?
- . What work will be done? Who will define the socially useful work?
- . How will the enterprise be funded? By unemployment benefits, CDEP, Community Employment Program funding (CEP), or by a new block grant scheme?

The necessity for job training was emphasised by Elspeth Young, John Fox ('Aboriginal Unemployment: Government Program Responses'), Robert Castle and Jim Hagan ('A Critique of Aboriginal Employment and Training Programs') and Paul Nicoll ('Public Sector Job Creation for Aborigines') - but not merely short-term training which does not provide formal qualifications. The salient issue is training for what? The thrust of the argument is that appropriate training cannot merely incorporate European values of work into remote communities, yet there is also a need for job training providing recognised qualifications, linked to job placement. Castle and Hagan's paper was critical of programs which do not provide recognised job qualifications transferable to the mainstream labour-market, and which are not linked to job placement. Such programs are likely to lead to disillusionment and provide little long-term benefit either for individuals or for Aboriginal communities. They argued that in fact no coherent, explicit policy has underpinned Aboriginal training programs.

John Fox's view that Aboriginal people, given appropriate training, will prefer independence in their own communities rather than dependence on social security is supported by Carol Manuel and Peter Loveday's findings from their respective surveys of employment opportunities in Darwin and Katherine. Their studies indicate the strong desire of Aborigines to find work, stay in work, be promoted, and have the necessary training to achieve these aspirations.

Various papers identified the constraints on entry into the Aboriginal Training Program (TAP), a major one being the under-representation of unemployed Aboriginal people registered with the CES. This is particularly

so for young women, where non-registration is reflected in their significant under-representation in TAP programs.

The policy emphasis of both Fox and Castle and Hagan's papers, that job training and job placement programs be linked, is also a clear implication of a study of unemployed people carried out in the western suburbs of Sydney (Cass and Garde, 1984). The respondents interviewed in western Sydney saw little point in training programs without hope of a job on completion, and several experiences of short-term training schemes followed by further unemployment provided little incentive for additional training of a similar kind. Although Fox emphasised that completed training courses are more likely to lead to employment than non-participation in training, he also noted that there has been a dramatic increase in the use of TAP programs for job creation through the use of wage subsidies. In his words, this is an illicit use of TAP funding, which was not designed for job creation purposes.

The policy implications of these papers are clear. Firstly, the absence of linkages between TAP, CEP and CDEP calls for coordination between programs which increase skills and programs which inject funding on a longer-term basis into Aboriginal communities. The nub of Fox's paper is that 'governments move out of welfare support into the provision of training, resources and capital inflow', because governments have facilitated Aboriginal dependency through welfare payments. This position did not go unchallenged. Will Sanders' paper, tracing the politics of the winning of unemployment benefits for Aboriginal people, and the comments of Joe Flick (from the Aboriginal Liaison Unit in the Department of Social Security) emphasised Aboriginal peoples' rights as citizens to unemployment benefits and other social security payments. The conclusion was not that governments move out of welfare support. In Aboriginal (as in white Australian) communities there will always be a need for adequate, non-stigmatised welfare support inherent in the rights of citizenship. But much more emphasis needs to be placed on the integration of job training with capital funding of Aboriginal-organised enterprises.

Much discussion from the audience centred on the dilemma: work or welfare. The question was posed: do welfare payments militate against the generation of socially useful work in Aboriginal communities? Is welfare money largely spent on market-bought goods, thus flowing out of the community and not available to generate enterprise? In emphasising the merits of work, and public expenditure on its provision, Castle and Hagan went further than recommending the forging of a nexus between training and job creation. Firstly, long-term job creation programs should be established in Aboriginal community services and in public sector employment, which have maximum job generation potential. Secondly, training programs must provide a recognised skill qualification. Thirdly, anti-discrimination strategies in public and private sector employment should be accompanied by an increase in the recruitment of Aboriginal people into permanent positions in the public service. Fourthly, greater recognition needs to be made of existing skills, by Aborigines themselves, and by employers. Finally, it was suggested that greater use be made of marginal wage subsidy schemes in the private sector, but it was agreed that primary involvement will rest with the public sector. From the audience came an additional, very important observation that participants in job training programs require considerable social and psychological support.

To summarise the major issues raised in the training and job generation debate:

- . the linkage of on-the-job training and formal training with support services for trainees
- . providing formal, transferable qualifications

- . the injection of capital funds and resources into Aboriginal communities through CEP, CDEP and new systems of block grants
- . a greatly increased drive for registration with the CES particularly for Aboriginal women, so that more people become available for recruitment into training programs and job creation projects.
- . the development of Aboriginal organised and managed enterprises which develop skills in community service provision, management and accounting, and in the skilled trades.
- . extending employment opportunities for women beyond clerical work and for men beyond manual work, i.e. recognising and transcending the barriers imposed by sex segmentation and by skill requirements.

The papers outlining the Bureau of Labour Market Research evaluations of the Wage Pause and CEP programs in the Northern Territory demonstrate the shortcomings of existing public sector job creation schemes. There is a significant under-representation of Aboriginal women (resulting partially from reduced registration with the CES); and a predominance of jobs created for men involving manual work on construction projects. The range of jobs created has done little then to increase or upgrade skills for Aboriginal participants. Because public sector job creation projects are submission-based, governments must be reactive. However it is not appropriate to mount a critique of submission-based funding, because this is a route through which Aboriginal communities express their aspirations to establish enterprises. Peter Loveday's conclusion from his study of employment in Katherine shows that a substantial amount of employment is generated by Aboriginal organisations. These jobs, predominately in the community services, depend for their stability and potential growth on government funding, not on market activity. Such jobs also open up opportunities for women, whose placement in job creation programs is currently seriously impeded by the concentration on labouring and construction work.

Carol Manuel and Peter Loveday's surveys of employment in Darwin and Katherine both identified the strong motivation of Aboriginal people to find work, and when in work to gain more responsibility. In the Darwin labour force however Aborigines are under-represented in private sector employment, and the overall distribution of employees in the public and private sectors is characterised by the concentration of men in manual work, women in clerical work. These jobs are characterised by low skill requirements, relatively low pay and little opportunity for advancement. Manuel concludes therefore that employment expansion requires not only training schemes but also equal opportunity strategies which address the restricted range of jobs available to women and the barriers to both men's and women's advancement.

Loveday was concerned that the Conference should focus on demand side factors in labour market analysis and policy. As he stated: the way in which a problem is defined already holds within it the key to the assumed solution. It is because Aborigines own and control few economic enterprises and resources and therefore have little control of job opportunities that high levels of unemployment and under-employment prevail. The implication for employment policy in Katherine, Loveday concludes, is to increase economic activity by public expenditure support for the development of Aboriginal projects and enterprises.

To return to one of the major theses of the Conference, the apparent dichotomy between work and welfare.....

Will Sanders' paper unfolded the long history of the struggle at the political level, more recently at the level of a sympathetic bureaucracy, and the work of Aboriginal communities in gaining for Aborigines the right to unemployment benefits. The problem of eligibility had centred on rigid official definitions of employment history and job search. Currently the administration of social security payments in the Northern Territory adopts a flexible definition and application of the 'work test', thus providing regular, long-term access to benefit and the fulfilment of citizenship rights. However, the counter-argument made forcefully by Jon Altman is the tendency for welfare payments to create dependency, to undercut traditional Aboriginal household and community values and authority patterns. Individual income maintenance payments provide money which cannot easily be pooled and utilised for community development.

Altman's paper on the development of traditional enterprises in informal subsistence economies on northern 'outstations' (accounting for 20-25 per cent of the Aboriginal population of the Territory) noted the role of government transfers (either as social security unemployment benefit payments or as CDEP block funding) in supporting a self-managed, autonomous economy independent of the mainstream labour market. He recommended much greater use of CDEP funding to support these initiatives because it is paid to the whole community and allocated internally according to Aboriginal definitions of useful work. Furthermore, the addition of 20 per cent to the pooled unemployment benefit entitlement of the community adds to the sum available for enterprise development. Individualised receipt of unemployment benefit on the other hand, while providing 46 per cent of the total income in some outstations, has a number of drawbacks: the payment does not take account of marriage customs and few women receive it in their own right; receipt is dependent on registration with the CES which is inappropriate for outstation people who are actually 'fully employed in their informal labour force'; and while the work test is currently flexibly administered, a future government may not exercise its discretion sympathetically. A further problem exists in the tendency of the wider Territory community to place stigmatising connotations on 'welfare support' for the outstation movement.

While CDEP grants provide these Aboriginal communities with a guaranteed income, Altman expressed several concerns, in particular the monitoring of the use of CDEP funds by the Department of Aboriginal Affairs, while the use of unemployment benefit in Aboriginal and white communities is not monitored. Conference participants expressed other strong concerns about retaining and defending individual entitlements to unemployment benefit, especially in urban areas.

It seems clear to an outsider at least that unemployment benefits and CDEP funding have different goals and meet different needs. Aboriginal people require the protection of their individual entitlements to income maintenance, given the long history of struggle to be included as citizens in the ambit of the Australian social security system. At the same time, CDEP block grants, made only on the application of the whole community, provide for the development of Aboriginal enterprises, and present a clear model for future funding arrangements. Both have a necessary place in public policy. The debate cannot really be about 'work or welfare' but about work and social security, public expenditure support for socially useful work and income maintenance for those without job opportunities.

Two very interesting historical papers by Lyn Riddett and Dawn May on pastoral employment in the Northern Territory and in Queensland complemented the contemporary emphasis of the Conference by outlining the ways in which pastoral companies and state officials had attempted to create a black working class. Their intention had been to bind Aboriginal

pastoral workers to European work patterns and labour market disciplines. Aborigines however did not allow themselves to become victims, especially in the Northern Territory, although resistance was very difficult to sustain in Queensland with removal and threat of removal to Palm Island.

These papers outlined the changing nature of the conflict between Aboriginal and white definitions of 'work'. In the older assimilationist phase work was officially constituted as wage labour for white enterprises. Current pluralist thought allows for a range of definitions, in particular Aboriginal management of the definition of work. White definitions of market work are accepted, but Aborigines are concerned to see a much greater training component in their jobs, and much greater recognition of their skills. At the same time, the idea of work has been expanded to include socially purposeful work as defined in Aboriginal projects and communities. It is possible to see these developments as a positive outcome of the history of Aboriginal peoples' attempts to gain greater control of their labours and their lives.

Three papers departed from the theme of Aboriginal employment to address the role of mining in the Northern Territory economy (O'Faircheallaigh), the migration and stabilisation of the workforce in the mining towns of Mt. Isa and Port Hedland (Mewett) and the development of computerised models of macroeconomic trends and policies in the Northern Territory (Bonnell, Parmenter and Rimmer).

O'Faircheallaigh outlined the relatively unchanged role of the mining sector over the long term (1968/9 to 1981/2) in providing between 2.4 per cent and 3.6 per cent of total employment in the Northern Territory. This is predominantly male employment (although the proportion of women employed has increased in recent years to 12 per cent). Although direct employment in mining provides relatively high incomes, the paper showed that these individual rewards do not give a full indication of benefits to the Territory economy as a whole. Neither tax revenues from mining, the spending of wages, nor dividends and interest payments on mining investment flow predominantly into the Territory economy. Tax revenues flow in the main to the Commonwealth; mining employees tend to save rather than spend locally; goods and equipment used in the industry tend to be purchased from interstate and overseas suppliers; dividends flow to interstate investors. As a result, the 'multiplier effect' on the generation of employment and on economic growth is very considerably less than has been assumed.

O'Faircheallaigh concluded that mineral development is unlikely to generate significant additional direct employment since capital intensity is increasing in the industry. Furthermore, mining ventures are unlikely to act as the prime mover of further economic growth in related service and manufacturing activities, but can provide physical and social infrastructure and demand for goods and services in locations where alternative economic activities already exist. The paper concluded with a series of policy recommendations for the integration of mining into the Territory economy through a redistribution of tax revenues, encouragement of local expenditure of mineworkers' wages by providing the incentives for a more stable workforce (i.e. through the provision of public housing, services and amenities in mining towns).

Mewett's paper on migration and stabilisation of the workforces of Mt. Isa and Port Hedland found little support for the 'high transiency' view of the populations of these Northern mining towns. In fact, there appears to be considerable stability in workforces which migrate largely for economic and job reasons and build up a stake in the town, particularly in the form of owner-occupied housing, job security and social networks. This finding adds support to O'Faircheallaigh's argument that employees in mining towns can be encouraged to remain as longer-term residents by the better provision of housing, services and amenities. However, conference participants pointed out that Mewett's paper does not differentiate the

responses of the primary income-earner in a family, whose job interests are most likely served by migration and continued residence in Mt. Isa and Port Hedland, from the responses of their spouses, who may be either dependent or secondary income earners. The needs and interest of women and adolescent children for job opportunities are not addressed as a major issue in this study of transiency and stability.

Finally, Bonnell, Parmenter and Rimmer unveiled a general equilibrium model of the Northern Territory, derived by adjusting selected parameters of their all-Australian general equilibrium model (ORANI) to reflect Territory conditions (as far as the existing data allowed). Their model assumed competitive conditions (except for 'imperfections') in labour markets and assumed free trade except for tariffs. Three macroeconomic 'policy shocks' (i.e. changes in economic policy) were simulated: a Keynesian approach to economic management which included a balanced increase in domestic consumption, investment and government spending; a neo-classical approach which included a 5 per cent cut in real wage-costs, holding constant a given level of domestic aggregate demand; and finally, a package of both policies combining increased government spending with a 5 per cent cut in real wage costs.

According to the logic and assumptions of the model applied to the overall Australian economy, Keynesian policies result in increased aggregate demand, increased employment in the services sector, a consequent inflationary effect which depresses activity and employment in the exporting sectors (agriculture, forestry and mining) and in the import-competing sector (manufacturing) by reducing their international competitiveness. A 5 per cent cut in real wage-costs on the other hand is modelled to increase employment across all industry sectors (with agriculture, mining, forestry and manufacturing expanding more rapidly than the services), reduce inflation and improve the import/export trade balance. The preferred approach, in which the consequences of the Keynesian and the neo-classical approaches are 'summed', results in a 5 per cent increase in aggregate employment with all sectors making an even contribution to the expansion in activity, with inflationary effects dampened by the cut in real wage costs and no change in the balance of trade.

The model applied to Northern Territory conditions produces somewhat different results because of the particular industry structure of the Territory, notably the larger proportion of industrial activity accounted for by mining. Simulating Keynesian policies therefore results in an expansion in the services sector and a deterioration in the competitiveness of mining, while real wage cuts have the opposite effect.

The preferred option again is the combination of the two approaches, which in the ORANI model of the Northern Territory as in the ORANI model of Australia produces a 5 per cent increase in aggregate employment which is fairly evenly spread across all industry sectors, resulting from the 'compensatory' effects of the real wage cuts on increased government expenditure and increased aggregate demand.

Moving to the applicability of the model to changes in Aboriginal employment, Bonnell, Parmenter and Rimmer assume that the current share of Aborigines in each occupation will be maintained after the policy changes, i.e. that Aboriginal employment will grow at the same rate as non-Aboriginal employment. The projected change in employment shows half of the overall increase in the occupations in tradesmen, labourers, service, sport and recreation, i.e. predominantly in labouring jobs, providing for no changes in skill levels. The paper points out the problems with the model in relation to Aboriginal employment: no account is taken of the predominance of the public sector in the employment of Aborigines; and no account is taken of the nature of the Aboriginal labour market, in particular whether the necessary qualifications and skill levels are present to result in employment in the professional, technical and

administrative occupations. As a result, the assumption that Aboriginal people will maintain their share in the simulated employment expansion across all sectors is unwarranted, without policy attention being paid specifically to training.

A more general criticism can be made that the ORANI model does not include provision for modelling the nature of labour markets, i.e. skill levels, regional constraints on labour mobility, the match of skills and job opportunities in public and private sector employment, the particular constraints operating on women's employment. When applied to employment expansion for Aborigines in the Northern Territory, no account can be taken of the issues identified in the Conference, i.e. the predominant role of public sector employment in the community services in expanding job opportunities for men and women and enhancing job skills, and no account can be taken of emerging forms of socially useful work in Aboriginal communities which are not easily slotted into official occupational categories.

The paper concludes that because the unemployment rate in the Northern Territory is generally lower than in the Australian economy as a whole, macro-economic recovery engineered at the national level would be expected to substantially reduce unemployment in the Northern Territory. However, the hidden unemployment factor is not considered, i.e. what steps need to be taken to increase the supply of skilled labour and the generation of jobs which contribute to community development. At a more general level of analysis the questions must be asked: what would be the effects of a 5 per cent cut in real wage costs across the income distribution; can the assumption of the maintenance of aggregate demand be supported; is the assumption warranted that increased government expenditure either on transfer payments or public sector employment inevitably depresses private sector employment? These critical issues are not opened up for scrutiny and discussion.

The final paper at the Conference presented by Barry Thomson, on the employment effects of recent changes in government expenditure, highlighted a major irony inherent in the two days' discussion. The policy conclusion of almost all papers identified the increasing importance of government expenditure in funding job training, job creation and self-managed enterprises for Aboriginal people and also in providing services and amenities in mining towns. These recommendations are made however in a climate of expenditure restraint. Thomson's paper pointed out that both the Commonwealth and the Northern Territory governments have introduced expenditure restraints in particular programs, which would impose a reduction in real terms on funding for employment activities in 1985/86. However, counter-vailing increases in employment are expected to be generated by the Gas Pipe Line (a private sector development) and by the Tindal Airforce Base. Although a net increase in employment is estimated as a result of these capital works, also predicted is a decrease in the proportion of public sector employment in the Northern Territory.

These two trends have negative implications in the short term for the development of projects and enterprises in the community services, in commodity production and generally in the areas of skilled employment for men and women outside of the building and construction sector. Researchers have placed squarely on the policy agenda at this Conference on Employment and Unemployment an integrated strategy for labour market training, job creation and community development programs predicated on public expenditure support, and based on emerging Territory conditions and aspirations.

References

- Baldock, C.V. (1983). Public Policies and the Paid Work of Women, in Baldock, C. and Cass, B. (eds), Women, Work and Welfare, George Allen and Unwin, Sydney.
- Cass, B. and Garde, P. (1984). Unemployment in the Western Region of Sydney: Job Seeking in a Local Labour Market, in Hooke, R. (ed.) 54th ANZAAS Congress, SWRC papers, R & P no. 47, University of New South Wales, Sydney.
- Stricker, P. and Sheehan, P. (1981). Hidden Unemployment: The Australian Experience, Institute of Applied Economic and Social Research, Melbourne.

THE ABS LABOUR FORCE SURVEY - AN OVERVIEW

Russell Rogers
Statistician, Northern Territory
Australian Bureau of Statistics

The Labour Force

The concept of the labour force can be viewed from a number of different perspectives, each aimed at imposing a simplified framework on the various ways individuals may be involved in the labour market. The earliest approaches, developed at the turn of the century, were based on the 'gainful worker' concept in which a person's labour force status was described in terms of whether or not their usual activity constituted what might be considered gainful work. Gainful work was broadly defined as work in an occupation from which a person may expect to gain some remuneration. Thus only persons in a gainful occupation were considered to be in the labour force and persons who wanted but who had not yet obtained gainful employment were excluded.

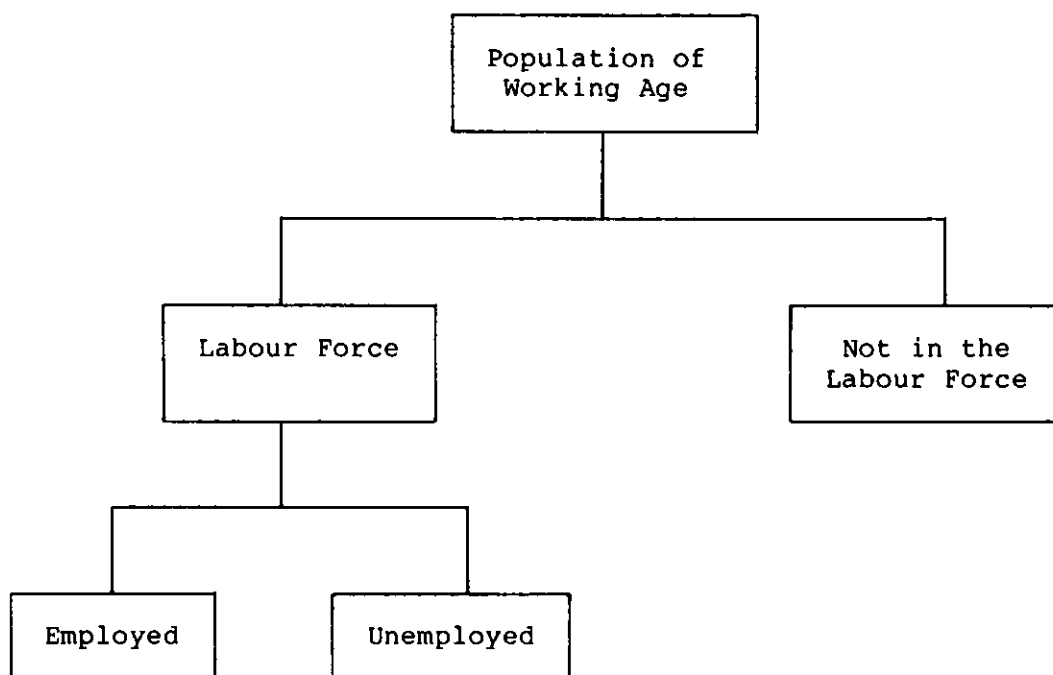
The economic downturn of the 1930s focussed attention on the need for a statistical framework which allowed the measurement of unemployment and provided a distinction between the employed and the unemployed in the definition of the labour force. Out of this evolved the labour force activity framework, which was adopted by the International Labour Organisation (ILO) at its 1954 Conference of Labour Statisticians and used as an international standard up to the present time.

The labour force activity framework is based on describing a person's actual labour force activity at a certain time (usually taken to be during a period of one week). Each person of working age (in Australia, 15 years of age and over) is first described according to whether or not he or she is working during the reference week. In principle, persons who are working are considered to be employed (regardless of the number of hours they are working). Persons who are not employed may be either unemployed or not in the labour force. A person is unemployed only if he or she is looking for and available for work. Persons who are classified as either employed or unemployed are said to comprise the labour force. All other persons are considered to be not in the labour force. Each person is assigned in this way to one of the three mutually exclusive categories - employed, unemployed or not in the labour force.

A number of labour force measures have been developed on the basis of this activity framework, and these serve as the main indicators of labour market activity and economic performance. In particular the number of persons employed and unemployed and the unemployment rate (i.e. the percentage of the labour force who are unemployed) have been given special prominence. Other measures such as the participation rate (i.e. the percentage of the working age population who are in the labour force) and the employment/population ratio have also been widely used.

The ABS collection which provides information on these labour force measures is the Labour Force Survey. The ABS has been conducting labour force surveys since the 1960s providing information on this important economic indicator. The surveys were undertaken on a quarterly basis prior to February 1978 and monthly since then.

Figure 1
The Basic Labour Force Activity Framework



The Labour Force Survey

The Population Surveys conducted by the ABS fall into two broad categories: a monthly population survey comprising the monthly labour force survey, and supplementary topic (or topics) in most months; and the Special Supplementary Surveys.

These surveys all rely on the same basic framework and design and this paper will concentrate on issues associated with the labour force survey and related supplementary topics.

More information on supplementary topics, State or Territory supplementary surveys or special supplementary surveys can be found in an ABS Information Paper on the Population Survey Program, Canberra, January 1985 available from all offices of the ABS (ABS, January 1985).

Survey Design and Methodology

The monthly population surveys collect data from a sample of households throughout Australia. The survey framework combines an area sample of private dwellings (comprising houses, flats, townhouses, etc.) with a list sample of 'special' dwellings (such as hotels, boarding houses, hospitals, schools, caravan parks, gaols, etc.). Both components are multi-stage samples with the number of stages determined by the population density for the particular area or special dwelling type.

The survey is based on a geographic framework which covers the whole of Australia. Since broad area based estimates are a prime output requirement from the survey, the first level of geographic stratification is the States and Territories. Each State and Territory is further subdivided into Capital City (metropolitan) and rest of State (extra

metropolitan) and each of these major areas is split into smaller regions based on amalgamations of Statistical Divisions or Sub-divisions.

As the surveys are enumerated by personal interview rather than by mailed questionnaire it is important to group survey selections so that reasonable workloads in a suitable geographic region can be provided. The survey design below these broad regions is quite complex, but in order to cluster selections together, much depends on population density.

In the Northern Territory with its small population, large geographic area and consequent small population density this provides some problems. There are currently seven area strata in the Darwin Statistical Division with the remainder of the Territory divided into five area strata, viz; Alice Springs, Sampled Urban (a workload selected to cover the urban centres of Nhulunbuy, Alyangula, Jabiru, Katherine, Tennant Creek and Warrego), Aboriginal Rural (all other 1981 Census Collectors Districts with high Aboriginal populations), the Aboriginal Communities and a Sparsely Settled Stratum covering the remainder.

The sample size for ABS surveys is always a compromise between the needs of national and State/Territory users, cost and respondent burden considerations. The overall sample fraction for the population survey is about two-thirds of one per cent, varying from about 1/200 in the larger States to 1/100 for the Northern Territory.

The population survey framework is designed for the conduct of continuing surveys and is reselected only once every five years following the quinquennial Census of Population and Housing. It is essential therefore that changes in the physical location of private and special dwellings is allowed for during the interviewing period. This is achieved through the processes of private dwelling growth revision and special dwelling list maintenance.

By accessing information on building approvals and other sources a regular examination of the growth of each stratum is made and if growth is sufficiently large additional selections are included in the survey. In the Darwin Statistical Division significant growth in Palmerston has led to selections in that region being added since 1981. Similarly the list of special dwellings is regularly updated and new dwellings are given an appropriate chance of selection.

Dwellings selected in the survey remain in the sample for eight consecutive months and then are rotated out of the sample and the next dwelling on the block list is selected. One-eighth of the sample is replaced each month. The resulting overlap of selections in succeeding surveys significantly reduces the sampling variability of estimates of the month to month movement from the survey.

In each selected dwelling, the first responsible adult contacted by the interviewer is asked questions about all people in the household within the scope of the survey. An interview for a typical household takes about 12 to 14 minutes, which covers the Labour Force Survey and the Supplementary Survey.

Definitions Used in the Labour Force Survey

The labour force activity framework (see figure 1) decides a person of working age as employed if he or she is currently working. The notion of currently working is defined in terms of actual activity during a specified short period of time, and in the ABS Labour Force Survey this is considered as the activity undertaken during the week preceding the survey (referred to as the reference week). The survey includes all persons aged 15 years and over except members of the permanent defence forces, certain diplomatic

personnel of overseas governments, overseas residents in Australia, and members of non-Australian defence forces (and their dependents) stationed in Australia.

Employment

A person is considered to be working if he or she does any work at all during the reference week - this is usually taken to be work for one hour or more during the period.

Only economic work is considered to constitute employment. Broadly, economic work comprises work that contributes to the production of goods and services included in the National Accounts. The ILO specifies that persons should be considered as doing economic work if they can be categorised as either in paid employment, or in self-employment.

Paid employment includes work undertaken for wage or salary, in cash or in kind. Self-employment includes work undertaken for profit or family gain including unpaid work (although it has been usual to include only work of duration of more than one-third of the normal working time - generally set at 15 hours or more in the reference week). Work such as that done by homemakers and volunteer workers is not included.

Certain persons may be in paid employment or self-employment but may not be currently working. They are considered as employed provided they retain formal and close links with a job or business. Some examples of persons in this category may be given.

- Persons on paid leave, in the context of national accounts, represent a continuing labour cost to their employer and therefore are counted as employed. However in cases involving workers' compensation, only those persons who expect to return to work are classified as employed.
- Persons on strike are absent from a job only temporarily and therefore these persons are considered to be employed.
- Persons on unpaid leave for a short period who still have close links with a job are considered to be employed.
- Persons may be temporarily stood down without pay because of bad weather or plant breakdown. These are considered to be non-economic factors preventing individuals from working, the effects of which should not be reflected as a decline in employment. Such persons are considered to be employed provided the period of absence is not such that the links with the employer cease to be strong.
- Persons temporarily stood down without pay for other (economic) reasons should not be considered as employed because their lack of work is the result of labour market factor.

The ABS definition of employment is based on the ILO principles outlined above. Employed persons are defined as all those 15 years and over who

- worked during the reference week; in particular those persons who
 worked for one hour or more for pay, profit, commission or payment in kind in a job or business, or on a farm (including employees, employers and self employed persons); or

worked for 15 hours or more without pay in a family business or on a farm (i.e. unpaid family helpers; or

- did not work during the reference week but had a close attachment to a particular job or business; in particular those persons who

were employers or self-employed persons who had a job, business or farm, but were not at work; or

were on paid leave, workers' compensation (and expected to be returning to their job), or receiving wages or salary while undertaking full-time study; or

were on strike or locked out; or

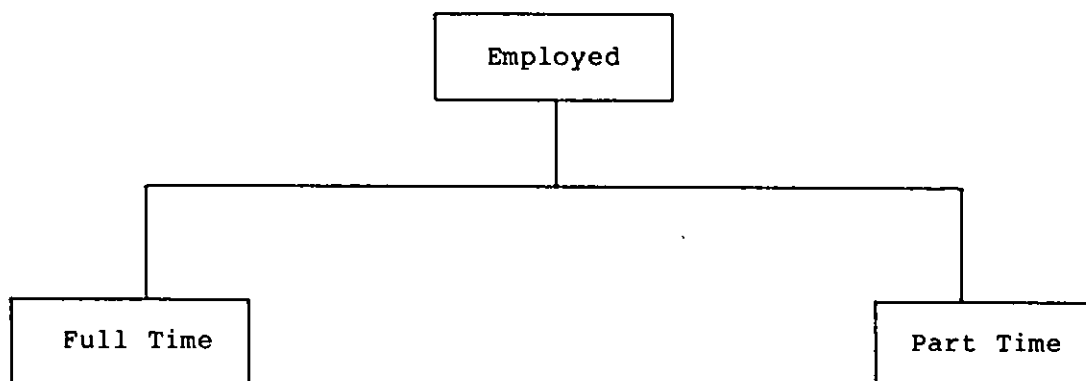
were on leave without pay for less than four weeks, or stood down without pay because of bad weather or plant breakdown for less than four weeks.

Statistics on employed persons as defined above are produced by the ABS on a monthly basis from the labour force survey. Important classifications include demographic and labour force characteristics such as age, sex, marital status, birthplace, occupation, occupational status, industry and hours worked. Of particular importance is the description of employed persons according to whether they are full-time or part-time workers.

Defining what constitutes full-time and part-time employment is not easy. The concept of a standard full-time working week has largely disappeared with moves to shorter working hours and increased preference for what would formerly have been considered part-time working arrangements. The approach adopted by the ABS has been to define full-time or part-time status in terms of hours worked. At present the ABS describes work of 35 hours or more per week as full-time work, while work of less than 35 hours is taken to be part-time work. The concept of full-time and part-time work is best seen as providing a description of a person's usual working pattern if the current week was atypical, although it is customary to take some consideration of a person's current working hours. The ABS definition, which aligns closely with ILO recommendations, designates full-time workers as those who usually work 35 hours or more a week or who worked 35 hours or more during the reference week. Part-time workers are those who usually work less than 35 hours a week and did so during the reference week.

The basic framework might then subdivide the employed as follows in figure 2.

Figure 2



It is also important to examine the labour market from the supply side, i.e. the type and quantity of labour skills offered by persons participating in the labour force and whether they are fully utilised by the labour market - in other words whether they are underemployed. For example, persons may have employment which they regard as insufficient in terms of hours of work or alternatively the available work may not match their skills or training.

The Resolution of the ILO Thirteenth International Conference of Labour Statisticians in October 1982 defined underemployment as follows:

Underemployment exists when a person's employment is inadequate in relation to specified norms or alternative employment, account being taken of his or her occupational skill.

The Conference Resolution further distinguished two principal forms of underemployment, visible and invisible.

Visible underemployment reflects an insufficiency in the volume of employment (i.e. the hours worked); and

invisible underemployment exists when the labour supplied to the labour market is not being efficiently utilised in terms of either the type of work offered to the individual (disguised underemployment) or how the individual's working time is used (potential underemployment).

Serious conceptual difficulties would be encountered in seeking measures of invisible underemployment and consequently the ILO recommended that statistical measurement be limited to visible underemployment.

A person is visibly underemployed if he or she has what can be considered an insufficient volume of employment. Insufficiency in the volume of employment refers to the hours of work in a person's employment and can be determined on either of two bases: namely, if a person prefers employment involving more hours of work; or if an assessment reveals that a person's employment involves working time of less than an accepted norm then the person is visibly underemployed.

The adoption of the notion of an accepted norm for hours of work would involve making judgements on the number of hours individuals should be working or are capable of working. This is clearly a difficult task for which it is not possible to develop objective standards and is therefore not undertaken in ABS statistics (although persons working full-time hours are defined to be fully employed). If individual preferences are taken into consideration, the question arises whether a person is committed to finding employment with more hours, e.g. whether the person is taking active steps to find the desired job or whether he or she is actually available to work the additional hours. In this regard it is relevant to note the analogy with an unemployed person needing to satisfy specific job search and availability criteria.

The approach adopted by the ABS in its monthly publications is to define two categories of underemployed persons, namely

part-time workers who indicate that they would prefer to work more hours. Statistics on whether these persons are available to work additional hours are not collected by the ABS, but statistics classified by whether or not they are actively looking for full-time work are collected and published by ABS,

full-time workers who did not work full-time hours (i.e. did not work 35 hours or more) in the reference week for economic reasons. Economic reasons include stood down, short time and insufficient work.

Persons who are voluntarily working part-time, or who worked full-time hours in the reference week, or who are full-time workers who did not work full-time hours in the reference week for non-economic reasons, are defined as fully employed. It should be noted that persons who are normally under-employed but who worked full-time hours in the reference week are classified as fully employed.

Statistics on the underemployed and fully employed as defined above are produced monthly and are analysed in statistical presentations in terms of the usual demographic and labour force characteristics. Of particular importance is the determination of underemployment rates, i.e. underemployed persons as a percentage of the labour force, which are of interest especially for comparison with unemployment rates. Together, unemployment and underemployment comprise what the labour utilisation model calls labour underutilisation, and the labour underutilisation rate measures the percentage of the labour force whose labour is under-utilised.

Unemployment

The labour force activity framework as articulated by the ILO broadly defines unemployed persons as those who satisfy three criteria: not employed, seeking work, and available for work.

These criteria are intended to provide an indication of a person's commitment to securing employment, that commitment being measured by the steps the person is taking towards finding a job and by whether the person is currently able to accept any job that is offered. Current availability for work is measured by whether a person is available to start work in the reference week. Because of the nature of certain job search activities, the ILO recommends that the period of job search be extended to four weeks. The criteria used for determining whether a person is seeking work are based on a specification of those job search activities which it is considered constitute a serious search for work. The ABS adopts the notion of actively looking for work which is intended to distinguish positive job seeking activity such as registering with the Commonwealth Employment Service, applying for jobs, etc, from a non-active job search. Only persons who are taking active steps to find work are classified as unemployed.

Actively looking for work is defined to include writing, telephoning or applying in person to an employer for work; answering a newspaper advertisement for a job; checking factory or Commonwealth Employment Service noticeboards; being registered with the Commonwealth Employment Service; checking or registering with any other employment agency; advertising or tendering for work; and contacting friends or relatives.

In addition to satisfying the three main criteria (not employed, seeking work and available to work), others included as unemployed are:

persons not available to start work because of temporary illness;

persons who have found a job and are waiting to start work; and

persons temporarily stood down for economic reasons.

In summary, the ABS definition of unemployment conforms closely with ILO recommendations and defines unemployed persons as those 15 years of age and over who:

were not employed during the reference week; and had taken active steps to look for full-time work at any time during the four weeks prior to the reference week;

and were either:

available for work in the reference week or would have been available except for temporary illness (i.e. lasting for less than four weeks to the end of the reference week); and

were waiting to start a new job within four weeks from the end of the reference week and would have started in the reference week if the job had been available then.

Persons who were waiting to be called back to full-time or part-time jobs from which they had been stood down without pay for less than four weeks up to the end of the reference week (including the whole of the reference week) for reasons other than bad weather or plant breakdown are also included as unemployed.

The two major unemployment measures produced on a monthly basis and following the principles described above are the numbers of persons unemployed and the unemployment rate. Unemployment rates provide the means for comparing unemployment amongst different groups as well as between different time periods. It is usual to define unemployment rates as the number of unemployed in the particular group of persons of concern as a percentage of the labour force in that group (e.g. the percentage of the female labour force who are unemployed). The labour force is usually defined in ABS publications in terms of the civilian labour force although the defence forces are sometimes included.

By examining particular groups and characteristics of the unemployed various economic and social aspects of unemployment may be explored. Some of the more important unemployment measures include full-time and part-time unemployment rates, male and female unemployment rates, the unemployment rates for different age groups and unemployment rates for different types of family members (e.g. family heads, single parents, etc). The labour force characteristics of families with some unemployment and the number of persons affected by different periods of unemployment are also of interest.

It is sometimes argued that unemployment rates are understated because a person who does any work at all during the reference period is classified as employed. For example, a person who during the reference week works for one hour in a temporary job while he or she searches for full-time employment is classified as employed. Such a person would be further classified as a part-time worker who would prefer to work more hours and would consequently be included among persons underemployed. There is in fact only a small number of underemployed part-time workers who work very few hours and, of these, only a small proportion are actively looking for full-time work. Inclusion of such persons as unemployed would have little effect on the total unemployment rate.

Marginal Attachment to the Labour Force and 'Hidden' Unemployment

As levels of unemployment have risen during the past decade, the term 'hidden' unemployed has been widely used as a description of those persons who, although they fail to satisfy the searching and availability for work criteria for classification as unemployed and are therefore classified as

not in the labour force, nevertheless have some commitment to gain work. Such persons may have withdrawn from the labour force because they perceived their job prospects as poor in the light of the prevailing labour market conditions.

Defining the 'hidden' unemployed so that they can be measured objectively presents considerable difficulties. Approaches to this problem include analysis of participation rates and flow statistics. Fluctuations in participation rates which are not consistent with long term trends are often interpreted as indicating labour market induced movements of persons into or out of the labour force. Similarly the flows of persons from unemployed to not in the labour force from one month to the next would include certain categories of persons who withdrew from the labour force in response to their experience in searching for work. The difficulties in drawing conclusions about the number and characteristics of the 'hidden' unemployed from such analysis are apparent.

As indicators of 'hidden' unemployment, a number of particular aspects of individuals' labour force associations are worth considering. These include, for example, whether the person wants to work; any reason the person may have for not looking for work; the person's recent job search or job experience; whether the person could accept work if it was offered; and his or her intention to look for work in the future.

No single measure or combination of measures is completely satisfactory. Persons wanting to work include a range of types of potential workers, from genuinely discouraged jobseekers to persons with family commitments whose expression of desire for a job may be unlikely to be realised. The problem is compounded if persons genuinely discouraged from seeking jobs have, as a result, taken on other activities and therefore are no longer available for work; e.g. persons taking on family responsibilities, retiring early. Similarly, reasons for not looking for work and intention to look for work in the future may or may not be an indication of discouragement because other commitments which have resulted from job discouragement may present difficulties in such a person re-joining the labour force.

Measures of 'hidden' unemployment are produced by the ABS from a survey of persons not in the labour force, conducted in March and September of each year. The approach adopted has been based on the concepts of marginal attachment to the labour force and the discouraged jobseeker. The concept of marginal attachment to the labour force is intended to cover those persons who, although they are out of the labour force, can be considered to have a close association with the labour force. Discouraged jobseekers represent that group of the marginally attached who are out of the labour force because of their perceptions of labour market conditions.

The definition of marginal attachment follows a structure similar to that of the definition of unemployment, in that it uses the criteria of actively looking for work and availability to start work. It also uses the criterion of wanting to work. A person is defined as marginally attached to the labour force if he or she is not in the labour force during the reference week and satisfies one of two conditions; that is the person must either want to work and be available to start within four weeks or be actively looking for work, but not available to start work within four weeks.

Because those in and out of the labour force are likely to differ in respect of the circumstances which would permit them to start a job, a reference period of four weeks is used to determine availability for the marginally attached, compared with one week for the unemployed.

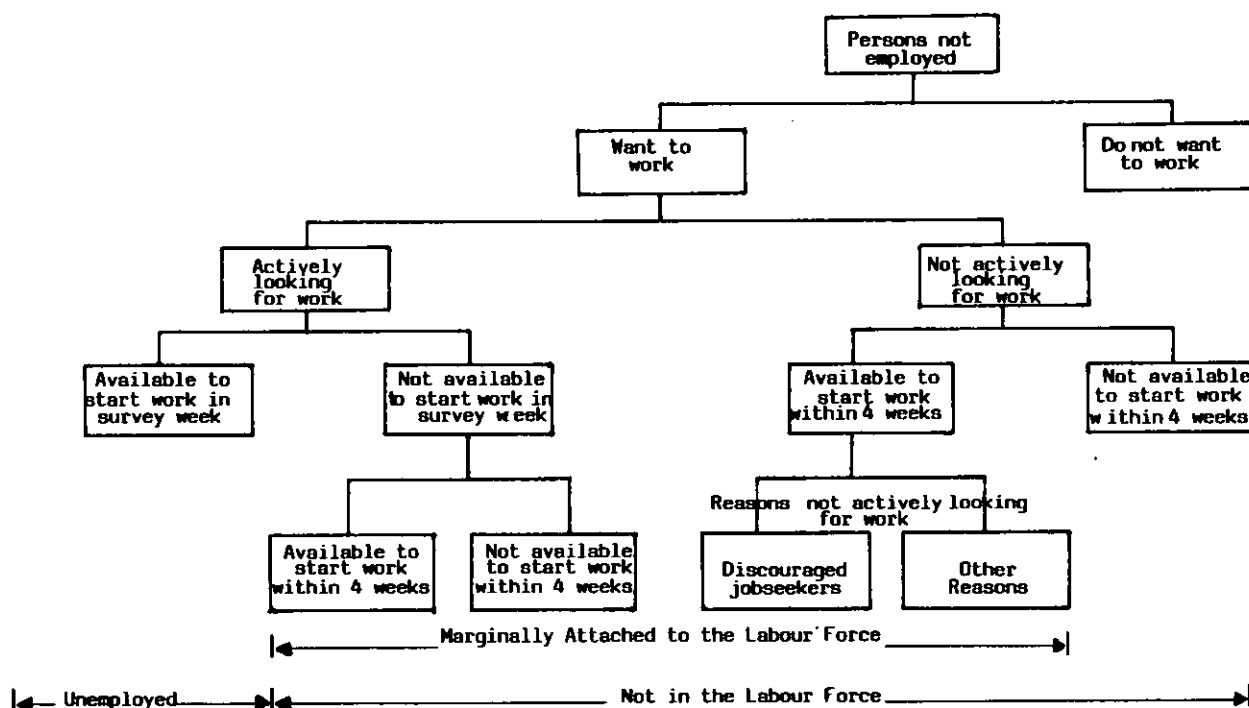
Discouraged jobseekers are defined as those marginally attached who are available for work, but who are not actively looking for work for

reasons considered to indicate discouragement; i.e. those who give their main reason for not seeking work as one of the following: that employers think they are too young or too old; that they have difficulties with language or ethnic background; that they lack necessary schooling, training, skills or experience; that there are no jobs in locality or line of work; or that no job at all is available.

Respondents are asked for all reasons for not looking for work and then asked to identify the main reason. Only the main reason is used for classification purposes.

The marginal attachment model can be represented schematically, as follows.

Figure 3
Marginal Attachment Model



The Northern Territory Labour Force Survey

As indicated in the section on Sample Design and Methodology the nature of the population and its distribution in the Northern Territory provide some special problems for the ABS's Labour Force Survey.

Operational Problems

The unique problems of distances, remote settlements, Aboriginal communities and homeland development and the like, make collection of data in the Territory especially difficult. Not only is it difficult to ensure non-response is kept to a minimum with regular and frequent follow-ups, but inability to contact people selected can be a major problem. This is especially so in the Aboriginal and sparsely settled strata and to the

extent that the populations in these strata have different characteristics from the rest of the population, instability can occur in the estimates from month to month.

These operational problems such as ensuring correct application of definitions through adequate training, and overcoming difficulties for maintenance from population growth in sample areas can be made more difficult in the Territory.

The ABS attempts as far as practicable to reduce the incidence of such problems, but there are always resource limitations in this regard.

Sample Design Problems

Sparsely settled, Aboriginal and small urban areas are represented by small samples and as a consequence rotations or unusual occurrences in the selections included in the survey can have an effect on the estimates. Rotations of selections in the special dwellings sample can also have an impact on the results.

Such problems exist in all sample surveys and ABS monitors such changes and tries to keep the effect to a minimum as far as possible.

Results

Preliminary results of the Labour Force Survey are produced within two weeks of the end of the month to which they relate and more detail is released during the following month. The supplementary surveys conducted along with the main labour force survey include many manpower related topics and information covering the broader concepts in the labour force models referred to above is provided in this way.

Reliability of Results

Two types of error are possible in an estimate based on a sample survey: non-sampling error and sampling error.

Non-sampling error can occur for reasons such as poor reporting by respondents, errors in collection and coding of data or errors in processing data. These may occur in any collection whether a full count or a sample. Every effort is made to reduce the possibility of such errors by ABS, including careful questionnaire design, intensive training and supervision of interviewers and efficient operating procedures.

Sampling error on the other hand is a measure of the variability that occurs by chance because a sample rather than the full population is surveyed. One measure of the likely difference resulting from not including all dwellings in the survey is given by the standard error. There are two chances in three that a sample will differ by less than one standard error from the figure that would have been obtained from a complete collection and about 19 chances in 20 that the difference will be less than two standard errors.

The size of the standard error increases with the level of the estimate, so that the larger the estimate the larger the standard error. However, it should be noted that the larger the sample estimate the smaller will be the standard error in percentage terms. In publications standard errors for estimates for the latest month and for the estimate of movement since the previous month are shown separately. In the Northern Territory where population numbers are relatively small, the relative standard errors are quite high. In many cases this makes drawing inferences about the changes in estimates from month to month quite difficult.

For example, the estimate of total employment in the Northern Territory for May 1985 was 63,600 persons. The standard error for an estimate of this size is approximately 1500 persons. This suggests that there are 19 chances in 20 that the true figure lies within two standard errors, that is between 60,600 and 66,600 persons employed.

Similarly the movement in total persons unemployed between April and May 1985 is estimated as an increase of 1200 persons (i.e. 3900 to 5100), the standard error of this estimate of movement is about 500. Thus there are 19 chances in 20 that the true movement, in this case an increase, is between 200 persons and 2,200 persons.

Any inferences drawn from the survey must take into account such sampling error and in the Northern Territory the small sample size and small level of estimate and movement result in relatively high sampling errors.

References

- Australian Bureau of Statistics. Labour Statistics, Cat. no.6101.0, Canberra.
- Australian Bureau of Statistics. The Labour Force, Australia, Cat. no.6203.0, monthly, Canberra.
- Australian Bureau of Statistics. The Labour Force: Preliminary, Cat. no.6202.0, monthly, Canberra.
- Australian Bureau of Statistics, 1984. Questionnaires used in the Labour Force Survey, Cat. no.6232.0, Canberra.
- Australian Bureau of Statistics, 1984. Employment, Underemployment and Unemployment, Australia, October, Cat. no.6246.0, Canberra.
- Australian Bureau of Statistics, 1985. Population Survey Program, Information Paper, Canberra.
- Australian Bureau of Statistics, 1985. Release of Regional Labour Force Statistics, Information Paper, Cat. no.6262.0, Canberra.
- International Labour Organisation, 1982. Labour Force, Employment, Unemployment and Underemployment, report prepared for the Thirteenth International Conference of Labour Statisticians, Geneva.
- International Labour Organisation, 1982. Resolution of the Thirteenth International Conference of Labour Statisticians, Geneva.

ABORIGINAL EMPLOYMENT - TO WHAT PURPOSE?

Dr Elspeth A. Young
Department of Geography, Faculty of Military Studies
University of New South Wales, Duntroon

Employment statistics, both on a national basis and for specific regions such as northern Australia, clearly demonstrate that, compared with non-Aborigines, Aborigines are economically disadvantaged. Not only do they have low levels of labour force participation (45 per cent of Northern Territory Aborigines were in the labour force in 1981, compared with 75 per cent of non-Aborigines) but they also have much higher levels of unemployment and are disproportionately represented in lower status occupations such as labourers, general service workers or less skilled primary producers. The unsatisfactory nature of this situation has long been recognised and has resulted in a number of measures aimed at improvement. In the past, when lack of Aboriginal participation in the labour force was perceived as a major hindrance to the advancement of the assimilation policy, measures consisted mainly of increasing total levels of employment regardless of the utility of the new tasks performed. Aboriginal acceptance of the non-Aboriginal work ethic - work for work's sake - was regarded as a necessary attribute for members of the majority of Australian society. Today, where advancement is associated with increasing degrees of self-management and self-sufficiency, some measures have been extended to promote education and training so that Aboriginal occupational status rises along with employment levels. But this is by no means universal. Schemes such as Special Works Program (SWP), Community Employment Program (CEP) and Wage Pause Program strongly emphasise the need to increase employment levels alone, and pay only secondary attention to education or training. Even the Community Development Employment Project (CDEP), which, through intensive community involvement, allows for more imaginative choice of occupations and does in some cases encompass jobs with a training component, still places main stress on raising employment levels. It is argued here that, by so doing, these schemes echo the attitudes of the assimilationist era, and continue to ignore Aboriginal aspirations for and perceptions of employment. Because of lack of consultation, Aboriginal ideas about the purpose of employment, both now and in the future, have not been adequately taken into account, and there has been insufficient consideration of the place of these short-term measures in the overall situation. Aborigines themselves recognise these deficiencies and, since their views appear to make little impact, are, as some recent research has shown (for example, Loveday and Young 1984, 136) becoming increasingly disillusioned. This paper, using evidence from a number of recent studies presents some of the issues which Aborigines see as important in understanding the purpose of employment. Although focussed specifically on rural Aboriginal communities, mainly in the Northern Territory, the issues raised are of broader relevance and, it is suggested, should be taken into consideration in formulating appropriate employment schemes for Aboriginal groups.

The Context of Aboriginal Employment in Rural Communities

The contemporary social and economic scene in rural communities creates a context which determines the level and type of employment available, individual access to opportunities and individual understanding of possibilities. This context is a product of the current period, and its

particular policies and resources, and the historical past. Inevitably it varies from one community to another. Aborigines who have spent most of their lives in close association with the pastoral industry have, for example, different experiences and different perceptions from their fellows who have grown up on remote government or mission settlements or who have, in recent times, been heavily involved in the outstation movement. Yet, as a number of recent studies in a wide range of Aboriginal communities (for example, Anderson 1982; Palmer 1982; Stanley 1982; Loveday and Young 1984; Young 1981 and 1984) have shown, there are a number of common characteristics. These include access to resources and the role of public and private organisations in their allocation and development; an emphasis on production through high labour intensity rather than capital investment; limited opportunities for Aborigines to acquire high enough levels of formal education to achieve recognised qualifications; and the close physical attachment of most Aborigines to their own country, an attachment which makes them, as job-seekers, comparatively immobile. All of these characteristics affect the employment context.

Access to Resources and the Role of Public and Private Organisations

Resources which lead to employment generation in rural Aboriginal communities include those of local origin (for example, livestock and fish; minerals; specialist knowledge and skills, as in artefact manufacture; and attributes such as scenic attractions which can be developed for tourism), and those which are derived from elsewhere (primarily funds and other inputs allocated by government for service provision). In most places the impact of external resources on employment and related components of community life is far greater than that of local resources. For example, pastoral enterprises and mineral exploitation, both of which are activities based on local resources, are rarely major employers.

Pastoral enterprises, following the acquisition of some cattle stations by Aboriginal groups, offer obvious opportunities for commercial involvement and the development of some degree of economic independence for Aborigines. But, as has been demonstrated in every case, the number of jobs directly provided by the enterprise (mainly seasonal stockwork) is far below that which could be filled by the available workforce; often derived from populations exceeding 200. And, although ancilliary jobs are also generated (for example, mechanics, bore maintenance gangs, book-keepers etc.) these tend to be limited and, in some cases are supported not through the local resource but by external funds. In this the Aboriginal cattle stations present a contrasting picture to that described by Holmes (1985) for the large non-Aboriginal stations, many of which employ more ancilliary workers than stock workers.

Mineral development, although, through royalties, providing significant financial input into specific communities and to Northern Territory Aborigines in general, also fails to make much impact on employment. For economic and political reasons, there is little opportunity for direct Aboriginal involvement in this highly technical and capital intensive industry and, as Cousins and Niewenhuysen (1984) have documented, lack of appropriate skills and motivation have also prevented them from forming significant sections of the labour force. Although mining companies could, through stronger commitment to training and provision of adequate support and facilities, probably expand the Aboriginal component of their workforce, it is unlikely that this would make much impact on the population as a whole.

External resources which generate employment consist primarily of funds provided for a variety of essential services (for example, health, education, power and water, administration and development, social security). Most are channelled through government agencies, either directly to local organisations, such as Aboriginal councils or housing associations, or indirectly in the form of wages paid to employees located

in the communities but responsible to departments elsewhere. Where local organisations receive the funds they can exert some control over the size of the wage component and thus the employment available; but where funds flow indirectly to the community through the services of individuals employed externally, no control exists, and it is possible for government agencies to make drastic cuts in community employment without much local consultation. In both cases costs, both in wages and for maintenance, have recently risen more rapidly than funding allocations, and employment opportunities have declined. As I have commented elsewhere (Young 1985, 171) this reduction is particularly serious considering the high rate of population growth and the large number of young people entering the workforce. In some Northern Territory communities the total numbers of Aborigines in employment in 1983 was approximately 50 per cent of the numbers in jobs in 1979.

The dominance of external resources over local resources in employment generation equates closely with the roles of the public and private sectors. Most externally supported jobs are controlled by the public sector while the provision of employment through development of local resources is more likely to involve the private sector. In a survey conducted in 15 Northern Territory rural communities in 1983, over 80 per cent of wage jobs were publicly funded and in some communities the proportion approached 100 per cent (Loveday and Young 1984, 49). This has obvious implications for policies aimed at increasing levels of wage employment. Although it may seem that the future lies in private sector growth, this is currently present on only a small scale, and opportunities are limited by lack of resources and isolation as well as by other social, economic and political factors. Dependence on public sector employment, inevitably limited by outside concerns such as the national economic situation, is likely to remain high.

Labour and Capital

Production in rural Aboriginal communities tends to be labour rather than capital intensive. This reflects both the shortage of funds for capital investment and the feeling that maximum employment generation ultimately benefits the widest range of people. Although the origins of labour intensity can be traced to earlier 'make work' assimilationist policies, the practice has been adopted by contemporary Aboriginal organisations. While the resulting increase in individual cash incomes does help to raise Aboriginal incomes closer to the Australian average (although usually still below the poverty line), the policy of employing a large workforce does undermine the profitability of Aboriginal enterprise. In some cases it has caused financial failure and, even in the case of publicly funded bodies like councils, it has led to severe difficulties because funds have been expended long before other essential commitments have been met. Aboriginal organisations attempt to maintain this high employment policy and still remain financially viable. But, if this means that wages are lower than unemployment benefits, people may well see little point in working. CDEP has been affected by this type of situation and can only continue to operate if individual access to unemployment benefit is impossible. As will be discussed later, Aboriginal priorities in employment appear to be on the type of job rather than on work as an activity.

Although work remains labour intensive on the whole, investment in capital for new forms of technology has affected rural communities. Examples include helicopter mustering in cattle stations, the use of micro-computers to keep accounts in stores and offices, and automatically controlled power generators. These developments not only actually reduce the numbers of employees needed but they also introduce a technology for which Aborigines lack the required skills. This means that the number of non-Aborigines needed in upper level positions may in fact increase. Proper training could equip Aborigines for these positions but this will require commitment and co-operation on the part of the different agencies involved

and, as has occurred before, they may well lack the patience to carry out such programs when they are also committed to commercial success. The balance between labour and capital investment, and its effect on employment, is likely to remain very delicate.

Education and Qualifications

Employment is still strongly affected by low levels of formal education and the failure of rural-dwelling Aborigines to qualify for courses which would make their skills professionally recognised. Although specific training courses, for example in teaching and health work, have been introduced they do not qualify Aborigines to work outside fairly rigid guidelines, and, in physical terms, restrict them largely to the rural scene. Professional non-Aborigines have, in some cases, adopted a very rigid attitude to what partially trained Aborigines can do. Some dentists, for example, have not supported the idea that experienced Aboriginal health workers could receive sufficient basic training to allow them to carry out simple extractions when no qualified dentist was available, and similar attitudes within the education department have probably hindered the establishment of outstation schools with Aboriginal teachers. These attitudes run counter to the theme of independence and self-reliance which can be traced through the history of all outback settlements, both Aboriginal and non-Aboriginal. Moreover they ignore the wide range of skills which many Aborigines have acquired, skills which may not be certificated but which coupled with the deep understanding of other aspects of life, make these individuals much more useful to their communities than outsiders with the paper qualifications. In the 1983 survey of Northern Territory communities it was found that over 60 per cent of the Aboriginal workforce had some type of specific skill (Young 1985, 175). And, as other respondents indicated, many people not then employed also had skills which were not currently being used. Employment policies for rural communities obviously should recognise the existence of this untapped talent and, where possible, use it effectively for future development.

Mobility and Attachment to Place

Most Aborigines from rural communities are strongly attached, in both a social and a spiritual sense, to their place of origin, and are comparatively unwilling to move elsewhere except for what they perceive to be very good reasons. Neither lack of jobs at home nor the belief that prospects are good elsewhere may be strong enough reasons for leaving. On the whole Aboriginal mobility occurs for social rather than economic reasons. When these characteristics are considered alongside economic characteristics, such as the lack of local resources, it seems that many rural communities may at present be locked into a situation of almost total economic dependence in physical isolation. And there is no real sign of significant change. On the contrary, although some younger educated Aborigines are leaving to seek work and entertainment in towns like Darwin and Alice Springs, the dominant population movement in recent years has been that associated with the establishment of outstations. In the Central Desert Pintubi, Warlpiri, Pitjantjatjara and Luritja people have moved west, to more and more remote regions which their families abandoned after contact with non-Aborigines. Both old and young are moving. In terms of the employment context this has obvious implications.

These characteristics create a context which imposes limitations on possible improvements in Aboriginal employment - resources, the role of government, the problems of education, lack of finance and many other factors. But recognition of these limitations is not in itself sufficient. It is also necessary to recognise Aboriginal feelings and perceptions about employment, the purpose which they see it fulfilling both now and in the future.

Aboriginal Perceptions - the Purpose of Employment

Aboriginal feelings about employment highlight a number of issues which indicate their concern over both the present situation and the policies aimed at improvement. These include the following:

- that employment should be attuned to community needs and values, not always associated merely with the earning of wages;
- that Aboriginal knowledge and skills be recognised in making appointments to jobs, and that, at the same time, opportunities be available for Aborigines to obtain conventionally recognised qualifications if they so desire;
- that, in general, Aborigines should replace non-Aborigines in the rural workforce;
- that employment be perceived as a component within the broader context of the community, rather than an end in itself, and that policies be formulated with long term needs in view;
- that proper consultation precede project implementation;
- that certain special needs, such as those of young people and women be recognised; and
- that those involved in policy and project implementation take account of inequalities of opportunity, both between individuals and between communities.

Employment and the Aboriginal Community

Aborigines, as Cousins and Nieuwenhuysen (1983, 16) have suggested, are not strongly motivated to do jobs which do not obviously contribute to their own well-being and that of the community. The strength of this view has become more and more clear as Aborigines have assumed responsibility for administration and have exerted more control over their choice of lifestyle. Certain jobs, perceived by past non-Aboriginal administrators as important have now disappeared (for example, cultivation of food crops which did not form an important component in Aboriginal diets, or cleaning up for purposes of 'town beautification') but other tasks of obvious practical value have been encouraged (for example firewood collection, and provision of essential services for outstation dwellers). If tasks are sufficiently important then they will be performed without remuneration. In outstations, for example, individuals maintain water supplies, operate the radio or drive the community vehicle without wages, and, although some may feel that this is unfair when others in larger settlements are paid to do the same tasks, will probably continue to do these jobs while on unemployment benefit.

The Aboriginal emphasis on employment and the community does not stop short at tasks aimed at maintaining services which are part of non-traditional life. Tasks can also arise through traditional activities, such as the accumulation of supplies needed for carrying out ceremonies, and the organisation of ceremonies themselves. All these types of tasks have been expressed by Aboriginal women in the term 'enterprise'

...participation in community life is in itself a legitimate enterprise, and enterprise means doing something for yourself and for others. ... it is therefore employment (Gale 1983, 168).

What people mean here is not that all tasks in the community should be remunerated, but that non-Aborigines should recognise that employment occurs in many forms. Participation in ceremonies does not mean that Aborigines are avoiding work, but that they are doing other work which they consider, for important social and religious reasons, to be more important. It is an argument for allowing far greater flexibility in employment participation, an option which is often adopted by Aborigines who control their own businesses but which is almost invariably severely criticised by non-Aborigines. It is also an argument on behalf of job sharing, a practice which is common on the Aboriginal pastoral properties which may use a pool of 40 or 50 men to provide their stockcamp of ten in a single mustering season.

A related issue is the need to link training to employment. Aborigines have often commented that they see no point in training for a job unless the job is there and needs to be done (Loveday and Young 1984, 28). This viewpoint places training also firmly within the context of community needs, not merely for the sake of educational advancement.

Qualifications for Jobs

Aborigines, depending on their experience and circumstances, have two different but not necessarily conflicting attitudes towards the subject of jobs and qualifications. Some, realising that a wide range of relevant skills have already been acquired by people in rural communities, feel that these skills are sufficient, even if there is no external recognition of their value. They do not want to go through the process of obtaining qualifications as expected in the broader community. Others, perceiving that standard qualifications must be obtained if Aborigines are to hold their own against others, feel that they must try to complete the conventional type of training. But regardless of which view is taken, and both are very important, all feel that Aborigines should get due recognition for the skills which they can contribute, and be given responsibility accordingly. Thus Aboriginal health workers who assume most of the day to day responsibility for running clinics, are highly frustrated when non-Aboriginal patients insist on consulting the non-Aboriginal nurse, even if she is not officially on duty (Loveday and Young 1984, 117). Similarly Aborigines with years of experience in all components of the building trade find it hard to accept positions secondary to young non-Aboriginal bricklayers who may have their trade certificates but who lack both their breadth of knowledge and their insight into many related aspects of the community in which they are working.

Aboriginalisation of the Workforce

In general many Aborigines feel that there are jobs in rural communities which should no longer be held by non-Aborigines. In some communities the feeling is sufficiently strong for people to feel that Aborigines should be occupying posts requiring professional qualifications (for example teachers and nurses), posts demanding managerial and administrative skills (for example community advisor and store manager) and also posts requiring lesser experience. In others people are concerned that the assumption of administrative responsibilities will prove too difficult, and feel that non-Aborigines should remain in these jobs for the meantime, probably with stated training responsibilities. Still others, finding it hard to make the transition from former more paternalistic times, would probably like government officials or missionaries to remain where they are, because they appear to be efficient and their presence saves Aborigines from taking on onerous duties. However, whichever view is stressed, there is no doubt that in most communities there is scope for increasing Aboriginal representation in employment. This would undoubtedly help to increase Aboriginal employment levels. But at the same time it is a process which will not be popular with all non-Aborigines, many of whom are

well aware that, in the present economic climate, their chances of finding equally remunerative and rewarding jobs elsewhere are slim. It is perhaps hardly surprising that non-Aboriginal workers often show little inclination to enlighten their Aboriginal assistants on all aspects of the job, and are still only too ready to assume all responsibility. One of the problems of the various employment schemes is that they operate in the current context, without consideration of whether that context should, as far as the Aborigines are concerned, be allowed to continue. Special works projects involving, for example, house construction, should involve a training component at all levels, with minimal participation by non-Aboriginal outsiders.

Employment and Long Term Needs

Aboriginal stress on the significance of employment in a community context indicates concern with long term needs. For rural communities these needs include the experience to achieve greater levels of self sufficiency and control, and therefore, in terms of employment, include jobs which give Aborigines managerial responsibilities as well as the skills for day to day life. Regardless of whether people are living in outstations, on their own pastoral properties or in Aboriginal towns, the main needs are for construction and maintenance of the basic infrastructure, and for the provision of health, education and other services. This is where there has been some discontinuity between special employment programs, often framed strictly in the present context, and people in the community, enquiring where things will lead to.

Consultation

Adequate consultation between project planners and members of the Aboriginal community is always difficult to achieve. Inevitably most of the contact occurs with community leaders, primarily men and sometimes in positions to view the project as a means of enhancing their own political status rather than as something of long-lasting benefit to many. Many people in the community may be completely unaware that there has been special government assistance to provide more jobs, and thus that the project is temporary. This has been particularly important with CEP. When funding ceases the feeling of disillusionment is stronger than ever and future cooperation for further projects is put in jeopardy. Adequate consultation would also have given planners a much better view of how Aborigines viewed employment and have helped them to avoid some of the pitfalls.

Special Needs

Aborigines recognise that the most disadvantaged group as far as employment in rural communities is concerned is the young adults. Although they have formal educational skills which their elders lack they have very limited opportunities for obtaining satisfactory jobs. Not only are there too few jobs anyway; but those which are available are often deliberately filled by older people with dependents and, as far as employers perceive, a greater sense of responsibility. In addition many younger people see the bulk of community employment opportunities as offering little satisfaction. They feel that they should have the chance to use some of their educational skills. Employment projects should therefore be designed with these needs in view, and in particular take into account long term requirements. Nevertheless, it is unlikely that the aspirations of the ever increasing numbers of young Aboriginal adults will be realised, and it is this group who are already breaking away from the existing social structure, spending periods of time in towns and coming up against more and more situations which disrupt the beliefs and values with which they grew up. It is impossible to predict whether sufficiently large numbers of these young people will remain to provide for the needs of the rural communities of the future.

Inequalities of Opportunity

Aborigines are aware that there are obvious inequalities in employment opportunity between individuals and families within a community, and between communities. In the community these arise because the distribution of jobs to a large extent accords with distribution networks within the social structure. Thus, the families of men with long-term contact with the housing association monopolise the jobs in that field, while health workers or store workers are often closely related to each other. These linkages often occur deliberately, as a method of ensuring harmony within the workforce, and it is usually unwise for outside employers to attempt to interfere. But they do create a situation of which those organising employment projects should be aware, if only to be alert to problems which might arise. Outside employers can probably make more impact on the inequalities of opportunity between communities. In the employment field, as in others, requests for assistance come primarily from the best informed groups, the ones who already know what is going on, and government agencies respond as appropriate. But other groups, possibly in greater need of assistance, never receive the relevant information and never ask for help. Agencies should be aware of this and make particular efforts to contact small groups, especially those on non-Aboriginal owned cattle stations who rarely seem to participate in assistance programs, and whose views on the future and purpose of employment in their communities are scarcely known.

The Purpose of Aboriginal Employment - Towards an Understanding

Aborigines stress that the purpose of employment is to perform tasks of value both to themselves and to the community within which they live; to work merely for the sake of working has little purpose. This perception obviously accords with the activity patterns noted by observers of pre-contact Aboriginal groups, and is not, in essence, very different from the ideals to which most people aspire. It does not, however, necessarily accord with the non-Aboriginal work ethic. This appears to be a main reason why employment generation programs are not always received with enthusiasm in Aboriginal communities. It also partly explains their limited effectiveness. Several measures could be taken to improve the situation.

First, there is a need for better consultation between project managers and Aborigines, so that, on the one side, the Aboriginal perception of employment is recognised and, on the other side, all prospective participants in the scheme are fully informed. Consultation, from the project point of view, should also be extended to communities which appear to be outside the main information network.

Secondly, project planners and managers should recognise not only the past and present context of Aboriginal employment but also, as far as possible, assess the future. This would enable them to equate skills to the types of employment generated, and also to examine those areas where skills could be upgraded so that other positions came into the Aboriginal employment sphere. In addition it would enable them to provide work which hopefully could be used to meet the needs of remote rural communities in the next few decades.

Thirdly, although not all Aborigines have the confidence to actively promote Aboriginalisation of the workforce, it is a process which should be encouraged. It is, after all, merely another example of affirmative action, and is actively sought in several government departments dealing directly with Aboriginal affairs. To be effective it will require support in the form of training and education, and the establishment of advisory services to which people can apply. A major problem with many of the employment generation schemes has been the omission of a training component.

Finally, many of the activities which Aborigines define as work, in both traditional and non-traditional contexts, fall outside the conventional non-Aboriginal definition of occupations with the wage labour force. They will not normally be perceived as potential methods of earning cash. Jobs which are part of the accepted labour force structure, such as teaching, health care or garbage collection are in very short supply. But, in contemporary rural societies, cash is necessary for survival, both for the purchase of food and clothing and for maintaining those aspects of non-Aboriginal technology which are now essential. What is needed, therefore, is a guaranteed cash income which enables people to do the work they wish to do, and at the same time is administered in full recognition of these activities as work. Unemployment benefits and other welfare payments, because of the stigma of non-productivity and reliance on the efforts of others, are inappropriate. Income support schemes appear to offer more acceptable alternatives.

Income support schemes, as far as rural dwelling Aborigines are concerned, are programs which provide a guaranteed cash income while giving people the freedom to carry out those activities which they perceive as priorities at particular times. They accord with the Aboriginal definition of work. Activities could include those with a clear economic contribution, such as hunting or gathering food, or making artefacts for sale, and those which contribute primarily to social well-being, such as the organisation of ceremonies. Most activities of these types are spasmodic, and often seasonal, in occurrence and hence an essential element in income support is that it covers the 'empty' period. Funds for income support can be derived either from public (government) sources, or private bodies. Public funding, in the form of CDEP or bulk payments arranged through the Department of Social Security, is presently the only form of income support available to remote Aboriginal groups. While these schemes have enabled communities to devise occupational structures closer to their perceived needs, they still lock people into a situation of dependency, alien to the aims inherent in the policy of self-management. The only source of private money which might have been used in this way is that stemming from mining royalties. And, until now, that has not occurred. Canada, however, provides an example of this, more independent kind of income support scheme.

Cree Indians in the James Bay region of northern Quebec participate in an income support scheme introduced in the mid 1970s as part of a land claim agreement. Negotiations for the agreement, which ensures Cree rights to traditional land and to hunting and trapping of wildlife for subsistence and cash, arose from the threat of disruption from large-scale hydro-electric development by the Quebec government authority. The income security program, described in detail by La Rusic (1979), ensures that Cree hunters and trappers will have sufficient cash to maintain their way of life not only throughout the year but also in good and bad seasons and in times when prices are low. It is funded by the Quebec government but, since funds are allocated in bulk and are administered independently this system is, in reality, more like that associated with private funding (for example mining royalties) than the conventional system used for public funds. The Cree exert a strong influence on program administration, on deciding levels of funding according to family needs, on determining eligibility criteria for participants and on ensuring that, as far as possible, people maintain some economic self-sufficiency. Moreover, funds allocated for the program are not, by any definition, a hand-out. They are recognised by both Cree and government authorities as part of the agreement, payment for loss of control over much of Cree territory and for the social and economic disruption to their traditional way of life.

Assessment of the early impact of the program indicates some success, although with associated problems. La Rusic (1982) and Feit (1982) agree that the program has enabled Cree to make an acceptable living from activities which they find both satisfying and congenial, and has encouraged younger Cree to learn these skills in their turn. Incomes have at least

doubled in real terms (La Rusic 1982, 101) and the economic situation as a whole has stabilised (Feit 1982, 69). Problems have included an increase in demand for consumer goods, to a level which may be hard to satisfy with the incomes available (Feit 1982, 67), and the removal of the children of hunting families from the formal education system. As La Rusic (1982, 97-99) points out, this limits the occupational choice of the young people and in the end may seriously disadvantage them.

While neither the Cree nor those, such as Feit and La Rusic, involved in implementing or monitoring the program, regard the scheme as a perfect solution, it does provide an important example in considering the Australian situation. It has enabled people to carry on a lifestyle which combines living off the land with living in a more sedentary community, and, within this, to be able to set their own priorities on different activities. It has cut dependence on welfare (although one could argue that it merely exchanges one type of dependence for another), and it is administered with a high level of community input. In remote Australian Aboriginal communities some elements of the scheme would be hard to introduce. For example, land claims agreements in the Northern Territory are based on control of land, not on compensation for loss of control. The latter situation has so far arisen only in connection with mining agreements, and therefore affects only a few Aboriginal communities. For the majority the only source of funding is likely to be the government. What is needed, therefore, is a system whereby remote communities receive the resources necessary for income support, without the stigma of welfare, and with provisions enabling them to establish an appropriate framework for the scheme, and allowing them to be employed to the best possible Aboriginal purpose.

References

- Anderson, C., 1982. The Bloomfield Community, North Queensland, in Young, E.A. and Fisk, E.K. (eds) Small Rural Communities. Vol. 3, The Aboriginal Component in the Australian Economy, 89-156, Development Studies Centre, ANU, Canberra.
- Cousins, D. and Nieuwenhuysen, J.P., 1983. Aboriginal Unemployment in Australia : Its Extent and Policies to Reduce It, Monograph no. M71, Committee for Economic Development of Australia, Melbourne.
- Cousins, D. and Nieuwenhuysen, J.P., 1984. Aboriginals and the Mining Industry : Case Studies in North Australian Experience. George Allen & Unwin, Sydney.
- Feit, H.A., 1982. 'The Income Security Program for Cree Hunters in Quebec: An Experiment in Increasing the Autonomy of Hunters in a Developed Nation State', Canadian Journal of Anthropology, 3 : 1, 57-70.
- Gale, F. (ed.), 1983. We are Bosses Ourselves, Australian Institute of Aboriginal Studies, Canberra.
- Holmes, J.H., 1985. Nucleated rural settlement as a response to isolation: the large cattle station, in Loveday, P. and Wade-Marshall, D. (eds) Economy and People in the North, Monograph, 142-158, NARU, ANU, Darwin.
- La Rusic, I., 1979. The Income Security Plan for Cree Hunters and Trappers. Research and Evaluation Branch, DIAND, Ottawa.
- La Rusic, I., 1982. Income Security for Subsistence Hunters, Research and Evaluation Branch, DIAND, Ottawa.
- Loveday, P. and Young, E.A., 1984. Aboriginal Adult Education, TAFE in the Northern Territory, Monograph, NARU, ANU, Darwin.
- Palmer, K., 1982. An Aboriginal Cattle Station : economy of a community in the north of Western Australia in Young, E.A. and Fisk, E.K. (eds) Small Rural Communities. Vol. 3, The Aboriginal Component in the Australian Economy, 43-60, Development Studies Centre, ANU, Canberra.
- Stanley, O., 1982. An Aboriginal Economy : Nguiu, Northern Territory, Monograph, NARU, ANU, Darwin.
- Young, E.A. 1981. Tribal Communities in Rural Areas. Vol. 1, The Aboriginal Component in the Australian Economy, Development Studies Centre, ANU, Canberra.
- Young, E.A., 1984. Outback Stores : Retail Services in North Australian Aboriginal Communities, Monograph, NARU, ANU, Darwin.
- Young, E.A., 1985. Aboriginal Wage Employment : an Indicator of Participation in the Northern Economy in Loveday, P. and Wade-Marshall, D. (eds) Economy and People in the North, Monograph, 159-177, NARU, ANU, Darwin.

ABORIGINAL UNEMPLOYMENT: GOVERNMENT PROGRAM RESPONSES

John Fox
Aboriginal Employment & Training Branch
Department of Employment & Industrial Relations
Melbourne

A small but growing segment of the Aboriginal population has established itself within the general community in a range of occupations from the professions to the trades; another, while seeking access to the benefits arising from secure and stable employment, is not able to find the jobs or the acceptance in the general social structure that it seeks. Value systems of these groups in terms of attitudes to employment are not significantly different from non-Aboriginal society.

There are however, legitimate differences in value systems in relation to work between the non-Aboriginal and still large elements of the Aboriginal community. Modest money income requirements of the traditional lifestyle and the importance of performing clearly delineated social functions contribute to an often low value being placed by many Aboriginal people on western styles of employment.

Nevertheless, western civilisation is continuing to penetrate the most remote communities and increasingly the performance of community subsistence functions is requiring higher levels of work skills. Moreover the demand for new goods and services is giving rise to a need for income-generating employment.

Aboriginal people have a long history of independence. Given the opportunity they will prefer to contribute to their own sustenance rather than to rely on income maintenance payments. Given the appropriate training environment, the people will seek to learn new skills and to use them in a manner consistent with their lifestyle, but for cultural and social reasons the preference will tend to be to work within their immediate community, rather than the labour market proper, or with other Aboriginal people.

Successive governments have established a range of employment and training programs - currently valued at around \$100m - to respond to high levels of measured Aboriginal unemployment; these programs do not necessarily reflect the observations I have just made, nor is there a clear delineation of the scope of each program or the relationship between them. There has been no comprehensive statement of direction or purpose in relation to Aboriginal employment other than to espouse a requirement for a reduction of the incidence of unemployment. The task has been laid before the Committee of Review of Aboriginal Employment and Training Programs chaired by Mick Miller.

The role of the Department of Employment and Industrial Relations (DEIR) has been primarily in the area of wage-subsidised training and the placement services of the Commonwealth Employment Service (CES).

Following carriage of the 1967 Referendum on the status of Aboriginal people the Department established specialist Aboriginal employment units and the Employment Training Scheme for Aboriginals (ETSA) was introduced.

The budget in 1969/70 for this program was \$24,428; by 1973/74 this had grown to \$520,000.

In 1974 ETSA was subsumed under the National Employment and Training System (NEAT) but with all special provisions of ETSA retained.

In 1977 the broad-ranging National Employment Strategy for Aboriginals (NESA) was introduced. This mix of program measures led to an expansion of training, through full wage subsidies in Commonwealth and State Departments and Authorities and organisations more than 50 per cent funded by Government; it also put in place a range of measures aimed at improving Aboriginal employment in the public and private sectors, and under Commonwealth contracts. Responsibility for monitoring the strategy was not clearly identified and its impact in many areas was quickly diluted.

In 1982/83 the various program elements of the CES's specialist program of assistance to Aboriginal people were separately identified into the Training for Aboriginals Program (TAP).

TAP has a budget for 1984/85 of \$53.4m. This represents real growth in the program of over 600 per cent since 1977 when expenditure in actual dollar terms was \$4m. Staffing growth reflects this program growth. In 1970 some 28 specialist field staff were appointed to the new Aboriginal employment units to service major centres of Aboriginal population including those remote from industrial/commercial activities and the normal services of the CES. There are currently 172 specialist field staff positions nationally (100 in 1977) which are supported by 42 (32 in 1977) administrative positions in Regional Offices and 17 in Central Office.

The introduction of specialist staff was not intended to relieve responsibility of general CES staff for Aboriginal job seekers but rather to meet the particular needs of Aboriginal people who could not or would not use the normal services available.

The level of assistance provided is based by governments on the existence of measured levels of unemployment of around 50 per cent and the serious under-representation of Aboriginal people in the workforce (0.65 per cent of the labour force compared to 1.05 per cent of the population).

Aboriginal people made up some 2.6 per cent of CES registrants at the end of June 1984 but accounted for 7 per cent of the 156,000 placements assisted through the CES network in 1983/84 under a range of DEIR labour force programs. TAP accounted for 10,250 of that 7 per cent of total placements with the balance of 846 under mainstream programs, such as Special Youth Employment Training Program (SYETP).

The diversity within the client group and dimensions of the issues is recognised by the range of seven sub-programs within TAP, and by the degree of discretion left to decision-makers in the field. Furthermore, the flexibility of TAP allows packages of assistance to be tailored to meet the needs of particular individuals. Program responses are available for each significant stage in labour market participation including:

- career planning or advice
- work socialisation
- task or job training
- skill upgrading or re-training

The strong growth in TAP in recent years has been shared evenly between the public and private sectors although average monthly in-training figures show some dominance in the public sector area from early 1983. Major contributors to the growth of opportunities in the private sector area have been the high subsidies available under Work Experience and

Negotiated Fee. Special Course assistance has grown substantially in the last two financial years.

Much of the strength of TAP is in the full wage subsidy areas of Public Sector Training (PST) and Work Experience which have relatively high completion rates (53 per cent and 61 per cent respectively in 1983/84) and higher proportions of approved time used (66 per cent and 58 per cent). For TAP as a whole, the percentage of time used compares reasonably well with usage of other labour force programs by other disadvantaged clients.

With regard to special groups of Aboriginal clients an analysis of 1983/84 data has shown an unexceptional application of program assistance between the sexes and an even application across age groups.

TAP provides a more even distribution of assistance across age groups than do Departmental labour force programs generally. Young people have a high share of multiple placements. While it is important not to lose sight of the need to assist all elements of the disadvantaged group, recognition has been given in the 1984/85 TAP Strategy to the need for early intervention for youth and to the relative youthfulness of the Aboriginal population. Current policy is to seek some expansion of the use of the Work Experience element for young school leavers (although it is noted that 47 per cent of placements in that sub-program already go to 15-19 year olds).

Program use shows marked differences between regions which will require further analysis. Some of the features are:

- NSW - heavy reliance on PST and Formal Courses (72 per cent of all that Region's placements);
- WA and SA - prominence of special courses (17 per cent and 18 per cent respectively);
- NSW and Queensland make proportionately heavier use than the other major regions of multiple placements although Qld also has a high dismissal rate;
- While it is not entirely helpful, it may be useful for discussion purposes to note that the NT places relatively few people under TAP in relation to its share of registrants.

There are some obvious comments begged by some of these observations, such as the importance of actively canvassing registrations even where employment opportunities may be limited.

The metropolitan/non-metropolitan distribution of TAP placements (31 per cent and 69 per cent respectively in 1983/84) accords broadly with the distribution of Aboriginal people registered as unemployed (21 per cent and 79 per cent). The activity is likely to be concentrated in the larger provincial centres and smaller country towns given the wage subsidy basis of the program.

An important aspect of the Department's role in the delivery of the program is the requirement of careful matching. While a number of caveats apply to the results from our embryonic post-program monitoring system, analysis does indicate that an unsubsidised or subsidised employment result after training is more likely from completed placements than those not completed. Effective matching and active monitoring of progress during training are important to maximise the impact of assistance.

Ineffective matching can be indicated by the incidence of repeat placements. While one-third of clients undertaking two placements were repeating the same type of assistance, those represented only 9 per cent of

all clients placed suggesting this delivery problem is comparatively small for a heavily disadvantaged group.

Poor completion rates reflect unpredictable personal difficulties faced by participants but may also suggest bad matching. Here the attention needs to be paid by CES to people placed in longer periods of training which are less successfully completed than shorter periods under Work Experience and on Special Courses.

But, and it is a big but, our employment and training programs are based on wage subsidies and are of limited value for the 59 per cent of Aboriginal CES registrants who live in rural, fringe and remote areas or communities with extremely limited access to employment opportunities in the normal sense. The concentration is particularly pronounced in WA, NT and Qld where almost 50 per cent of registrants reside in remote areas or communities. Money incomes are typically from welfare payments supplemented by seasonal work wages, and any regular employment is typically government funded.

In 1983/84, some \$340m was provided to Aborigines by way of direct Commonwealth programs and services in addition to Federal welfare payments. Almost all of these funds would have flowed immediately out of the community in consumption expenditure or as payments to non-Aboriginals involved in service delivery. It is vital that an increasingly greater proportion of the money incomes particularly of remote Aboriginal communities and individuals be circulated within the community to purchase locally produced goods and services thereby maximising the employment impact of each dollar. Similarly, 'export' income needs to be developed to reduce dependence on government funding.

While the wishes and capacity of the Aboriginal people in respect of the pace of this development must be paramount, there is a responsibility on them and their advisers, if they wish to share in national economic growth, to move to develop self-sustaining economic activities and reduce their dependence on welfare benefits. This Department recognises that there is already a strong demand from large sections of the Aboriginal community to fulfill this role. Government must in turn radically adjust its own thinking so that it seeks to become, in the long term, less a provider of welfare support and more an agent for technical and financial services to facilitate such a move to self-sufficiency.

Existing employment and training programs, if better targetted and coordinated, have the potential to address the issue of the absence of job opportunities but, given their at best ambiguous role in this regard, some attention needs to be given to the overall involvement of government in direct employment generation by Aboriginal people as an essential part of or as an adjunct to labour force program activity.

The traditional role of DEIR has been in the delivery of employment training programs and the placement and related functions of the CES. The Wage Pause Program and the Community Employment Program (CEP) have established a role in job creation to assist the long term unemployed and the full and partial wage subsidies available under TAP have begun to be used to link the training needs of Aboriginal people with enterprise formation or the expansion of businesses in areas of high Aboriginal unemployment.

The lack of a clear strategy and ineffective or non-existent coordination of the efforts of various agencies has added to the confusion.

The Department of Aboriginal Affairs (DAA) has undertaken job creation through CDEP and SWP, although the job creation, training and community development roles have been confused.

The Aboriginal Development Commission (ADC) has statutory responsibility for the economic development of Aboriginal people but its role has been restricted to date to enterprise funding. The House of Representatives Expenditure Committee has urged the Commission to consider the employment and training potential of its activities and preliminary discussions have commenced with DEIR.

The orientation of TAP has been towards the labour market needs of the individual; very limited recognition is given in the CES Manual to the role of TAP in relation to groups. These groups or communities can include people in town camp and urban environments as well as those in remote areas.

Field staff have come to appreciate the significance of wage subsidies and in providing assistance to those communities which are remote from other employment opportunities and which wish to launch new enterprises or initiatives. While such a role may be consistent with the training needs of the individuals concerned and with self-management and broad economic development policies, TAP is not designed for community economic development or job generation.

The expansion of the Negotiated Fee sub-program element of TAP as part of the 1984/85 TAP Strategy, was explicitly aimed at addressing the needs of clients in areas where employment is scarce and an employment development approach is necessary. Field staff are encouraged to use Negotiated Fee training where the subsidy could contribute to the creation of additional jobs in existing industries. They are also encouraged to assist Aboriginal organisations, groups and individuals who wish to develop long term income-generating projects or businesses in which a negotiated fee, on a sliding scale, might off-set the cost of untrained personnel while recognising their increasing contribution to profitability. Results for 1984/85 suggest a dramatic increase in use of the sub-program with in-training numbers up by more than 100 per cent.

The primary role of CEP including the Aboriginal component is to develop the work experience of the long-term unemployed rather than to directly foster the economic development of remote Aboriginal communities although the program does aim to lead to the provision of facilities and services of lasting community benefit. Some priority is given under the CEP guidelines to projects that have the potential for providing continuing employment after CEP funding ceases. The program can provide assistance with equipment and accommodation. There is potential to use these aspects of CEP as seed funding for on-going enterprise development with businesses assisted, after CEP funding ceases, by elements of TAP. Significant limitations are the inability to use TAP for individuals to acquire basic skills immediately prior to their participation in CEP, and the average duration of CEP jobs of around 6 months restricts its usefulness, even in conjunction with other programs, for employment generation in the longer term.

The main elements of an employment generation strategy are:

- EEO or Positive Discrimination by Employers
- Direct Job Creation Programs
- Enterprise Development.

Firstly, in relation to the EEO policies of employers, this Department believes that the serious disadvantage of Aboriginal people in the labour market cannot be corrected by wage subsidies alone; opportunities will not come without positive discrimination policies especially in the public sector. The most obvious area in which the employment potential for Aboriginal people can be maximised is in the delivery of those government programs and services directed at Aboriginal people. DEIR is firmly committed to implementing Government policy in relation to the EEO program. A further example of positive discrimination is in the area of Commonwealth

contracting. A significant contribution could be made to Aboriginal employment if public works proposals in rural or remote areas took account of the real or potential Aboriginal labour market. A major exercise has been undertaken in relation to the construction of the Tindal RAAF base near Katherine.

Several components of the second element, Direct Job Creation, are CEP, CDEP and SWP. These programs, if used in conjunction with the others, including TAP, can play a role in allowing Aboriginal people to develop the skills and the capacity to participate in permanent jobs which ultimately have to be funded from other public or private sources. The problem is that CDEP is directionless in terms of employment outcomes and CEP jobs are very finite. A new job creation program is required, specifically tailored for Aboriginal communities.

Finally, although limited by distance from markets, resource base, access to capital and community size, the Enterprise Development part of the strategy has the attraction of reducing dependence on income maintenance payments and increasing the scope for self-management and relative self-sufficiency. Some Aboriginal communities and organisations have developed a capacity to tender for government and private sector contract work. A plant operator training course was conducted by DEIR in 1984 in the Kimberley Region, in conjunction with the WA Building and Construction Industry Training Committee and the Western Australian Main Roads Department. Participants subsequently were successful in tendering for maintenance of the Broome/Lombadina/Beagle Bay main access road. This contract should provide on-going employment for some members of these communities. DEIR through TAP can play a role in developing management and workforce skills in such groups but it is dependent on the ADC to provide working capital or loan guarantees and to assist with company formation.

The Miller Review will emphasise this program deficiency in the area of employment generation. While many Aboriginal individuals and groups are perfectly able to make investment decisions, many still need to learn the hard way - by trial and error. Paternalistic bureaucracies must stop trying to make all the decisions for Aboriginal people and start allowing them to discover what they can do. As I said earlier, Government must radically adjust its own thinking and become less a provider of welfare support and more an agent for technical and financial services to facilitate a move to self-sufficiency for Aboriginal people.

The views expressed do not necessarily reflect those of the Minister or the Department of Employment and Industrial Relations.

A CRITIQUE OF ABORIGINAL EMPLOYMENT AND
TRAINING PROGRAMS

Robert Castle,
Senior Lecturer, Economics,
The University of Wollongong

and

Jim Hagan
Associate Professor, History,
The University of Wollongong

Aboriginal unemployment remains one of the severest social and economic problems in contemporary Australia. It is at least five times greater than for the workforce as a whole and has increased even faster than overall unemployment during the past decade. Aboriginal unemployment is worst for youths and females and is particularly acute and obdurate in non metropolitan regions. This absolute and relative deterioration in the labour market position of Aborigines has occurred despite the existence of the National Employment Strategy for Aborigines over this period. Although there is some evidence of qualitative improvements in job opportunities for Aborigines, these have benefitted only a minority. In this paper, we examine some structural aspects of Aboriginal unemployment and its causes. We also examine the relevance and effectiveness of existing programs and strategies and finally suggest some changes in the light of the problems identified. In doing so, we relate our analysis to the Kirby Report (Kirby Report, 1985). Our analysis is mainly applicable to those Aborigines seeking western style work but many aspects of training and recognition of skills acquired are also a problem in remote communities.

Structure of Aboriginal Unemployment

In the past decade, Aboriginal unemployment deepened as Aborigines were particularly hard hit by the collapse of full employment after 1974. Reliable estimates remain hard to come by, but even using Census data it can be established that Aboriginal unemployment rose between 1976 and 1981 and that workforce participation rates fell. Despite the apparent undercounting of Aborigines in the 1981 Census, recorded Aboriginal unemployment was about five times higher than for the population as a whole (24.9 per cent as against 5.6 per cent). In addition, there has been a tendency for participation rates to fall further from already low levels, indicating an increase in hidden unemployment through discouragement of job seekers. The participation rate is defined as the rate at which members of the Aboriginal population over 15 years undertake, or seek employment for cash payment or payment in kind. In the five years between the 1976 and 1981 Censuses, the participation rate in NSW fell by two per cent overall with the fall for males (-4.0 per cent) exceeding increases for females (+1.6 per cent). The participation rate for Aboriginal females remained 33 per cent below that for non-Aboriginal females, whilst for males the difference

was 16 per cent. Not only did employment fall but the numbers regarding themselves as being in the workforce fell also.

The sharpest drop in male participation rates was in the 15-19 year age category which fell from 55.3 per cent in 1976 to 44.05 per cent in 1981 whilst the participation rate for females in the same age group rose from 41.8 per cent in 1976 to 55.1 per cent in 1981 (Castle et al., 1983). This suggests that a greater portion of Aboriginal male youths were staying at school or participating in higher education. Nonetheless, the low participation rates strongly suggest that there is considerable hidden unemployment within the Aboriginal population which is not reflected in official reports.

Unemployment for both males and females and in all age groups was substantially higher in areas outside metropolitan areas, although there was a substantial fall in the recorded Aboriginal labour force in the cities. In NSW for example, both the absolute numbers of people unemployed and the rate of unemployment rose in the rest of the State, whereas the numbers unemployed and the size of the labour force fell in Sydney. This suggests substantial migration out of Sydney in response to falling job opportunities. Added to the regional nature of Aboriginal unemployment, this made finding remedies more difficult.

Since mid 1983 the operation of the Community Employment Program (CEP) has had a major impact on Aboriginal unemployment. In NSW over 2,200 Aborigines have been employed under the CEP - approximately 11 per cent of all CEP workers (figures supplied by NSW Department of Employment and Industrial Relations, May 1985). However, these jobs are by their very nature impermanent and do little to improve longer term employment prospects.

Yet for many Aborigines the CEP has provided their longest periods of continuous employment since the demise of the Regional Employment Development Scheme (REDS) in 1975. Job creation schemes are particularly important for Aborigines in non-urban areas but under their current requirements their long term contribution to improved employment opportunities is doubtful.

The underlying levels of Aboriginal unemployment remain well above the rates for any other group in the Australian community. It is particularly acute for women and youths and is worse outside metropolitan areas. Despite government efforts to promote Aboriginal employment over the last decade, participation rates have fallen and hidden unemployment adds to the problem. What then has caused this deterioration?

Causes of Increased Aboriginal Unemployment

In eastern Australia the employment of Aborigines in the white economy began soon after white settlement. The nature of this employment was a product of subjection by white society and the requirements of rural capitalism in its various stages of development. The process of Aboriginal incorporation into the white economy was enhanced by the policies of various governmental agencies; in NSW, the Aboriginal Protection Board and its successor, the Aboriginal Welfare Board, sought to force Aborigines into the workforce to minimise government spending on their welfare. These policies were only successful in a few areas, notably on the coast.

The work which Aborigines did was usually rural and seasonal. Even if reasonable incomes could be earned when working, the benefits were reduced by the periods of idleness which followed the end of the season. Aborigines performed an important role in the rural workforce, although this was rarely acknowledged. They acquired and possessed work skills which were in demand in a rural-based economy.

Being at the bottom of the workforce pyramid, Aborigines have always been severely affected by downturns in the economy. The depressions of the 1890s and 1930s resulted in official measures designed to make them less able to compete for jobs with white workers. In the same way the long downturn which began in 1975 has had its greatest effect on the Aboriginal workforce.

In the past, full employment has been essential for Aborigines to make real economic gains. In the twenties and again in the forties and early fifties, full employment for the general population led to relatively low rates of unemployment for male Aborigines. It appears that officially recorded unemployment among rural male Aborigines in NSW in the forties and early fifties could have been as low as five per cent on average (Castle and Hagan, 1984).

Aborigines were concentrated in low paid rural jobs, and although much of their work required high levels of skill, these skills were picked up informally and were not easily transferable to other jobs. Aborigines were particularly vulnerable to the economic changes which have taken place in Australia since the 1960s, since so many were rural workers lacking formal education and training.

Increasing mechanisation in rural industries has caused a sharp fall in the numbers employed in them. In the fifties and sixties, rural whites migrated in large numbers to the cities where labour was scarce and jobs were increasing in manufacturing, building and service industries. Although technological change was occurring, there was still a substantial demand for semi-skilled and unskilled labour in these industries.

Many Aborigines also moved to the cities at this time, but the majority remained in the country where jobs became increasingly scarce. Even those Aborigines who did move to the cities found that jobs were not always easy to get as city employers paid more attention in hiring to formal education and qualifications. Technological changes made it increasingly difficult for Aborigines to obtain regular urban employment, whilst racism combined with general economic decline in rural areas to prevent Aborigines obtaining jobs in the growth areas of the service industries.

The recession since 1975 has compounded these trends, and brought about the unemployment crisis which exists among Aborigines today. The decline in manufacturing industry has cut off an important source of employment for unskilled labour in the cities, whilst the drought (1980-83) further reduced employment opportunities in the country.

However, some Aborigines have moved into quality jobs in the service sector of the economy in the last decade. Increased government spending on training and education has opened up new economic prospects for some Aborigines and this has had important implications for the cause of Aboriginal advancement. But these policies were never designed to cope with the type of mass unemployment which now exists among Aborigines and failed to deal with the collapse of the Aboriginal labour market which occurred after 1975.

An Evaluation of Existing Programs

The National Employment Strategy for Aborigines (NESA) and its associated employment and training programs were developed towards the end of the long post-war boom which ensured almost full employment in the community for over three decades. Unemployment among Aborigines was much higher than for the rest of the community, but there was still a large number of rural seasonal jobs available for them. In this situation, the

main problem was how to improve access for Aborigines to better paid, more stable jobs which would improve life chances for Aboriginal people and increase their confidence and independence by freeing them from the poverty imposed by irregular employment. The programs were designed to assist Aborigines to obtain additional skills, both formally and on the job, which would enable them to obtain and retain full time employment.

The recession which began in 1974 undermined the key premise of that type of strategy: full employment. Employers were always most willing to consider minority groups for employment in primary labour market jobs in periods of labour shortage. When there is surplus labour, the ability of minorities to improve their workforce position is severely reduced, especially if programs are introduced to help other disadvantaged sections of the workforce.

For Aborigines the end of full employment occurred at a time when far reaching types of job-reducing technological changes were occurring in those rural industries which had traditionally been the base for Aboriginal employment. These twin effects resulted in the collapse in Aboriginal employment which occurred in the seventies. Officially recorded unemployment among Aborigines reached over 30 per cent, whilst unofficial estimates ranged up to twice that amount.

NESA was never designed to cope with this type of mass unemployment, although it has been of undoubted benefit to some individuals. However, those who are most likely to benefit are usually those who are the most able, educable, mobile or geographically well placed: i.e. those who would be most likely to get jobs under normal circumstances. The emphasis on job training was designed to enable Aborigines to move from the 'secondary labour market' to the 'primary labour market' (Piore, 1972). Secondary labour market jobs are irregular, low paid, unpleasant and require few specific skills. In the past, most Aboriginal jobs were located in this sector, and attitudes and habits of work developed by employees in this 'secondary' sector have long been recognised as a major barrier to disadvantaged workforce groups, such as Aborigines, securing jobs in the 'primary' labour market sector.

By contrast, jobs in the 'primary' sector are stable, well paid, promote identification with the job or employer, and operate through systems of promotion and rewards. Some authors such as Lester Thurow maintain that access to these jobs depends on formal qualifications which employers use as a guide to the ease of training a new employee. Thurow maintains that 'primary' jobs require a high degree of on-the-job training which is usually specific to that particular job or firm. Hence, on-the-job training is an automatic feature of 'primary' labour markets, even for apparently unskilled positions. In the light of these theories, it is difficult to see how existing NESA programs which emphasise on-the-job training can really assist Aborigines to improve their labour market position.

If qualifications are most important in providing access to 'primary' jobs, then a program which provides trainees with only on-the-job training which is not readily transferable to other jobs or employers is of little benefit to most Aborigines. These programs merely provide a bureaucratic framework to pay a subsidy which ensures what most 'primary' sector employers would do anyway, i.e. train a new employee to fit their own requirements. Work experience and on-the-job training per se will not assist most Aborigines to get 'primary' jobs, as these are not the major characteristics which employers in the 'primary' sector seek. This goes some way towards explaining why the effect of existing programs on overall levels of Aboriginal employment has been minimal, despite the expenditure of \$176 million between 1978-79 and 1984-85 on the provision of about 40,000 training places (table 1).

Table 1

Expenditure on trainees engaged in trainee program for Aborigines:
Australia 1978/79 to 1984/85

Year	Expenditure
1978-79	13.9 m (Est.)
1979-80	13.62m
1980-81	13.92m
1981-82	19.04m
1982-83	24.6 m
1983-84	41.0 m
1984-85	50.9 m (Est.)
	\$176.98m

Source: Department of Employment and Industrial Relations

In recent years, the emphasis within training programs has switched from private sector on-the-job training to public sector on-the-job training, and other training (table 2). The majority of training places were in the private sector, but both the number and proportion of private trainees fell between 1979 and 1982. The majority of private placements are now in short work experience programs. Negotiated fee training in the private sector accounts for only 8 per cent of placements. Hence private sector on-the-job training is on average of shorter duration than public sector training, which further reduces its potential benefits. This seems to reflect a growing lack of interest by the private sector in the provision of training for Aborigines.

The relatively low rates of subsidy paid (\$69.30 per week for an adult in 1982 and \$50.80 per week for a junior in 1982), and the necessary requirements of the CES in ensuring that a trainee received proper training in these programs deterred private sector involvement. Especially for small firms, the bureaucratic requirements are too great to encourage participation. Even worse, the alleged inability of local councils to give adequate training has been cited as a reason for excluding that potentially important employer of Aboriginal workers from the more generous public sector training schemes and restricting them to the less generous private sector schemes.

There is also dissatisfaction with the operation of the public sector training schemes. In particular, the demand that training only be offered if there is a reasonable expectation that continued employment will follow training (e.g. NSW Report from the Select Committee of the Legislative Assembly upon Aborigines, Section 28) is a further indictment of the uselessness of such training. It implies that the training received in most cases is organisationally specific and does not improve the labour market position of the trainees except within the organisation where the training takes place.

There is evidence of a high degree of scepticism within Aboriginal communities about the usefulness of existing training programs. The apparent decline in the number of Aborigines with qualifications reported in the 1981 Census may also be reflection that the people concerned place a low value on the type of training which they have received.

Table 2

Aborigines in training programs by type of program
Australia 1979/80 to 1981/85

	On-the-job training in public sector %	Other on-the-job training %	Formal training %	Other training %	Total
1979/80				(Est.)	4,000
1980/81					4,896
1981/82	1,398 (30)	2,234 (48)	(a) 847 (18)	150 (3)	4,629
1982/83	3,051 (39)	3,401 (44)	1,032 (13)	(b) 315 (4)	7,799
1983/84	3,485 (38)	1,500 (16) (3,811)(41)	1,004 (11)	(c) { 3,268 (35) (957)(10)	9,257
1984/85				(Est.)	10,502

(a) In 1981/82 the total of 847 included those whose training was arranged through Special Projects.

(b) This figure applies to Special Projects only - no other figures given.

(c) The top figure given in 'other training' includes Special Projects, Mode (which includes formal and on-the-job training in both the public and private sectors) and Negotiated Fee Training. Negotiated Fee Training is a form of private on-the-job training. If it is included in the 'other on-the-job training' the figure for this category increases to 3,811, and 'other training' decreases to 957 (the figures given in brackets below the original figures).

Source: Department of Employment and Industrial Relations. Annual Reports, Report of the Committee of Inquiry into Labour Market Programs, p.72.

The increased employment of Aborigines in the public sector in recent years owes more to the introduction of new policies on Aboriginal employment by Commonwealth and State governments and the operations of Anti-Discrimination and Equal Opportunity legislation than to the operation of the training schemes. The public sector training schemes operating with subsidies up to 100 per cent have undoubtedly encouraged the expansion of Aboriginal employment, especially amongst State governments. However, the subsidy has probably been the most important factor in attracting the participation of many public sector organisations. As all organisations provide some type of training for new employees, the need to require this for Aboriginal employees is dubious. If it is felt that without this training the employees will be discriminated against, this is a case for Anti-Discrimination action rather than on-the-job training programs, if Aboriginal employees within the public sector are disadvantaged. The Report, Aboriginal Employment in South Australia, as well as the Censuses of Aboriginal Employment by the Commonwealth and NSW Public Service Boards,

show that most Aboriginal public sector employees are in relatively low-paid positions, lacking permanency. This was in part due to the failure of Commonwealth and State governments to agree over the funding for the employment of those delivering Aboriginal services, but also reflects the lack of formal qualifications of many of those employees. This inhibits their ability to gain promotion within their organisations, and restricts even their internal labour market chances.

Alternatives to Existing Aboriginal Employment and Training Programs

The recommendations made in the Kirby Report highlight some of the deficiencies of existing approaches. The committee emphasised that 'labour market programs by themselves cannot resolve our labour market problems' (Kirby Report, 1985, 3). It also recommended that greater emphasis be placed on formal training in conjunction with on-the-job training, and placed special emphasis on the development of 'open access to structured and recognised training for all groups', including those in remote areas.

Aboriginal unemployment cannot be easily reduced through on-the-job training programs and too much emphasis has been placed on them in the past. For those able to take advantage of it, training which leads to the acquisition of formal qualifications is the best way to improve their access to jobs in the 'primary' labour market. It can be argued that there are already ample opportunities available for those Aborigines who wish to obtain formal qualifications under existing programs, but that lack of educational attainment excludes Aborigines from obtaining entry to formal courses. Nevertheless we believe that greater efforts should be made in areas such as apprenticeship, especially within the public sector, and the development of special courses with the TAFE and CAE sectors. In NSW the course run for Aboriginal trainees in the National Parks and Wildlife Service, which combines coursework with on-the-job training, is a good example of what can be done in this way.

It should also be possible in conjunction with colleges to design Associate Diploma and Diploma courses for Aboriginal employees in public service and administrative positions. These could be designed to enhance written and administrative skills and in particular would assist and provide qualifications for Aboriginal public servants concerned with delivery of services to Aboriginal people. This could help reduce the stress suffered by such employees (Zwang, 1984) and provide them with a more portable type of qualification. More emphasis should be placed on the establishment of suitable entry requirements for Aborigines to such courses, and we have previously recommended greater emphasis on pre-entry training to increase their chances of gaining admission to occupations where entry is by competitive examination.

We believe that there should be greater involvement of educational institutions in Aboriginal training programs. This should not be in isolation, but through a formal body involving educational institutions, the Department of Employment and Industrial Relations, employers and Aboriginal organisations, in an attempt to design job-relevant courses which might ideally combine work experience and formal courses leading to a recognised qualification. Part of the resources currently applied to on-the-job training should go on extension services (tutors, libraries, audio-visual and computer resources) to support external courses so that Aboriginal people can obtain their qualifications near their current places of employment and residence.

Private sector on-the-job training should be replaced by a subsidy program for Aboriginal employees, at more generous levels than apply at present. If a major aim of Aboriginal employment programs is to increase employment, then a graduated scale of subsidies would be more attractive to

employers than existing programs. The extent of the problem of Aboriginal unemployment and the high levels of expenditure on social welfare benefits would suggest that a subsidy of 75 per cent of wages and on-costs should be paid in the first three months, 50 per cent in the second six months, and then 25 per cent for up to two years in some areas. The money paid to employers could in certain circumstances be refunded in whole or part by the employer if employment ends through no fault of the employee. This would provide a longer period in most cases for employers to provide whatever on-the-job training they see fit, and make a stronger bond between employer and employee.

This might serve to overcome the increasing resistance of employers to existing programs, and in particular remove the barriers to local government participation in them. Doubts about the type of training which local councils might provide has been a major handicap which has led to the virtual exclusion of local government from Aboriginal training. In view of their importance as employers in areas of large Aboriginal population, the use of subsidy schemes for local government bodies could materially assist Aboriginal employment especially in non-metropolitan districts. Schemes of this kind should be combined with State government requirements for local government agencies to provide a Census of their Aboriginal employees each year, and pressure to achieve employment targets through an Equal Opportunity Program.

Further media campaigns to boost awareness of the need to create job opportunities for Aborigines, such as those carried out by NADEC, should accompany expanded and more generous Aboriginal employment subsidy. Despite the lack of an independent evaluation of the success of such programs, they do seem to have assisted Commonwealth Employment Service officers to increase Aboriginal referrals and placements. There is some scepticism in Aboriginal communities about their success and little hard evidence to show an increase in permanent jobs resulting from them. However, the campaigns did raise awareness of the employment needs of Aborigines for both employers and the CES staff, and may have increased the confidence of Aborigines seeking work.

In summary, we believe that a change in emphasis from on-the-job training to the acquisition of formal qualifications specially developed to meet the needs of Aborigines in employment, and an expanded subsidy program, would be beneficial. It would provide greater benefits through increasing Aborigines' chances in the labour market, and be more attractive to employers in both the public and private sectors than existing programs. However, these programs on their own are not sufficient; job creation programs in the foreseeable future will be necessary to the achievement of any major reduction in Aboriginal unemployment.

The collapse of traditional Aboriginal labour markets in recent years and the high levels of unemployment which have prevailed have made direct job creation by governments essential for any substantial reduction in Aboriginal unemployment. The Community Employment Program (CEP) represents a major change in the attitude of Australian governments to job creation. It is of greatest benefit to the long-term unemployed and it has the additional advantage that it pays special attention to regional aspects and the needs of workforce minorities such as Aborigines. The limited nature of the projects and the need for high labour content may at times conflict with the optimum use of resources, but the program is very important for many of those worst affected by unemployment.

However, changes should be considered to improve the benefits from CEP by increasing periods of employment and widening the scope of work eligible, especially for disadvantaged workforce groups in non-metropolitan areas. We have argued previously that schemes like CEP should place more emphasis on office work both to benefit females (who tend to be disadvantaged by outdoor work schemes) and because of high multiplier effects from

such work (Castle et al., 1983). In addition, concentration of resources on areas of especially high unemployment can bring good returns in view of the regional variations which occur in the trade cycle.

Programs for the long-term unemployed like the CEP are of great importance to Aborigines, and as they are applicable to the whole community, there is less chance of a backlash than there is with programs confined to the Aboriginal community. The emphasis on community involvement provides opportunities for Aboriginal communities, especially in remote areas, to put forward their own projects. However, the generation of worthwhile projects is a problem for the CEP.

Apart from general job creation projects, the main source of increased employment opportunities for Aborigines in the foreseeable future is still in the public sector: in particular in State government departments and instrumentalities, and in local government. The Federal government has made a sustained effort to increase Aboriginal employment within the Public Service to the one per cent level. A similar effort within the States and local government may provide important opportunities for Aborigines. In recent years, the public sector has been the main source of employment opportunities for them. Most Aborigines in senior positions are in the public sector, yet the majority of public sector Aboriginal employees are in low-paid and often temporary positions. Greater efforts are needed to improve the chances of Aboriginal public servants in getting permanency and in improving their promotion opportunities. In particular, attempts should be made to recruit more Aborigines for positions not dealing with Aboriginal services. Wider experience within the public service for qualified Aborigines would benefit the individuals involved and prevent ghetto situations developing. Again, an emphasis on the acquisition of suitable formal qualifications by Aborigines would assist in this respect. The hurdle of increasing Aboriginal employment in the public sector is being overcome, and efforts must now be made to remove the more difficult barriers which exist with it.

Summary

We believe that the emphasis in Aboriginal employment and training programs should be firstly on employment (through job creation and subsidies) and secondly on training to secure suitably designed formal qualifications. Training schemes should involve educational institutions as well as the Department of Employment, employers, and Aboriginal organisations. We strongly question the benefits of existing on-the-job training programs and believe that they cannot bring about a lasting improvement in Aboriginal employment in their present form. There are no simple solutions to the problem of Aboriginal employment, but we believe, in view of the failure of existing approaches to deal with the crisis, that a thorough revision of NESAs is necessary. The relationship between education and employment for Aborigines must be examined more closely, and further studies should be made of Aboriginal employment in the private sector and local government. This could provide a basis for a different approach which offers the prospect of a long-term qualitative and quantitative improvement of Aboriginal employment.

References

- Castle, R., Endres, A., Hagan, J., and Maher, T., 1983. Employment Opportunities in New South Wales, July, University of Wollongong, Wollongong.
- Castle, R., and Hagan, J., 1984. Aboriginal Unemployment in Rural NSW 1883-1982, in Castle, J. and Mangan, J. (eds) Unemployment in the Eighties, Longman Cheshire, Melbourne.
- Kirby Report, 1985. Commonwealth of Australia, Report of the Committee of Inquiry into Labour Market Programs, January, AGPS, Canberra.
- Piore, M.J., 1972. Notes for a Theory of Labour Market Stratification, Working Paper no.95, MIT.
- Thurow, L., 1976. Generating Inequalities, MacMillan, London.
- Zwang, S., 1984. Aboriginal Employment in South Australia, Department of Employment and Industrial Relations, Adelaide.

MINING AS A SOURCE OF EMPLOYMENT
IN THE NORTHERN TERRITORY

Dr Ciaran O'Faircheallaigh
North Australia Research Unit
The Australian National University

This paper examines a number of issues relating to employment in mining and mining-related activities in the Northern Territory (NT). It outlines the extent and nature of direct employment and examines in some detail the industry's flow-on or multiplier effects on employment in the Territory. Not a great deal of information is available on this second area, and the sections of the paper which deal with it offer preliminary observations and an outline of work in progress rather than final research findings.

Direct Employment in Mining

Table 1 (all tables are located at the end of the paper) provides some basic information on mining employment in the NT. It refers only to establishments which make census returns to the Australian Bureau of Statistics (ABS), and so excludes some small-scale miners operating, for example, in the vicinity of Tennant Creek. It also excludes employment in mineral processing (i.e. Nabalco's alumina plant at Gove) and in mineral exploration.

Mining employment has ranged between one and two thousand during recent years and has accounted for between 2.4 and 3.6 per cent of total employment in the NT. It has fluctuated substantially over the short term; it fell, for example, from 1495 in 1973/74 to 1180 in 1974/75, rose from 1488 in 1978/79 to 1907 in 1980/81, and declined substantially once more in the following year. Such fluctuations reflect both the 'lumpy' nature of additions to the mine workforce as new projects come on stream, and the impact on employment of fluctuating demand and prices for mineral commodities.

The employment figures also indicate the predominance of males in the mining workforce, though the proportion of females has increased significantly, from about 4 per cent in the late 1960s to over 12 per cent in the early 1980s. This development does not reflect a broader Australian trend: female employment in Australian mining increased only marginally during this period, from about 5 per cent in the late 1960s to 6.4 per cent in 1981/82. It is possible that the additional administrative requirements imposed on uranium mining companies by complex environmental and safety regulations have created additional opportunities for female employment, but the trend was well established before uranium mining commenced - in 1977/78, females comprised 11.3 per cent of the mining workforce in the NT, and only 5.3 per cent in Australia. Another possibility is that the isolation and limited alternative employment opportunities which characterise major mining centres in the Territory (Gove, Alyangula, Jabiru) make women more inclined to seek jobs in mining. The companies involved may have a strong economic incentive to hire women accompanying male mineworkers, as this removes the necessity to provide separate accommodation for additional male employees. This interpretation is supported by the fact that female employment in Western Australia (WA) which has a number of large mines in isolated locations, is also well above the national average.

No detailed statistics are available regarding employment in mineral exploration and processing, but in early 1980 total direct employment in mining, exploration and processing was apparently about 3,000 (Northern Territory Parliamentary Record(NTPR), 12-21 February 1980, Pt.1, 2827), or between 5.5 and 6.0 per cent of total employment at that time. I estimate that the equivalent figure is currently (June 1985) about 2,500, or some 4.2 per cent of the total employed in the NT.

Average earnings of those employed in mining are comparatively high, a point illustrated by the data in table 2. On a national basis, average weekly earnings in the mining sector have been between about 30 and 70 per cent higher than the Australian average during recent decades. The ABS figures indicate that the gap has widened substantially since 1981. The method of collecting figures prior to that date may have overestimated national weekly earnings and so underestimated the size of the gap (see the notes to table 2), but the effect of any statistical discrepancy would be relatively minor; there seems no doubt that wages in mining grew very much more quickly than in the economy as a whole during 1980-83. Mineworkers' wages in the NT were close to the industry average during the 1970s; they fell below it in 1981/82, but caught up quickly and in 1983/84 were significantly above it. In that year, average weekly earnings in the NT mining industry were 56 per cent above the NT weekly average and 77 per cent above the national average.

The extent to which higher cash wages are translated into higher real incomes depends, of course, on the extent to which mine employees face higher living costs as a result of their isolated location (Clarke et al. 1981, 86-7). In the NT, however, any higher costs are almost certainly more than outweighed by the non-cash benefits provided by mining companies, for example free or heavily subsidised housing, messing facilities and electricity, and in some cases subsidised retail outlets.

Thus mining generates high-wage employment, and this has a number of important economic benefits. Most obviously, it enables those involved to enjoy higher income levels, but it also increases the flow-on effects resulting from expenditure of their wages and increases government revenue from income and payroll taxes. However, mining employment is limited in extent, reflecting the high capital intensity of mining operations, indicated, for example, by the fact that capital expenditure on fixed assets per employee in NT mining averaged \$32,062 per annum during 1969/70-1981/82, as opposed to \$7,561 in NT manufacturing and \$1,543 in Australian manufacturing (derived from ABS, Census of Mining Establishments (8402.0), Manufacturing Establishments: Summary of Operations by Industry Class (8202.0), various years). It should also be noted that mining in the NT is becoming comparatively more capital intensive as time goes on - during the first five years of this period, fixed capital expenditure per employee was 12 times that in Australian manufacturing, while during the last five years the equivalent figure was 27.

Value added per employee offers another indication of capital intensity, and one which allows more complete comparison with other sectors, given the available data. Some relevant information is contained in tables 3 and 4. Table 3 indicates that value added per employee in Australian mining is between 3.0 and 3.5 times that in Australian manufacturing. This ratio has changed little during recent years; both sectors are becoming more capital intensive as time goes on, but they are doing so at approximately the same rate. Value added per employee is also considerably higher in NT mining than in NT manufacturing, but both are considerably more capital intensive than the equivalent Australian sectors. Comprehensive statistics are not available for other NT sectors, but table 4 provides some relevant data for 1979/80, and indicates that in that year value added per employee in mining was 3.4 times higher than in manufacturing, 5.2 times higher than in construction, and 7.9 times higher than in the retail and service sector.

The figures on value added per employee again illustrate the fact that mining in the NT, unlike in Australia as a whole, is becoming relatively more capital intensive as time goes on. In 1975/76, value added per employee was almost identical to that in Australian mining and 3.3 times that in Australian manufacturing (see table 3); by 1982/83, it was 2.8 times that in Australian mining and 9.8 times that in Australian manufacturing.

The sectoral data is supported by information relating to individual projects, which also indicates that recent trends are likely to continue. On Groote Eylandt, for example, GEMCO is considering a number of investments which will reduce labour requirements per unit of output, for example substitution of a conveyor belt system for the ore truck fleet which hauls its manganese ore to port. During 1985, GEMCO expects to produce about 1.9 million tonnes of manganese ore, and it will employ about 550 people to do so; when its production last reached this level in 1980, 650 workers were needed (interview with GEMCO staff, Alyangula, 22 March 1985).

Thus mining in the NT, already considerably more capital intensive than both manufacturing and mining in Australia as a whole, is becoming relatively more capital intensive as time goes on. The implication, of course, is that even very substantial expansion of mineral production is unlikely to significantly increase employment, both because new projects will employ few people relative to the investment involved, and because some of the jobs created will merely be making up for those lost as a result of rising capital intensity in existing mines. This point is illustrated by the fact that mining employment grew by only 38 per cent between 1968/69 and 1981/82, compared to a twelvefold increase in value added and a tenfold increase in the value of output (O'Faircheallaigh 1984a, Table 8, 15-17, Table 10, 21). And if present trends continue, absence of such expansion is likely to result in a decline in mining employment.

The fact that mining operations are highly capital intensive does not, of course, mean that further expansion of mining is undesirable - it may create very substantial economic benefits in other areas. In any case, it must be remembered that the investment involved will not flow into more labour-intensive sectors of the Territory's economy if it is not used to finance mineral development, but rather will be used by the specialist mining companies involved to develop deposits elsewhere. Nor does it mean that governments should seek to influence corporate decisions so as to reverse the trend towards greater capital intensity, which is a response to fundamental economic and social considerations facing mineral developers in the Territory and in the international mineral markets within which they compete. What it does mean, however, is that we cannot expect substantial additional employment to be generated by the industry even if it continues to expand at the rate experienced during recent years.

'Flow-on' or Multiplier Employment

The discussion so far has of course dealt only with direct employment; mining also creates employment elsewhere in the economy via multiplier effects, which arise in two distinct ways. First, mining requires inputs such as equipment and machinery, chemicals, fuel, transport and catering services, and their supply can increase the level of demand, and so of employment, in the relevant sectors of the economy. This process is usually referred to as 'production linkage', and the employment created as 'indirect'. Second, the expenditure of wages and salaries earned by workers in the mines and in supplying industries and of other income generated by mining (e.g. shareholders' dividends, government revenues) increases the demand for consumption goods, and again the level of demand and employment in supplying industries can rise significantly. This process is usually referred to as 'consumption linkage' and the employment created as 'induced'.

Since self-government, the NT government's mineral strategy, and indeed its general economic development strategy, has relied heavily on the assumption that linkages from mining are substantial and will create many more jobs than will mining itself (see, for example, NTPR: Tuxworth, 13-22 November 1979, Pt 1, 2470; Robertson, 21-30 November 1978, Pt 1, 347), an assumption shared by governments in other major mineral-producing states. The emphasis on 'flow-on' employment has increased as politicians have become aware of the limited employment-creating potential of mining itself (Harman 1982a), and the potential of 'spin-offs' and 'multipliers' is expounded with a regularity and a reverence which is almost liturgical in nature (see, for example, the statements by Jones and by McKinnon in Harman and Head 1982; NT News, 21 October 1984).

A belief in this potential is in fact a crucial link in the NT government's plans for development of the Territory. In its view, the mining industry will expand rapidly if permitted to do so by obstructionist federal governments and Aboriginal and environmental interests. This will have a significant impact in itself; mining may be capital intensive but, given the scale of the projects which could be undertaken (Jabiluka, McArthur River) and the size of the NT workforce, the jobs created would be very valuable (NTPR: Tuxworth, 21-30 November 1978, Pt 1, 709; Everingham, 21-30 November 1978, Pt 1, 311-2; Robertson, 23 August 1983 - 1 September 1983, Pt 1, 709). Much more important, however, are the multiplier effects, not just because the number of jobs involved are greater (four or five additional jobs are created elsewhere for every one in mining, according to Mr Tuxworth: NTPR, 21 November 1978, Pt 1, 315, 17 August 1982-2 September 1982, Pt 1, 2701), but because they result from expansion of other sectors of their economy and so permit the establishment of a 'sound, diversified economic base'. These developments will result in a significant population increase, mitigating the economic and social disadvantages created by the Territory's isolation and the small size of its population, opening up the way for its further economic growth (see, e.g., NTPR: Steele, 21-30 November 1978, Pt 1, 336; Everingham, 21-30 November 1978, Pt 1, 311-2, 315, 23 August 1983-1 September 1983, Pt 1, 691; Tuxworth 12-21 February 1980, Pt 1, 2829; Coulter, 5-14 June 1984, 391). Thus mining is the catalyst which will set off more broadly-based economic development, and the multiplier is the crucial link in this process.

Before looking more closely at linkages from the NT mining industry, a number of general points should be made regarding the 'multiplier' concept. First, as an operational concept it is much less precise than the politicians and industry spokesmen who coin it often imply. This should be evident from the very wide range of employment multipliers quoted for the Australian mining industry, from as low as 1.5 to as high as 6.0 (for some estimates see Australian Mining Industry Council 1977; Bambrick 1978; Mandeville 1980; McKinnon 1982; Perkins 1984). This partly reflects problems of definition, and in particular whether the term refers to induced as well as indirect employment. It also reflects the fact that the input-output tables used to calculate multipliers rest on a variety of assumptions; the extent to which these are held to be valid dictates, of course, the multiplier chosen. (For a discussion of this point, see Cook et al 1982, 18-37). Professional economists, recognising this problem, often quote a range within which the multiplier will fall, and confine themselves to indicating which part of the range is most likely to reflect the 'real world' situation (see, for example, Cook and Trengove 1982; Mandeville 1980; Mandeville and Jensen 1979). Politicians and some industry spokesmen, unencumbered by any such professional caution, tend to pick a figure from the top of the range and assume that this is the relevant multiplier.

A second point is that, in a fully employed economy, there will be no net multiplier effects; additional labour hired by input-supplying industries will be withdrawn from employment elsewhere, creating a negative multiplier equal to the positive one generated by mining (Clarke et al.

1980, 85). This need not be so, of course, on a regional basis, and the fact that a net increase in employment in the NT had been balanced by a decline in employment in, for example, Victoria, might be of secondary importance to the NT government. But it is important to keep in mind that resources employed in mining-related activities would not necessarily have been idle in the absence of such activities.

Third, major difficulties can arise in determining where multiplier effects will actually arise. Elizabeth Harman (1982b) has discussed this problem in detail in relation to the North West Shelf gas project and the WA economy, and has stressed that many of the purchases classified as 'local' by the developers and the WA government create very little economic activity within the state, often involving purchase of imported goods from local agencies or final-stage assembly of imported components. Given the NT's limited manufacturing and service base, it is clearly important to keep this issue in mind; for instance, Pancontinental's claim that \$4 million worth of buses, trucks, vehicles and tyres needed for Jabiluka could be 'supplied by the NT' (NTPR, 21-30 November 1978, Pt1, 709) clearly means that the items involved would be purchased from local distribution outlets of southern and overseas suppliers, not that they would be manufactured in the Territory.

Employment Multipliers from NT Mining

How extensive is the indirect and induced employment generated by mining in the Territory? There are a number of reasons for believing that it is not very substantial. As regards production linkages, two general points should be made. First, the extent of such linkages from mining is in general comparatively small. For instance, between 1969 and 1983, Australia's manufacturing sector spent between 63 and 70 cents on materials, electricity, fuels, payments to contractors, repair and maintenance and freight charges for every dollar of sales; the equivalent figures for mining were between 31 and 38 cents (derived from ABS, Census of Mining Establishments (8402.0), Manufacturing Establishments, Details of Operations (8203.0)). Second, the Territory's economy is not in a position to supply many of the goods and services required by mining. The regional input-output tables compiled by West et al. suggest that over 80 per cent of the required inputs are imported (1980, 72, Table VI-3, 157). This figure refers to 1976/77, but my own preliminary work suggests that the situation has not changed significantly since then; for instance, Ranger Uranium Mines Pty Ltd (RUM) and Queensland Mines Ltd (QML) purchase between 50 and 70 per cent of their goods and services directly from outside the NT, while a substantial proportion of 'local' purchases (e.g. of vehicles, machinery and drill parts) simply reflect the presence of a Darwin distribution out-let for the products concerned. And other mining companies obtain a much higher proportion of their supplies though direct 'outside' purchases, for example GEMCO which ships almost all its supplies from Eastern seaboard ports.

It should be noted that the mining company purchases which are made in the NT are heavily concentrated in the construction and 'services to mining' sub-sectors, which in 1976/77 apparently accounted for 88 per cent of the industry's total local purchases (derived from West et al. 1980, Table VI-3, 157), a figure supported by my own research on individual company purchases. A similar situation exists in WA (Harman 1982b, 331), and to a lesser extent on a national basis (Bureau of Industry Economics 1981, 74).

As mentioned earlier, value added per employee in NT mining is very high, which implies that payments to labour, taxes and operating surpluses will be large, creating the possibility of substantial induced employment from the resultant consumption expenditure. However, there are strong indications that little of that expenditure occurs in the NT, for the following reasons.

First, a substantial proportion of mineworkers' incomes flows out of the Territory. Employee taxation, which ranges from 24 to 28 per cent of gross wages on a company basis, is paid to Canberra. Not a great deal of what remains is spent in the NT, partly because many of those involved have come to work in the Territory to accumulate a 'target' amount and save a high proportion of their incomes, partly because few opportunities to spend money exist in many mining towns, particularly in more remote centres such as Alyangula and Gove. Alcohol represents one of the few exceptions to this latter statement and, while it is a significant one, very little of the alcohol consumed is brewed or distilled in the NT.

From this perspective the concern of NT politicians that employment opportunities in mining should be open to long-term Territory residents is understandable (NTPR, 21-30 November 1978, Pt1, 330-3, 13-22 November 1979, Pt1, 2475-81), since such people are more likely to spend a substantial part of their incomes in the NT. However, while some companies (e.g. QML) recruit a substantial part of their workers locally, others (particularly those which lack easy access to the major labour market, Darwin) have a deliberate policy of recruiting outside the NT; GEMCO, for example, obtains a substantial proportion of its workers from North Queensland.

Second, the NT mining industry is almost entirely financed by outside capital and is operated by companies which are based in Sydney and Melbourne and very few of whose shareholders are Territory residents. As a result, dividends, interest payments, undistributed profits and depreciation flow out of the Territory and the impact of their expenditure is felt elsewhere in Australia and abroad. These items can account for a significant proportion of value added as indicated by the fact that they absorbed, for example, some 53 per cent of RUM's turnover in 1983/84 (derived from Energy Resources of Australia (ERA), Annual Report 1983/4, 15).

Third, a very large proportion of government revenue generated by the industry accrues in Canberra rather than in the Territory, reflecting the fact that the major taxes borne by mining (income tax, employee taxation) are federal rather than state and that uranium resources, which support the NT's most profitable mining operations, are under Commonwealth control. During 1982-84 one major mining company, for example, paid 94 per cent of its taxes to Canberra and only 6 per cent to the NT. The former figure may be above the industry average, but it is still the case that a very high proportion of mineral revenues leave the Territory.

In sum, mining operates as a classic 'enclave' within the Territory economy, and indeed is probably more of an enclave than in many of the least industrialised of the Less Developed Countries (LDCs), which at least derive substantial revenues from mining. This is illustrated by table 5, which indicates the distribution of payments by one of the uranium mining companies between the NT and elsewhere and also provides a break-down of local payments. It indicates that only about 11 per cent of total payments are made in the NT; this compares, for example, with the 35-40 per cent of payments made by the Bougainville Copper Project within Papua New Guinea during recent years (O'Faircheallaigh 1984b, Table 9.2, 261). Table 5 also indicates that the single largest local payment arises from sums paid to Aboriginal interests, as a result of arrangements provided for by the NT Aboriginal Land Rights Act 1976. These account for 40 per cent of total local payments, a fact which is not without irony given the NT government's attitude to Aboriginal Land Rights and to the negotiation of royalty provisions with Aboriginal interests.

It should be stressed that while NT mining is poorly integrated into the Territory economy, it is strongly integrated into the Australian economy. It makes substantial tax payments to Canberra and purchases a very high proportion of its goods and services within Australia (about 70 per cent in the case of the uranium mines, for example, and this figure would be considerably higher but for the fact that Shell draws on Singapore

refineries to supply their fuel oil needs). Its workforce consists almost entirely of Australian residents so that wage payments are very largely spent within Australia and all but one of the companies involved are predominantly Australian owned, so that surpluses accruing to suppliers of capital will tend to be spent or reinvested locally. In this last regard, the NT industry is of course unusual; elsewhere in Australia, foreign ownership and control of mining is at a high level.

Thus the flow-on effect of mining on employment in the Territory is unlikely to be substantial: the 1976/77 input-output tables indicate that the multiplier (for both indirect and induced employment) is between 1.62 and 1.76, depending on the level of sectoral aggregation (West et al. 1980, Table 6.22, 69, Table VII-9, 163). In other words, between a half and three quarters of an additional job is created within the Territory for every job in mining. For reasons which are discussed below, these figures may underestimate the true impact of mining, but it is very clear that the multiplier figures quoted by Territory politicians are wildly optimistic.

As mentioned earlier, input-output analysis does have its limitations, and in this case to the more general ones must be added the fact that the NT input-output tables were derived from national ones. Though adjustments were made to try and ensure that they accurately reflected conditions in the Territory (West et al. 1980, 27-35), they may in fact still contain significant margins for error. For instance, provision of a service to a remote Territory mine might require the supplying firm to increase its workforce by considerably more than one would expect on the basis of national input-output data. To quote an example, QML's catering contractor employs 22 full-time staff to service a mine workforce of 100; in other words, QML's job multiplier as a result of this single purchase, which accounts for less than 15 per cent of its expenditure on goods and services, is 1.22. Clearly, there is a need to undertake detailed research into the pattern of expenditures and employment in local input-supplying industries, and work is currently under way on a number of mining projects in the NT.

It is also important in certain cases to go beyond the 'job multiplier' concept and to look at the employment structure of towns heavily dependent on mining. This is particularly so as regards long-established centres, a point illustrated below by a brief discussion of Tennant Creek.

Employment in Tennant Creek

Tennant Creek is a substantial town by Territory standards (about 3,200 inhabitants in 1984), and its establishment and growth was entirely due to gold and copper mining. In the absence of such activity, it would almost certainly be little more than a wayside stop for travellers on the Stuart Highway, if it existed at all.

Table 6 provides some data on Tennant Creek's employment structure. This has been collected from a variety of sources and the accuracy of figures on various categories of employment varies considerably: those for individual public service departments and for mining are highly accurate, the remainder, which are based on CES estimates and on a partial survey of employers, less so. Nevertheless, the data provide a fairly accurate general picture of the overall employment structure.

Direct employment in mining currently provides between 22 and 25 per cent of total employment in Tennant Creek, depending on seasonal factors affecting hotels and abattoirs. A range of assumptions could be made in estimating the indirect impact of mining employment. At one extreme, since Tennant Creek owes its existence to mining, it could be argued that all local employment should be included, which would give a job multiplier of

about four. However, this approach is not satisfactory since a significant proportion of jobs would exist in any case. Abattoirs would be required to service the Barkly region cattle industry, a stop-off point would be required for tourists and others travelling from Alice Springs to Darwin, while Tennant Creek is simply a regional base for certain government activities which would be carried on in any case (e.g. road maintenance undertaken by the Department of Transport and Works). That non-mining employment is not directly tied to mining is illustrated, for instance, by the fact that the number of NT public servants grew from 279 to 390 between 1980/81 and 1983/84, whereas the Peko Mines workforce declined from 825 to 350 over the same period (information supplied by Peko Mines; NT Public Service Commissioner, Annual Report, various years).

At the other extreme, mining-related employment could be defined as that resulting directly from mining company purchases and expenditure of mineworkers' wages. As regards the former, it was a relatively simple matter to identify firms supplying the mining sector and to obtain information from them on employment and the proportion of their sales accounted for by mining companies. On the basis of these figures, it is estimated that about 65 of the jobs in the manufacturing, construction, retail and wholesale, transport and storage, and services to mining sectors are linked directly to mining. (Again, it should be noted that the service sector accounted for the bulk of these jobs, only 6 being in manufacturing enterprises). This leaves a further 340 private sector jobs (excluding seasonal employment in hotels and abattoirs). These are supported by a wide range of expenditures, including the wage expenditure of public servants (467), mineworkers (290), and other private sector workers, the local 'flow-on' effects of these expenditures and of mining company purchases, public capital works programs (e.g. construction of the high school), and social security and pension payments. It seems certain that the two mine-related items would not account for more than a third of the expenditure involved, and on this basis about 110 of the private sector jobs could be attributed to mining. This indicates total mining-related employment of about 175, and a job multiplier of about 1.6, close to that suggested by the 1976/77 input-output tables. (Very little mining company expenditure is made in Territory centres other than Tennant Creek).

This approach is also unsatisfactory, however. It ignores the fact that income from mining may allow local suppliers of goods and services to achieve minimum economies of scale required for profitable operation. For instance Fadelli Transport, a major local employer, receives about half of its income from Peko Mines and a further 10-25 per cent from other firms shipping in mining supplies (Interview with Bruce Fadelli, Tennant Creek, 14 January 1985). It is questionable whether Fadelli could survive and continue to generate employment if Peko closed down. In addition, since retrenched workers tend to leave Tennant Creek immediately, it seems certain that its closure would result in a significant reduction in school attendance, use of hospital facilities and demand for a range of other government services and that this, particularly in the current economic climate, would significantly reduce public sector employment with negative multiplier effects in the retail and service sectors. In the mid 1970s a study of Cobar, which is similar to Tennant Creek in certain respects, indicated that redundancies resulting from mine closure would result in the loss of an equivalent number of non-mining jobs indicating a job multiplier, in the wider sense of the term, of 2.0 (Industries Assistance Commission 1977a, 10). (For a detailed discussion of the impact of mine closure on remote copper-mining towns, see Industries Assistance Commission 1977b, 18-29.)

In summary, it is impossible to state precisely the extent of mine-related employment in Tennant Creek, but the employment multiplier is probably somewhere between 1.75 and 2.25, with between three quarters and one and a quarter additional jobs for every one in mining.

It is very important to note that non-mining employment in Tennant Creek is substantial largely because of the alternative economic activities which already exist, particularly those created by the cattle industry, by tourism, and by the town's role as a regional centre for government activity. Where such opportunities are largely absent, as for example on Groote Eylandt and at Gove, the opportunities for mining centres to develop autonomous sources of employment will be very small, given the limited extent of indirect and induced employment associated with mining in the NT. In other words, mineral development may provide the initial impetus for establishment of urban settlements which eventually develop a reasonably well-diversified economy and become self-sustaining to some extent, but this will only occur where the potential for non-mining economic activity already exists. Where it does not, mining alone is extremely unlikely to provide the basis for self-sustaining economic activity.

Conclusions and Policy Implications

Direct employment in NT mining, though providing those involved with relatively high incomes, is limited in extent because of the highly capital intensive nature of mining operations; since relative capital intensity is increasing significantly as time goes on, even a substantial further expansion of mining is unlikely to generate significant additional direct employment.

The impact of mining on employment through the operation of multipliers, though certainly significant in the context of the Territory economy, is very considerably less than that assumed by NT politicians. This reflects the fact that the demand created by mining for goods and services is relatively small, that a high proportion of the required inputs is imported, that a substantial proportion of wage payments leaves the Territory, and that the lion's share of the industry's surplus flows to taxing authorities and suppliers of capital outside the NT.

Mineral development is very unlikely to result in the establishment of a diversified economic base except in areas where alternative economic opportunities already exist. It can act as a catalyst for broadly-based economic growth by providing basic physical and social infrastructure and a demand for goods and services which, combined with that generated by other economic activities, make possible the establishment of input-supplying firms, particularly in the service sector; but it is extremely unlikely to act as an 'engine-for-growth' by itself generating such activities.

These conclusions have a number of important policy implications. Given the prevailing status quo, mining will not make the contribution expected of it to the NT's economic development. If it is to do so, government policy must aim at increasing the degree to which mining is integrated into the Territory economy. Before considering ways in which this might be done, it is important to make explicit the assumption that it is in fact desirable for the NT mining industry to be more closely integrated into the local economy. In terms of national economic welfare, this may not necessarily be the case. It is conceivable, for example, that mineral revenues are used more efficiently by the Commonwealth than they would be by the NT government, and that the current pattern of inter-sectoral linkages (or lack of them) reflects an economically-rational geographical distribution of input-supplying industries.

Assuming that the NT government cannot influence ownership of the industry, there are three principal ways in which it could attempt to increase the industry's integration into the Territory economy. First, it could try to increase its share of the taxes paid by the industry. Its introduction of the Mineral Royalty Act in 1982 was of course a move in this direction, and one which will have some effect as more mines become subject to its provisions. The Act is currently under review, and these

provisions may be moderated in the belief that they are acting as a disincentive to exploration and mining in the NT. However, any disincentive effect probably results to a significant extent from certain non-fiscal provisions of the Act, particularly those allowing wide ministerial discretion in definition of the tax base and other key areas (O'Faircheallaigh 1985). It should be possible to retain current royalty rates (and so the Act's potential revenue contribution) and substantially reduce any disincentive to investment by reducing that discretion.

More broadly, overall tax rates on mining companies in the NT are probably now near the maximum which can be imposed without deterring future investment. For example, had RUM been subject to the Mineral Royalty Act in 1983/84, I estimate that its effective tax rate (i.e. income tax and royalty payments as a proportion of pre-tax profits) would have been about 60 per cent excluding Aboriginal royalties and about 70 per cent including such royalties (ERA, Annual Report 1983/84, 15; O'Faircheallaigh 1985, 19). International experience suggests that flat rate profits taxes any higher than these would almost certainly deter investment. Thus if the NT government is to increase its mineral revenues, this will have to come about through a redistribution of existing taxes between state and federal levels. (The Mineral Royalty Act effects such a redistribution, of course, since royalty payments are tax deductible; transfer of uranium ownership from the Commonwealth to the NT would presumably have a similar effect, since uranium mines would then be subject to the Act). Given recent cuts in federal funding for the Territory, this might be an opportune time for the NT government to seek a redistribution.

Second, the government could attempt to ensure that the industry purchases a higher proportion of goods and services locally. This could be done by ensuring that local suppliers are aware of the available opportunities and by assisting them to achieve the required level of competitiveness and reliability. The earlier discussion indicates that any such efforts should be directed towards the service rather than the manufacturing sector.

Finally, the government could try and ensure that a higher proportion of mineworkers' wages are spent locally. Two approaches could be adopted here. First, the government could try and ensure that long-term Territory residents are in a position to take advantage of the job opportunities generated by mining, by ensuring that they are aware of those opportunities and that the Territory's education system provides them with the requisite qualifications. Second, government could try and make sure that opportunities exist in mining towns for provision of as wide a range as possible of goods and services. In this regard, policy regarding allocation of commercial land and provision of public housing would be particularly important.

Another policy implication relates to government assistance for establishment of new mining towns, for example via financing of infrastructure and provision of services. The earlier discussion indicates that any such assistance should be carefully selective, and can only be justified in cases where the resources to sustain other economic activities (e.g. tourism, pastoral industry) already exist.

STATISTICAL APPENDIX

Table 1

Employment and wages, NT mining establishments,
1968/9 - 1983/4

Year	No. of establishments operating at end of June (No.)	Persons employed*			% of total N.T. employed**	Wages and salaries (\$000)
		Males (No.)	Females (No.)	Persons (No.)		
1968/9	20	1233	48	1281	3.5	6626
1969/70	25	1361	56	1417	3.6	7478
1970/1	24	1427	68	1495	3.4	8702
1971/2	26	1513	74	1587	3.1	10066
1972/3	15	1409	64	1473	2.9	10843
1973/4	15	1415	80	1495	3.2	12937
1974/5	15	1095	85	1180	2.4	15913
1975/6	13	1109	112	1221	3.0	14811
1976/7	14	1078	125	1203	2.8	16914
1977/8	13	1033	131	1164	2.6	16891
1978/9	11	1115	136	1251	2.6	19472
1979/80	13	1319	169	1488	3.0	28071
1980/1	15	1669	238	1907	3.6	39689
1981/2	14	1533	240	1773	3.1	37352
1982/3	14	1379	187	1566	2.7	40259
1983/4	17	1426	196	1622	2.7	47431

Notes: * At end June until 1971/2, average for the year thereafter.

** August.

Source: ABS, Mining Establishments, Details of Operations (10.60), Census of Mining Establishments, Details of Operations by Industry Class (8402.0), The Labour Force (6204.0), Northern Territory Statistical Summary (1306.7).

Table 2

Average weekly earnings, Australia and the Northern Territory
1975/6 - 1983/4, \$

Year	Australia	Australian mining	N.T.	N.T. mining
1975/6	170	223	190	233
1976/7	191	263	217	270
1977/8	210	292	241	279
1978/9	226	311	260	299
1979/80	248	344	290	363
1980/1	281	394	345	400
1981/2*	263	450	n.a.	405
1982/3	292	504	335	494
1983/4	317	527	360	562

Notes: * In 1981, the ABS changed its method of estimating average weekly earnings in Australia, replacing estimates based on payroll tax records with a survey of employers conducted on a single day in each quarter. The figures for earnings in mining are based on a census of mining establishments.

Source: ABS, Census of Mining Establishments, (8402.0), 'Minute Paper, 17 February 1982', Average Weekly Earnings (6302.0)

Table 3

Value added per employee, Australia and NT,
manufacturing and mining, 1975/6 - 1982/3, \$

Year	Australia		N.T.	
	Manufacturing	Mining	Manufacturing	Mining
1975/6	14096	45108	22495	46426
1976/7	16358	52265	28448	93226
1977/8	17681	58015	36716	82296
1978/9	19434	64944	35300	85375
1979/80	22192	76250	30693	103200
1980/1	24813	80018	36326	118846
1981/2	27175	83334	24588	165150
1982/3	29499	103440	37418	290288

Source: ABS, Census of Mining Establishments, (8402.0), Manufacturing Establishments: Details of Operations by Industry Class (8203.0).

Table 4

Employment and value added,
selected industry sectors, NT, 1979/80

	Mining	Manufacturing	Private sector construction*	Retail trade and selected service establishments
Employment (No.)	1488	2512	2408	5783
Value added (\$000)	153562	77100	47448	84537
Value added per employee (\$)	103200	30693	19704	14618

Notes: * 1978/9

Source: Tables 1 and 3; ABS, Census of Retail Establishments and Selected Service Establishments (8622.7), Private Sector Construction Establishments, Details of Operations by Industry Class (8721.0).

Table 5

Distribution of payments, NT mining company
1982/83 (per cent)

Northern Territory	8
- Taxes and charges	
- to NT Government	1.6
- to Aboriginal interests	4.4
- Local goods and services*	3.7
- Local wages expenditure**	1.4
Total	11.1
Elsewhere	88.9

Notes: * Assumes that 30 per cent of expenditure on goods and services is local.

** Assumes that 50 per cent of net wages are spent in the NT.

Source: Company annual reports, company files.

Table 6

Employment structure, Tennant Creek,
January 1985

PUBLIC SERVICE	No.
Northern Territory	
- Transport and Works	101
- Education	84
- Hospital	66
- Other	157(e)
Total	390(e)
Commonwealth	
- Telecom	24
- Australia Post	7
- Aviation	12
- Other	24(e)
Total	67(e)
Town Council	10(e)
TOTAL PUBLIC SERVICE	467(e)
PRIVATE SECTOR(e)	
- Mining	290
- Mineral exploration	9
- Services to mining	12
- Abattoirs (s)	0-125
- Other manufacturing	16
- Construction	100
- Retail and wholesale	140
- Transport and storage	33
- Finance, property and business services	37
- Restaurants, hotels and clubs (s)	65-105
TOTAL PRIVATE SECTOR	702-867

Notes: (e) Estimate (s) Seasonal

Source: Government department and mining company records;
Tennant Creek CES

References

- Australian Mining Industry Council, 1977. Mining Review, November-December, 2.
- Bambrick, S., 1978. The Effect of Mining on the Economy, in Australian Mining, October, 84-92.
- Bureau of Industry Economics, 1981. Mining Developments and Australian Industry: Input Demands During the 1980s, AGPS, Canberra.
- Clarke, R.J. et al., 1981. The Aluminium Industry in Australia in the 1980s, Centre of Policy Studies, Monash University, Melbourne.
- Cook, L.H. and Trengove, C.D., 1982. The Economic Impact of the Olympic Dam Development, Centre of Policy Studies, Monash University, Melbourne.
- Cook, L.H. et al., 1982. Structural Effects on the Australian Economy of Bauxite Mining, Alumina Refining and Aluminium Smelting, Centre of Policy Studies, Monash University, Melbourne.
- Harman, E.J., 1982a. Ideology and Mineral Development in Western Australia, 1960-1980, in Harman, E.J. and Head, B.W. (eds), State, Capital and Resources in the north and west of Australia, University of Western Australia Press, Perth.
- Harman, E.J., 1982b. Mining and the Manufacturing Sector in Western Australia, in Harman, E.J. and Head, B.W. (eds), State, Capital and Resources.
- Harman, E.J. and Head, B.W., 1982. State, Capital and Resources in the north and west of Australia, University of Western Australia Press, Perth.
- Industries Assistance Commission, 1977a. Report on Copper Ore and Concentrates 14 November 1975, AGPS, Canberra.
- Industries Assistance Commission, 1977b. Interim Report, Copper Ores and Concentrates 30 September 1977, AGPS, Canberra.
- Jones, P.V., 1982. Resource Development Policies in Western Australia, in Harman, E.J. and Head, B.W. (eds), State, Capital and Resources.
- Mandeville, T.D., 1980. The Impact of the Weipa Bauxite Mine on the Queensland Economy, Comalco Ltd, Melbourne.
- Mandeville, T.D. and Jensen, R.C. 1979. Economic Impact of Industrial Developments at Gladstone, Economics Department, University of Queensland, St. Lucia.
- McKinnon, B., 1982. Western Australian Manufacturing Industry in the 1980s, in Harman, E.J. and Head, B.W. (eds), State, Capital and Resources.
- O'Faircheallaigh, C., 1984a. Mineral Exploration and Development in the Northern Territory: A Statistical Base, mimeo, [Darwin].
- O'Faircheallaigh, C., 1984b. Mining and Development: Foreign-financed Mines in Australia, Ireland, Papua New Guinea and Zambia, St Martins Press, New York/Croom Helm Ltd, London.
- O'Faircheallaigh, C., 1985. The Northern Territory Mineral Royalty Act 1982: A Preliminary Report to the Northern Territory Chamber of Mines, [Darwin].

- Perkins, F., 1984. The Impact of the Coal-Based Developments in the Unter Valley on the Regional Labour Market, in Kissling, C.C. et al. (eds), Regional Impacts of Resource Developments, Croom Helm Australia, Sydney.
- West, G.R. et al., 1980. Generation of Regional Input-Output Tables for the Northern Territory, Department of Economics, University of Queensland, St. Lucia.

FOOTLOOSE AND FANCY-FREE?
MIGRATION, STABILISATION AND THE URBAN WORKFORCES
OF MT ISA AND PT HEDLAND

Dr Peter G. Mewett
 North Australia Research Unit
 The Australian National University

A considerable proportion of the northern Australia population has arrived in the last 20 or so years largely because of the explosion of job opportunities in the region. In northern Western Australia only a small handful of towns and a very sparse rural population existed prior to the exploitation of the Pilbara iron-ore deposits. Similarly in the Northern Territory the federally funded boom has stimulated a rapid urban growth, particularly marked in Darwin and Alice Springs. In northern Queensland however, the coastal strip excepted, the predominant type of settlement remains the rural service town. Despite this both Mt Isa and Weipa have grown in recent decades as mining towns - the former an urban colossus when compared with the other settlements in that area.

Much of the post second World War urban development has centred on new towns that have been initiated with such regularity and have grown at such speed that they created sudden and large additions to the northern Australian labour market. The demand for labour certainly outstripped, by a considerable margin, the potential of the regional population to provide the supply. As a result these towns have been populated mostly by people who have migrated into the region from a wide area and from over considerable distances. Indeed the 'internal' migration of many people to the northern Australian towns has occurred over distances considerably greater than, for example, the international migration of Turkish and southern European 'guest workers' to northern and western Europe.

The comparison between the European guest workers and the migrant to the northern Australian town is instructive in a further way - both groups have been imputed with the characteristics of a transient labour force. In the one case this is imposed by the legal status of the guest workers in their country of work (Castles et al 1984). In the other it occurs from the voluntary movement of people away from the northern Australian town after a relatively short stay. Although many guest workers have settled in their new homes they frequently have been denied rights of legal permanent residence largely to ensure a supply of cheap labour, whereas in the northern Australian towns the opposite is the case. Mining companies in particular have attempted to reduce the transiency of the urban populations to reduce labour turnover and keep labour costs within reasonable bounds. They have attempted to promote a stabilised labour force in which the investments made in the form of training and so on are made to pay. In Mount Isa, for example, it takes about six months before an underground worker begins to show a return for the company.

The popular view of the northern Australian town is that people move to the north, where they spend a relatively short time in which they amass a considerable sum of money and then return to their area of origin in the south. Bradbury (1984a, 128) reports a similar view held of migrants to the mining towns of northern Quebec and Labrador. There must be some substance

in this as there is in every stereotype, but I suggest that it is a questionable portrayal of the migration characteristics of people to the northern Australian towns as this occurs through time. The 'high transiency' model of migration to northern Australia may be appropriate to the early phases of urban settlement, as studies done at other times and for other places also indicate for newly developed towns (e.g. Kennedy 1978 on Broken Hill). Whereas this high transiency might be unavoidable in the early stages of urban development, the main thrust of my argument is that this is a temporary phenomenon that declines through time.

In this paper I look at two towns - Mt Isa and Pt Hedland - both of which have grown directly or indirectly from the exploitation of mineral resources and both of which have undergone a very marked influx of people. Similarly the local labour markets of each town are dominated by large employers. The data I present is from a survey conducted in late 1983 on a sample drawn randomly from domestic households living in houses, flats and units. First, I show the origins of this population. Second, I provide a profile of its mobility characteristics and third, I show the degree to which it has become stabilised.

Both Mt Isa and Pt Hedland have grown from the exploitation of the considerable mineral resources to be found in northern Australia. Mt Isa has been developed to exploit vast copper and significant lead, silver and zinc deposits. It grew as a town to provide the infrastructural requirements for the mine labour force. Through time the local labour market of Mt Isa has diversified as predominantly service industry jobs have proliferated as part of its infrastructural development. This diversification in the local economy however, comes largely from spin-off from the mine. Mt Isa remains very much a mining town: its economic welfare largely gauged by the barometer of mine performance. Further support comes from the servicing of the local pastoral industry and from a public service contingent, but these provide relatively small additions to the urban economy. Mt Isa has also changed from a closed company town - which it remained until the early 1950s - into an open town following a change in company policy which witnessed its withdrawal from the housing market and from the provision of other services. In the last 30 years a local housing market with a high degree of owner-occupation has emerged in addition to the growth of a small central business district occupied by various trade and professional services.

Pt Hedland is not a mining town, but it is very doubtful that it would exist in its present size and form without the existence of the Pilbara iron ore deposits. Mining in Australia generally, and in northern Australia particularly, is in the main purely extractive. Mt Isa Mines refines its ores to a limited extent, the Pilbara iron ore industry does not. Generally speaking the mining towns of northern Australia share a characteristic with many other peripheral areas of the world - that of a dependence on a single staple industry producing a commodity essential to economic activities located elsewhere. Most of the value added processes performed on the commodity, moreover, are located outside the periphery (Crough and Wheelwright 1983, 22). Harman (1982, 186-7) suggests that northern Western Australia has become entrenched in the 'staples trap'. This means that the areas supplying the raw materials have been locked into economic relations of dependency that inhibits them from generating a diversified industrial economy. Evidence of this perhaps lies in the extremely small population of the region, despite its considerable wealth, because investment in mineral extraction creates few jobs (Crough and Wheelwright 1983, 39).

The growth of Pt Hedland can be attributed to a vital link in the mechanics of this economic dependency: the export of the bulk raw material. In tonnage terms Pt Hedland is Australia's largest port. Quite literally mountains of iron ore have been shipped from it in vast bulk carriers, destined for the blast furnaces of Japan's economic miracle.

Before the relaxation of the restrictions on the export of iron ore in the early 1960s, Pt Hedland had existed as a small town with little more than a thousand people. In this way it is different from Mt Isa, where there was no previous settlement. But Pt Hedland became transformed as the docks grew and as Mount Newman Mines based there the administration of its Pilbara operations. In addition both federal and state governments adopted Pt Hedland as a centre for the administration of the northern part of Western Australia. Whereas the mining company has been important in the development of this town, an equal effect has been wrought by the location there of government agencies.

Table 1 shows the employment structure of both towns. The pre-eminence of the mine as an employer in Mt Isa is clearly evident, whereas in Pt Hedland the relative significance of employment in the mining industry is considerably less pronounced.

Table 1

The employment structure of Pt Hedland and Mt Isa

'Industry' Area	Pt Hedland	Mt Isa
Primary	0.4	0.9
Mining	30.8	42.8
Manufacturing	2.4	6.5
Construction	9.4	6.3
Trade and Business (a)	36.0	28.5
Services (b)	21.0	15.0
Total	100.0	100.0
N =	6,097	11,033

(a) The 'Trade and Business' industry area has been formed by amalgamating the following Census categories: Wholesale and Retail Trades; Transport and Storage; Finance; Property and Business; Recreational, Personal and Other Services.

(b) The 'Services' industry area has been formed by amalgamating the following Census categories: Electricity, Gas and Water; Communication; Public Administration and Defence; Community Services.

Source: Australian Bureau of Statistics, 1981 Census.

Some residents of Pt Hedland and Mt Isa were born in these towns, others moved into them as part of their parental household - brought to the town by the unfolding of their parents' career path - but most arrived as adult migrants. A distinction can be made between these people, for whom the town represents the first point in their personal careers, from those who migrate at a later stage in their lives and for whom the town represents a subsequent stage in the development of their career paths. I distinguish between these categories by calling the first 'locals' and the second 'incomers'.

The incomers have been drawn from a large number of places, but the 'home state' effect is especially marked. This signifies that Western

Australia for Pt Hedland and Queensland for Mt Isa have been considerably more important than elsewhere in the supply of migrants to them.

The newer northern towns have also drawn heavily from among overseas migrants to Australia. In Mt Isa these tend to be the earlier post Second World War immigrants. Pt Hedland has drawn more heavily on the more recent migrants to Australia: people from southeast Asia and other non-white areas are considerably more evident than in Mt Isa. The former town also has a considerably greater proportion of non-Australian born in its population. A person's geographical mobility prior to their entering Australia is not relevant to the objectives of this work, however. More important are their movements after entering the country, so for purposes of analysis the area of origin of these respondents is taken to be the place of their first home in Australia, and they are then included with the Australian born who grew up in the same place. Table 2 shows the areas of origin of migrants to the two towns.

Table 2

Areas of origin(a) of incomers and locals in
Pt Hedland and Mt Isa

Area of origin	Pt Hedland		Mt Isa	
	Actual	Weighted(b)	Actual	Weighted(b)
Northern WA	10.7	13.5	-	-
Other WA	56.2	70.7	-	-
Total WA	66.9	84.2	-	-
Northern Queensland	1.7	1.2	32.9	39.5
Other Queensland	2.2	1.5	36.4	43.6
Total Queensland	3.9	2.7	69.3	83.1
NSW (incl. ACT)	10.7	3.2	21.6	11.3
Victoria	13.5	5.7	6.3	4.5
South Australia	3.4	4.2	0.6	1.2
Tasmania	1.7	(c)	1.1	(c)
Northern Territory	-	(c)	1.1	(c)
Total Other Australia	29.3	13.1	30.7	17.0
Grand Totals	100.1	100.0	100.0	100.1
N =	178		176	

(a) For Australian respondents the area of origin is the place in which they grew up; for overseas born it is the area of their first home in Australia.

(b) Weights given are on the basis of the State populations reported in the 1981 Census. The weights are: NSW (incl ACT) = 1; Victoria = 1.4; Queensland = 2.3; South Australia = 4.2; Western Australia = 4.2.

(c) Tasmania and the Northern Territory have been excluded because their populations are too small.

In both cases about two-thirds of all respondents were drawn from within the 'home state'. Otherwise migrants were drawn predominantly from New South Wales and Victoria, with more than a fifth of the Mt Isa respondents from the former state alone. To obtain a more accurate assessment of the relative 'sending power' of each State the proportions of incomers from each has been weighted against the base population of the respective State. These weighted figures are also shown in table 2 and they demonstrate emphatically the 'home state' effect. This also suggests that a far smaller proportion of people leave their home state than move within it. Bradbury (1984a, 1984b) reports a similar phenomenon for the mining towns of Canada's Quebec-Labrador region in which a 'labour shed' operates - Labrador drawing primarily on Newfoundland and the Quebec towns on their 'home state'.

A further feature of the incoming population is whether or not they originated in a major urban centre, which for the purposes of this work refers to urban areas with a population of at least 25,000. The 1981 Census data shows that 70 per cent of the Australian population lives in such centres. The proportion of incomers to Pt Hedland who came from such towns also was 70 per cent. In the case of Mt Isa however, the equivalent proportion dropped to 62 per cent, which suggests that more of this town's population has been drawn from locations other than major urban centres. This could reflect a further dimension of the 'home state' effect given that only 61 per cent of Queenslanders live in major urban centres, but these centres have contributed 66 per cent of Queensland's incomers to Mt Isa. This suggests that interstate migrants to Mt Isa have been drawn from smaller settlements in greater numbers than suggested by the proportion of the state population in such settlements. But this effect is not large and for both Pt Hedland and Mt Isa the general conclusion is that incomers have been drawn without much bias in favour of either major urban areas or other settlements. This would suggest that neither town has drawn disproportionately from people leaving rural areas as part of the widespread 'drift' from the land.

Incomers were asked what their mobility intentions had been when they moved into the town. Eighty per cent of those in Pt Hedland and 66 per cent in Mt Isa said that they had intended to stay for a certain time and then move away. These respondents were then asked for how long they had originally intended to stay. In Pt Hedland 66 per cent had intended to leave within two years and 91 per cent within five years: the equivalent figures for Mt Isa were 56 per cent and 80 per cent. Second, 69 per cent of these Pt Hedland respondents and 74 per cent of the Mt Isa ones stated that they had already remained in the town for longer than they had originally intended. This means that, insofar as their original intentions were concerned, many of these respondents were set to conform to the transiency model of northern Australian urbanisation.

But they did not conform, and the immense disparity between original intentions and actual mobility suggests that it is unwise to place any reliance on respondents' stated mobility intentions as a means of evaluating future geographical moves. It should be noted that this data relates only to those who have stayed in the town: it cannot account for those who have left, either within or after the time of their originally intended length of stay. On the other hand, the movement towards an increasingly stabilised population has taken place because of people who have digressed from their original mobility intentions, rather than from incomers who had arrived with the intention of permanent settlement. The implication is that a number of people from each incoming cohort develop commitments in the town that promote a change in their anticipated mobility pattern. The fact that some stay, that they change their mobility intentions, that they develop a commitment to that area points to the conclusion that the heavy emphasis placed on the problems of transiency in the newer northern towns is misplaced. And in being misplaced it occludes examination of the processes that steadily establish a stabilised

population and, in so doing, progressively reduce the opportunities for transiency.

But this does not imply that people intend to continue residing in the town permanently.

Table 3 reports the current mobility intentions of all respondents irrespective of whether they are locals or incomers. An obvious difference exists between the two towns. In Pt Hedland about two-thirds of the respondents stated an intention to move away from the town and only about a quarter that they would stay, whereas in Mt Isa about two-fifths intended to move and nearly a half to stay.

Table 3
Respondents' current mobility intentions

Mobility Intention	Pt Hedland	Mt Isa
Stay	26.1	46.3
Move Away	66.5	41.8
Uncertain	7.4	11.9
Totals	100.0	100.0
N =	188	177

Table 4 lists the principle reason given by respondents for their stated mobility intention. From the foregoing discussion it is clear that this tells us little about what might actually materialise in the future. It does tell us something however, about respondents' perceptions of the town and the part that they expect it to play in their future careers. The mobility intention therefore, is a statement of their current evaluations of what their current location might offer in terms of their image of the future of their career path, and not about the actuality of future behaviour.

Table 4
The principle reason given by respondents
for their current mobility intentions

Reason	Pt Hedland		Mt Isa	
	Stay	Move Away	Stay	Move Away
Work, money, etc	34.7	25.6	35.4	20.3
Friends and relatives	6.1	18.4	15.9	8.1
Way of life	26.5	8.0	19.5	4.1
Climate	6.1	21.6	9.8	18.9
Town is 'home'	12.2	-	13.4	-
Isolation	-	5.6	-	20.3
Retirement	-	2.4	-	9.3
Education	-	10.4	-	4.1
Not ready to settle	-	0.8	-	10.8
Other	14.3	7.2	6.1	4.1
Totals	99.9	100.0	100.1	100.0
N =	49	125	82	74

Work and money related reasons were important irrespective of respondents' mobility intention. This means that work and money are foremost in the minds of these respondents as the motor of their mobility. The difference rests in that some people could not envisage the town offering them the type of job that they would anticipate from a projection of their chosen career path, thus they stated an intention to move away. But others could not anticipate a progression in job or income by moving elsewhere: they intended to stay.

Other respondents stated an intention to move or stay because of the presence or absence of relatives and friends, or because of the 'way of life' offered by the town, or because of the climate of the region. A person's social network also is important. The time and effort spent in developing relationships, be they kin or friends, forms an important social and frequently economic resource which is strengthened by the more wholly emotive aspects of close personal ties. Such relationships form an important part of people's social fields and can be a significant component of migrant decision-making (Garbett and Kapferer 1970). The two towns differ in the part played by friends and relatives in the mobility intentions reported by respondents. These differences point to the longer history of Mt Isa and the establishment of more extensive locally based networks there than in Pt Hedland.

Climate forms a frequent item in discussion about northern Australia. It is said that the extreme of heat is unpleasant and induces transiency because people want to return to the more temperate southern States. This view has been enshrined in the planning philosophies of many of the new northern towns. In brief it states that if life is made as comfortable as possible by reducing 'heat stress', transiency will be reduced and the problems associated with it also will be diminished (Brealey 1972, Brealey and Newton 1978). This 'built environment' thesis of northern Australian urbanisation however, fails to come to terms with the real reasons for migratory behaviour. Instead a popular perception about northern life - in this case 'climate' - is invoked as a monocausal explanation. People with different mobility intentions however, can give the same reason: thus some people state an intention to leave because of climate, others to stay for the same reason. Popular perceptions moreover, can be contradictory. Thus the north offers an undesirable climate but a desirable 'way of life', but an important component of the latter is the 'climate'.

I would suggest however, that both the 'heat stress' and the 'way of life' reasons for intended mobility are epiphenomenal. Someone who sees no necessary advantage to their career by moving away can rationalise a lack of intention to move as a satisfaction with the 'way of life'. Similarly, those who anticipate a career advance by a move from the town, and possibly some frustration with the way in which it is developing in the town, may relate this as a dislike of the climate. Other reasons are also given for people wanting to move away from the northern town, but these too can be understood in terms of a person's career path or social network.

People arrived in the north Australian towns as part of their career paths. This has involved either a change of employment or a transfer within the same employment - the latter sometimes promotion linked. These people, as migrants, are distinguished from others undergoing job changes by the fact that they also undergo a change in geographical location. Most, but not all migrants were employed prior to moving north.

Table 5 shows that unemployment among incomers, especially in the case of Pt Hedland, was appreciably greater than the national average at the time when most respondents moved north. Whereas this has figured significantly in the career paths of some incomers, movement to the north certainly cannot be explained simply as the movement of the unemployed in search of work. Of those that were unemployed before moving north, most had obtained a job before moving. The overall picture therefore,

is one of a workforce moving north to take up specific and usually pre-arranged jobs.

Table 5

Employment status of incomers to Pt Hedland and Mt Isa
before their move to northern Australia

Employment Status	Pt Hedland	Mt Isa
Employed	70.1	58.8
Self-employed	6.0	2.4
Unemployed	14.4	6.5
Houseworker	8.4	29.0
Other	1.2	3.2
Total	100.1	99.9
N =	169	124

The economic motor of northward migration is clearly reflected in the answers given by respondents to the 'open-ended' question, 'Why did you move to the north?' A minority gave more than one reason, but most answered emphatically with a single reason. This is significant because it emphasises the salience to many respondents of a particular reason: for them it constituted the reason for moving north. These reasons are set out below in table 6.

Table 6

Principle reasons given by incomers to Pt Hedland and Mt Isa
for moving to northern Australia

State reason for moving north	Pt Hedland	Mt Isa
I Work, Money, etc.		
Work	46.2	50.0
Transferred	14.8	14.5
Financial	20.1	8.1
Partner's employment	5.9	7.3
Sub-total	87.0	79.9
II Experiential		
Wanted change	2.4	4.0
Travel	4.1	3.2
Evaluation of previous or present area	4.8	3.2
Sub-total	11.3	10.4
III Other		
Relatives	1.2	7.3
Other	0.6	1.6
Don't know	-	0.8
Sub-total	1.8	9.7
Grand Total	100.1	100.0
N =	169	124

The reasons fall into a number of categories, which have been further grouped together into the sections of 'Work, Money etc' and 'Experiential reasons'. The significance of work is clearly evident. In fact many respondents simply answered 'work' to this question. When included together with other 'work-related' reasons, such as transfer or for the financial benefits that the north is thought to offer, the dominance of the economic motivation of migration is clearly evident. It shows moreover, that the movement of people to northern Australia occurs for exactly the same reason as for all other instances of voluntary migration reported in the literature: as an aspect of economic behaviour. A number of surveys conducted in different northern Australian towns moreover, have pointed to the same reason (Neil et al. 1984, 369). Some respondents offered different reasons however, but in total these number considerably less than those associated with work. After work-related reasons, 'Experiential reasons' figured most prominently. This category relates to people who saw their move in terms of a 'life experience' or a challenge. It gave them an opportunity to see different areas, to travel, to get away from things disliked in the area where they previously lived and so on. On the other hand it can also be said that the destinations chosen by the migrants giving Experiential reasons shows them to have followed an 'economic track'.

Contrary to popular beliefs, the data also shows that the respondents have not had careers characterised by extreme mobility.

Figure 1 shows the number of jobs respondents had held up to the time that they were interviewed. Obviously this represents a particular point in most respondents' careers and a number would have more job changes prior to retirement. But the data does suggest some important points. The first is the similarity between the two towns in terms of the reported job changes. Statistically a difference exists between the towns but this is largely due to the 'outliers', those few respondents with more than ten job changes. Once these are omitted - they account for little more than 10 per cent of the sample - there is not a significant difference in the job mobility characteristics of the two populations. A second point is that the mean number of job changes - 5.8 for Pt Hedland and 6.2 for Mt Isa - is not excessive. The median number of changes for both towns, moreover, is a little over five.

This data however, relates only to the number of job changes and not to those changes that also involved a change in geographical location.

Figure 2 plots the probability that a change of job also involved a change in geographical location. These probabilities are plotted against the number of jobs held by the respondents, with an upper limit of 10 job changes. This excludes the outliers mentioned above, which means that a comparison of the mobility characteristics between the two towns takes place on the basis of statistically similar sub-samples. The data suggests that after the first two or three jobs the probability that a job change will also involve a geographical move is somewhat less than 0.5. The mean probability for all job changes is 0.49 for Pt Hedland and 0.42 for Mt Isa. Statistical tests on the similarity of the mobility characteristics are equivocal. At the five per cent level the Pt Hedland population can be said to be more mobile than the Mt Isa population, but at the one percent level the difference is not statistically significant. Broadly speaking however, the average person emerging from this data is someone who has had about six jobs of which two or three have involved a change in geographical location. Thus we can scarcely talk about rampant transiency.

Distinctions can also be made among incomers in terms of the time that they have spent in the town. Time in which a number of varied socio-economic investments may have been made. The simple categorical distinction between local and incomer implies no iron-clad division within the population in terms of the commitment espoused towards the town.

Figure 1

Number of jobs held by respondents

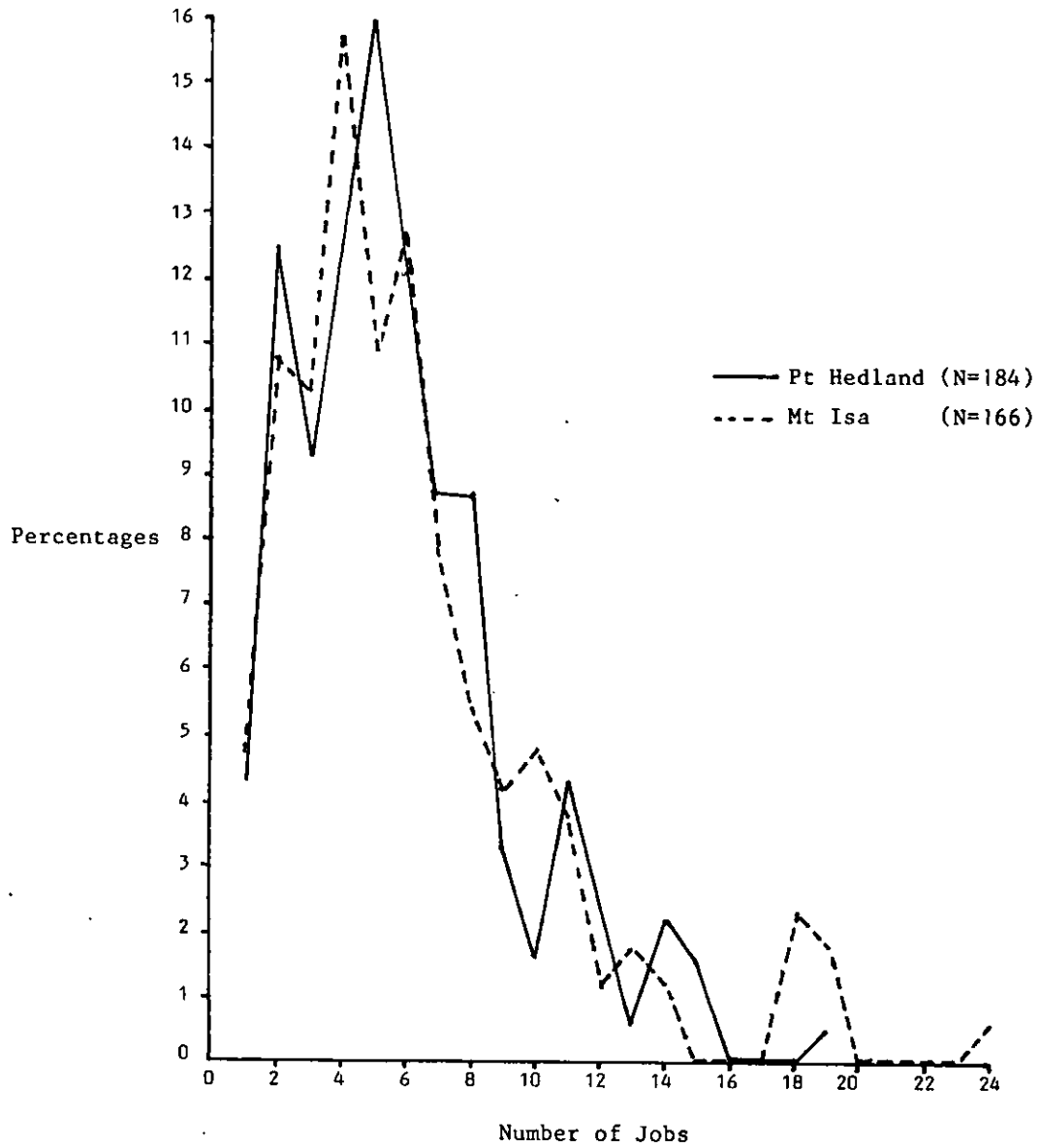
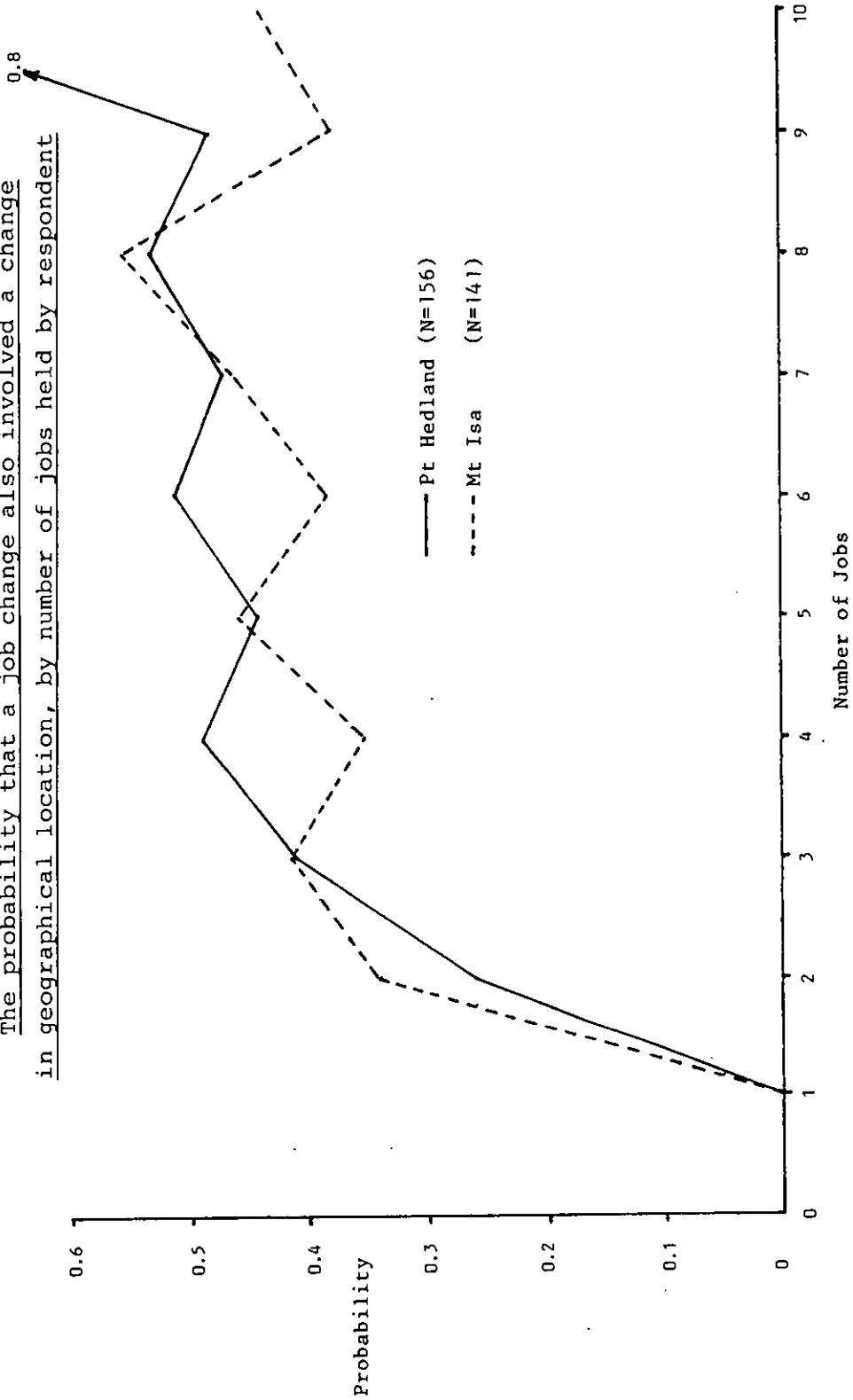


Figure 2

The probability that a job change also involved a change in geographical location, by number of jobs held by respondent



Rather than this, the possibility that a person will stay and become a permanent member of the urban workforce can vary considerably from individual to individual. A reasonable assumption however, is that the longer the person stays the more likely it is that they will become a long term resident of the town. This is because the longer that a person spends in an area, the more the investments (of time, money, work, career and social relationships) that can be made there and thus the greater the commitment that it is possible to establish towards it and so the more 'stabilised' they can become. Thus a measure of the time spent in the town provides a numeric representation of the degree of stabilisation. This measure I refer to as that person's stabilisation score. The logic of the stabilisation score is simple: it measures the time spent in the town relative to the age of the individual (the observed score) and then assesses the extent to which this differs from the score that is expected from a fully stabilised person.

$$\text{stabilisation score} = 100 | \text{observed score} - \text{expected score} |$$

The expected score assumes a fully stabilised person, in which case the time spent in the town is the same as the person's age: thus the expected score equals one. Similarly the observed score for the fully stabilised person is one, and the stabilisation score for that person is zero. Thus as the stabilisation score increases from zero the less significant a part that town has played in the person's life. The highest stabilisation score, 100, occurs when the observed score is zero - which is the case for new arrivals. The stabilisation scores of a population thus provide a range of values on a continuous scale between zero and 100. The distribution of a population in terms of this scale indicates its degree of stability.

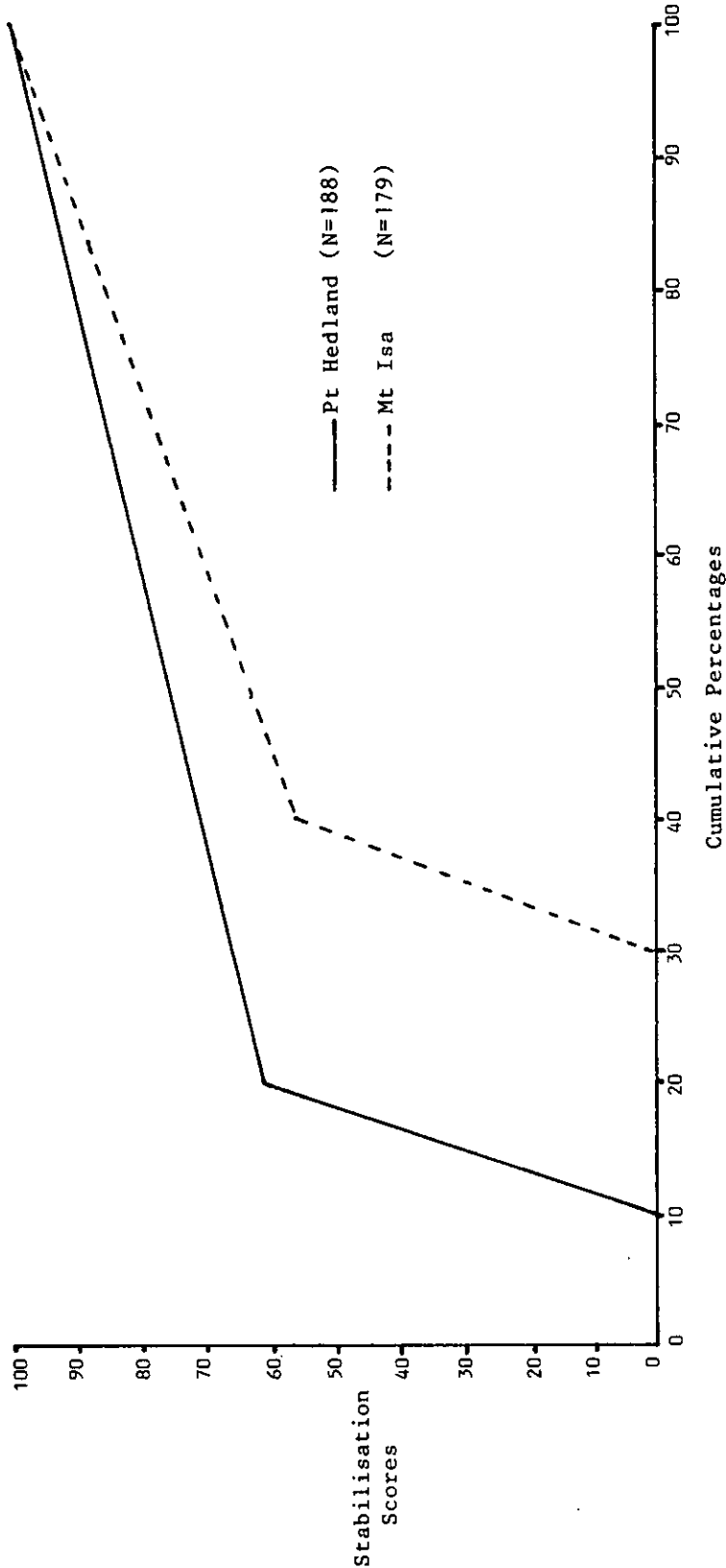
To measure the stability of the Pt Hedland and Mt Isa populations it was assumed that all locals irrespective of their place of birth had an observed score of one - giving them a stabilisation score of zero. This procedure emphasises that the variation from zero on the derived scale occurs from people moving into the town from their own volition, as part of their personal career paths.

Figure 3 represents the aggregated effect of the stabilisation scores. These scores are plotted against their cumulative frequencies to produce the stabilisation curves for Pt Hedland and Mt Isa. The shape of the curves and their positioning relative to the axes are significant. In a totally stabilised population the curve would be a straight line parallel with the horizontal axis with a score of zero. The likelihood of encountering such a population is very remote, and the logic of the stabilisation curve is that it shows the extent to which the population deviates from such an ideal. Thus the greater the area enclosed by the curve the less stabilised the population.

A glance at the stabilisation curves of the two towns shows the Pt Hedland population to be less stabilised than that of Mt Isa. The point of intersection of these curves with the horizontal axis shows that the proportion of locals is considerably greater in the latter town. Secondly, the more pronounced 'elbow' in the Pt Hedland curve (that is, it occurs at a greater value than for Mt Isa) shows that the population of the Western Australian town is less stabilised. The 'elbow' bounds the 'top' part of the stabilisation curve: the lower the gradient of this, the less stabilised the incomer part of the population.

The stabilisation curves for both towns exhibit considerable deviation from a fully stabilised 'ideal' - Pt Hedland more so than Mt Isa. A glance at the curves shows that about 10 per cent of the Pt Hedland sample were locals against about 30 per cent for the Mt Isa sample. Moreover, the higher stabilisation score value for the elbow, and the slighter gradient of the top part of the Pt Hedland stabilisation curve show this population to be less stabilised than that of Mt Isa.

Figure 3
Stabilisation curves for Pt Hedland and Mt Isa



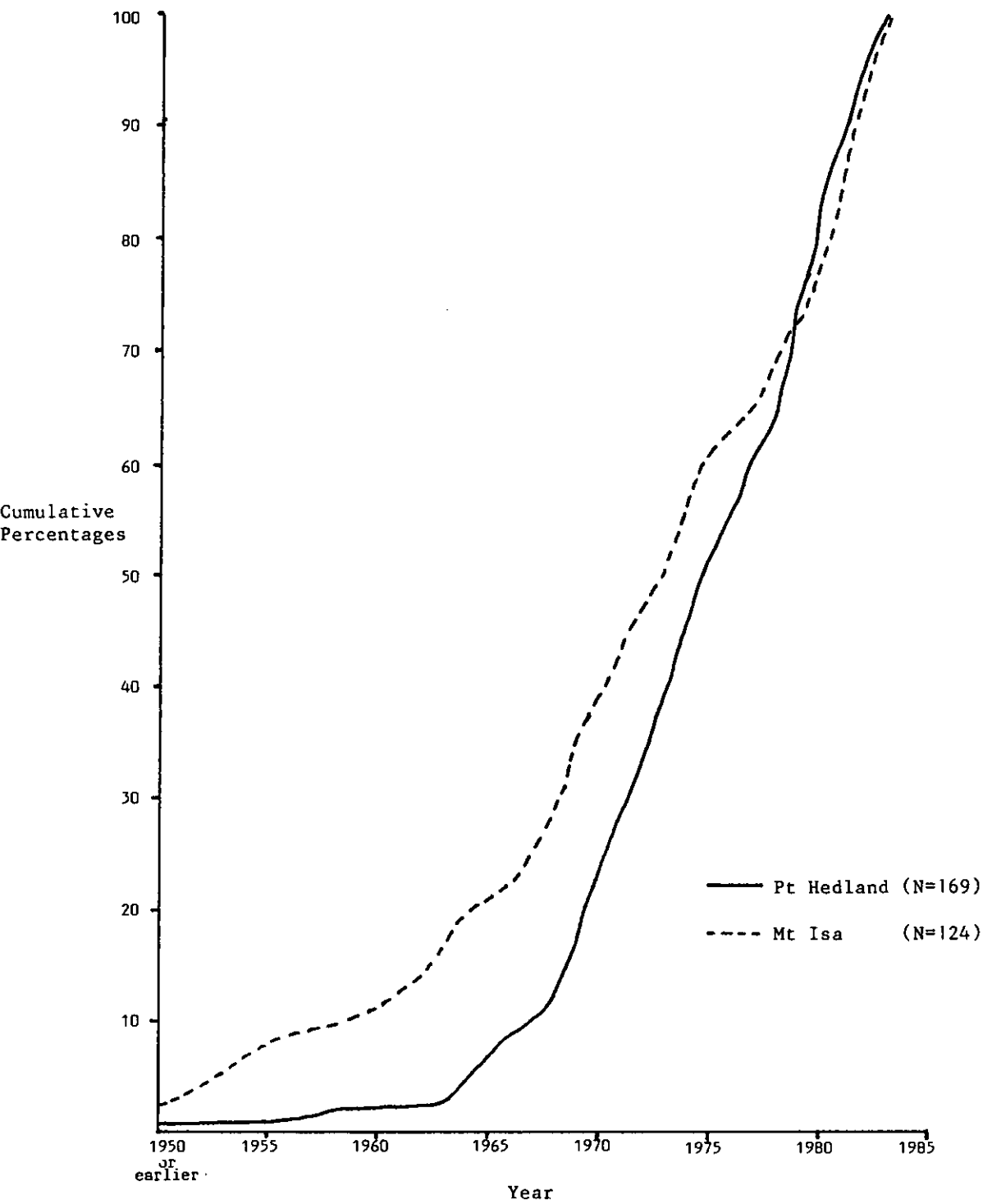
The stabilisation curve clearly represents the stabilisation profile of a population, but it does not provide a simple comparative measure of the stabilisation of different populations. Ideally this measure would be derived from the area enclosed by the curve, which requires a relatively complex mathematical operation to compute. To simplify computational procedures a stabilisation index is derived from the mean stabilisation score of the population. This provides an index of 52 for Mt Isa and 70 for Pt Hedland, which supports the interpretation of the stabilisation curves for these towns. As with the stabilisation scores, the higher the absolute value of the stabilisation index the less stabilised the population in question.

The median stabilisation score for both towns however, is greater than the mean. This suggests that the stabilisation index has been reduced by the presence of locals, who are considerably more prominent in Mt Isa. The skew is important. It suggests that a significant proportion of the population has been present for a short time in addition to the existence of a much more highly stabilised core. Each town has to be considered separately, however. The skew for Mt Isa is appreciably greater than for Pt Hedland, but it cannot be inferred thereby that there is a larger proportion of less stabilised in the Mt Isa population. Rather it points to the persistence of a significant number of people who have been in the town for a relatively short time despite its stabilised core. In Pt Hedland the stabilisation index is significantly higher, in which case the smaller skew points to the significantly smaller stabilised core.

Figure 4 plots the incomer portion of each town's population in terms of the year in which the respondents arrived in the town. This data shows that at the time of the survey half of the Mt Isa incomers had been resident in the town for over 10 years, and a half of the Pt Hedland incomers had been resident for about eight years or more. Which means that if the locals are also brought into the picture then about two-thirds of the Mt Isa population and about half of the Pt Hedland population have been resident in the town for at least 10 years. Once again we have data that hardly supports the transiency model of north Australian urbanisation.

On the other hand something gives rise to the popular perception of considerable transiency in these towns. Obviously transiency does occur. My point here is that the extent of transiency is significantly less than that suggested by popular imagery, which is perhaps fostered by the fact that numbers of new arrivals are 'always' present in the town. A further look at figure 4 also reveals that about 10 per cent of the incomers in each town had arrived there in the preceeding two years. The gradient of the slope moreover, suggests the relatively recent arrival of a significant proportion of the population. The evidence from Mt Isa - in which there appears to be a noticeable degree of short term residence - is particularly significant in this context because the town stopped growing over a decade ago and even declined in size in the second half of the 1970s. This data supports that given earlier on this town and points to a scene in which a certain proportion of the urban population changes rapidly, but the majority of the residents are more highly stabilised. Even so, the extent to which this transiency might prove a continuing phenomenon is debatable. If the situation were one of a limited degree of stabilisation and a continuing high degree of transiency then it would be reasonable to expect that the curves shown in figure 4 would be exponential in shape rather than linear over much of their length. That is, a small proportion of the population would exhibit the characteristics of a more stabilised population whereas a large proportion would have arrived in the preceeding few years. As it is, the observed linearity would suggest that the degree of transiency is declining.

Figure 4
Year of movement of incomers into Pt Hedland and Mt Isa



The data points to transiency being a declining feature of the populations of the newer north Australian towns over time. It also points to a pattern of urbanisation in which a number of people from each incoming cohort remain in the town for considerably longer than they had originally intended. The others from the same cohort might depart after a relatively short time however, and in the earlier years of urban development this gives rise to considerable transiency within the town's population. Over time the situation changes. Each incoming cohort leaves behind people who have made the investments and developed the commitment for continued residence in the town. Thus the numbers that have stayed from succeeding incoming cohorts cumulate to form a relatively stabilised core population within the town. Transiency certainly continues but diminishes through time.

A moment's reflection signals the reason for this. As the proportion of relatively stabilised residents in the urban population increases, so the job opportunities remaining for new migrants to the town steadily decreases. Moreover, through time the children of incomers begin to enter the labour market and some of the jobs will be swallowed up by these as 'locals' rather than remaining available for further incomers. In this paper I have hinted at a theory of migration that views geographical mobility as primarily determined by shifts within socio-economic space. The fact that most respondents had jobs arranged prior to moving north would support this. This also means that as the local, town-based labour market tightens up fewer people will be drawn to the town anyway. The balance between the transient and the stabilised parts of the population will steadily move in favour of the latter. No sudden break-off point occurs between the town having a largely transient and then a largely stabilised population. It is a gradual, cumulative process as the proportion of transients is eroded over time. In Mt Isa this erosion is at a more advanced stage than it is in Pt Hedland. In part this can be attributed to the longer time that Mt Isa has been in existence. But this does not provide the whole explanation. Mt Isa has reached zero and even negative growth, Pt Hedland is still expanding. The labour market of the latter town continues to grow and provide further opportunities for an incomer population. The considerable public service element in the Pt Hedland labour market also suggests that a higher degree of transiency may remain in this town because of the mobility frequently embedded in a public service career pattern.

My remarks are largely confined to 'open' towns. 'Closed' towns - those which remain under complete company control are less likely to conform with the model I have developed. This is largely because of the company domination of the housing market. Mount Isa Mines commenced a policy of relinquishing control over the town and selling off its housing stock to its employees in the early 1950s. And over time their problems with a high rate of labour turnover gradually diminished. The presence of a local housing market does not in itself reduce transiency, but it does mean that people can make a major financial investment in the area, which is likely to increase their commitment to it. This has a further implication. It means that their children can stay in the town, not necessarily dependent on the company for their own accommodation. In other words it facilitates the development of locally based social networks. When combined with other factors, such as the availability of apparently secure jobs which pay well, the scene is set for the gradual increase in the stabilised proportion of the urban population. My point therefore, is that the 'high transiency' model of north Australia is generally unfounded. Transiency perhaps continues to be a prominent feature of company owned 'closed' towns for longer than is the case for 'open' towns because it is more difficult for the residents of the former to build up the portfolio of investments necessary for the development of commitment to it. In the open towns however, a stabilised portion of the population cumulates from a fairly early stage in the town's development and reaches the point where it reduces the opportunities for further transients. The labour market is increasingly serviced from within a stabilised urban population.

References

- Bradbury, J.H., 1984a. Declining Single-Industry Communities in Quebec-Labrador, 1979-1983, Journal of Canadian Studies 19:3, 125-39.
- Bradbury, J.H., 1984b. The Impact of Industrial Cycles in the Mining Sector: the case of the Quebec-Labrador region in Canada, International Journal of Urban and Regional Research 8:3, 311-31.
- Brealey, T.B., 1972. Living in Remote Communities in Tropical Australia I: Exploratory Study, Division of Building Research, CSIRO, Melbourne.
- Brealey, T.B., and Newton, P.W., 1978. Living in Remote Communities in Tropical Australia: the Hedland Study, Division of Building Research, CSIRO, Melbourne.
- Castles, S. et al., 1984. Here for Good: Western Europe's New Ethnic Minorities, Pluto Press, London/Sydney
- Crough, G.J., and Wheelwright, E.L., 1983. Australia: Client State of International Capital: a Case Study of the Mineral Industry, in Wheelwright, E.L. and Buckley, K. (eds), Essays in the Political Economy of Australian Capitalism, Vol.5, ANZ Book Company, Sydney.
- Harman, E.J., 1982. Theology and Mineral Development in Western Australia, 1960-80', in Harman, E.J. and Head, B.W. (eds) State, Capital and Resources in the North and West of Australia, University of Western Australia Press, Perth.
- Kennedy, B., 1978. Silver, Sin, and Sixpenny Ale: a Social History of Broken Hill, 1883-1921, Melbourne University Press, Melbourne.
- Garbett, G.K. and Kapferer, B., 1970. Theoretical Orientations in the Study of Labour Migration, New Atlantis 2:1, 179-97.
- Neil, C.C. et al., 1984. Population Stability in Northern Australia Resource Towns: Endogenous Versus Exogenous Influences, in Parkes, D. (ed), Northern Australia: the Arenas of Life and Ecosystems on Half a Continent, Academic Press, Sydney.

ABORIGINAL PARTICIPATION IN THE COMMUNITY EMPLOYMENT PROGRAM

STATE/TERRITORY ELEMENT IN

THE NORTHERN TERRITORY AND AUSTRALIA

S. Baker, P. Nicoll and W.F. Yik
Bureau of Labour Market Research

The Community Employment Program is a public sector job creation program designed to provide jobs for the long-term unemployed and for other persons disadvantaged in the labour market. Unemployed Aboriginals are one group of persons eligible for CEP jobs. This paper examines aspects of Aboriginal participation in the Community Employment Program in 1983/84 in the Northern Territory, in comparison with non-Aboriginal participation in the Northern Territory and with Aboriginal participation in the CEP nationally. The CEP is organised into two elements: one administered in conjunction with State/Territory Governments and the other involving Commonwealth employment authorities. Aboriginal participation in the State/Territory element only of CEP in the Northern Territory is discussed here.

The Community Employment Program

The Community Employment Program (CEP) is a three year Commonwealth program introduced in 1983 and which will continue until June 1986. The legislation expires in June 1986 although some projects will continue to be funded after that date. The program provides short-term jobs of approximately six months duration for particular groups of unemployed persons. When announcing the CEP in May 1983, the Minister for Employment and Industrial Relations indicated that those eligible for participation must be Commonwealth Employment Service (CES) registrants who were out of work for at least three months, with priority then being given to those who were unemployed for at least nine months, those who had never worked, and to those most disadvantaged in the labour market, such as Aborigines. Women would be given equal access to CEP jobs (Minister for Employment and Industrial Relations, 1983).

Organisations eligible to receive CEP funding included federal government authorities under the Commonwealth component, and state and local government authorities and non-profit community organisations under the State/Territory element. Private enterprises are ineligible for funding.

To ensure that the high number of unemployed Aboriginals outside metropolitan areas were adequately catered for, \$7.0m, including \$3.3m to the Northern Territory, was allocated in 1983-84 under Commonwealth CEP to fund projects sponsored by remote community organisations. This allocation covered the Commonwealth Aborigines component of CEP. Aboriginal communities are also eligible to sponsor projects under the community component of the States and Territories element of CEP. The balance of the Commonwealth CEP allocation is made available to fund projects sponsored by other Commonwealth departments and authorities. As indicated earlier, this paper is concerned only with Aboriginal participation in the element administered in conjunction with the Northern Territory Government.

Once the program was established, Consultative Committees established in each State and Territory recommended projects for approval on the basis of applications received from organisations which sought to sponsor projects. All CEP job vacancies were required to be lodged with and filled by the CES. Projects were required to meet certain criteria including the following:

- . Projects must be labour intensive, offering work for at least three months and a maximum of one year in the first instance at appropriate minimum award rates;
- . Projects must involve high Australian content, non-Australian content would be limited to 20 per cent of all projects in a State or Territory;
- . Projects will need to involve activities leading to productive output and permanent jobs, or provide services of permanent public and community value;
- . Projects will have to provide worthwhile work experience and/or training opportunities to enable participants to enter the normal work force;
- . Projects must also be additional to those planned and would not otherwise have been funded under normal budgetary conditions [sic] (Minister For Employment and Industrial Relations, 1983).

In addition, sponsors were required to contribute 30 per cent of total project costs.

The total program allocation in 1983/84 was \$300m. Of this sum, \$250m was for job creation in the States and Territories, and \$50m was available for job creation in the Commonwealth element. The program's budget grew to \$410m in 1984/85, of which \$360m was for the State/Territory element, with \$261m of a total budget of \$290m available for the State/Territory element in the final year of the program in 1985/86. In addition, there is a forward commitment of \$140m into 1986/87 in order to maintain CEP activity at the 1984/85 level. The total program budget of more than \$1b. establishes the CEP as Australia's largest post-war Commonwealth job creation program. In comparison, the Regional Employment Development Scheme (REDS) in 1975 and 1976 was allocated \$195m (1976 prices). The Wage Pause Program, which functioned between 1983 and 1984, was authorised to spend \$200m.

Commonwealth CEP funds have been allocated between the States and Territories on the basis of population with two exceptions. First, funds were also allocated to Commonwealth departments and instrumentalities, and second, the funds allocated to roads program which were distributed on the basis of a formula under the Commonwealth Roads Grant Act.

The CEP is a large program with multiple goals for project sponsors and administrators. The program's over-riding objective was expressed by the Minister in a statement to Parliament in June 1984. At that time, the Minister stated that 'the fundamental purpose of the CEP (was) to assist the most disadvantaged groups of unemployed in obtaining permanent employment in the general labour market'.

Measurement of improvement in former CEP participants' chances of gaining later unsubsidised employment requires data from a longitudinal survey. The Bureau has executed the First Wave of a longitudinal survey, called the CEP Evaluation Survey, to collect such information. The CEP Evaluation Survey Second Wave, which will collect information on the post program labour market status of a sample of former participants and a

matching control group, is scheduled for the spring of this year. The surveys findings will be released early in 1986. In the meantime, the critical issue of the program's impact on the subsequent employability of participants cannot be addressed. However, what can be addressed are major issues in program implementation through use of data on the characteristics of approved and rejected projects and data on the characteristics of persons placed on CEP jobs.

This paper uses project approval and placement data to examine three aspects of the program in 1983/84 in the State/Territory element in the Northern Territory: the number of jobs for Aborigines; the characteristics of Aborigines placed on CEP jobs; and the community benefit of projects which employed Aborigines.

1983/84 was the program's first year. The program has since undergone considerable development in part drawing on the lessons of that year's experience. Further development and refinement is still occurring and will continue until the program terminates in 1985/86. This progressive improvement should be borne in mind in noting this paper's analysis of the program's implementation in its first year.

First, however, it is necessary to place the CEP in the context of employment and unemployment in the Northern Territory.

Employment and Unemployment in the Northern Territory

Both CES and ABS statistics provide information on Aboriginal and non-Aboriginal employment in the Northern Territory. June quarter 1983 data were used as benchmarks to describe the Northern Territory labour market since that quarter was the last before the introduction of the CEP. That is, June quarter 1983 statistics allow one to view the labour market situation confronting administrators at the time consideration was being given to the CEP's implementation. In June 1983, 6.2 per cent of the Northern Territory workforce was unemployed compared with 9.8 per cent of the workforce nationally (ABS 1983).

Looking first at CES statistics, table 1 shows the numbers and percentages of Aborigines registered as unemployed in the Northern Territory and Australia nationally. The table shows that 1.3 per cent of all CES registrants in Australia were registered in the Northern Territory, and that 2.6 per cent of all CES registrants in Australia were Aboriginal. However, 21.4 per cent of all Aborigines in Australia registered as unemployed with the CES were located in the Northern Territory. The most recent ABS unemployment statistics for Aborigines in the Northern Territory are from the 1981 census, when 11.5 per cent of the Aboriginal labour force was unemployed compared to total unemployment in the Territory of 4.9 per cent (DAA 1985).

There are severe difficulties in estimating the extent of Aboriginal unemployment using ABS statistics. For instance, for Aborigines living in rural areas the distinction between the definition of who is unemployed and who is not in the labour force is less clear than for other persons. Many Aboriginal persons who are not actively seeking work would work if employment were available, and consider themselves as unemployed rather than as 'not in the labour force'. Notwithstanding, ABS figures can provide an indication of overall trends. Between 1971 and 1981, Aboriginal labour force participation rates throughout Australia were generally stable, although they rose slightly from 46.1 per cent to 47.3 per cent. In the same period, the Aboriginal labour force participation rate in the Northern Territory was also stable, although there was a slight fall from 45.7 to 45.1 per cent, while total labour force participation in the Northern Territory rose from 67.8 per cent to 69.2 per cent (DAA 1985). The fall in Aboriginal labour force participation rates in the north coincided with the

growth of long-term unemployment amongst Aborigines, which, according to ABS Census statistics, grew in the Northern Territory from 2.3 per cent in 1971 to 11.5 per cent in 1981 of all persons unemployed.

Table 1

Aborigines and total persons registered with the CES
in the Northern Territory and Australia
by duration of registration, June quarter 1983(a)
 (per cent in brackets)

Duration of registration	Northern Territory			Australia	
	Aborigines	Non-Aborigines	Total persons	Aborigines	Total persons
-3 months	1,253 (27.9)	4,303 (66.8)	5,556 (50.8)	6,564 (31.3)	294,309 (36.7)
3-9 months	1,191 (26.5)	1,712 (26.6)	2,903 (26.6)	6,327 (30.1)	305,897 (38.1)
9+ months	2,044 (45.5)	426 (6.6)	2,470 (22.6)	8,108 (38.6)	201,643 (25.1)
Total	4,488 (100)	6,441 (100)	10,929 (100)	20,999 (100)	801,849 (100)

(a) Department of Employment and Industrial Relations, Commonwealth Employment Service. Commonwealth Employment Service Statistics, Issue No.1 June quarter 1983.

A higher proportion of Northern Territory Aborigines, 4.5 per cent, were amongst the long-term unemployed (with 9 months or more of CES registration) than were Aborigines in the rest of Australia (38.6 per cent). Seventy two per cent of Northern Territory Aborigines registered as unemployed with the CES had been so for 3 months or more which was the minimum criterion for CEP placement, compared with 68.7 per cent of all Aborigines in Australia. This compared with the 49.2 per cent of all persons in the Northern Territory registered as unemployed for a minimum of 3 months. Table 1 shows that two-thirds of all non-Aborigines and only 27.9 per cent of Aborigines in the Northern Territory were unemployed for less than 3 months. Thus, 60.2 per cent of all persons in the Northern Territory registered with the CES for three months or more were Aboriginal. Most Aboriginal registrants, 80.6 per cent, and 76.1 per cent of non-Aboriginal registrants in the Northern Territory were male. This compared with the national figures of 77.5 per cent and 71.9 per cent respectively for Aboriginal and non-Aboriginal registrants who were male. Of note is that the requirement of 3 months continuous registration prior to CEP placement could be waived for Aborigines in remote communities.

A clearer picture can now be drawn of unemployment in the Northern Territory immediately before the introduction of the Community Employment Program in the following terms:

- A lower level of unemployment than for Australia nationally.

- Higher total labour force participation and lower Aboriginal labour force participation rates than participation rates at the national level.
- A far greater proportion of CES registrants in the Northern Territory were Aborigines than was the case nationally. In other words, Aborigines as a CEP target group were much more a concern in the north than elsewhere.
- The Northern Territory had a higher proportion of Aboriginal people registered with the CES as long-term unemployed than did the rest of Australia.
- In the Northern Territory, the proportion of Aborigines who were long-term unemployed was twice that of non-Aborigines. Conversely, almost half as many Aborigines as non-Aborigines were registered with the CES as unemployed for three months or less.
- The greater majority of Aboriginal and non-Aboriginal CES registrants in the Northern Territory were male. The proportion of male registrants in the Territory was more than the proportion of male registrants nationally.

The CEP in the Northern Territory

The Number of Jobs for Aborigines

A consultative Committee, comprising representatives of the Commonwealth and Territory Governments, local government and community organisations, was responsible for recommending projects for approval by the Commonwealth and Territory Governments within the State/Territory element. The CES was responsible for referring persons to CEP projects. As in the ACT and other States, more CEP positions were approved than there were persons placed in CEP jobs. Since the processes of project approval and project placements occurred at different times and have different implications, we will examine these processes separately.

In the Northern Territory in 1983/84, 69 CEP projects were approved. These projects were recommended on the basis of offering 513 jobs of which 211, or 41 per cent, were approved for Aborigines. One per cent of all CEP jobs approved nationally in 1983/84 were in the Northern Territory. For this purpose the Commonwealth provided \$4.9m and sponsors provided \$1.5m out of a total cost for all CEP projects in the Territory of \$6.4m.

Persons unemployed and registered with the CES for a minimum period of 3 months were eligible for placement. Within this group, Aborigines, migrants with English language difficulties, the disabled, and persons unemployed for 9 months or more were to be given preference. However, as indicated earlier, requirements for continuous registration could be waived in respect of Aborigines living in remote communities. It is likely, however, that CES statistics underestimate the number of Aborigines who want work because many Aborigines in remote communities who want work do not register with the CES. Table 2 shows that 60.2 per cent of all persons registered with the CES for 3 months or more in the Northern Territory were Aborigines. Yet only 41 per cent of jobs were approved for Aborigines. This proportion corresponded with the 41.1 percentage representation of all Aborigines in the CES rolls in Northern Territory, although it was less than the Aboriginal share of the CES rolls eligible for CEP placement. Nevertheless, the figures showed that Aborigines received a significant share of CEP jobs in the Northern Territory.

Table 2

Comparison of Aboriginal targeting success
in Northern Territory and other States(a)
(per cent)

Region	CES Un- employment (b)	CEP approvals (c)	CES placements (d)	Difference between placement- approval	Time lapse Aborigines (weeks) (e)	Time lapse all persons (weeks) (f)
NT	60.5	41.1	41.5	0.4	20.9	18.7
NSW	1.7	8.6	11.2	2.6	15.4	16.0
VIC.	0.4	3.8	1.4	- 2.4	21.5	19.3
QLD	5.5	6.6	8.4	1.8	19.5	18.0
SA	1.9	1.8	2.3	0.5	22.8	20.0
WA	5.7	4.2	12.2	8.0	16.4	16.3
TAS.	0.8	1.8	3.4	1.6	8.5	11.1
ACT	0.8	8.1	2.7	- 5.4	16.3	17.3
AUSTRALIA	2.8	6.5	7.9	1.4	17.2	17.2

(a) BLMR estimates.

(b) Aborigines proportional to all CES registrants unemployed for 3 months or more.

(c) Aboriginal jobs proportional to the total number of jobs approved by Consultative Committee.

(d) Aboriginal jobs proportional to the total number of job placements made by the CES.

(e) Mean time lapse in weeks between project approval and commencement date for all Aborigines placed on CEP jobs.

(f) Mean time lapse in weeks between project approval and commencement date for all persons (Aborigines and non-Aborigines) placed on CEP jobs.

Table 2 compares the targeting of jobs for Aborigines at project approval stage in each State and Territory. The first two columns of the table show that four States and the ACT approved a greater proportion of jobs for Aborigines than there were Aborigines registered with the CES for 3 months or more. In South Australia and Western Australia, there were 0.1 and 1.5 percent respectively fewer jobs approved for Aborigines than there were Aborigines with 3 months minimum unemployment registered with the CES. In the Northern Territory, the difference between the proportion of jobs approved for Aborigines and the proportion of Aborigines eligible for CEP placement was about 20 per cent. Nationally, 2.8 per cent of CES registrants were Aborigines eligible for CES placement, while 6.5 per cent of CEP jobs were approved for Aborigines. Clearly, the substantially smaller proportion of jobs approved for Aborigines in the Northern Territory in comparison with the percentage of Aborigines on CES rolls eligible for CEP placement goes against the national trend. A partial explanation for this pattern is in the relatively complex process of project development among Aboriginal communities, especially amongst those

in remote locations where more time was necessary for development of grant applications.

Turning to placements, table 2 shows 41.5 per cent (134 out of 323) of total placements in the Northern Territory were Aborigines. In the Australian Capital Territory and in all States except the Northern Territory, the proportion of Aboriginal CEP placements was more than the Aboriginal percentage of CES rolls of those registered for 3 months or more. Another way of describing this is to say that the program's unemployment penetration rate, which is the ratio of the proportion of CEP jobs held by Aborigines to the proportion of the CES population who were Aborigines eligible for CEP placement, was greater than one in every State and Territory except the Northern Territory.

Much of the limited success in the placement of Aborigines in the Northern Territory can be explained by the low proportion of jobs approved for them in relation to their share on CES rolls of eligible unemployed. That is, one of the factors limiting the number of Aborigines placed was the number of jobs formally approved for them. Notwithstanding, it can be seen that there were considerable variations between the States and Territories in the differences between the proportions of jobs approved for Aborigines and proportions of all CEP jobs filled by Aborigines in 1983-84. In relation to the Northern Territory, all other States except Victoria and the Australian Capital Territory placed a higher proportion of Aborigines than the proportion of jobs approved for them.

The fifth column in table 2 which gives the mean time lapse for all Aboriginal placements from the date of project approval suggests a possible explanation for this result. With the marked exception of the Australian Capital Territory, table 2 shows a good correspondence between a change in the proportion of placements made from the proportion of jobs approved and the length of time taken to place Aborigines in a job. All things being equal, the longer the time lapse between project approval within 1982-84 and placement of jobs on the project, the smaller is the number of placements made within that year. Nationally, on average, Aborigines were placed 17.2 weeks after the approval of projects which set aside positions for Aborigines. However, the average lag of 20.9 weeks between project approvals and commencements for Aborigines in the Northern Territory was the third longest of all States and Territories. Comparison of the mean time lapse for Aboriginal placements with that for all placements in the same State/Territory in columns 5 and 6 of table 2 shows Aboriginal placements to be among the slowest in relation to non-Aboriginal placements. The longer than average time lapse in Northern Territory could be explained by seasonal difficulties with the placement of jobs involving outdoor activities, a higher turnover rate of placements for Aborigines, or a combination of these and other factors yet to be identified.

The Characteristics of Aborigines Placed on CEP Jobs

The age and sex of 1983-84 State/Territory CEP participants, and the duration of the unemployment they experienced before commencing their CEP jobs are presented in table 3.

This table shows that in the Northern Territory Aboriginal CEP participants were somewhat younger than their non-Aboriginal counterparts. However, the age distribution of Aborigines does not appear to differ markedly from that of Aborigines elsewhere in Australia nor from non-Aborigines Australia wide.

The program's guidelines allowed recruitment of specialist and supervisory personnel unemployed for less than three months, and also the recruitment of persons judged by the CES as being in need of immediate employment. Therefore, the small number of positions filled by persons

unemployed for less than 3 months and illustrated in table 3 was expected. Preference in the placement of those persons unemployed for nine months or more was required by the program's guidelines. This preference was implemented successfully for Aborigines and non-Aborigines in the rest of Australia. Long-term unemployed non-Aboriginals in the Territory filled more jobs than did persons unemployed for less than 9 months. However, in regard to Aboriginal placements, the Northern Territory demonstrated a different pattern of job recruitment since long-term unemployed Aborigines were no more numerous in CEP jobs than Aborigines unemployed for 3-9 months.

Table 3

Selected characteristics of Aboriginal and non-Aboriginal
CEP placements in the Northern Territory and Australia,
State/Territory element, 1983/84 (a), (b)

	Northern Territory				Australia			
	Aboriginal		Non-Aboriginal		Aboriginal		Non-Aboriginal	
	No.	Per cent	No.	Per cent	No.	Per cent	No.	Per cent
Sex								
Male	125	93.3	166	87.8	1,667	82.7	15,699	66.4
Female	9	6.7	23	12.2	349	17.3	7,947	33.6
	134	100.0	189	100.0	2,016	100.0	23,646	100.0
Age								
15-19	14	10.4	7	3.7	224	11.1	1,817	7.7
20-24	37	27.6	41	21.7	601	29.8	7,120	30.1
25+	83	61.9	141	74.6	1,191	59.1	14,709	62.2
	134	100.0	189	100.0	2,016	100.0	23,646	100.0
Unemployment duration								
<3 months	2	1.5	3	1.6	111	5.5	669	2.8
3-9	66	49.3	82	43.4	813	40.3	10,141	42.9
>9	66	49.3	104	55.0	1,092	54.2	12,836	54.3
	134	100.0	189	100.0	2,016	100.0	23,646	100.0
<=9	68	50.7	85	45.0	924	45.8	10,810	45.7
>=9	66	49.3	104	55.0	1,092	54.2	12,836	54.3
	134	100.0	189	100.0	2,016	100.0	23,646	100.0

(a) BLMR estimates.

(b) Percentages may not sum to 100.0 due to rounding errors.

An indication of the absolute impact of the CEP upon Aboriginal unemployment in the North can be gained from a comparison of the number of medium and long term unemployed with the number of medium and long term unemployed who were assisted. In June quarter 1983, 2,044 Aborigines in the North were unemployed for more than 9 months, while in the program's first year there were 66 CEP placements of long term unemployed Aborigines. The corresponding figures for those unemployed for 3 to 9 months were 1,191 and 66 respectively. This suggests that the CEP did not have a substantial impact on the number of medium and long term unemployed Aborigines in the Territory. These figures corroborate the low unemployment penetration rate for Aborigines referred to earlier.

In 1983/84, 32.5 per cent of all placements nationally were female (DEIR 1984). A different situation existed in the Northern Territory where 125, or 93 per cent of Aboriginal placements and 88 per cent of non-Aboriginal placements, were male (table 3). Relevant to consideration of these statistics is the fact that 91 per cent of NT Aborigines eligible for CEP placement were male. In other words, Aboriginal women comprised 9 per cent of CES Aboriginal registrants eligible for CEP placement and were 7 per cent of all Aboriginal placements. The male dominance of participation is in stark contrast to the program's equal employment opportunity provisions for women, which required that 50 per cent of jobs (excluding the Jobs on Local Roads component) should be for women. Critical factors in interpreting female Aboriginal participation in the program in the north are the remoteness and traditional culture of many communities. The latter may show in some kinds of employment being considered by traditional communities as unsuitable for Aboriginal women. The paucity of unsubsidised job opportunities for Aboriginal women, and the fact that unemployment benefits are normally paid to husbands rather than wives further explain why such a small proportion of Aborigines registered with the CES were women.

Some insight into the under-representation of women can be obtained by examining the occupations required of CEP workers. Table 4 shows 89.8 per cent of CEP placements in Northern Territory compared to 73.2 per cent of placements Australia-wide were in manual occupations. This suggests that in the Northern Territory the CEP has created employment opportunities in jobs traditionally held by males. In this situation the proportion of CEP jobs held by women can increase only if the movement of women into non-traditional occupations increases substantially - an unlikely occurrence - or if more jobs traditionally held by women are created.

Table 4

Occupations of Aboriginal and non-Aboriginal in CEP employment,
Northern Territory and Australia
State/Territory element, 1983/84 (a)

Occupations	Northern Territory				Australia			
	Aboriginal		Non-Aboriginal		Aboriginal		Non-Aboriginal	
	No.	Per cent	No.	Per cent	No.	Per cent	No.	Per cent
White collar	7	5.2	26	13.8	295	14.6	6,560	27.8
Blue collar	127	94.8	163	86.2	1,721	85.4	17,032	72.2
Total	134	100.0	189	100.0	2,016	100.0	23,592	100.0

(a) BLMR estimates.

Table 4 also indicates that a far smaller proportion of Aborigines in the Northern Territory held white collar CEP jobs than did Aborigines nationwide. Non-Aboriginal employment in the Territory was also concentrated in blue collar jobs, although to a lesser extent. The concentration of employment opportunities in blue collar occupations, particularly in the construction and labouring areas, might reflect a narrower range of job opportunities in the Territory than elsewhere. Also, the CEP jobs occupied by Aborigines may have corresponded with the occupations in which they were registered with the CES. More research is necessary on this occupational correspondence.

Public sector job creation programs, such as the CEP, can be designed to operate on two fronts: they are directed at areas of high unemployment; and designed to alter existing structural aspects of local labour markets. These will at times be conflicting objectives.

There are two ways of considering the role of public sector job creation programs in this situation. One viewpoint is that a narrower range of job opportunities in the labour market may be a problem that programs such as the CEP are not well equipped to address. The program necessarily reflects, to some extent, the existing structure of local industry and the consequent demand for labour. An alternative viewpoint is that since public sector job creation programs are outside the market sector there is substantial scope for the program to influence the occupational distribution of local labour demand. A more complete understanding of the impact of public sector job creation programs in the Northern Territory requires consideration of the relationship between these constraints of the program's guidelines and local labour demand.

The Community Benefit of Projects which Employed Aborigines

The program's objective is to create additional employment opportunities through the funding of labour intensive projects of social and economic benefit to the community (DEIR 1984). The program's guidelines indicate that projects should provide service of public and community value and provide worthwhile work experience and/or training. We will examine each of these dimensions of community benefit in turn.

Project Activities:

The project activities which are eligible for CEP funding are grouped into six categories: construction activities, maintenance, roads and water, forestry, clerical, and community services.

Table 5

Number of projects by CEP project activities in the Northern Territory and Australia, State/Territory element, 1983/84 (a)

Project activity	Northern Territory				Australia			
	Aboriginals		Non-Aboriginals		Aboriginals		Non-Aboriginals	
	No.	Per cent	No.	Per cent	No.	Per cent	No.	Per cent
Construction	2	5.0	0		81	6.2	304	4.4
Maintenance	5	12.5	4	13.8	234	17.9	1,081	15.6
Road, water	10	25.0	2	6.9	375	28.6	1,322	19.0
Forest	6	15.0	0		245	18.7	803	11.6
Clerical	8	20.0	12	41.4	217	16.4	1,970	28.4
Community services	9	22.5	11	37.9	157	12.0	1,456	21.0
	40	100.0	29	100.0	1,309	100.0	6,936	100.0

(a) BLMR estimates.

Table 5 indicates that 40 of the 69 projects approved in the Northern Territory were approved on the basis of offering at least some employment for Aborigines. The table shows that Aborigines in the Northern Territory were more likely than Aborigines elsewhere to be employed in clerical and community service projects. Yet as we saw earlier Northern Territory Aborigines were more likely to be employed in blue collar occupations than their counterparts in other States and Territories. Reconciliation of the data on project activities with data on the distribution of occupations suggests that where Aborigines and other persons are employed in the same clerical and community service projects in the Territory, Aborigines are more likely to have manual rather than white collar work. This occupational segregation which most probably is a reflection of the occupations in which Aborigines are registered with the CES, limits Aborigines' work experience and training opportunities.

Aborigines Work Experience and Training Opportunities:

The limitations on job training the CEP provided Aborigines were also indicated in other ways. Table 6 shows that, aside from New South Wales, the Northern Territory was the only State or Territory where projects with training had a lower percentage of jobs for Aborigines than those projects which did not intend to offer training.

Table 6

Aboriginal participation in projects providing training by State and Territory 1983/84 (a)

Region	Projects offering training		Projects without training	
	No.	Per cent of jobs for Aborigines	No.	Per cent of jobs for Aborigines
NT	22	31.6	4	52.4
NSW	2,402	9.1	118	12.0
VIC.	992	3.6	0	0
QLD	774	6.2	234	5.3
SA	50	4.9	367	0.6
WA	582	5.1	136	3.0
TAS.	303	2.1	126	0.2
ACT	103	4.5	3	0.0

(a) BLMR estimates.

Conclusion

This paper has addressed Aboriginal participation in the State/Territory element. Inclusion of statistics on the Commonwealth element would have increased estimates of the numbers of Aborigines employed in Northern Territory CEP jobs. However, the lack of data at the time of preparing this paper hindered analysis of the characteristics of Aborigines employed in the Commonwealth element of the CEP and on the community

benefit of the projects. The consequence is that only a partial examination of Aboriginal participation in the CEP was possible. When Commonwealth element data become available it will be easier to analyse the full extent of Aboriginal participation in the program. In the meantime, this account must be considered as interim.

Aboriginal participation in jobs created under the State/Territory component of the CEP in the Northern Territory in 1983/84 was characterised by:

- A large number of jobs which were approved for Aborigines. Notwithstanding, there was a relatively low proportion of jobs targeted at project approval stage for Aboriginal employment compared with Aboriginal representation on the eligible CES register. The discrepancy between the proportion of jobs approved for Aborigines and the proportion of eligible Aborigines on CES rolls was greater than for any other State or Territory. Also, the Northern Territory was the only Territory or State which failed to place Aborigines in greater proportions in CEP jobs than Aborigines shares of CES registrations eligible for CEP placements.
- Of those Aborigines employed with CEP funds, preference was not given to the long-term unemployed since just under 50 per cent of Aboriginal placements were drawn from the long term unemployed.
- Less than 10 per cent of Aboriginal placements were women in comparison with the 50 per cent of placements for women required in the program's guidelines. Non-Aboriginal women were only marginally better off in terms of CEP job opportunities than were Aboriginal women. The female share of jobs was closer to their representation on CES rolls. Hence there were two factors in operation, first, a low reliance by females on the CES for information about jobs, and second, under-representation of women in CEP jobs.
- Aboriginal employment was concentrated in blue collar work. This pattern probably reflected the nature of occupations in which Aborigines were registered with the CES.
- Aborigines were far less likely to be offered job training in CEP employment than were other CEP employees.

Those concerned with implementation of the Community Employment Program in the Northern Territory were faced with a difficult task in 1983/84, the first year of the program. On the one hand, there was a clear need to create additional employment opportunities for all unemployed Territorians. The need for more jobs was acute in regard to Aborigines since they demonstrated the highest incidence of long-term unemployment. Job creation depended very much on the nature of grant applications developed by sponsors. Consequently, job creation was reactive to the kinds of proposals advanced. Yet administrators were constrained in this capacity to influence the overall CEP employment outcomes through the selection and rejection of proposals on the basis of whether program guidelines were met. Nevertheless, if most proposals were for the sponsorship of manual jobs, it would be expected that manual jobs would be heavily represented in the jobs which were approved. This would have consequences for the numbers of employment opportunities for females.

The program's limited 1983/84 success in approving CEP jobs for Aborigines and in placing Aborigines in CEP jobs was associated with inherent limitations in submission based public sector job creation programs. A first constraint is that the number of grant applications from which to select projects for approval can be small. One hundred grant applications were received in the Territory in 1983/84 of which 69 were approved. Project based or submission based programs require program administrators to negotiate with prospective sponsors and sometimes to reshape grant applications in the light of the program's objectives. The limits to negotiation are clear if sponsors develop grant proposals which require manual work only for young males, which we have seen to be a common pattern in the Territory. Placement of older persons or of females in these occupations can lead to a loss of sponsor interest in the program which may extend even to the point of withdrawal of grant applications. Administrators are then faced with a dilemma since to insist on targeting of jobs towards other groups can reduce the overall number of jobs created. This inherent difficulty in the reactive submission-based approach to job creation suggests that there may be a case for experimentation with other modes of job creation which can more effectively provide employment for those long-term individuals not accommodated adequately in the first year of the Community Employment Program. In fact, this occurred in 1984/85 when there was increased attention by program administrators to participant targeting and a more active approach to project development. Notwithstanding, the program must continue to rely mainly on submissions since the virtue of the latter is that they allow community groups to express their job creation interests in ways which give meaning to the program's name.

Such factors were all reflected in the progressive development of the administration of the program in the years since 1983/84.

The views expressed are the responsibility of the authors and are not necessarily the views of the BLMR or the Australian Government.

References

- Australian Bureau of Statistics (1983). The Labour Force, Australia, Cat. no. 6203.0 Canberra.
- Department of Aboriginal Affairs (1984). Aboriginal Social Indicators, AGPS, Canberra.
- Department of Aboriginal Affairs (1985). Submission to the Review of Aboriginal Employment and Training Programs, [Canberra].
- Department of Employment and Industrial Relations (1983a). Community Employment Program, Guidelines for Project Sponsors.
- Department of Employment and Industrial Relations (1983b). Commonwealth Employment Service, Commonwealth Employment Service Statistics, no. 1, June quarter.
- Department of Employment and Industrial Relations (1984). CEP The First Year, Canberra.
- Minister for Employment and Industrial Relations (1983). The Hon. Ralph Willis, M.P., Community Employment Program Bill 1983, Second Reading Speech, House of Representatives, Hansard, 19 May 1983.
- Minister for Employment and Industrial Relations (1984). Community Employment Program, Ministerial Statement, House of Representatives, Hansard, 6 June 1984, p. 3000.

EQUAL EMPLOYMENT OPPORTUNITIES IN DARWIN?

ABORIGINES IN THE WORKFORCE

Carol Manuel
North Australia Research Unit
The Australian National University

Aims and Methodology

The aim of the research was to investigate a broad range of issues relative to Aborigines in the Darwin employment market, with a particular focus on the factors which either encourage or constrain Aborigines in their access to jobs.

Little previous research has been carried out into the Aboriginal position in the urban Darwin workforce. Previous work in the Northern Territory has focussed on the mining and pastoral industries (Berndt and Berndt 1946, Stevens 1971, Rogers 1973, Thiele 1982, Cousins 1985), or issues of employment and unemployment in Aboriginal rural communities (Cousins and Nieuwenhuysen 1983, Stanley 1985, Young 1983). Studies of Aborigines in relation to urban employment have been carried out across several centres, notably by Rowley (Rowley 1970) and more recently in Adelaide, (Gale and Wundersitz 1982), New South Wales (Young 1982) and Western Australia (Dagmar 1982).

This paper highlights differences in positions in the workforce between Aboriginal men and women, differences in policies and practices in the private and public sectors, and instances of the disjunction between equal employment opportunities policy and its implementation.

Two sources of data were used; structured interviews were conducted with 63 employers in Darwin in December 1984 and early in 1985, and a questionnaire was administered to 208 Aboriginal people in February and March 1985.

As it is not possible to obtain accurate statistics on the Aboriginal proportion of the Darwin workforce, a representative sample could not be identified for survey purposes. The Aborigines interviewed worked in both the private and public sectors and in Aboriginal-run organisations. The survey also included a small number of unemployed people. Respondents were asked if they identified as Aborigines using a list of descriptions previously formulated by the North Australia Research Unit and successfully used in the past (Loveday and Jaensch 1985). A small team of interviewers, most of whom were themselves Aborigines asked respondents for information about their personal, educational and employment background, their experiences of getting a job, their perceptions of employers and their future ambitions.

The employers interviewed contained a cross-section of both public and major private sector organisations identified as such by the Commonwealth Employment Service (CES). Most of the selected public sector departments were either involved with Aboriginal affairs or had a large proportion of Aboriginal employees. This means the overall picture may be a more 'positive' one than that presented by a representative sample of all Darwin employers. Apart from two large departments in the Northern Territory

Public Service, identification of Aboriginal employees presented no problems to employers. Managers responsible for employment and personnel were asked for information on the numbers of Aborigines currently or previously employed, the types of jobs, methods of recruitment, use of government-sponsored employment and training schemes and their perceptions of Aboriginal people.

Employers Results

The Numbers Employed.

The 1981 Census shows the total working population of Darwin at 29,897. The 63 organisations interviewed employed a total of 13,200 people in Darwin. There were huge variations in the proportion of Aborigines working in different types of organisations; as would be expected Aboriginal-run organisations employ the highest proportion with 69 per cent, Aborigines formed approximately 6.8 per cent of the public sector workforce and the private sector employed the lowest proportion with a mere 1.5 per cent. Table 1 shows the number employed by industry category in the private sector

Table 1

Aborigines Employed in the Private Sector

Industry Category	No. of organisations interviewed	No. of Employees			No. of Aboriginal Employees			Aboriginal Employees as percentage of workforce
		M	F	Total	M	F	Total	
Manufacturing and processing	7	354	94	448	12	1	13	2.9
Construction and civil engineering	8	657	68	725	20	0	20	2.8
Hotel, catering and retail	8	427	634	1061	0	6	6	0.6
Banking and insurance	4	306	403	709	1	2	3	0.4
Other services	10	513	213	726	8	4	12	1.7
Totals	37			3669			54	1.5 (overall percentage)

(1981 Census Private Sector Employees: 14,803)

The manufacturing and processing industries, accounted for 12 per cent of the private workforce. Less than 3 per cent were Aborigines, nearly all of them men, and were concentrated into unskilled manual jobs, although some were semi-skilled plant operators and drivers.

The construction and civil engineering industries accounted for 20 per cent of the private sector employers' workforce and less than 3 per cent employed in these industries were Aborigines. They were all men mainly working in semi-skilled manual jobs such as plant operators and drivers. None were working in skilled trade jobs, although two young Aboriginal men were under apprenticeship training.

The retail, hotel and catering trades employed 1061 almost a third of the private employers' workforce. Of these only six were Aborigines. They were all women, working as shop assistants. None of the hotel employers interviewed in Darwin employed Aborigines.

Of the three banking organisations interviewed, two employed Aborigines. They were tellers; the one man was head teller of a suburban branch.

Other service industries, with 20 per cent of the private sector workforce employed 12 Aborigines. Eight of them were men working as casual labourers for a transport company.

The overall picture shows that of the small percentage of Aborigines in the private sector, men outnumber women by two to one, and they are unskilled or semi-skilled manual workers, mainly employed in the construction, manufacturing and transport industries.

Table 2 shows the numbers of Aboriginal people employed in the public sector.

Table 2

Aborigines Employed in the Public Sector

Public Sector Category	No. of organisations interviewed	No. of Employees			No. of Aboriginal Employees			Aboriginal Employees as percentage of workforce
		M	F	Total	M	F	Total	
Australian Public Service	10	695	413	1108	74	61	135	12.2
Northern Territory Public Service	8	-	-	6650	-	-	379	5.7
Local Government	2	166	4	170	54	0	54	31.7
Statutory Service Authorities	3	1045	368	1413	52	12	64	4.5
Totals	23			9341			632	6.8 (overall percentage)

(1981 Census Public Sector Employees 12,232)

The Aborigines employed by two local government departments were all men and all manual workers. The Aborigines employed in statutory service authorities were predominantly men, 80 per cent of whom were working in blue collar jobs. These figures are based in two cases on results of recent internal surveys, which asked staff if they identified themselves as Aborigines. One manager remarked that some employees who had identified as Aborigines in a previous survey had not done so recently, and he estimated that the numbers of his Aboriginal employees had halved as a result.

Figures derived from the Public Service Board's statistical Bulletin show that Aborigines comprised 12.2 per cent of the Australian Public Service employees in Darwin at 1 October 1983. Among the APS Departments

interviewed in this research, Aborigines comprised the same percentage with marginally more men than women. Ten per cent of the women were manual workers, compared with 57 per cent of the men. Two of the three departments employing the largest numbers of Aborigines had specialist units concerned with the provision of services to Aboriginal people, and their Aboriginal workers were all clerical and administrative staff, most of them women. The third department's Aboriginal employees were all blue collar workers, with men outnumbering women by three to one.

In the Northern Territory Public Service, the problems of identifying Aboriginal employees seemed almost insurmountable in the two largest departments interviewed, whose managers stated there was no process by which Aborigines could be identified as a distinct group. In fact figures have been published by the Public Service Commissioner's Office on the numbers of Aborigines employed in the NTPS (Scott, 1985) but, given the difficulty encountered by the departments in identifying their Aboriginal workers there would seem to be room for concern about the validity of these official figures. For the purpose of this research, informed guesswork seemed the only available option available. One department produced an approximation that five per cent of the manual labour force were Aborigines, and less among white collar workers. In the second department Aboriginal people were said to have made up 9 per cent of the workforce, also concentrated into blue collar jobs. In the absence of accurate figures, it is not possible to discuss with certainty divisions by gender among these workers. However, in the first department general labourers and plant operators were employed in considerable numbers and it is likely that their Aboriginal workers are men. The second department operates in a traditionally female area which included a high proportion of female domestic workers.

Although the Aboriginal identification problem presumably exists for all NTPS departments, the other six had no difficulty in providing details of their Aboriginal employees. Gender differences again emerged in terms of numbers and the types of jobs held. Sixty per cent of the Aborigines were men, and three quarters of these were manual workers, whereas almost all of the women were office workers. Together their Aboriginal employees made up four per cent of their workforce.

As in the private sector more men than women were employed, most of them as manual workers.

Recruitment

None of the private employers had a stated company policy on the employment of Aborigines. Recruitment policies, whether documented or not were described as 'getting the best person for the job'. Several managers commented on the high level of labour turnover in Darwin and said that because of this they often had to recruit workers. Of the managers interviewed, all of whom were white and the vast majority of whom were male, over half had themselves been in the job for less than two years.

Although all of the private organisations had been identified as major employers by Darwin's two CES offices, some managers said they had no need to use the CES for recruiting as there was always a steady stream of applicants making direct approaches to them for jobs. Word of mouth contacts were often used in recruiting, particularly in the blue collar job market. The active recruitment of Aborigines where it did occur, was no different from the recruitment of non-Aborigines.

A recurring explanation for the low level of Aboriginal employment was that Aborigines simply did not apply for jobs. Many employers said that although vacancies might be advertised in the newspaper or sent to the CES, they rarely had Aboriginal applicants. An attitude survey of private

employers recently conducted in Brisbane reported similar findings (National Aboriginal Emp. Dev. Committee 1984).

Recruitment in the public sector varies. Although in local government there is no specific policy on Aboriginal employment, a number of their Aboriginal workers had been recruited through the CES for a DAA funded special works project, and many had been employed for a number of years.

One of the statutory authority managers said that their employment policy was in line with the National Employment Strategy for Aborigines. However, this appears to be ineffective, as they employ few Aboriginal people. The manager stated that not many Aborigines were educated enough to pass their entrance examination, then admitted that no Aborigines had even taken the test since its introduction in 1980.

The Northern Territory Public Service has a positive recruitment policy, with the stated aim that by 1990 twenty per cent of NT public servants will be Aborigines. However, there is no overall mechanism geared to aiding Aboriginal access into the NT Public Service, and no directives have been issued by the Public Service Commissioner's Office to the departments to put the policy into practice. Aborigines have been recruited for certain jobs which are designed to provide an interface between Aboriginal clients and professional service staff, such as teachers' aides and health workers. Other than these, positive steps to recruit Aborigines appear to be dependent on individual Departments.

Recruitment into the Australian Public Service varies according to the level of job. In theory all blue collar workers are recruited via the CES, but in practice word of mouth plays an important part, and recruitment is carried out by individual APS Departments. Formalised recruitment procedures for white collar workers are handled by the Public Service Board. Permanent officer status begins at Clerical Assistant level, for which no formal educational qualifications are required, but an examination has to be passed before selection for interview. However, matriculation is a pre-requisite for prospective clerks who sit for an examination designed to be at a higher standard. An 'order of merit' is constructed by the PSB according to the number of points allocated to applicants on the basis of their examination results and their interviews.

Aborigines may join the APS via the Aboriginal Services Recruitment Program which differs from the 'mainstream' recruitment just described. Introduced in 1981, initially for clerks, and subsequently extended to include clerical assistants, the program is advertised nationally through Canberra once a year. Although no formal educational qualifications are required, a selection test is administered and scored by the Public Service Board. Special skills and experience, for example, the knowledge of an Aboriginal language and ability to play a liaison role may outweigh poor test results, but a 'cutoff point' is nevertheless applied, which means rejection for some.

Another special form of access to APS jobs is provided by the identification of certain positions as requiring the 'ability to communicate effectively with Aborigines and a knowledge and understanding of Aboriginal culture'. In theory this means that Aborigines applying for identified posts may short-circuit the highly formalised recruitment procedure otherwise involved. However, in practice, the lack of educational qualifications which applies to many Aborigines, involves a lengthy bureaucratic process by which a submission has to be made to Canberra, and the decision to appoint is made at ministerial level.

Some APS departments appear to take more initiative in the recruitment of Aborigines than do others, but their success is not without effort. As one manager commented: 'We try very hard to get Aborigines. The procedure we have to go through in order to get Aborigines onto the payroll who

haven't got the required educational qualifications (means) we're hamstrung by the bureaucratic system.'

All the Aboriginal-run organisations, had a positive Aboriginal recruitment policy but as their managers pointed out, suitably qualified Aboriginal people are at a premium and some specialist positions have to be filled by non-Aborigines. This is seen as a stop-gap measure until Aboriginal people can be trained to the stage where they can take over jobs now filled by Europeans.

The trade unions appear to have no part to play in the recruitment of Aborigines to permanent jobs. Only one employer considered that unions helped people to get jobs - and these were on a casual labouring basis. In this instance, the union concerned provided the company with a list of workers available, and available Aborigines who were union members were included on the list.

Employment and Training Programs

The private employers interviewed had little interest in or knowledge of Aboriginal employment and training programs. A majority had not heard of any scheme for Aborigines and none of them employed Aborigines under such a scheme.

The Aboriginal-run organisations and most of the public sector departments made use of the Training for Aborigines Program public sector training, sometimes referred to as the NESA scheme, in both blue and white collar areas. In October 1984 thirty-four Aborigines were under public sector training.

The extent to which this training helps Aboriginal people obtain permanent work is not easy to assess. Although the CES which administers the scheme asks employers for a guaranteed job for trainees at the end of their placement, this guarantee has proved difficult to provide. The administration of the NESA scheme was criticised by some managers for failing to give adequate weight to training and to the future careers of trainees. They said that some departments had used NESA trainees as a 'spare pair of hands' without giving them any specific skills, and that no-one seems to be responsible for monitoring their progress. The strongest critics of the scheme were those managers who seemed most committed to the ideals of equal opportunities and who made most effort in finding jobs for their trainees at the end of their placements.

Much the same criticism was levelled at the usefulness of the Community Employment Program. Seven of the organisations' representatives interviewed had used CEP for projects, most of which offered short-term unskilled jobs for Aborigines. This means that once the projects are completed, Aboriginal workers have gained few skills that are of value in competitive employment market. The CEP was said to be an excellent way of getting work done which would otherwise have been left undone. As one manager put it: 'When you're getting all that money for nix, it's got to be a good thing.'

Aboriginal Careers

If promotions are the criteria by which to assess Aboriginal career prospects, then in the private sector they are virtually non-existent. In the preceding 12 months two bank workers, a woman and a man had been upgraded and two Aboriginal men were given jobs as drivers.

The situation in local government and the statutory authorities was similar; apart from one truck driver being given a job as a leading hand,

the few Aboriginal promotions were restricted to clerical assistants. Career prospects for unskilled or semi-skilled workers as a whole are limited and few Aboriginal men have the necessary apprenticeship training behind them to qualify as tradesmen. Promotions were usually limited to movement from unskilled to semi-skilled jobs, for example from general labourer to machine operator or driver.

Clerical and administrative areas of the public service hold better career opportunities, although the matriculation requirement for APS clerks selected via the mainstream recruiting process imposes rigidity on the system. Some departmental managers are concerned that Aborigines recruited from outside the APS into 'identified' posts fail to obtain promotion. The reason given for this was that Aborigines lacked experience in areas such as finance and budgeting which are deemed necessary for the more senior positions, and which form the background of mainstream public servants coming up through the ranks. The PSB is hopeful that recruitment via the Aboriginal Service Program will allow greater flexibility of career paths by giving Aboriginal staff such a background.

The absence of minimum educational requirements and selection tests in the NTPS offers more scope for access to jobs than the APS. However, the few middle to senior posts in the NTPS held by Aborigines were confined to those areas with a particular interest in Aboriginal affairs. Aboriginal workers are employed by specialist units which provide an interface between a department and Aboriginal communities. These workers are mainly concerned with assisting qualified professional non-Aboriginal staff. Their jobs may be upgraded, which may entail taking on further responsibilities, but without the qualifications necessary for entry into the higher status professional occupations, Aboriginal careers in these areas are confined to a subordinate role.

The best opportunities for access to senior level jobs for Aborigines lie in the Aboriginal-run organisations, but the numbers employed are small. Some public sector managers acknowledged that the public service can be a useful stepping stone for Aborigines and experience in the clerical and administrative areas of the public service has formed the background of several administrators in the Aboriginal organisations.

Employers Perceptions of Aborigines

When asked about labour turnover and rates of absenteeism, none of the public service managers thought that labour turnover was higher among their Aboriginal workers. In fact some managers pointed out that Aborigines often born and brought up in the area with local family ties are more likely to be a part of Darwin's permanent population than the more transient Europeans, and therefore more likely to be a more stable workforce.

Absenteeism was considered to be no higher among Aborigines, although a higher absence rate was sometimes found among the temporary workforce, for example, those working under employment and training programs. One enlightened public service manager argued that many people, the young in particular, have difficulty in knuckling down to the nine to five routine of regular employment, and Aboriginal people were no exception. Most public sector managers said absenteeism was higher among their Aboriginal employees living and working in the bush, and some said that their department made allowances for these people which they would not make for Aborigines working for them in town. In some cases where absenteeism had been accommodated by allocating tasks to a group of people rather than an individual, this was seen as a positive factor, as it enabled scarce jobs to be shared by or distributed among a number of people in the community.

Managers of Aboriginal-run organisations and most public service managers believed that Aboriginal people living in the bush held different

attitudes towards paid employment to those in the towns, and doubts were expressed whether rural Aborigines really wanted permanent full-time paid employment. They pointed out that paid employment on a permanent basis with regular hours of work was a Western concept, and its rigidity was incompatible with what they described as traditionally-orientated Aboriginal values.

In the private sector, few employers addressed this issue. Many expressed the view that Aborigines in general lacked the motivation to look for jobs, and some strongly stated their opinions that Aborigines received too much in the way of government benefits and had no need to work. Other views were that the necessary education and incentives to encourage Aboriginal motivation were lacking. It is interesting to note that views on lack of motivation figured most highly among those managers with no experience of employing Aborigines. Similar findings were reported in a study carried out in Adelaide nearly twenty years ago (Gale and Lewis 1966).

All private employers were asked what work they considered Aboriginal people best suited to. A large minority named specific blue collar occupations such as stockman, tracker, domestic worker, or thought that Aborigines were best suited to labouring work. Nearly one fifth of employers said that they did not know; perhaps they had not considered the issue before, or perhaps they simply did not wish to say what they felt. As it was, one employer in the retail trade replied; 'I don't know, but not this sort of work, that's for sure!' This company does in fact employ an Aboriginal shop assistant, who has been working there for four years. She was described as a 'different class altogether'.

When the topic was raised, all private managers thought that there were differences between urban and rural Aborigines. Some thought that bush Aborigines were more shy and some thought they were aggressive. Many thought rural Aborigines were happier and more content than urban Aborigines, who were said by some to have 'chips on their shoulders', whereas others commented that Aborigines in Darwin seemed to fit in with what they saw as 'Darwin's multi-cultural society'.

All employers were asked what they thought could be done to improve the Aboriginal employment situation. The overwhelming response was that the answer lay in improved education and training. There was no marked difference between employers in their response to this question, but the underlying reasons for the response did vary. Some in the private sector considered that improved European education would provide the motivation and the discipline necessary to 'make' Aboriginal people good workers. A more altruistic approach prevalent among Aboriginal organisations and some public sector managers was that without improved education and training, Aborigines were unlikely to progress beyond unskilled manual jobs and would remain at the lower end of the socio-economic scale.

The Aboriginal Workforce

Of the Aborigines interviewed, 87 per cent were currently in paid employment. Seventy nine per cent of respondents were in their 20s or 30s and 18 per cent in their 40s to 60s. The 1981 Census figures on the Darwin workforce show 66 per cent in their 20s or 30s, and 25.7 per cent aged 40 or over. Male teenagers were marginally under represented, otherwise men and women were equally spread across the age bands. There were no differences between the proportions of men and women who had jobs, although the unemployed group was mainly made up of women.

Most respondents had lived in town for over ten years, in many cases all their lives, and the vast majority lived in their own house or flat in the suburbs of Darwin.

Many respondents had a limited education. Almost 20 per cent had left school at 14 or earlier, and the level of schooling for those who stayed on remained low. Over half the respondents had left school at year 10 or 11, and few had attended year 12 of secondary schooling. Eighteen per cent had received no secondary education at all, and of these a third had not completed their primary education.

A third of all respondents were dissatisfied with the education and training they had received, and considered that they needed more training and a better general education.

Over half the respondents were, or had most recently been, employed in the public sector, a third worked for an Aboriginal-run organisation, and 13 per cent worked for a private company. The types of occupations held by respondents were almost equally divided between blue and white collar areas. Very few blue collar workers were tradesmen; they were overwhelmingly concentrated into unskilled and semi-skilled manual jobs. Of those in white collar jobs two-thirds were engaged in routine clerical work. The vast majority of all respondents worked on a full-time basis, with less than five per cent holding part-time jobs, although one quarter of those working lacked security of tenure being employed on a casual basis.

An examination of the weekly wages of the Aborigines interviewed presents a depressing picture. Table 3 shows that the largest proportion of respondents earned between \$192 and \$298 a week, and 57.9 per cent of respondents earned less than \$299 a week. Average (mean) weekly earnings of all respondents amounted to \$281, which is almost \$100 a week less than the June 1984 Northern Territory weekly average of \$377.90 (Source: Australian Bureau of Statistics Quarterly Summary, September 1984).

Table 3

Weekly Wages of Respondents

Weekly wage bracket	Percentage of respondents		
	M	F	Total
\$0 - 18	1.1	0.0	0.5
\$19 - 95	6.4	4.9	5.6
\$96 - 191	6.4	17.5	12.2
\$192 - 298	40.4	39.8	40.1
\$299 - 383	23.4	27.2	25.4
\$384 - 479	12.8	8.7	10.7
\$480 - 576	6.4	1.9	4.1
\$577 - 673	1.1	0.0	0.5
\$674 +	2.1	0.0	1.0
	100	100	100
N =	94	103	197

Job Histories

Compared to the number of clerical jobs currently held, few respondents had begun their working lives in an office, and it was only recently that these people gained access to white collar jobs. Of the 14 per cent of Aborigines now in professional, technical or administrative jobs, less than half had held previous jobs in the same category for three years or more. For most, their first job had been manual work for a private company, often

on a casual or seasonal basis. Manual work had figured highly in subsequent employment histories, with over 80 per cent of respondents having held blue collar jobs since their first job, most of them for three years or more.

There is a widely held belief that Aborigines have a high rate of labour turnover. However the results of this research do not bear out this view. Over half of all respondents had stayed in their first job for over a year, a third of them for two years. The majority of respondents had been in their present job (or previous job in the case of those not working) for more than a year, and of these, 85 per cent had been in the job for 2 years or more and 10 per cent of them for 10 years or more.

The vast majority of all previous jobs held by interviewees were urban based; only 15 per cent of all the jobs ever held by respondents throughout their working lives had involved working out of town.

Access to Employment

Information about job availability is of course crucial for those seeking work, and the informal network plays an important part in spreading the word on what jobs are on offer.

Respondents were asked about how they found out about their jobs, who if anyone, had helped them to get jobs and whether they considered there were any organisations that helped. Most people heard about their first job on leaving school through family or friends, and official channels played a relatively minor role. Throughout their working lives, the situation had remained much the same. Word of mouth accounted for almost 40 per cent of respondents' recollection of how they found out about all the jobs they have had in the past. Sixteen per cent of all previous jobs came from the respondent making a direct approach to the employer. It might be that respondents had made several direct approaches to prospective employers before being given a job. In any case, the evidence contradicts the general belief that Aborigines lack motivation and initiative to work. Most frequently, people had heard about their present job through their personal network, and friends were said to have helped nearly a third in getting them the job, although half considered that they had got their job on their own without any help from anyone. As would be expected in view of registration requirements for unemployment benefit, most of the unemployed were using the official Commonwealth Employment Service (CES) channels to look for a job, but few considered that the CES was actually helping them. Half said that it was friends or people they knew who were helping them most to find a job. People currently working were four times more likely to be looking for a different job in the paper than going to the CES.

Almost half of the respondents had at some time been employed under a government-sponsored employment and training program, but to many the question of whether this had helped them get a subsequent job seemed irrelevant. Some such programs have been designed to provide unemployed people with skills to enhance their chances in the job market, but in half the cases, the programs had offered labouring work. The vast majority of these ex-trainees were still manual workers, or in the case of the unemployed, had been in their last job. Many ex-trainees may quite realistically view a program as a job in itself, here and now, rather than something that may help for the future. Indeed few ex-trainees said they thought the program had helped them get a job later on and few considered that the CES had been helpful. One unemployed man who had faced difficulties with officialdom over an employment program's eligibility criteria considered the CES had been the biggest obstacle in his finding work.

A majority of all respondents thought that some organisations helped Aborigines to get jobs, although the Department of Employment and Industrial Relations (including the CES) was named by less than half.

Views were divided among the rest, but a third named the Aboriginal Task Force which provides technical and general studies courses for Aborigines. The Department of Aboriginal Affairs was named by only three per cent.

Respondents were also asked whether they considered that some organisations prevented Aborigines from getting jobs, and nearly 40 per cent thought that this was so, although few people were prepared to name them. Of those who did, small businesses and private enterprise in general were most frequently named.

Although over half the respondents were or had previously been trade union members, almost 70 per cent of them did not think that their union had helped them in any way at all. Of those who did, none of them thought the union had helped them gain access to employment.

Aboriginal Perceptions

Respondents were asked to give their opinion on the status of having a job, their career ambitions and preferences of employer, and any differences they saw between themselves and Aborigines who live in the bush.

Most considered that generally people look down on the unemployed, and that personally they much preferred to work. They considered a full time, permanent job to be the best option. The vast majority stated that they enjoyed working for its own sake, rather than seeing work simply as a way of making money. Their opinion of people who do not try to obtain work was low, although a few qualified this by making the point that people may get so frustrated in their search for work that they give up trying.

Most respondents wanted the chance of getting a better job with their present employer, and they were realistic in their ambitions. Many manual workers for example wanted promotion to supervisory or skilled work, and said they would need further training to achieve these aims. Indeed, most respondents considered that they would need more training to get a better job. A second question about their ambitions asked what sort of job they would ideally like to have, and few gave a response beyond the realms of possibility; although high-status 'professional' jobs figured fairly highly as ideal jobs, skilled blue collar work was also named by many, and the overwhelming majority stated that they would need qualifications for the sort of job they really wanted to do.

Despite their realistic personal ambitions, few respondents considered that there were any jobs at all that Aborigines cannot do. The minority who thought Aborigines cannot do certain jobs explained that it is because Aborigines lack the education, the required skills or the opportunities to do so.

Respondents gave little indication of prejudice on a day to day basis against white colleagues. Questioned on whether they preferred to work with Aboriginal or non-Aboriginal people, very few said that they preferred to work with mostly non-Aborigines. The majority said they would like to work with a mixture of Aborigines and non-Aborigines, or that they had no preference. Private industry figured very low among the type of employer preferred by respondents. Given the option of working for a government organisation, an Aboriginal-run organisation or a non-Aboriginal business firm, the overwhelming majority said they would prefer the former two. As might be expected, the number of unemployed people who said they had no preference of employer was almost double those working; getting a job was obviously their overriding concern, and they evidently felt they could not afford to pick and choose employers.

Respondents felt that Aborigines living in bush communities held different attitudes towards paid employment from themselves. What these

perceived differences might be varied among respondents, but centered around the view that a job is necessary in the urban situation to meet the higher cost of town living and that rural-living Aborigines, who enjoy a lower cost of living, do not have the same need for paid employment and are therefore less likely to actively seek paid work. The point was also made that opportunities for the acquisition of skills and for employment in the bush are low, so if Aborigines living in the bush were anxious to enter the employment market, their prospects of being able to do so were very limited.

Gender Differences

Differences in education and training backgrounds and their position in the workforce between men and women emerged from the research. Tables 4 and 5 show the differences in educational background. In general, women stayed on at school longer than the men, and attained a higher level of schooling. However, the number of women who stayed on to year 12 is still small.

Table 4

Age respondents left school

Age of respondents on leaving school	Percentage of respondents		
	M	F	Total
11	1.0	0.0	0.5
12	2.0	0.0	1.0
13	3.0	3.7	3.4
14	19.2	6.5	12.6
15	18.2	18.5	18.4
16	23.2	34.3	29.0
17	21.2	22.2	21.7
18+	10.1	13.0	11.6
No schooling	2.0	1.9	1.9
	100	100	100
N =	99	108	207

Table 5

Level of schooling of respondents

Level of Schooling	Percentage of Respondents		
	M	F	Total
Incomplete primary	5.4	5.7	5.5
Completed primary	14.0	10.4	12.2
Secondary - year 9	23.7	11.3	17.1
- year 10	20.4	29.2	25.1
- year 11	28.0	32.1	30.2
- year 12	8.6	11.3	10.1
	100	100	100
N =	93	106	199

There are also marked differences in the numbers of men and women who returned to study having finished their schooling. Seventy per cent of the women had received a further education, compared to 43 per cent of the men. An examination of the types of study undertaken revealed great variations between the genders as table 6 illustrates. Of the men, a quarter had received trades training, a fifth returned to study for the matriculation examinations, nearly 7 per cent undertook a degree or professional studies, and 4.5 per cent received management training. On the other hand, for the majority of women their training is designed to fit them for the type of job deemed by white society as 'women's' work. Clerical training was undertaken by over half the women, but none of the men. The percentage of women who had studied at university or professional level was two and a half times less than that of men, and no women at all had received management training.

Table 6

Further education of respondents

Type of education or training undertaken	Percentage of Respondents		
	M	F	Total
University or professional	6.8	2.7	4.2
Management	4.5	0.0	1.7
Field	6.8	2.7	4.2
Clerical	0.0	56.0	35.3
Teachers, Nurses	2.3	5.3	4.2
Work experience	13.6	6.7	9.2
Matriculation	20.5	8.0	15.6
Trade	25.0	1.3	10.1
Other	20.5	17.3	18.5
	100	100	100
N =	44	75	119

As perhaps would be expected in view of these differences in educational background, there were also differences between the genders in the type of occupation held. Nearly 60 per cent of the men were, or had most recently been employed as blue collar workers, compared with 22 per cent of the women. Bearing in mind the women's clerical training, it is not surprising that office work figures highly among their occupations. Over half are employed as stenographers or other routine clerical workers.

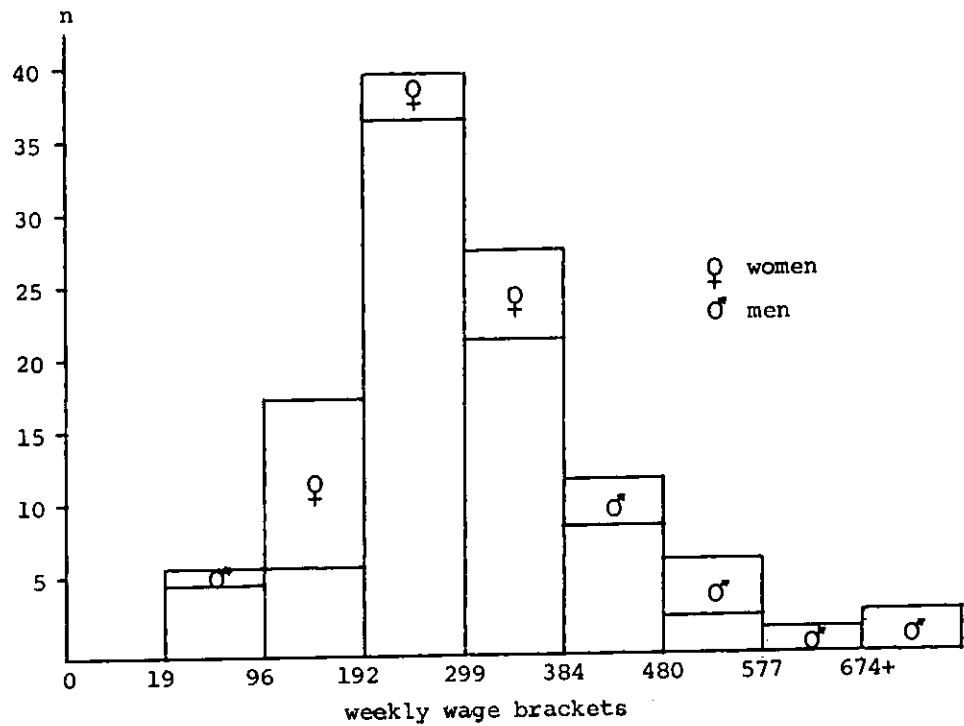
The sexual division of labour is reflected by an examination of respondents weekly wages. As figure 1 illustrates, among this low-paid group it is the women who suffer the lowest wages. It should be noted that there were no major differences between men and women in the length of their working week, as the majority of both worked on a full-time basis.

The portions at the top of each bar show the excess absolute numbers of one group over the other, whose wage falls within each wage bracket. For example, 41 women and 38 men earned between \$192 and \$298 a week, and the excess number of women is represented by the female symbol at the top of the bar. Men dominate as earners in the \$384 to \$479 and the \$480 to \$577 wage brackets, and no women at all earned more than \$577 a week.

Of the 12 per cent of all respondents earning between \$96 and \$191 a week, a massive 75 per cent are women, whereas at the higher levels a meagre 1.9 per cent of the women earned more than \$480 a week, compared with 9.6 per cent of the men.

Despite the separate occupations into which men and women have been channelled, and the womens' inferior position in the wages market, respondents themselves expressed views favourable towards sexual equality at work.

Figure 1



Aboriginal average weekly wage

Women: \$262.80 a week
Men: \$299.30 a week

N.T. average weekly wage

June 1984: \$377.90 a week
(ABS Summary September 1984)

The view that a woman's place is in the home was rejected equally by men and women. Both felt that a single woman with no children to look after was as lazy as a man if she did not try to get a job. A surprising number (64 per cent) of both men and women felt that there are no jobs that either sex cannot do. Of the minority who thought that men and women differ in their capability to do particular work, lack of physical strength or of the necessary skills were the most frequent reasons given.

Summary

The generally held beliefs that Aborigines either do not want jobs or are incapable of holding them down, are a transient population, lack motivation and are best fitted for labouring jobs are not borne out by the results of this research.

The Aborigines interviewed made up a highly permanent section of the Darwin population, constituted a stable workforce, enjoyed their work, were motivated and held ambitions for their future careers. Aboriginal self-motivation was apparent in that many had actively sought their work,

and women particularly had studied at school and at college to gain qualifications. The important part played by the informal network in gaining access to jobs indicates that motivation is spread widely among Darwin Aboriginal people.

It is clear that respondents' attitudes towards employment were no different from what might be expected from non-Aboriginal workers. However, non-Aboriginal employers in both private and public sectors saw Aboriginal workers primarily in terms of their Aboriginality.

The identification of certain jobs as requiring knowledge and understanding of Aboriginal culture has created a space for Aboriginal people within the public sector. By lifting the qualification restrictions, the Aboriginal Services Recruitment Program of the APS has helped unlock the gates which were previously closed to many. The program may in time provide opportunities for Aboriginal public servants to gain general background experience that will enable them to compete for promotion on an equal footing with those recruited via the mainstream procedures. Sponsored study leave is also helping those already in public service jobs to gain qualifications to help them in their careers.

Government employment and training programs may provide opportunities for a few trainees to enter or re-enter the employment market. However, the programs are part of a complex bureaucratic system, were not fully understood by either Aboriginal people or by private employers and often failed to equip trainees with relevant, marketable skills. They may provide temporary work for participants and enable employers to carry out additional projects, but have little effect in getting large numbers of Aboriginal people into permanent jobs.

Private employers seemed to hold double standards in their perceptions of Aboriginal people. On one hand they saw differences between urban Aborigines and those living in the bush, yet when talking about Aborigines generally, their views on rural Aborigines were extended to encompass all Aboriginal people. Implicit in the generalisation, as indicated by references to Aborigines as 'blackfellas', was their concept of Aborigines as being exclusively men. Judging by the absence of positive recruitment policies, the lack of companies taking advantage of government-sponsored employment and training programs and the low proportion of Aboriginal workers, the private sector does not see the employment or the training of Aboriginal people as its responsibility, or indeed as being of any particular interest.

Conspicuous by its absence was any involvement by the trades union movement in the issue of Aboriginal employment. Although many unions may embrace the notion of equal employment opportunities, they appeared to offer no practical input, and were seen to be irrelevant by both Aborigines and employers alike.

On the negative side, the research highlighted the many constraints facing Aborigines and their access to employment. Lack of educational qualifications or technical training means that job opportunities for many Aboriginal men are limited to unskilled or semi-skilled work, and opportunities for women are limited to low grade clerical work. The perceptions of Aborigines held by private employers and their disinterest in the issue of Aboriginal employment further limit opportunities. Experience of working for private companies and respondents' preferences of employers indicated that they recognised these constraints and the limits they impose.

The effectiveness of government Equal Employment Opportunity policies must be assessed in the light of practice. One example of the disjunction between policy and practice was a statutory authority which claimed to have a National Employment Strategy for Aboriginals recruitment policy but had

nevertheless recently introduced an entrance examination which effectively precluded Aborigines from getting jobs. Another example is the Northern Territory Public Service. Despite the Territory Government's stated aim of increasing the Aboriginal component of the public service workforce to 20 per cent by the end of the decade, little has been done in practical terms to implement this policy. To date the NTPS does not even know how many Aborigines it currently employs, and there is no indication that equal employment opportunity is a priority issue. Public awareness has been created by the Assistant Commissioner responsible for EEO, appointed last year, but the post is now vacant and there are no immediate plans for this work to be continued in the same vein. This, together with the transfer of the Office of Womens' Affairs from the Department of the Chief Minister to the Department of Community Development (Welfare) indicates that equal opportunities as a whole are of minor importance to the Northern Territory government.

The 'identification' of public service posts, although helpful in some ways can in other ways be a constraint for Aborigines. For those recruited outside the public service, the jobs can provide an entry to middle level administrative posts. However, there are signs of a white backlash against these appointments, described by one Aboriginal worker as the 'rumbling racism within the public service'. Some non-Aboriginal public servants safeguard their own interests by having their jobs 're-identified', and some consider that affirmative action in favour of Aborigines has gone too far in placing them at an advantage in the public service. This is clearly not so. Most Aboriginal men in the public sector are employed as manual workers, and most women are working as typists or in other routine clerical jobs. The few senior level posts filled by Aborigines, do not provide the same scope for a broad range of responsibilities as others. In most cases, it is only the 'identified' positions that are open to them, and these are tucked away in specialist areas concerned with Aboriginal affairs. A select few may have a foot in the door, but for the majority of Aborigines the factors which enable or encourage their access to employment are far outweighed by the constraints.

The asymmetrical positions of Aboriginal men and women in the workforce leaves two problems open for discussion.

The first centres around the debate raised in recent years by social researchers (Barwick 1978, Bell 1983, Gale 1983) on the role of women in Aboriginal society. The question asks whether the subordinate position of women reflects Aboriginal concepts of the sexual division of labour or whether this has been imposed by white Australian society. The results of this research show that Aboriginal respondents felt that women are as capable as workers as men, but whether or not this reflects Aboriginal values is not easily answered, and is considered beyond the scope of this paper.

The second problem concerns the current stage of equal employment opportunity policies. Over the last twenty years, feminist action in Australia has succeeded in having certain discriminatory legislation and practices removed and has placed the concept of EEO on to the political agenda. Policies have been designed to redress the imbalance in the workforce, not only for women, but for other disadvantaged groups, such as the disabled, ethnic minorities and Aborigines. The very limited degree of Aboriginal success in penetrating higher status occupations in Darwin needs to be set within this context. Given the tremendous efforts made by women in promoting the ideals of equality in the workforce, it seems ironic that the very few senior level positions that are held by Aborigines, are held by men.

Editors' note:

After this paper was delivered, the following statement was made by the Minister for Conservation, Hon Steve Hatton, in July 1985.

...The Northern Territory Government has set targets for Aboriginal participation in the Northern Territory Public Service. On 30th April 1980, the Chief Minister in a statement to Parliament, reported that the Northern Territory Government would aim to raise the level of employment of Aboriginals in the Northern Territory Public Service and Statutory bodies to 10 per cent by 1982, 15 per cent by 1985 and 20 per cent by 1990. Evaluation of Aboriginal employment as at 31st May 1981 showed that 956 Aboriginal people were employed out of the total work force of 11,176. This is approximately 8 and a half per cent of the total Public Service employees. This may be compared with the Australian Public Service - .47 per cent, the Public Service of New South Wales - 1.6 per cent and Victoria - .12 per cent.

There remains much to be achieved. Most of the Aboriginal staff are employed in the lower categories and classifications. It will be our task in the future to ensure that Aboriginal people become a larger percentage within the higher categories...

References

- Barwick, D., 1978. And the Lubras are Ladies Now, in Gale, F. (ed.) Womens Role in Aboriginal Society, Australian Institute of Aboriginal Studies, Canberra.
- Bell, D., 1983. Daughters of the Dreaming, McPhee Gribble, Melbourne.
- Berndt, R.M. and Berndt, C.H., 1946. Some Aspects of Native Labour on Northern Cattle Stations, Aborigines Protector, 2 : 2, 9-18.
- Cousins, D., 1985. Aboriginal Employment in the Mining Industry in Loveday, P. and Wade-Marshall, D. (eds) Economy and People in the North, Monograph, NARU, ANU, Darwin.
- Cousins, D. and Nieuwenhuysen, J., 1983. Aboriginal Unemployment in Australia, its extent and policies to reduce it, CEDA Monograph, Committee for Economic Development of Australia, Melbourne.
- Dagmar, Hans, 1982. A Western Australian Country Town Community, in Young, E.A. and Fisk, E.K. (eds) Town Populations, Development Studies Centre, ANU, Canberra.
- Gale, F., 1983. We are Bosses Ourselves. Australian Institute of Aboriginal Studies, Canberra.
- Gale, F. and Lewis, L., 1966. Aboriginal Employment in Adelaide in Sharp, I.G. and Tatz, C.M. (eds) Aborigines in the Economy: Employment, Wages and Training, Jacaranda, Melbourne.
- Gale, F. and Wundersitz, J., 1982. Adelaide Aborigines: A Case Study of Urban Life 1966-1981, Development Studies Centre, ANU, Canberra.
- Loveday, P. and Jaensch, D., 1985. Aboriginal Voting in the Northern Territory 1984 in Mobile Polling and the Aboriginal Vote: The Federal Election in the North 1984, Monograph, NARU, ANU, Darwin.
- Public Service Board, Planning and Statistical Services Section, 1984. Employment of Aborigines in the Australian Public Service, AGPS, Canberra.
- Rogers, P.H., 1973. The Industrialists and the Aborigines, Angus and Robertson, Sydney.
- Rowley, C.D., 1970. Outcasts in White Australia, ANU, Canberra [Penguin, 1972].
- Scott, A.K., 1985. Two New Training Initiatives Within the NTPS Relating to Aborigines, in Loveday, P. and Wade-Marshall, D. (eds) Economy and People in the North, Monograph, NARU, ANU, Darwin.
- Stanley, O.G.P., 1985. Economic Development Problems in Remote Aboriginal Communities, in Loveday, P. and Wade-Marshall, D. (eds) Economy and People in the North, Monograph, NARU, ANU, Darwin.
- Stevens, F., 1971. Aboriginal Labour, The Australian Quarterly, 43 : 1, 70-78.
- Thiele, S., 1982. Yugul: An Arnhem Land Cattle Station, Monograph, NARU, ANU, Darwin.

- Young, E.A., 1982. Aboriginal Town Dwellers in New South Wales, in Young, E.A. and Fisk, E.K. (eds) Town Populations, Development Studies Centre, ANU, Canberra.
- Young, E.A., 1983. Aboriginal Wage Employment: An Indicator of Participation in the Northern Territory in Loveday, P. and Wade-Marshall, D. (eds) Economy and People in the North, Monograph, NARU, ANU, Darwin.

ABORIGINAL EMPLOYMENT IN KATHERINE

Dr Peter Loveday
North Australia Research Unit
The Australian National University

In any discussion of Aboriginal employment and unemployment, more or less popular explanations of the high levels of unemployment are put forward, usually in justification of this or that action for 'doing something' to reduce the unemployment.

It is important to note at the outset that the definition of the problem not only suggests what may be done about it, but also often pre-determines the answer to the questions, 'Which department of government should be responsible and which budget should carry the cost?' If the problem and its remedy appear to be educational, then the Education Department should 'do something' and carry the cost (not always an unwelcome burden if a minister is 'empire building'); if it is a slackness in the microeconomy of a particular locality, then perhaps local government and local infrastructure departments can do something.

Popular explanations are also usually 'single-factor' explanations, from which all complexity has been stripped away, leaving one basic or simple factor as the cause of unemployment and as the object of policy for reducing unemployment. One example will be sufficient. In 1979-80 the National Aboriginal Employment Development Committee (NAEDC) initiated a program, in cooperation with the Commonwealth Employment Service (CES) to increase stable employment for Aborigines by counteracting what it described as the 'negative stereotypes' which employers held of Aboriginal employees. The program was targeted on particular towns and involved intensive contact with employers in these towns. By 1981 the program had come to the Northern Territory and after only two months the Minister optimistically claimed it was a big success (NT News 17 August 1981). But early in 1984 it was again admitted that long term unemployment was most severe amongst Aborigines and it was said that the level of unemployment was 4 to 6 times as great as the national average, a figure which had been given five years before (NT News 30 November 1979; Age 20 August 1984). The irony was that once more the NAEDC was about to embark on a multimedia campaign, targeted on particular towns, to counteract the negative stereotypes of Aboriginal employees held by employers.

Once the 'problem' was defined, the action to be taken was predetermined. Of course, people in the public service know that things are not as simple as this, that employer prejudice is not the only explanation of Aboriginal unemployment. The Submission by the Department of Employment and Youth Affairs to the House of Representatives Standing Committee on Aboriginal Affairs in May 1982, drawing heavily on the Ford Report, gives a far more complex or multi-factor analysis (Ford Report, 1981). But these complexities apparently do not always translate into policy.

A summary of the simple or single-factor popular explanations may be made at the outset. They fall into two groups: those that specify special characteristics of the Aborigines, such as their poor education, in explaining their high unemployment and those that specify special characteristics of employers, such as 'negative stereotypes'.

In economic terminology, the former are 'supply side' factors and the latter are 'demand side' factors (on this point I am indebted to Dr Owen Stanley and to Cousins and Nieuwenhuysen, 1983, 16). There is no reason for supposing that the explanations must all lie on one side and in some instances, it is not easy to know which 'side' an explanation lies on. Each explanation has an underlying social analysis and may suggest particular remedial action. The following summary is drawn from general discussion in the Northern Territory; it closely parallels the analysis summarised by Cousins and Nieuwenhuysen in their CEDA monograph (1983).

Supply Side Explanations

The first concerns education. Aborigines have not had adequate education; they lack education which enables them to get work, especially work requiring some skills.

The remedy is to improve education, provide one or more forms of supplementary education (e.g. transition education), provide help with trade courses, provide intensive Task Force style education, give special job related training and so on.

The underlying social analysis is that nothing is wrong with the employment market or other relevant institutions; the education system is not wholly appropriate to Aborigines' needs. Supplementary social analysis abounds of course, concerning language and culture, poverty, housing and overcrowding, poor nutrition and so on to explain why education does not 'work' for Aborigines as it is supposed to do for non-Aborigines.

Another explanation is that Aborigines do not all want jobs or, if they do want some work, they prefer seasonal work or casual work to steady full time jobs.

No remedy is proposed for unemployment or underemployment of this kind. These people are seen as marginal to or not in the workforce. They are not a subject for policy.

The underlying social analysis is that these people - some, but not all Aborigines - lead a partly traditional lifestyle; a subsistence economy is still marginally viable for some Aborigines; they are more or less nomadic, they need only a little cash in hand from time to time for basic non-Aboriginal consumption goods. Some are 'traveling', a special form of nomadism which takes them from one casual job to another in a different place.

Another comment is that Aborigines often do not want to move from places where there is no work, to places where work is to be obtained. They either want to stay in their own communities or to move out to homeland centres even further from places of employment.

As in the previous example, no remedial policy is necessary: the people are not in the labour market. Should these people be counted in the workforce, and so counted as unemployed? If not counted, is it necessary to 'do anything' about them?

The analysis is simple in this case: the people are regaining or maintaining a traditional lifestyle and they are not responding to market forces; they are not really part of the market economy.

This leads on to a fourth argument, namely that Aboriginal culture, to the extent that it survives, is not compatible with European work patterns (regularity, hours of work and so on) or, more generally, with the 'work ethic'. 'Work' is conceptually foreign to traditional culture. And, in addition, anyone in work will have pressures from kinfolk and others to attend to traditional family and ceremonial business, probably at the cost of disrupting work routines.

Again, there is no 'remedy'; employers are reluctant to employ Aborigines who are believed to be 'difficult', others will employ Aborigines but sack workers who let 'personal' commitments disrupt work commitments in work hours and yet others will be tolerant and, if necessary, make special arrangements. Cousins notes, for example, the reluctance of some mining companies to take account of culture (Cousins and Nieuwenhuysen 1984, 8).

The fifth explanation is quite different. Aborigines are able to get along without working because they get a variety of benefits and pensions and their needs are simple. They are well looked after by Social Security; they get what they themselves call sit-down money. It is easily described as dole bludging, to be particularly pejorative.

The remedy is simple - toughen up on social security payments, especially unemployment benefits - and so is the underlying social theory: like anyone else, Aborigines will work if the spur of need is applied sharply enough.

Another argument is built on the alleged incapacity of Aborigines. They do not know how to get jobs, or they have no skills to offer and so are not very competitive with non-Aborigines, even as labourers. The CES helps them to find jobs and get in touch with employers if that is all that is wrong. When they do get jobs, many are unable to hold them down; they take a lot of time off, often without warning; they do not keep regular work hours - time means nothing to them; they don't work as hard as non-Aborigines; they turn up drunk during work hours and so on. They become short-term unemployed and eventually long-term unemployed who may easily become alienated and basically unemployable.

Remedial action is difficult; from an employer's point of view perhaps none is necessary: is there any need to do anything about people like this? Why should private enterprise bear the cost of employing inefficient labour when more efficient non-Aboriginal labour is available?

The underlying social analysis is that Aborigines, perhaps most, are wayward, shiftless and unreliable and therefore less efficient and more costly. They have only themselves to blame.

There is, of course, an alternative view: to describe Aboriginal workers like this is 'negative stereotyping'. Aborigines are not inefficient workers, at any rate not more so than non-Aborigines of similar socio-economic status in comparable jobs. One remedy is to counteract and break down the stereotype, as the NAEDC has argued and to prove the opposite by showing that Aborigines can be employed efficiently. This explanation then is in terms of employer prejudice, a demand side explanation.

The seventh argument turns the preceding one around. Aborigines' 'negative stereotypes' of employers may also affect their attitude to work. Cousins and Nieuwenhuysen (1984, 10-11) offer evidence of this in the mining industry and Jack Doolan has done so, in connection with the

Gurindji walk-off, for Aborigines in the cattle industry in the 60s (in Berndt, ed., 1977, 106-113).

Although the past cannot be undone, employers might be encouraged to hire more Aborigines, to change their employment practices and to improve their working conditions. The underlying social analysis is basically historical: mining companies and pastoralists have treated Aborigines very badly from the times of earliest contact; conflict and animosity are not forgotten.

The two preceding arguments could also be elaborated by noting that if Aborigines do have a 'negative' or unenthusiastic approach to work, it may well be because they are given the most unskilled work, drudgery which has no responsibility and leads nowhere, work which no one else wants to do.

The last of the supply side arguments is that there is a chronic oversupply of unskilled and low-skilled labour of the kind which most Aborigines offer. Unemployment is high among other groups offering low-skilled labour, e.g. youths, women, migrant groups.

There is no sound remedy for this; not much can be done with wage structures and technology as they are. Subsidies or exemptions (e.g. from payroll tax) may induce employers to take on more employees of this kind, although it would inevitably be seen as a subsidy for inefficiency.

Demand Side Explanations

The first of these is that much of the work in rural areas where Aborigines live is seasonal, for example on cattle stations, so that if there is no alternative off-season work available locally, Aborigines will have a period of unemployment every year.

Apart from off-season 'make work' programs, no long-term remedy is possible. The rural economy is like that for Aborigines and non-Aborigines alike; not much can be done about it, especially in the more arid areas with only one productive economic activity. Aborigines don't mind very much, they can get unemployment benefit and carry out their traditional ceremonies when out of work.

The second demand side explanation is that suitable work is declining, partly as a result of technical innovations such as helicopter mustering, labour-saving technology in the construction and similar industries, and so on. The kinds of jobs which Aborigines can do are becoming fewer and technical skills are increasingly in demand for remaining jobs, skills which Aborigines do not have.

The remedy is not obvious, except that Aborigines should be trained for skilled jobs.

A third argument is that Aborigines own few economic enterprises and consequently control few of the jobs (Dept of Employment and Youth Affairs, 1982, 10).

The remedy is to foster Aboriginal ownership of economic enterprises, the assumption being that Aborigines would be given preference as employees. The emphasis may fall on the word 'economic' if the remedy is intended to provide competitive self-sustaining enterprises rather than non-competitive subsidised enterprises.

There is a hint of a class analysis in arguments of this kind (see also Lloyd, 1982, 5). It is often mixed up with an analysis in terms of race or ethnicity and in its more elaborate, not to say imaginative, forms, it is absorbed in broad-ranging theories of internal colonialism which purport to explain the class structure of under-developed or developing regions in economic terms and the double disadvantage suffered by racial minorities in such regions. At this point, analysis leaves the realm of popular explanation.

From this point of view, attempting remedies would really be futile; whatever a government might do to alleviate unemployment will serve only to perpetuate the class structure and the position of Aborigines in it. Government is part of 'the system' and therefore (like others who may have good intentions) they are bound to fail. This is definitionally predetermined; evidence need not be called for and if it is, one argues that success is apparent only, a transient thing, that 'ultimately' the logic of internal colonialism will prevail.

It is arguable, of course, that one does not have to go down that particular path with a class analysis, that a much more fact-based analysis in class terms is possible and provides a more complex and consequently a more realistic account of the position of Aborigines in the workforce than any of the single factor explanations. Of course, a public servant or a minister for employment might still be left wondering what, if anything, 'can be done'.

Two things stand out in any overview of popular explanations of Aboriginal unemployment. Firstly, most of the explanations are in supply side terms as if the Aborigines themselves were unsuited for one reason or another to compete in the labour market. The very terms of reference for such a body as the Joint Working Party which produced the Ford Report on Job Training for Aborigines direct enquiry to one side in the analysis of Aboriginal unemployment. The assumption that Aborigines might be unsuited would be the more plausible if there were both high Aboriginal unemployment and a large number of unfilled jobs in the same general area at any given time. This points to the necessity of considering the other side, the demand side, of the employment equation at the same time.

The second thing to be noted is the paucity of data against which to test theories and explanations and much - though not all - of the information gathered by enquiries such as that which produced the Ford Report comes from administrative and other staff who have had to rely on popular theory in interpreting their first hand experience (besides the Ford Report, see also House of Representatives, 1976). There are, of course, some exceptions and the study of Aboriginal employment in the mining industry by Cousins and Nieuwenhuysen (1984) is a notable example. But studies like this are few and far between as their review of the literature in the 1983 CEDA monograph makes plain. And above all little data has been systematically gathered from Aborigines themselves. Given the great variety of social and economic conditions in which Aborigines live, and the range of lifestyles to be found in Aboriginal communities, it is inevitable that the experiences and opinions of Aborigines will differ widely and that generalisations about Aborigines and employment which do not take account of variation by locality and over time will be more or less misleading.

The survey to be reported below was designed to find out, from Aboriginal respondents, what is happening to both the employed and the unemployed Aborigines in Katherine. It is little better than a pilot survey and does not, for example, give us more than glimpses of peoples' employment histories and how they relate to the development of the labour market in Katherine, a subject on which we have gathered no data at all. Statements about Aborigines in general cannot be based on the findings from this one locality, but the survey does have this much force, that it could prove some generalisations wrong.

In March, 1985, a survey of Aboriginal employment was carried out in Katherine NT. The survey was a follow-up study to two earlier surveys, one on the housing needs of Aborigines in Katherine, carried out in September and October 1984 and one on the political knowledge and voting of Aborigines in the district, carried out in the week before the federal election on 1 December 1984 (Loveday and Lea, 1985; Loveday and Jaensch, 1985). In each of the two earlier surveys a little information was obtained about employment and it seemed valuable, in view of the many popular theories about the high levels of unemployment among Aborigines, to obtain a more comprehensive body of data on the subject. Northern Territory and Commonwealth government instrumentalities expressed interest in different aspects of the work, for example in the possibility of obtaining data relevant to discussions of the effect of Tindal on the local employment market and the prospects for increased Aboriginal employment, and in the data that might be obtained on programs to increase Aboriginal employment and training, such as CEP.

The survey was designed to obtain a body of data on a number of topics, all of which are of importance in discussing Aboriginal employment generally. These topics include the present employment and work and residential history of Aborigines, their educational and social background and their attitudes to employment and their aspirations.

A separate questionnaire was mailed to employers in Katherine at the same time, March 1985, to obtain data from them about the workforce in general and their expectations of growth in business and employment in Katherine as the development of the RAAF base at Tindal gets under way. This provided some information relevant to the discussion of Aboriginal employment.

Katherine: Aboriginal Population and Economy

Of the estimated 4300 residents of Katherine, about 30 to 33 per cent (1300-1400) are Aborigines. A definite figure is unrealistic since many Aborigines come to town as visitors, many of them looking for work, and some stay for long periods before moving away. There is no sharp distinction between visitor and resident. At the time of the employment survey, March 1985, there were a large number of visitors in town, some of whom had arrived looking for work in town while others were waiting for work they hoped to get at the end of the 'Wet' and the beginning of the mustering season on the cattle stations around about. Other cattle station workers are residents of Katherine who go out in the 'Dry' season to get work, often on the same station year after year, leaving their families in Katherine.

Table 1

Where visitors came from

	N	%
Darwin	22	16.5
Other NT towns	16	12.0
Western Australia	5	3.8
Queensland	19	14.3
NSW and Victoria	3	2.3
Barunga and Beswick	17	12.8
Ngukurr	15	11.3
Lajamanu	9	6.8
Other local communities	25	19.1
no data	2	1.6

133 100

The visitors come from a number of different areas, not all from the districts around Katherine. The people from local communities maintain many aspects of traditional culture and lifestyle.

The Aboriginal residents of Katherine fall into two groups for some purposes, town residents and camp residents, numbering approximately 1000 and 350 to 400 according to the survey carried out in September-October 1984 (Loveday and Lea, 1985, 5-7).

The economy of Katherine is also basic to the discussion. Built on the bank of the Katherine River, the town is some 320km south of Darwin on the north-south highway and at the junction of the main road to Western Australia with this highway. It is a service centre for traffic on these highways. The river floods annually in the 'Wet' season, sometimes rising above its banks; substantial river flats support a number of small farms. The town is at a central location in a cattle station region and provides not only a base for the road transports carrying cattle but also a meat-works - the long term future of which is uncertain. The river comes down to Katherine through gorges from a rocky plateau to the east and this area, along with some caves and hot springs elsewhere in the district, provides the base for a substantial tourist industry in the area. A figure for the dollar value of local production is not, unfortunately, available.

Besides being a centre for handling stock and the horticultural and agricultural produce of the district, Katherine has a rural college. The airfield, Tindal, is to be upgraded to become a major RAAF base and it is expected that the population of the town will be nearly doubled when it is fully operational. According to the Mayor, a number of new businesses have already been started in town in anticipation of increased trade as the construction work, already commenced, grows in volume. At present the airfield services daily flights to and from Darwin and Alice Springs and charter flights, operated by a local entrepreneur.

The town is a regional centre for much government administration, both Commonwealth and NT government. It has a hospital, to which the Katherine Institute of Health for training Aboriginal health workers is attached. It has two primary schools and a high school and is the base of the local School of the Air.

Commonwealth instrumentalities with offices in town include not only Australia Post and Telecom, but Aboriginal Affairs, Social Security, Commonwealth Employment Service, CSIRO and the Aboriginal Development Commission. Aboriginal Legal Aid has an office; Aboriginal Hostels maintains the Corroboree Hostel. Aboriginal organisations in town include the Northern Land Council, Yulngu, a service organisation for Aboriginal communities in nearby districts, the Mimi Arts and Crafts Centre and the Kalano Association which manages the affairs of some of the town camps. Northern Territory government instrumentalities of particular importance for employment include (besides the schools and the hospital) Transport and Works, NT Electricity Commission, Conservation Commission, Housing Commission, Community Development, Education and Health. Finally, local government is also a substantial employer.

Most of this is dealt with in more detail in the Kinhill Stearns report (1983, 1984). Considering industry and occupation, much may be summarised by reference to the census of 1981.

Table 2

Proportions of total Katherine population in different industry and occupation categories, census 1981

<u>Occupation</u>	<u>%</u>	<u>Industry</u>	<u>%</u>
Professional, technical	12.2	Agriculture, etc.	1.7
Administrative	5.0	Mining	0
Clerical	13.8	Manufacturing	9.0
Sales	6.4	Electricity, water, sewerage, etc.	3.3
Farmers, etc.	2.6	Construction	6.8
Miners	0.3	Wholesale, retail	14.6
Transport	4.8	Transport, storage	5.5
Tradesmen	29.8	Communication	1.9
Service, sport, domestic	10.7	Finance, property, etc.	3.5
Armed services	0.1	Public Admin., defence	11.4
Inadequately described	14.1	Community Services	19.9
		Recreation, personal services	6.3
		Not stated, etc.	16.1

Other relevant information was obtained in a survey of employers. A total of 74 replied and between them they reported 1191 full time employees, and 149 part-time and casual employees. In addition about 200 seasonal workers were hired between May and October. Of the full time employees 128 were Aborigines, and a further 14 of the part-time and casual employees were Aborigines. Fifty of the 74 employers had no Aboriginal full time employees, but 13 reported having had Aboriginal employees in the past. Our estimate, based on these figures, of total Aboriginal employment in town in March is about 164 people, 20 employed by private enterprise, 80 in the NT (64) and Commonwealth (16) public services, 54 by Aboriginal organisations and 10 by local government.

According to these figures and others supplied by the Commonwealth Employment Service, the number of Aborigines in employment is greater than the number of unemployed Aborigines registered with the CES in Katherine. Registration figures are given in the following table, along with figures for job vacancies and for referrals and placements of Aborigines. These figures show that the registered unemployed, Aboriginal and non-Aboriginal, exceeded the number of job vacancies by 100 or more throughout the period and that for Aborigines, registered unemployed far outnumbered referrals and placements.

Table 3

Job vacancies, registered unemployed and, for Aborigines, referrals and placements, Katherine Job Centre, December 1984 - April 1985

	<u>Vacancies</u>	<u>Registered Total</u>	<u>Unemployed Aborigines</u>	<u>Aborigines Referrals</u>	<u>Placements</u>
December 1984	133	283	121	19	19
January 1985	200	361	145	39	28
February 1985	149	340	120	51	40
March 1985	171	273	77	36	30
April 1985	228	333	93	60	47

Source: Katherine Job Centre.

There is no reason to assume that all vacancies occurring in Katherine are registered with or filled through the CES or that all unemployed are registered with it; nonetheless, the figures do suggest that Aborigines are competing for jobs in an 'oversupplied' labour market.

Many of the local private enterprise firms were so small that they have few employees or none at all. With the expansion of the Tindal air base and the commencement of contract work a little before the survey was carried out, employers were already expecting growth in employment: 43 thought they would have about the same number of full time employees in the next twelve months, but 27 expected to have more. Sixty seven of the employers expected business in the longer term to grow substantially - anything from 25 per cent to 100 per cent increase - but not all of them expected that they would keep pace with this growth. Indeed 45 out of 65 expected new firms to open up in competition with them and, if early indications are a guide, most of these will swell the ranks of the small firms which add little to the labour market, especially for Aboriginal employees.

The Survey

A total of 295 respondents were interviewed and for most purposes in the analysis the respondents were divided into two groups, residents and visitors. The visitors numbered 133 and the residents 162. Some of the residents live in town; others live in town camps in the vicinity of the township and, as we shall see, there are some important differences between these two groups of residents. (In the following analysis 9 residents, not clearly town or camp, are omitted from tables where the two are distinguished).

Respondents were chosen at random in the street, the camps, at work and elsewhere and most of them were interviewed by local Aboriginal interviewers. Sampling in the technical sense is impractical for a population the size of which can only be estimated. It is also difficult to decide what characteristics might be used to test any group for representativeness and to obtain the necessary data, and finally, there is no list of Aborigines from which a sample might be drawn. The group interviewed in 1985 does include a disproportionately large number of men (there were more male than female interviewers), although the disproportion is less for town residents than for the camp residents and visitors. Age is another rough guide to the representativeness of the group of respondents. The data are given in table 4.

Table 4
Proportions of respondents, age and sex,
1984 housing and 1985 employment surveys,
and of population 15 years and over by age, census 1981

		<u>1985 survey</u>		<u>1984 survey</u>		<u>Census</u>
		<u>visitors</u>	<u>residents</u>	<u>all</u>		<u>NT</u>
			<u>town</u>	<u>camps</u>		<u>1981</u>
Sex	M %	78.2	55.2	67.7	47.2	-
	F %	21.8	44.8	32.3	52.8	-
Age	teens	12.8	17.2	4.5	8.8	13
	20s	44.4	40.2	39.4	32.8	31
	30s	28.6	26.4	22.7	28.4	21
	40s	9.8	13.8	9.1	12.4	15
	50s	3.0	2.3	12.1	7.6	10
	60s	1.5	-	10.6	3.6	11
	n.d.	-	-	1.5	6.4	-
N		133	87*	66*	250	

* 9 resident respondents omitted because not clearly one or the other.

There is good reason to expect that the visitors and the camp residents will have atypical age and sex profiles. Younger men come into town, on 'holiday', for business or looking for work and leave women and children behind and the visitor group reflects this in both the age and sex profiles. The camp residents include many older people who have given up trying to get work or who have reached the age of retirement. The camp group has a high proportion of older people, but it also seems to have fewer women than might be expected. The town group, on the other hand, does not include as many older people as it should, presumably because they are more difficult to reach in a survey than old people in the camps.

The number of respondents, in relation to the population, should also be noted. Of the population of about 1400, approximately half would be less than 18 years old, the age below which a person was not interviewed in the survey. This means that the adult population surveyed numbered about 700. Over 1 in 3 of the adult residents were interviewed in the 1984 survey; in the employment survey in 1985, 162 or about 1 in 4.3 were interviewed. Of the town residents a lower proportion was interviewed in 1985 - 87 out of about 500 or 1 in about 5.8.

Seventy per cent of respondents had left school by the age of 16, and 80 per cent of them did not go beyond year 10 or its equivalent in secondary school. All respondents were asked to say how they would describe themselves by choosing a name from a list on a show card, the list having been built up in discussion with Aborigines. By this means, Aborigines were self-identified, approximately in accordance with Commonwealth administrative procedure (see Loveday and Jaensch 1985 for an extended discussion of this point). The results of the self-identification question are set out in the next table.

Table 5

Self identification by Katherine respondents,
employment survey 1985; housing and election surveys 1984

	1984 housing		1984 election		1985 employment			
	n	%	n	%	residents n	%	visitors n	%
Aboriginal	70	28.0	22	21.2	96	59.3	75	56.4
Australian	11	4.4	-	-	5	3.1	2	1.5
Aust. Aboriginal	63	25.2	34	32.7	14	8.6	19	14.3
Part-European	3	1.2	1	1.0	3	1.9	2	1.5
Part-Aboriginal	80	32.0	34	32.7	32	19.8	16	12.0
Traditional								
Aboriginal	4	1.6	4	3.8	1	0.6	5	3.8
Torres St Islander	4	1.6	3	2.9	2	1.2	2	1.5
Thursday Islander		0.4	-	-	-	-	-	-
Mixed	9	3.6	4	3.8	7	4.3	12	9.0
South Sea Islander	1	0.4	1	1.0	-	-	-	-
Urban Aboriginal	-	-	1	1.0	1	0.6	-	-
Other	1	0.4	-	-	-	-	-	-
No data	3	1.2	-	-	1	0.6	-	-
N	=	249		104		162		133

The term Australian is used by Aborigines not to deny their Aboriginality but to insist upon their equality with other citizens; that they are to be included is attested independently by the criteria of descent and local recognition. As we found in the earlier surveys, most of those who identified as Australians also gave us their tribal name or

identified their traditional land, leaving no doubt on the point. Underlying all but a couple of the terms, is the general sense of Aboriginal identity, even of those who say they are part European or 'mixed'. Several respondents told us in detail about their predecessors so that we should be in no doubt about their identity and their being recognised as members of the local Aboriginal community.

The respondents are, of course, free to vary their self-description, particularly the adjectives they add to the word Aboriginal, from one survey to the next and consequently no exact correspondence may be expected between different surveys. Variation does not mean that the samples are basically different. Nonetheless if the percentages for Aboriginal, Australian Aboriginal and part Aboriginal are totalled, it will be noted that they account for well over 80 per cent of the respondents and that the total does not change much from one survey to the next. The other point of importance is that the visitors, who include a substantial proportion from the rural parts around Katherine (i.e. the more traditional Aborigines), do not differ in their self-identification in any marked respect from the Aborigines resident in Katherine. The urban residents (N=87) included 45 per cent who identified as Aborigines, 7 per cent who identified as Australian Aborigines and 33 per cent who chose part Aboriginal as a self description. Only one chose the term 'urban Aboriginal' which was also offered on the show card.

Employment, Unemployment and Work Experience

In the 1984 housing survey, the level of unemployment of respondents in the workforce was estimated at about 35 per cent (Loveday and Lea, 1985, 17). In the 1985 survey, the levels of employment and unemployment of all respondents are shown in table 6. For the figures to be comparable with those for 1984 the size of the workforce must be estimated by excluding from the calculation people over 60 years old and women caring for children as they were in the 1984 estimation.

Table 6

Employment of Aboriginal Respondents

	Residents Town		Residents Camps		Visitors	
	n	%	n	%	n	%
Employed	47	54.0	12	18.2	36	27.5
Not employed	40	46.0	54	81.8	95	72.5
	87	100	66	100	131	100

The number of Aborigines in the workforce in Katherine in March can be estimated from both the survey of Aboriginal respondents and from the employer survey. A group of 87 Aborigines resident in town reported 54 per cent employment. The town population includes about 1000 Aborigines of whom about 500 would be adult. But not all of these would be potentially in the workforce: people over 60 years of age should be discounted and these would be about 10 per cent of the adults, according to the 1981 census; that is, about 50 people must be excluded. Another 125 may also be excluded if we assume that adult women number about 250 and that half of them would have family responsibilities which keep them out of the paid workforce. The

workforce was then about 325 and if 54 per cent were employed, about 176 had jobs. This estimate may be a little high because the group of respondents had a low proportion of people over 60 and probably included a higher proportion of people in jobs than of the unemployed. Working from the employer survey, we estimate the number of Aborigines in employment in March at about 164. It must be emphasised that these are estimates based on survey and interview data: they are not official figures provided by employers. Since the two different methods of calculation yield consistent results, the number of Aborigines in employment in March 1985 was upwards of 170 and, if the workforce was 325 the level of unemployment was about 48 per cent.

(This corresponds to the definition of 'Official Unemployment Rate' in the Bureau of Labour Market Research Working Paper No.14, 28). In other words, about 155 Aborigines were unemployed at a time when only 77 were registered with the CES as unemployed (table 3).

Those out of employment are, as is to be expected, a higher proportion among the visitors and camp residents than among the town residents. But not all of the unemployed are seeking work. The next table is for all people seeking work - those in jobs seeking different jobs as well as those not in jobs. Many of the visitors, especially among those from local communities near Katherine, were in town for only a short period and were not seeking work; indeed many of them had jobs in their own communities.

Table 7

Job seeking, employed and unemployed respondents

	Residents Town		Residents Camps		Visitors	
	n	%	n	%	n	%
Seeking	28	35.0	25	41.7	67	54.0
Not seeking	52	65.0	35	58.3	57	46.0
Total	80	100	60	100	124	100
n.d.	7		6		9	
N	87		66		133	

Even without further cross tabulation, these figures contradict the assertions that Aborigines do not seek jobs and that they are not prepared to move in search of work and that they are content with Social Security 'sit down' money.

Agricultural, pastoral and horticultural industries provided substantial employment, and a little more came from the construction industry, while in Katherine itself the wholesale and retail trade provides some jobs for town residents (see table 8). These and a couple of jobs in 'recreation, accommodation, etc.' constitute the list of jobs in the private sector of the economy. The rest of the jobs are, in one way or another, in government instrumentalities or in Aboriginal organisations. The Aboriginal organisations contribute significantly to employment in Katherine itself; outside Katherine the local community councils which are effectively Aboriginal organisations provide a number of jobs which are listed under local government. Station work (private sector) is much reduced in recent years - all finished up, according to one well-known Aboriginal leader in the district - and, instead of staying on the stations, ringers, stockmen, fencers and the like have moved into Katherine with their families, partly to give their children a better education. But in the 'Dry' season the men

go back looking for whatever work still remains on the stations. In the survey 24 residents and 24 visitors were listed as station hands and farm workers, almost all of them being station hands.

The occupations people reported for present job or last job if unemployed show that people are concentrated in the less skilled and lower class jobs. Of the town residents, 54 per cent were employed in blue collar and rural worker jobs, either at the time of the survey or in their last job; for camp residents, the figure was 63 per cent and for visitors it was 69 per cent. Town residents reported 39 per cent in a miscellany of white collar jobs and jobs of a professional or administrative character; camp residents and visitors each reported 18 per cent in similar jobs.

Table 8

Jobs reported by respondents, present or last job,
by industry of employer

	Residents town		Residents camps		Visitors	
	n	%	n	%	n	%
Agricultural, pastoral, fishing, horticulture	13	16.9	12	24.0	29	27.4
Manufacturing, processing, packaging	1	1.3	-	-	1	0.9
Construction	2	2.6	2	4.0	8	7.5
Wholesale, retail	10	13.0	-	-	7	6.6
Recreation, accommodation	1	1.3	-	-	3	2.8
Admin - Commonwealth	5	6.5	-	-	2	1.9
Admin - NT	4	5.2	2	4.0	6	5.7
Local govt, incl. Aboriginal Councils	2	2.6	8	16.0	27	25.5
Electricity, gas, water, sewerage	1	1.3	-	-	1	0.9
Communications, media.	1	1.3	-	-	-	-
Aboriginal Organisations	32	41.6	19	38.0	9	8.5
Education, research, schools	2	2.6	5	10.0	7	6.6
Hospital, clinic	3	3.9	2	4.0	5	4.7
Service organisations	-	-	-	-	1	0.9
Total	77	100	50	100	106	100
No data	10		16		27	
N	87		66		133	

Included in respondents' work experience is a substantial amount of part time, casual and seasonal employment, and many respondents have also had spells of unemployment in between jobs, totalling many years for some of them. 'Seeking job' is one of the main reasons given by respondents for their moves from one place to another. Most of them - in contradiction of one supply side supposition - want full time work; only 15 per cent of Katherine residents and 12 per cent of visitors said they preferred part time work.

Table 9

Character of present or last job

	Residents Town		Residents Camps		Visitors	
	n	%	n	%	n	%
Full time, permanent	46	52.9	25	37.9	69	51.9
Full time, temporary and casual	13	14.9	13	19.7	21	15.8
Full time, seasonal	10	11.5	12	18.2	21	15.8
Part time, casual	11	12.6	5	7.6	6	4.5
Other part time	-	-	-	-	4	3.0
No data	7	8.0	11	16.7	12	9.0
N	87		66		133	

Note: because this table includes data from 'last job' of those now unemployed, it is not comparable with table 6.

In seeking jobs Aboriginal respondents relied most for their information on the CES, family and friends and general talk. We asked them how they found out about both their present jobs and their first jobs. The data set out in table 10 contradicts another supply side supposition, that Aborigines do not know how to look for jobs.

Table 10

How respondents found out about first and present jobs

	All Residents				Visitors			
	first n	job %	present n	job %	first n	job %	present n	job %
From newspaper, etc	9	6.8	9	6.1	3	2.6	10	8.1
CES	17	12.8	33	22.3	16	13.9	16	13.0
Family & friends	24	18.0	25	16.9	28	24.3	24	19.5
General talk	39	29.3	40	27.0	40	34.8	37	30.1
At work	3	2.3	2	1.4	-	-	-	-
From another organisation	1	0.8	4	2.7	-	-	-	-
Wrote, applied on off chance	11	8.3	12	8.1	9	7.8	8	6.5
Employer told me	12	9.0	16	10.8	9	7.8	22	17.9
Other	17	12.8	7	4.7	10	8.7	6	4.9
N	133	100	148	100	115	100	123	100

The CES has been more important for residents in obtaining their present than their first jobs than it is for visitors. The importance of 'general talk' is higher for visitors, accounting for about one-third of all information for both first and present jobs. The 'applied on the off chance' replies indicate employee initiative in approaching an employer directly and the employers' initiative in approaching employees should also be noted.

Respondents are not highly unionised; the data are given in table 11. Not many respondents answered yes, when asked had their union helped them in any way such as in getting a job: 11 residents and 9 visitors said yes.

Table 11

Trade union membership of respondents

	Residents		Visitors	
	n	%	n	%
Is trade union member	20	12.3	23	17.3
Is not member	134	82.7	106	79.7
Was trade union member but not now	4	2.5	4	3.0
No data	4	2.5		
	162		133	

Unions belonged to,
past and present, up to three

APSA	-	3
ACOA	4	1
Miscellaneous Workers	11	8
Professional Officers	1	-
Unemployed Workers (not registered union)	-	2
AMWSU	1	1
AWU (not in NT)	2	5
NAWU (not in Miscellaneous Workers)	3	1
Transport Workers	-	1
Other	3	4
No data, NA	138	109

Attitudes and Aspirations

It is not easy to ask people directly what their aspirations are and to obtain usable or meaningful responses; in this survey, we decided that aspirations had to be inferred from answers to other questions, for example the questions whether respondents were seeking work and, if in work, whether they sought a better job with their present employer, that is a promotion. Of all the respondents, 120 or 40.7 per cent said they were looking for a job.

One hundred of the 295 respondents answered the question whether they wanted a chance of getting a better job with their present employers and 38 of them said yes, 62 no; and of those who said yes, 28 said they thought they would need more experience or training to be successful.

Once these and a number of other questions had been answered respondents were asked which is generally best - to have a job or to get unemployment benefit or a pension without working. If they said that a job was best, we asked why, but not all of them gave us their reasons. The data are summarised in table 12. The 'reasons' are derived from comments made during the interviews. In this and the two subsequent tables, the supply side arguments that Aborigines are content with 'sit-down' money and that traditional culture makes people reluctant about joining the workforce receive no support whatever; on the contrary for Katherine residents and visitors alike, both are false.

Table 12

Attitudes to work

	Residents town		Residents camps		Visitors	
	n	%	n	%	n	%
No job is best	1	1.5	7	13.2	6	5.7
A job is best:						
- no reason	21	31.8	25	47.2	58	55.2
- don't like bludging	4	6.1	-	-	3	2.9
- work gives more money	25	37.9	9	17.0	23	21.9
- work is prestigious	2	3.0	1	1.9	1	1.0
- work is useful to others	1	1.5	-	-	-	-
- not working is boring, a strain on family	4	6.1	3	5.7	3	2.9
- I've got to work	6	9.1	2	3.8	8	7.6
- other reasons	2	3.0	6	11.3	3	2.9
Total	66	100	53	100	105	100
No data	21		13		28	
N	87		66		133	

This suggests that notwithstanding long periods of unemployment and work in lowly and often boring and unpleasant jobs, most people still want work for one reason or another. Out of all respondents, 73 or 24.7 per cent, reported that after leaving school they had had further education or training. This number included 16 who gave on-the-job training in answer to the question, what kind of training. Most of the others reported more formal training in a course at an educational institution. Those few who thought that 'no job is best' included old folk in the camps who are no longer able to work and those whose past injuries have partially incapacitated them.

The next generation have much the same attitude: we asked 59 out of an estimated 105 Aboriginal students at the High School in Katherine what jobs they would like, if any, when they left school and whether they expected that they would need further training for these jobs. All but 10 of the students named jobs they would like, jobs within the range of their experience in Katherine. Few of them wanted the traditional rural jobs such as ringer or stockman, most of them wanted jobs that were slightly better in one way or another than their parents' jobs and 18 (31 per cent) said they wanted further education.

Attitudes to work are also revealed by questions we asked to find out what respondents liked and disliked about their jobs. The next two tables present the figures.

Table 13

Like About Job

	Residents		Visitors	
	n	%	n	%
Nothing	6	4.2	4	3.3
Boss	2	1.4	5	4.1
Other workers	5	3.5	1	0.8
Environment of work	10	7.0	11	9.1
Pay and conditions	16	11.3	21	17.4
Work itself, responsibility	47	33.1	41	33.9
Variety of work, meet people	21	14.8	12	9.9
Doing something for Aborigines	16	11.3	17	14.0
Other	19	13.4	9	7.4
Total	142	100	121	100
No data	20		12	
N	162		133	

This table does not suggest any aversion to work itself - few say there is nothing they like, and the largest single category of answers is that people like work itself or the responsibility of the jobs they have. Others like the pay or the variety of work and together these three categories account for 59 per cent of residents' answers and 61 per cent of visitors' answers.

This is confirmed by the next table, reporting respondents' dislikes about their jobs. Over 70 per cent of all respondents could not think of anything they disliked about their jobs, past or present. (It should be noted that people at present unemployed answered these questions).

Table 14

Dislike about job

	Residents		Visitors	
	n	%	n	%
Nothing	107	75.4	85	72.0
Boss; too many bosses	2	1.4	5	4.2
Other workers	3	2.1	4	3.4
Environment of work	2	1.4	1	0.8
Pay and conditions	5	3.5	1	0.8
Work itself	4	2.8	2	1.0
Too far from home	4	2.8	4	3.4
Outside interference *	7	4.9	3	2.5
Other	8	5.6	13	11.0
Total	142	100	118	100
No data	20		15	
N	162		133	

* This usually meant that others were interfering with the work of the respondent, as if the respondent was not to be trusted to do the work properly on his or her own. Close oversight was deeply resented.

Another aspect of the respondents' attitudes to work was revealed in questions about the kind of organisation they preferred to work for, the kind of boss they preferred and the kind of workmates they preferred. The data are summarised in the following tables.

Table 15
Best employer to work for

	All Respondents	
	n	%
Government organisation	43	15.2
Aboriginal organisation	65	23.0
Non-Aboriginal business firm	2	0.7
Don't mind	172	61.0
Total	282	100
No data	13	
N	295	

Respondents were also relatively easy-going about both fellow-employees and bosses.

Table 16
Fellow employees: best for you to work with

	All Respondents	
	n	%
Best if:		
- most are Aborigines	67	23.4
- most are non-Aborigines	9	3.1
- half and half	61	21.3
Don't mind	149	52.1
Total	286	100
No data	9	
N	295	

Table 17
Respondents' preferences for boss

	All Respondents	
	n	%
Male, Aboriginal	46	15.9
Male, non-Aboriginal	26	9.0
Male, Aboriginal doesn't matter	17	5.9
Female, Aboriginal	3	1.0
Female, non-Aboriginal	47	16.2
Female, Aboriginal doesn't matter	17	5.9
Aboriginal, sex doesn't matter	3	1.0
Anyone	131	45.2
Total	290	100
No data	5	
N	295	

Needless to say, most of the respondents reported that they had male bosses: very few had experience of women bosses, Aboriginal or non-Aboriginal, as shown in table 18.

Table 18

What is/was your boss?

	All Respondents	
	n	%
Male Aboriginal	103	40.6
Male non-Aboriginal	132	44.7
Female Aboriginal	7	2.4
Female non-Aboriginal	12	4.1
Total	254	100
No data	41	
N	295	

These tables indicate that although there is a variety of opinion among the respondents, most of them do not have what might be called 'negative stereotypes' about bosses and fellow employees. A few may, but the questions were not detailed enough to elicit that information. An undercurrent of antipathy to non-Aboriginal business firms may be suggested in table 15 and data from another question throws a little more light on the point. We asked an open-ended question whether respondents thought any people or organisations stopped Aborigines from getting jobs and 14 named private enterprise, small business, mining companies or the entertainment industry: 4.7 per cent of all respondents. And 15 people (5.1 per cent) thought that government, often named departments, stopped people getting jobs. There are evidently a few people, both residents and visitors, who have 'negative stereotypes' of some kind and in more detailed study it would be important to find out whether these people have given up looking for work or seek it only in those sectors of the employment market which they consider more sympathetic to Aboriginal employment.

Conclusion

From our employer survey, Aborigines constitute about 11 per cent of the full time employees (128 out of 1191), and yet they constitute about one-third of the town's population.

But the data does not support what I have called the 'supply side' explanations for the low proportion of Aborigines in employment and for the high proportion of unemployed Aborigines. Most Aborigines want work; many of them are prepared to move, over short or long distances, and (as the cattle station workers show) to move permanently in search of it. The attractions of work appear to be far greater than the attractions of life on the dole; most Aborigines do know how to get and how to retain jobs, although like the poor and poorly educated in general, there are some who do not.

The one 'supply side' factor which does appear to be important is education. By the admittedly crude indicators we have in the questionnaire, Aborigines appear to drop out of secondary schooling in large numbers. And, although we obtained no survey data on the point, it may well be worth asking whether, while they are at school, they get as effective an

education as their non-Aboriginal class mates. The circumstances under which many of them live make it extremely unlikely that they do, but this is only one of a number of factors which seem likely to reduce the effectiveness of schooling and consequently to put teenagers at a disadvantage when they first enter the job market.

We made no enquiry, in this survey, about the survival of traditional Aboriginal culture among those seeking work and whether it was a barrier to employment. Aborigines themselves - to report data obtained incidentally in this and other surveys - do maintain elements of the traditional culture while living and working in European towns. Of course, much is lost and they recognise that, but nonetheless they do not see it as an 'either/or' situation. Of course, for some commentators it is; people lose the traditional culture as soon as they move from a subsistence life into the wage economy. And some writing on this point suggests that Aborigines who move into the wage economy cease to be 'real' Aborigines even though they may identify themselves as Aborigines. By this step in the argument, the hypothesis that traditional culture and wage labour are incompatible is made true by definition and regardless of any evidence. It must be emphasised that this is not how Aborigines themselves see it.

There is more to be found out about the demand, or employer, side of the employment market than our surveys can give us. But they do show that a number of people are in seasonal or part-time work, that they are unemployed for part of the year and that Aborigines no longer have as much work on cattle stations as they once had. The data also suggest that there is a chronic oversupply of unskilled and low-skilled labour in the district. Of course, individual employers can do little or nothing about these matters; they are structural features of the microeconomy of Katherine and district and they have been recognised for some time.

We did not seek any data in the surveys on the 'negative stereotypes' which employers might hold. While programs to counteract them are no doubt necessary, it is equally important to recognise that, as things now stand, private employers do not provide many jobs for Aborigines and that, if they are to provide more, it is at least as important to consider how private enterprise might be stimulated and its range extended in towns like Katherine.

Another feature of the data is of some importance from this point of view: the substantial employment generated by Aboriginal organisations. This is employment in the service sector and its stability and possible growth depends upon government funding - not upon market activity. It does incidentally suggest that where Aborigines own or control an enterprise, they can use that control to raise the level of employment and, in the longer term, the levels of skill and occupation of Aborigines in the town. This leads on to the question whether Aboriginal business enterprises might also be encouraged along with Aboriginal service organisations, but so far, perhaps because so much of the discussion has been focussed on supply side factors, little attention has been given to this question.

References

- Bureau of Labour Market Research, 1984. Pat McMahon and Chris Robinson, Concepts, Definitions and Measures of Unemployment and the Labour Force, Are They Appropriate for Economic Policy Analyses in the 1980s, BLMR Working Paper no.14, Canberra.
- Cousins, D. and Nieuwenhuysen, J., 1983. Aboriginal Unemployment in Australia, its Extent and Policies to Reduce it, CEDA Monograph, Committee for Economic Development of Australia, Melbourne.
- Cousins, D. and Nieuwenhuysen, J., 1984. Aboriginals and the Mining Industry, George Allen and Unwin, Sydney.
- Department of Employment and Youth Affairs, 1982. Submission to the House of Representatives Standing Committee on Aboriginal Affairs, May, Canberra.
- Doolan, J.K. 1977. Walk off (and later return) of various Aboriginal groups from cattle stations; Victoria River District, Northern Territory, in Berndt, R.M. (ed.) Aborigines and Change, Australia in the '70s, 106-113, Australian Institute of Aboriginal Studies, Canberra.
- Ford Report, 1981. Australian Aboriginal Affairs Council, Report of Joint Working Party on Job Training for Aborigines, Darwin.
- House of Representatives, 1976. Standing Committee on Aboriginal Affairs, Report on Aboriginal Unemployment, Special Works Projects, Government Printer, Canberra.
- Kinhill Stearns, 1983. For Department of Housing and Construction. RAAF Base, Tindal, Draft Environmental Impact Statement, November, Adelaide.
- Kinhill Stearns, 1984. For Department of Housing and Construction. RAAF Base, Tindal, Supplement to the Draft Environmental Impact Statement, March, Adelaide.
- Lloyd, J.I., 1982. Unemployment and Australian Aborigines, How Much do we Know, mimeo.
- Loveday, P., and Jaensch, D., 1985. Mobile Polling and the Aboriginal Vote: The Federal Election in the North 1984, Monograph, NARU, ANU, Darwin.
- Loveday, P. and Lea, J., 1985. Aboriginal Housing Needs in Katherine, Monograph, NARU, ANU, Darwin.

THE POLITICS OF UNEMPLOYMENT BENEFIT FOR ABORIGINES:
SOME CONSEQUENCES OF ECONOMIC MARGINALISATION

Will Sanders
 Urban Research Unit
 Research School of Social Sciences
 The Australian National University

Among Australian government services, Unemployment Benefit (UB) is poised uneasily between being a 'welfare' and a 'workforce' program. Of all the social security system's income service categories, UB is the one subject to the most stringent eligibility conditions and the most frequent review procedures. This is because all of the other categories provide income support to applicants who, on account of their age, incapacity, child rearing responsibilities or, in the case of widow's pension, former dependence on a male spouse, are regarded as either temporarily or permanently outside the workforce. UB, on the other hand, provides income support to people who are considered part of the workforce but who, for one reason or another, are presently unable to obtain work. The administration of UB is wracked by a tension between preventing hardship and preserving the workforce; it must not be a 'soft option' (Painter 1980, 267). In the language of micro-economists, UB is a 'work disincentive', particularly since the 'effective marginal tax rate' on the changeover from UB to employment is high (Edwards 1983, 8-12; Whiteford 1981). Eligibility for UB depends not only on applicants being unemployed, but also on their passing the 'work test'; demonstrating that they are capable and willing to undertake suitable work and have taken reasonable steps to obtain such work. Some applicants fail the work test, and some beneficiaries become ineligible because they are no longer judged to meet this condition (Jordan 1981). They, for their misdemeanours, will probably be left with no Department of Social Security (DSS) income support at all.

Government programs directed at those who are regarded as part of the workforce are primarily the province of the various Commonwealth and State industrial commissions and departments of employment, labour or industrial relations. The former, through their hearings and determinations, maintain Australia's system of award wages and conditions in accordance with which workers are to be employed. The latter provide inspectorates for the enforcement of award determinations and also provide a number of other employment-related services. The Commonwealth Department of Employment and Industrial Relations (DEIR), for example, through its Commonwealth Employment Service (CES), provides a job advertising and placement service and an ever changing array of wage subsidies and allowances intended to encourage particular types of employment opportunities and vocational training. The CES is also involved in the work testing of applicants for UB. The role of the DSS and of its UB program is merely that of last resort in a vast array of workforce related programs.

Much of the day-to-day politics surrounding UB arises because of its rather tenuous position between welfare and workforce. The distinctions implicit in the rules which govern its provision are much contested. Who precisely is considered part of the workforce? What evidence is taken as

demonstrating a capability and willingness to undertake suitable work? Where exactly are the demarcation lines between UB and the other Commonwealth and State government workforce and welfare programs? These questions provide the areas of indeterminacy which constitute the arena for ongoing politics surrounding the provision of UB. The form of the debate is, of course, always in accordance with legal-bureaucratic norms. Like cases are to be treated in like fashion and the rules are to be applied consistently and in accordance with legislative intent. These principles are unproblematic in an administrative setting. What is problematic is how the principles relate to the cases at hand. What exactly is the legislative intent? What constitutes a consistent approach? And which cases are the like ones?

In this paper I examine the politics which has surrounded the issue of Aboriginal eligibility for UB in northern and central Australia over the last 25 years. The central issues have remained basically constant and quite simple. Are Aborigines, particularly those in remote areas, unemployed just like other Australians or is their unemployment somehow different? Indeed, are they within the workforce at all, or are they beyond it and hence beyond the scope of UB? The prevailing judgements on these matters within the DSS at any one time have been a source of constant dispute. Over time, these questions have been answered in markedly different ways in relation to Aborigines in various types of circumstances, and with the support of arguments comparing these groups of Aborigines to an equal variety of other potential UB applicants. In the early days the provisions were interpreted so that very few Aborigines in these parts of Australia obtained UB. The ongoing debate has slowly extended Aboriginal eligibility for UB until it is now a significant source of Aboriginal income even in the most remote areas. In what follows I examine the development of the debate which has underlain this gradual change. The process has been complex and by no means unidirectional or conclusive. Even today the payment of UB to Aborigines, particularly those in the more remote areas remains a contentious issue.

UB and the Welfare Authorities: The Early Days

Under the welfare authority approach to Aboriginal affairs, Aborigines were excluded from the provisions of the mainstream workforce-related controls and services such as award wages, employment and training services and UB. The various state-level Aboriginal welfare authorities developed their own workforce-type programs for those subject to their supervision and control. Where Aborigines under their control were employed by pastoralists or others in the general community, the authorities developed systems for specifying the conditions of Aboriginal employment (see Rowley 1971, Part III). In the early days these seldom included cash payment; but if they did, as in Queensland, the payment was usually made to the welfare authority on the Aboriginal workers behalf. In later days, the direct payment of cash to these Aboriginal workers began to increase. However, by the 1960s, the amounts paid were still far below mainstream award wages. Aborigines who lived in the more closed institutional settlements run by missions or directly by the welfare authorities were completely excluded from the mainstream wage structure. Though they were usually given tasks to perform, these were regarded by the authorities as of educational importance for the Aborigines, and hence as 'training' rather than employment per se. When in the latter days of the welfare authority era some money did begin to be paid for this work undertaken by Aborigines within the welfare institutions, payment was usually referred to as an 'allowance' rather than a wage. Again, by the 1960s the levels of payment were still well below mainstream award wages and even, for that matter, below the rates of UB.

In 1959, amendments to the Social Security Act specifically repealed the legislative basis on which Aborigines had been excluded from UB.

The immediate effect of this in northern and central Australia was very slight, since the DSS and established Aboriginal welfare interests continued to regard UB as inapplicable to Aborigines in these areas. However, during the 60s and 70s, as the separate institutional structure of Aboriginal welfare began to be broken down, the question of UB eligibility for Aborigines in various types of circumstances continually rearose. Only then did the ongoing exclusion of Aborigines in these areas from UB begin to be effectively challenged.

UB and Award Wages in the 1960s: Seeds of Change

In the House of Representatives in October 1968, the Labor member for the seat of Kalgoorlie in outback WA argued that DSS officers should be stationed at two of the larger towns in his electorate. In putting his case, he pointed to the recent changes in Aboriginal entitlement under the Social Security Act and to the number of Aborigines in the Kalgoorlie electorate. He refined this argument by distinguishing between two types of Aborigines. First was the 'bush native' who 'does not want to work and sees no reason to work'. The member was not concerned with these Aborigines since he did not believe that they could be 'dealt with adequately under the unemployment benefit provisions' of the Social Security Act. He was however concerned with that other category of Aborigines, as he distinguished them; those who 'do work' and who 'are happy in employment' (CPD House of Representatives 10 October 1968, 1885). He argued that this latter group was often being unjustly treated both while in employment, through the payment of under award wages, and while unemployed, through being judged ineligible for UB. It was in relation to these Aborigines that he saw the stationing of DSS officers in the two towns as an important priority.

In these distinctions and subsequent remarks, the member for Kalgoorlie neatly captured both the dominant approach and the emerging area of contention relating to Aboriginal eligibility for UB in the north and centre of Australia. His reference to 'bush natives' was in line with the DSS's established approach of regarding many of the Aborigines in these areas as totally outside the workforce and hence beyond the scope of UB. This approach had the support of most of the established Aboriginal welfare interests of the 1960s and, indeed, substantially reflected their past antipathy to having UB within the welfare structure. But the dominant approach was beginning to be challenged, and particularly in relation to Aborigines in these areas who had at some time been employed outside the state and mission welfare institutions. The member for Kalgoorlie, for one, believed that the DSS was dealing unjustly with such Aborigines. Others too were beginning to challenge the exclusion of Aborigines from both the award wage and UB structure.

In 1965, the journal of the Melbourne based Federal Council for the Advancement of Aborigines and Torres Strait Islanders (FCAATSI) included an article entitled 'Discrimination in the North West; Commonwealth Social Services Department Policy on Unemployment Benefit for Aborigines Assures Cheap Labour Pool'. The article was the result of an interchange between the WA administration of the DSS and a white advisor to an Aboriginal group involved in the pastoral industry in the north of WA. The white advisor had sought clarification from the WA administration of the DSS regarding the eligibility of Aborigines for UB, particularly in relation to work offered at under award rates of pay. The reply from the WA Director of the DSS indicated that Aborigines could apply for UB, but that if they were to be regarded as willing and available to undertake suitable work, they would have to be prepared to accept employment under the 'local conditions' applying to 'native labour'. This meant accepting work at under award rates of pay, which the white advisor viewed as a form of unjustified discrimination. Though no claims for UB were lodged with the DSS at the time, the advisor referred the matter to FCAATSI to be taken up with the

Minister. In his reply the Minister for Social Security reiterated the WA administration's position and added:

My department is not responsible in any way for wages policy and its concern is to see that claims made under the Social Service Act are determined in accordance with the law expressed in that Act (quoted in Davey 1965, 4).

The challenge had been unsuccessful. Even FCAATSI's representations had been cursorily dismissed by the Minister with no more than an off hand reference to the act and by his disavowing any responsibility for Aboriginal wages policy. Others, however, would not be so easily dismissed.

At the time of this interchange in WA, in neighbouring NT the Commonwealth Conciliation and Arbitration Commission happened, by coincidence, to be engaged in hearing a claim by the North Australian Workers Union for the inclusion of Aborigines in the Cattle Station Industry (Northern Territory) Award (Rowley 1971, Chs 10,14,15; Stevens 1981, Ch. 3). Previously the Commission had taken the view that it was appropriate to leave matters pertaining specifically to the conditions of Aboriginal employment to 'the specialised government departments' which dealt with Aboriginal welfare (see Rowley 1971, 311). In this hearing the Commission reversed its former view. The claim for the inclusion of Aborigines in the award was heard and was successful. The judgement was, however, subject to the proviso that in order to give the industry time to adjust, the inclusion would not come into effect until December 1968. In the interim the Wards Employment Ordinance, the NT Welfare Branch's equivalent to an industrial award for Aborigines, would continue to apply. This three year interregnum in the regulation of Aboriginal employment in the NT pastoral industry provided a number of cases in which challenges were made to the disqualification of Aborigines from UB.

In August 1966, a group of Aboriginal pastoral workers walked off Wave Hill station, south west of Katherine in the NT (Hardy 1968). They camped nearby at Dagaragu (Wattie Creek) and over thirty of them applied for UB. All were assessed as ineligible because of a report obtained by the DSS from their former employer which indicated that they had ceased work of their own accord and that employment was still open to them under the terms laid down in the Wards Employment Ordinance. Later in the year, a number of these Aboriginal stockmen moved with their families to Darwin, where some gained employment and others again applied for UB. This time the DSS assessed them as eligible for UB, judging that they had severed their connections with Wave Hill and were available for employment in Darwin.

In the months following the Wave Hill incident, a number of other groups of Aboriginal pastoral workers in the NT also staged walk offs. Encouraged, no doubt, by the Wave Hill workers success in gaining UB, they also applied. By February 1967, the Darwin DSS had received 100 claims from Aboriginal stockmen in 10 different areas. In each walk off the stockmen complained of the non-payment of wages and the inadequate provision of food and other items even to the levels specified in the NT Welfare Branch's Wards Employment Ordinance. The stockmen also stated that they would only work again if employed at full pastoral industry award rates or under prenegotiated contract arrangements. Most of these applicants for UB were successful; and, unlike the Wave Hill workers, they did not have to move to Darwin in order to be so. In these subsequent walk offs, it was the breach of the more meagre conditions specified in the Ward's Employment Ordinance which provided the basis for eligibility. One officer of the Darwin DSS office recalling the events some years later wrote:

It seemed fairly obvious that by insisting on these [award] conditions of contract work, the claimants... were placing limitations on their availability for

employment and a recommendation was made to reject the claims. Further investigation showed that the conditions of employment, i.e. standards of accommodation etc., did not meet with the requirements of the Wards Employment Ordinance and consequently it would have been unfair to reject the claims on a technicality. It was approved that the 'walk off' issue be treated as closed and payment of benefit authorised with the question of unemployment benefit in the future being based on the normal requirements of the Social Services Act (Clarke 1978).

In all these early walk offs, eligibility for UB was granted by the DSS only on the basis that the circumstances of the cases were exceptional. This was a victory for Aboriginal eligibility for UB, but one which had few repercussions beyond the Aborigines directly involved.

Within the next couple of years, the DSS in the NT faced another two challenges involving Aboriginal applicants for UB. The first involved Aborigines from the St Theresa mission in central Australia who had become involved through the CES in a labour migration program in which they were sent to NSW to work as seasonal fruit pickers (Smee 1966). In mid 1967, a number of claims for UB were received from the Aboriginal residents of St Theresa who had recently finished a season as fruit pickers. Though now back at St Theresa, these Aboriginal residents were not being employed in the mission's under award training/employment programs. The mission had decided instead to help them apply for UB; a move which if successful would lessen the demands on its own resources. All the applicants claimed to be unemployed and to be willing to move away from the mission again in order to take up further employment. The same Darwin DSS officer who recalled the 1966 walk offs recalled the deliberations surrounding these applications as follows:

On the face of that information their eligibility to receive unemployment benefit seemed established, however, before payment could be authorised some further points had to be cleared up. Welfare Branch paid Missions maintenance in respect of all children under sixteen years and in respect of pregnant women and nursing mothers. If we paid unemployment benefits under normal Social Services Act requirements, i.e. paid for claimants wife and children, and Welfare Branch continued their maintenance payments, would not there be dual Commonwealth payments being made to some people.... It was finally decided that this Department would make payment to those claimants considered eligible, but that the Northern Territory Administration [i.e. the Welfare Branch] be advised of the commencing and terminating dates of the payments so they could adjust their maintenance payments (Clarke 1978).

The second challenge was a more general one which arose from the changes in the NT pastoral industry after the introduction of award wages in December 1968. Aboriginal participation in the industry began at that time to involve shorter periods of employment at better rates of pay, but with substantial interspersed periods of unemployment. The flow of Aboriginal applicants for UB from the pastoral industry changed from the sporadic outbursts of the walk offs to a steady seasonal trickle of workers who had been temporarily stood down. By 1970, the number of such UB applicants from the pastoral industry was sufficient for the DSS and CES in the NT to introduce the special pastoral standown (PASDOWN) procedures whereby pastoralists could apply for UB on behalf of their Aboriginal workers. These procedures could at one level be seen as having facilitated

access to UB for illiterate and inexperienced Aboriginal applicants. But in the larger historical context, they can also be seen as having guarded against the spread of UB to Aborigines other than those who were strongly tied to individual pastoralists. Under PASDOWN, the white pastoralists also had to vouch for the Aborigine's constant availability for work on the property. The Aborigines who met these conditions were few, so those who gained access to UB under them were similarly few.

Neither of these groups of cases did much to advance the more general claim of Aborigines in remote areas to UB. In both, as in the walk offs before them, eligibility depended on exceptional circumstances. In these cases the applicants had recently worked for award wages, had been put off by their employer and were not at the time of application being offered employment at Welfare Branch training or Wards Employment conditions. This combination of circumstances made it difficult for the DSS to argue that these applicants were either outside the workforce, had ceased work of their own accord or that they were unwilling to take up suitable work that was available to them. The applicants slipped neatly past the barriers to Aboriginal eligibility for UB which had been erected in the past.

Despite the success of these isolated cases, the general DSS approach to Aboriginal ineligibility for UB remained intact. In the NT that approach was reiterated as late as August 1968 in a CES circular instructing rank and file assessors that the 'work test' for Aborigines was 'no different' from that which applied to all applicants for UB. The circular continued by noting that 'work', in the case of Aborigines, was defined as a job offered under any recognised industrial award including the NT Welfare Branch's Wards Employment Ordinance.

For those Aborigines who were being offered 'training' wage employment, UB was still unavailable. This ongoing exclusion of Aborigines in the remote areas of the NT from eligibility for UB depended crucially on the Welfare Branch being able to organise some form of training or under award employment for all its Aboriginal wards. But these early attempts to gain access to UB by particular groups of Aborigines had demonstrated that the Welfare Branch's ability to provide such arrangements was being strained. In time it would become even more problematical and the Welfare Branch would be pushed to greater and greater lengths in its attempts to keep Aborigines off UB.

The inclusion of Aboriginal workers in the NT Pastoral Industry Award in 1968 had placed the Welfare Branch under considerable pressure to similarly increase its rates of payments to Aborigines working within welfare institutions. As a result, in 1969 the Branch's existing cash-and-kind program for those who 'worked' at settlements and missions was replaced by a new cash-only training allowance scheme which raised the pay for adult male workers from \$7.60 to between \$25 and \$30 per week, and for females from \$4.60 to between \$18 and \$27 per week. These rates were subsequently raised further, though they remained well below the minimum mainstream award rates of pay determined by the Commonwealth Conciliation and Arbitration Commission and only marginally above the rates of UB (see table 1). In conjunction with other developments, these increases in the training allowance made it increasingly difficult for the Welfare Branch and the missions in the NT to offer training positions to all Aborigines of working age in their communities. At Dagaragu, for example, after the Wave Hill walk off of 1966, the Welfare Branch had established a settlement and instituted a housing construction program to employ Aborigines at training rates and to keep them off UB. During 1972 another series of walk offs in the area caused a further influx of Aborigines to Dagaragu (Doolan 1977). This placed severe strains on the Welfare Branch's budget for the new settlement and on its ability to offer 'jobs' on the housing project to all the Aborigines living there. Over 20 claims for UB were lodged with the CES/DSS and it seemed to the local rank and file officers of these departments that the claims would have to be granted. This prospect worried

the Welfare Branch and, after he had been informed of the position, also the Minister for Social Security. The Welfare Branch was thrown into a flurry of activity in order to increase its training allowance allocation for the Dagaragu housing project. The applicants for UB were then work tested adversely and their claims rejected. The spread of UB to more Aborigines in the remote areas had been once again averted, but at the cost of some considerable budgetary manoeuvring within the Welfare Branch.

Table 1

Year	Training Allowance Rate (\$pw)		UB rate (\$pw) Beneficiary + Dep Spouse		Weighted Average Minimum Weekly Wage Rates (\$pw)	
	M	F		Extra for Dep Child	M	F
1969	25-30	18-27	17	2.5 1st 3.5 Subseq	52	38
1972	28-41	24-32	25	4.5 each	67	52
1973	40-65	34-46	37.5	4.5 each	78	65

Sources: NT Welfare Branch Annual Reports, DSS Annual Reports and Commonwealth Government Year Books, Rates of Wage statistics. See these latter for an explanation of the method of calculation of the weighted average minimum weekly wage rates from Conciliation and Arbitration Commission determinations.

By 1972, budgeting for the 'employment' of all 3,350 Aborigines of working age in the NT's settlements and missions on the training allowance had become a major problem for the Welfare Branch. But the Branch remained adamant that Aborigines in these communities should not receive UB. The Branch even began exploring the possibility of extending its own resources by tapping into the programs of other government departments. The Department of Labour and National Service (DLNS), the forerunner of the DEIR, was the prime target through its Employment and Training Scheme for Aborigines (ETSA). ETSA had been introduced in the 60s and provided a wage subsidy to employers taking on Aboriginal workers. However, the Welfare Branch's approach was rejected by the DLNS as the guidelines for ETSA insisted that award wages had to be paid before eligibility for a subsidy could be considered. The Welfare Branch continued the training allowance scheme under increasing budgetary pressure, while refusing resolutely to admit UB to the settlements and missions as had happened at St Theresa.

The DSS's role in all this manoeuvring of the late 60s and early 70s in the NT was to effectively support the Welfare Branch's obsession with the exclusion of Aborigines from UB. This it did in a number of ways. First it had decreed that Aborigines in the remote areas who had not worked were simply beyond the workforce and hence beyond the scope of UB. Second, in cooperation with the CES, it had continued to regard the under award employment and training, both within and outside the welfare system, as suitable work which Aborigines could not refuse without being judged to have failed the work test. Third, even in the few cases where eligibility had been granted to Aborigines in the remote areas in recent years, this had been done in a way which minimised the possibility of eligibility spreading to other Aboriginal applicants. Successful cases were treated as exceptions which did not create general precedents for policy and the

procedures which were adopted, like PASDOWN, only catered for the particular type of exceptional case.

Outside the NT, the DSS's approach to Aboriginal ineligibility for UB in the remote areas was being similarly challenged, and remained similarly unchanged. The challenges which had arisen elsewhere had, if anything, met with even less success than in the NT. The 1965 WA/FCAATSI challenge was one example. Another occurred in that state in 1970 and 1971 when two missionaries in the most remote areas of northern WA approached the DSS regarding the possibility of their Aboriginal residents being eligible for UB. Since the Aborigines concerned had never worked outside the missions, the approaches were rejected by the DSS on the grounds that the Aborigines concerned were outside the workforce, and hence not 'unemployed' for the purposes of the act. This was entirely consistent with the DSS's established approach. However, the fact that the missions had expressed some interest in gaining access to UB in itself indicated that the DSS in WA was operating among established welfare patrons who, like the St Theresa mission, were rather less hostile to UB than the NT Welfare Branch had shown itself to be. This was to become important in developments in the next few years.

The Whitlam Years: Labor's Loves Lost

With the election of the Whitlam Labor government in December 1972, Aboriginal affairs entered a period of rapid change. In relation to employment, unemployment and social security benefits, the Labor party's declared policy was that Aborigines should be paid award wages when in employment and should otherwise be eligible for the full range of social security payments, including UB. Though this sort of rhetoric was not entirely new in relation to social security payments, the Labor government soon showed that it did not regard the established patterns of commitment negotiated between the DSS and the established Aboriginal welfare interests over recent years as adequately reflecting this statement of principle. In April 1973, Cabinet directed that Aborigines living on missions and settlements would no longer be regarded as beyond the scope of UB. A new section, 14.201, was incorporated in the DSS's manual for unemployment and sickness benefit assessors instructing that:

Unemployment benefit is payable to Aborigines living on settlements and missions provided they are capable of and willing to work and no such work is available on the settlement or mission, in other words, an Aboriginal is not required to leave the settlement or mission in order to qualify for unemployment benefit.

The new government also declared its intention to phase out programs which perpetuated Aboriginal under award employment and exclusion from UB. The NT Welfare Branch, which since the change of government in Canberra had been subsumed in the new DAA, had two programs marked for destruction. The first was the training allowance scheme, the second its program of 'maintenance payments' made to pastoralists and missionaries for Aborigines living in their care but not employed by them.

In August 1973, the Minister for Aboriginal Affairs informed the Cabinet of his intention to establish an interdepartmental committee to oversee the termination of the training allowance scheme. In November, Cabinet approved his proposal that the scheme be progressively phased out between December 1973 and May 1974. The phasing out of the maintenance payments scheme was to be achieved simply by the piecemeal termination of payments to individual pastoralists and missions and by encouraging these people to assist the affected Aborigines to apply for UB or whatever other social security payment seemed appropriate.

The Whitlam government's intention was that with the money saved from the abolition of these two programs and with the additional money allocated to Aboriginal affairs, the DAA would create a number of award wage public service positions for Aborigines in the NT's remote communities and would also provide funds for Aboriginal organisations and councils to undertake specific projects or to provide particular services. For those Aborigines in the remote communities who did not obtain award wage employment through one of these channels, there would be the normal array of social security payments, including UB.

It did not take long for reactions to arise which called into question the new government's plans. One mission-sponsored Aboriginal fishing enterprise in Arnhemland which was notified that its training allowance funding would cease at the end of November 1973, immediately reacted by arguing that it would have to close down unless some alternative source of funding for wages could be found. The termination of funding was postponed while the interdepartmental committee set to work drawing up longer term plans for the phasing out of the scheme in all 31 NT mission and settlement communities in which it operated. In undertaking this process the committee itself soon became a source of reaction against the proposed changes. In March 1974, the committee estimated that with available funds DAA could create about 1,000 award wage positions in the remote NT communities. This would leave a little over 2,000 Aborigines currently in receipt of the training allowance without employment. The prospect of two thirds of all Aborigines of working age on the missions and settlements receiving UB was greeted with horror by a number of officers on the interdepartmental committee. Some DAA, and formerly Welfare Branch, officers who were particularly perturbed began to develop arguments against the proposed changeover: that an award wage economy would be disruptive of traditional life style; that the UB would all flow to the men leaving women who had been paid training allowance without their own income and that the proposal was imposing priorities from above rather than letting them emerge from the Aborigines themselves as the new policy of self-determination implied they should.

These reactions were mild in comparison with some which developed in the larger NT community. In January 1974, while visiting the NT, the Minister for Aboriginal Affairs was confronted by a group of people calling themselves 'Rights for Territorians' who wanted all social security benefits to be taken away from Aborigines. Later he referred to this as 'the most unpleasant event' on his trip to the NT and commented:

I was left in no doubt as to their motives - a return to the good old days of cheap black labour (Cavanagh 1974, 28)

In the early stages of the Whitlam government, such criticism had to contend with a determined Minister for Aboriginal Affairs and with senior officials who strongly supported the new government's ideas. The head of the new DAA who chaired the interdepartmental committee, for example, was adamant that the 'political climate' dictated that all Aborigines should receive either award wages or UB. It was not long, however, before even the Minister's own Labor party colleagues began expressing reservations about the changes. In March 1974, in his capacity as chairman of the House of Representative Standing Committee on Aboriginal Affairs, one backbench Labor parliamentarian wrote to the Minister expressing that Committee's concerns about the termination of the training allowance. The letter concluded as follows:

The Committee's concern might best be expressed by saying that the new arrangements will not coincide with the introduction of a satisfactory alternative means of employing those unable to work for award wages. The result of the scheme will be to inject an

additional \$11m of cash into the Northern Territory Aboriginal community with the full knowledge that a large portion of that amount will go to non-workers. From what the committee has seen in the NT this would be a positive disincentive to work and we are apprehensive that in some areas the additional money will aggravate an already serious drinking problem. Furthermore, once the payment of unemployment benefits becomes wide spread it will then become difficult to introduce any meaningful and appropriate employment providing schemes. Whilst we have no ready made suggestions to make for remedying the shortcomings of the new proposals in their present form, except that the phasing out period might be extended indefinitely, we believe you should be aware that some significant problems are likely to flow from their introduction.

A short time later the Minister for the Northern Territory also wrote to the Minister for Aboriginal Affairs in similar terms. His letter began:

I am aware that the Party platform for Aboriginal Affairs included provisions that award wages should be paid to Aborigines and that they should enjoy the same Social Service benefits as apply to other Australians. Indeed Cabinet endorsed these aims when it decided to introduce award wages to replace the training allowance scheme. However, I have become increasingly aware in recent times of the possible impact of that decision from a social welfare point of view and its future effect on the Territory as a whole. Whilst accepting the philosophy of equality, I regard it as a matter of utmost importance that implementation of the decision be handled with great sensitivity.

He continued by arguing that 'full wage reward' should only occur when Aborigines met 'the same work criteria as apply in the wider community'. Noting that employment opportunities for Aborigines in the remote areas of the NT were limited to the provision of basic services and a few housing, forestry and cattle projects, he then went on to question the proposed approach to the payment of UB:

I am not opposed to unemployment benefit being made available to Aborigines on Reserves but I point to the fact that in our national economy, unemployment benefit is paid against the background of relatively full employment. In the case of Aborigines on Reserves, it will be paid in circumstances of general unemployment. The effect of protracted payment of unemployment benefit in the latter circumstances could, I believe, only be to the detriment of the future well-being of Aborigines.

Implicit in these arguments was a movement back towards the ideas which had dominated this area of policy prior to the election of the Whitlam government. Here once again was the assertion that Aborigines in these areas were different from other unemployed Australians and should, as a consequence, be beyond the scope of UB. The difference was not now that these were 'bush natives' who simply did not want to work, but rather that these people, unlike other Australians, would be paid UB against a back-ground of unemployment in their local communities. Though no longer in crude racial terms, the intent of the distinction was still the same; to exclude Aborigines in these areas from eligibility for UB.

The tenor of these criticisms of the Whitlam government's proposals was, to a large extent, accepted within the senior ranks of the DSS. In a departmental circular of May 1973 clarifying the new section 14.201, the Director General of Social Security emphasised that UB was 'not to be granted' to any Aborigines who did not 'want to work'. In a briefing note to the Minister for Social Security in June 1974, the Director General indicated that he shared the Minister for the Northern Territory's concern about the potential payment of UB to Aborigines whose employment prospects were 'not good'. In a similar vein, the First Assistant Director General of the DSS who was involved in the activities of the interdepartmental committee overseeing the termination of the training allowance scheme was drawn to comment in mid-1974 that:

It was clear... that a number of Aborigines are not ready for award wages and indeed a general disinclination to work was apparent. This being so,... it would seem that there will be no great influx of claims for unemployment benefits.

What was taking shape within the DSS during 1974 was a concurrent reinterpretation both of the eligibility rules for UB and of the facts of Aboriginal applicants' circumstances. The effect of this reinterpretation would be to continue to severely restrict Aboriginal eligibility for UB in the remote areas of the NT for some time to come.

The particular stumbling block to Aboriginal eligibility which gained currency in the DSS at this time related to the equation of the term 'unemployed' with 'temporarily out of work'. This interpretation was not new. It had long been the basis on which people who seldom worked were excluded from UB and referred to some other income support program, even though in one sense of the word they were obviously 'unemployed'. Aborigines in remote areas who had never worked, even for under award wages or allowances, were just some of the many potential applicants disqualified from UB on these grounds. What was new in 1974, was the way in which this interpretation also now began to be applied to Aboriginal applicants who had worked under the training allowance scheme, Wards Employment ordinance or some other form of under award payment. These Aborigines, so the argument ran, also did not have a recent work history and so could not be regarded as temporarily out of work. This was a logical and historical sleight of hand of the highest order. Employment at under award conditions had long been accepted as work by the DSS for the purposes of applying the work test to Aborigines in these areas who had applied for UB in the past. They had been required by the DSS to accept such employment or else be judged unwilling or unavailable to take up suitable work. Now, that very same work was being disregarded by the DSS as constituting a work history. These finer logical and historical points were of little consequence within the DSS during 1974. It was also of little consequence that the new 'work history' interpretation appeared contrary to the intent of the Cabinet decision of April 1973, of the new section 14.201 of the unemployment and sickness benefit manual and, most explicitly, in the later Cabinet decision of November 1973 stating that Aborigines who had previously been in receipt of the training allowance and found themselves unemployed on its termination should be regarded as eligible for UB. Much had transpired since these earlier policy pronouncements by the new government, and they were now conveniently lost from view within the DSS.

In the light of the wide spread criticism of the Whitlam government's stated objective of introducing an award wage and UB economy for all Aborigines, the development of this new interpretation of the UB eligibility criteria within the DSS was perhaps not surprising. But the DSS was not merely doing the bidding of others. It was in fact developing a single mindedness on the matter which would ensure the new interpretation against challenge for some time to come. One example will suffice to illustrate the point. In September 1974, the NT Director of the DAA

directly questioned the 'work history' interpretation as it was being applied to Aborigines who had formerly come under the Welfare Branch's maintenance payments scheme. Having been assured by his DSS counterpart in Darwin that the interpretation was correct, he raised the matter with the DAA in Canberra. He wrote:

As you know, we had anticipated that a majority of the maintained Aborigines would be eligible for social security benefits, particularly UB, when the maintenance scheme ceased. This has not proved to be the case. The works test is being applied in such a way that many (if not a majority of) claimants are deemed ineligible for benefits. If the claimant cannot produce a history of regular employment, or was not employed shortly before he made the claim, his claim is in most cases rejected. The nature of station work and its irregularity in Central Australia in particular means that only a comparatively small number of claims are successful.

He went on to note that there were still only about 50 unemployment beneficiaries on pastoral properties in the NT and cited the case of one pastoral property where maintenance payments had been cut off in August 1974. The DAA officer in the area had helped 25 people on the property apply for UB and now, over a month later, only two of those claims had been successful. In this and a number of other cases, in the face of a local outcry, the Darwin office of the DAA had considered it necessary to recommence maintenance payments until the matter of eligibility for UB had been clarified further.

The result of these communications between the Darwin and Canberra offices of the DAA, was the convening of a meeting on the matter between high level officers of the DAA, DSS and DEIR in Canberra. Again the DSS maintained that its interpretation of the term 'unemployed' was correct and resolutely refused to be moved on the matter. This DSS intransigence over the interpretation of the eligibility criteria for UB provided the perfect scenario for the conservative forces within the DAA to push for the continuation of under award employment in the remote Aboriginal communities. In the absence of a significant level of eligibility for UB in these communities, it became untenable for those within the DAA who were sympathetic to the Whitlam government's ideas to pursue the award wage goal with any vigour. To do so would have been to concentrate all the resources the DAA was directing to these communities in the hands of the few who gained award wage employment, and to have abandoned others without any income at all. This was clearly unacceptable. The maintenance payments scheme was not finally terminated until 1978 and the training allowance scheme, though terminated in 1974, was partly perpetuated by the expansion of the DAA's Special Works Projects scheme to finance projects providing part-time employment to Aborigines in many of these remote communities.

My account of the Whitlam years has, thusfar, concentrated almost exclusively on processes of debate relating to Aborigines in the NT. Before launching into a more general discussion of the thwarted reforms of these years, it would be prudent to at least briefly consider relevant developments in the other states in which significant numbers of Aborigines were still residing in remote welfare communities.

Prior to the Whitlam government's election in 1972, there was little if any difference between the way in which the various state branches of the DSS were treating applications for UB from Aborigines in the remote areas. All had judged these applicants to be generally beyond the scope of UB. However, reactions to the Whitlam government's specific directions that Aborigines no longer had to leave settlements and missions in order to qualify for UB did differ considerably from state to state, and at this point practices did diverge to some degree.

In WA, established Aboriginal welfare interests had always been rather more receptive to the inflow of social security payments than their counterparts in the NT. When it came to the possibility of eligibility for UB, this greater receptiveness was evident once again. As mentioned earlier, two missions in the most remote areas of northern WA had already approached the DSS regarding the possibility of Aborigines in their communities receiving UB during 1970 and 1971. Now that Cabinet had directed that eligibility be extended, they and others were more than willing to have another try. Unlike the DSS in the NT then, the WA administration of the Department was faced during the Whitlam years with a number of established welfare patrons in the remote areas who were keen to obtain UB for residents in their communities. In these circumstances the WA branch did not go out of its way to create obstacles to UB eligibility through adverse interpretations of facts and rules. Equally however, neither was the WA DSS in the business of advertising the availability of UB for those who did not learn of it by some other means; the Department's own lack of independent penetration to the Aboriginal clientele in these areas saw to that. The DSS's approach in WA was passive rather than active, but certainly not obstructionist as in the NT. The initiative was left to established local welfare patrons. If they wanted UB in their communities they could help the Aborigines apply, if not they could be reasonably well assured that the Aborigines would not successfully gain access to it by direct contact with DSS officers.

In a number of communities, the WA administration managed the payment of UB that did occur by opting for a group warrantee system. All UB payments for particular communities were directed through one individual who was responsible for the distribution of payments and for the regular updating of details relating to eligibility. In many mission communities this 'warrantor' was a white missionary, and the effect of the arrangement was to place power over most of the questions relating to whether and how UB would be paid in their hands. This often led to a situation where Aborigines worked for the mission, and in return now received their unemployment benefit. Rather than challenging the existing structures of welfare patronage and under award employment in the remote Aboriginal communities of WA, the payment of UB in fact often reinforced them.

In Queensland, the situation which developed was rather different again. During the Whitlam years, the Queensland Aboriginal welfare authority, the Department of Aboriginal and Islander Advancement (DAIA), did not become combined with the new Commonwealth DAA, as did its counterparts elsewhere. Rather the DAIA continued to pursue its established approach to Aboriginal affairs in competition with the new DAA. This led to the emergence of a considerably different situation in Aboriginal affairs in Queensland than elsewhere. The Commonwealth DAA, for example, was in no position to attack the Queensland DAIA's under-award 'training wage', as it had done with the old Welfare Branch programs in the NT. So the pattern of commitments surrounding Aboriginal wages and UB in the Queensland communities was not so overtly challenged by the Whitlam government as it had been in the NT. This also meant that the introduction of UB did not become a major focus for debate as in the NT. The situation which developed in Queensland during the Whitlam years was rather more like that in some of the remote mission communities in WA. The DSS was neither publicising the possibility of UB eligibility for Aborigines in Queensland reserve communities nor, as in the NT, actively opposing its expansion. Established local patrons could, if they wished, tap into the DSS's UB program. But equally it was not pushed upon them. As resources available from other sources were often insufficient to pay even the under award 'training wage' to all Aborigines of working age living in the reserve communities, many local patrons in Queensland did slowly avail themselves of UB. Where they did, the DSS obliged by working through them for the purposes of service delivery; though without resorting to a group warrantee arrangement, as in Western Australia.

Discussion: The Continuation of Economic Marginality

The general question that arises out of the situation which developed around the payment of UB to Aborigines in the remote areas of NT, Qld and WA during the Whitlam years, concerns why exactly the Whitlam government's intention to introduce an award wage and UB economy for all Aborigines floundered so desperately. At one level it would be easy to blame entrenched bureaucratic interests in the DAA and the DSS. Certainly, in this account of events relating to Aborigines in the NT there are examples of officers within these departments resisting and arguing against a UB and award wages economy. However, to treat their resistance as the root cause of thwarted reform would be to overlook the fact that opposition to the Whitlam government's proposed changes developed in sections of the community not directly involved in the administration of Aboriginal welfare, including the Labor party itself. It would also be to overlook the fact that in WA and Qld, where some greater amounts of UB did begin to be paid, this contributed little to the development of anything resembling an award wage and UB economy in the remote Aboriginal communities in these states.

There were, it seems, real and substantial difficulties in bringing the remote communities into these mainstream economic structures. The marginalisation of Aborigines within local low-cost economies had been many years in the making. The welfare communities and the pastoral industry in northern and central Australia had been built on low wage and income structures and, to some extent, their viability in their established form depended on it. So when DAA officers or missionaries prophesied that fishing, forestry and other welfare authority and mission sponsored projects would be shut down, or when pastoralists claimed that they would no longer employ many Aborigines, they were not just calling the Whitlam government's bluff. The change from marginalised low cost local economies existing within the auspices of an Aboriginal welfare system to a mainstream award wage and UB economy was going to render unviable many of the established projects in which Aborigines were employed. There would be Aborigines in these areas left unemployed. The transition to an award wage and UB economy was inevitably going to be a contentious and drawn out affair, whenever it occurred and whatever the political 'will' of the government in power. In many ways the Whitlam government can be seen as having made a bold start in its attempt to introduce a thorough going award wage and UB economy for Aborigines. It made strong declarations about its intentions and relentlessly attacked the offending programs of the NT Welfare Branch. Arrayed against these actions there came, over time, to be an ample dose of reaction in the community at large, in parts of the Commonwealth administration and even in the Labor party itself; not all of which was merely the self serving arguments of entrenched interests. In such circumstances, the failure of the Whitlam government to realise its early intention should not be judged too harshly. The historical processes of Aboriginal economic marginalisation were not to be reversed simply by a couple of Cabinet declarations.

The Fraser Years: Reaction or Progression?

When the Fraser coalition government came to power in Canberra in December 1975, it was in an atmosphere far removed from the reformist zeal which had accompanied the Whitlam government's victory three years earlier. The Fraser government's zeal was a cost-cutting managerial one, and the administration of UB was to be one of its early targets.

During the latter half of the period of the Whitlam government, unemployment in Australia had risen to levels unprecedented since the depression of the 1930s (Sheehan and Stricker 1980; Gregory 1984). In January 1976, at the request of its new Minister, the DEIR issued revised guidelines intended to strengthen the CES's application of the work test to

UB applicants (see Ferber 1980, 336). Among the provisions were instructions which indicated that those who placed themselves in a position where they were likely to remain unemployed would not be regarded as available for work, and hence would be ineligible for UB. Though not specifically directed at Aborigines living in remote areas, this particular aspect of the new guidelines caused some uncertainty about Aboriginal eligibility for UB among CES officers servicing the remote areas. Did the new instructions mean that Aborigines would be expected to move away from the remote communities in order to take up work elsewhere? Did they, therefore, override section 14.201 of the unemployment and sickness benefit manual inserted in 1973? In the view of the NT Director of the DEIR in Darwin, the latter was not the case. In March 1976, he issued a clarifying circular specifically reminding his CES rank and file assessing staff that the instructions 'relating to Aborigines living on communities' had not changed.

In the Queensland branch of the DEIR, the issue was not so quickly or definitely resolved. In April 1977, former Prime Minister Whitlam tabled a document in the parliament which had been prepared in January of that year by an Assistant Director of the DEIR in Queensland. It was addressed to all CES regional office managers in the state. It began by noting the 1973 changes relating to eligibility for UB for Aborigines living on church missions and government settlements and continued:

This arrangement had the effect in North Queensland of inflating the applicant register with persons who cannot be work tested, and are simply on indefinite unemployment benefit. To reduce this unproductive workload without jeopardising the claimant's right to benefit it is proposed that the following procedures be followed: (CPD House of Representatives 21/4/77: 1110).

The proposed new procedure focussed on the words 'Are you prepared to work in another locality?', which had been added to CES registration forms in that state as a result of the new government's revised guidelines for the work test. The circular instructed that if applicants living on missions and settlements where there were no employment opportunities answered this question in the negative, they should be regarded as unavailable for work and removed from the CES register. The circular went on to say that in such cases the DSS was then to be notified of this CES judgement. The circular noted in conclusion that it was up to the DSS to determine an applicant's eligibility for UB in the light of such advice. This rather formalistic final point was presumably intended to reinforce the impression that this was merely a procedural change designed to 'reduce' the CES's 'unproductive workload' without affecting Aboriginal eligibility for UB. For Whitlam, however, it was tantamount to instructing that Aborigines on settlement and mission communities would not be eligible for UB unless they were willing to move elsewhere to work. As he saw it, this was a major substantive change which overturned the April 1973 Cabinet decision and section 14.201 of the unemployment and sickness benefit manual. Whitlam's view was by no means unreasonable. In contrast to the final sentence of the Queensland memorandum which placed responsibility for assessment of eligibility for UB squarely on the DSS rank and file, the original revised guidelines of January 1976 had instructed that DSS officers were to accept CES judgements regarding availability for work as definitive in the assessment of eligibility for UB. By emphasising the 'procedural' nature of the changes and that final responsibility for assessment lay with the DSS, the DEIR in Queensland appeared to be attempting to distance itself from any new exclusion of Aborigines from UB which might result. The Fraser government's response to Whitlam's accusations was to declare that there had been no changes in policy in this area and that the tabled document had, in fact, never been circulated to the CES office managers (CPD House of Representatives 21 April 1977, 1117). The episode was, superficially at least, a storm without substance.

Whitlam's anger over the circular-that-was-never-circulated did, however, have its roots in a substantial difference between his government and the new Fraser government in the area of Aboriginal employment and unemployment policy. In March 1976, the Fraser government focussed its managerial zeal quite squarely on this area of policy by establishing an interdepartmental working party on Aboriginal employment. The working party comprised three members from the DAA and one each from DSS, DEIR and the Commonwealth Department of Education. It was to report to the relevant ministers by the end of July that year on terms of reference which were as follows:

1. To examine Aboriginal attitudes towards gaining a livelihood.
2. To examine the present state of Aboriginal unemployment levels and to ascertain the causes of such unemployment.
3. To recommend measures for reducing the magnitude of Aboriginal unemployment, both in the short and the long term, with particular reference to: (a) the extent to which education, pre-employment and vocational training programs need to be varied to meet such needs; and (b) the extent to which schemes for promoting Aboriginal employment... need to be modified and/or new schemes initiated.
4. To consider the impact of the payment of unemployment benefits to Aboriginals living as communities; the extent to which payment of these benefits has created unsatisfactory social problems within those communities; and to recommend ways by which these situations can be remedied, including recommendations as to any necessary changes.
5. To examine the effect on Aboriginal employment of the payment of unemployment benefits to Aboriginals not living in communities where Aboriginals receive such benefits under less stringent conditions than those which apply to the general community; and to recommend any necessary changes to the prerequisites for entitlement for unemployment benefits to such Aboriginals.
6. To consider and report on the most appropriate form of administration for the Government's programs of assistance to Aboriginal employment. (IWP on Aboriginal Employment 1976, v).

The terms of reference suggested just how far the attitude of this new government differed from that of the previous one. Talk was no longer of Aborigines being unjustly excluded from award wages and UB, but of those 'not living in communities' actually receiving UB under 'less stringent conditions' than the rest of the community. In the case of those 'living in communities', talk was now of the payment of UB creating 'unsatisfactory social problems'. This was a far cry from the heady reformism of the early Whitlam days.

In its report, the working party attempted to dampen some of the anti-UB sentiments evident in its terms of reference. Of term of reference 5 it had nothing to say but the following:

The Working Party could find no evidence to suggest that Aboriginals not living in communities are currently receiving unemployment benefits under less stringent conditions than those which apply to the community in general. (IWP on Aboriginal Employment 1976, 33).

In relation to term of reference 4, the members of the working party were more expansive. They were 'aware' of the 'frequent expressions of disquiet from anthropologists, sociologists and welfare workers' about the payment of UB to Aborigines 'living in communities'. The report even went so far as to list some of the 'adverse effects' which others had attributed to UB: hazardous to mental health because of reward without effort; of detriment to children's health because it encourages alcohol consumption rather than purchase of food; breaks down tribal authority structures by giving 'buying power' to those who would not traditionally enjoy independence; gets shared around as the cheques come in so that some men are drunk most of the time; causes drunken brawls; makes mothers despondent and turn to drink; has an adverse effect on the attitude of Aboriginal men to work (IWP on Aboriginal Employment 1976, 30). At the conclusion of this litany of purported adverse effects, the working party cautioned that UB is 'only a contributing factor'. Elsewhere in the report, the working party also noted that:

In considering the question of the impact of the payment of unemployment benefit on Aboriginal communities it must be kept in mind that not all the income available within a community is derived from unemployment benefit. In many instances the community's income is made up of wages and other social security payments... in addition to unemployment benefit (IWP on Aboriginal Employment 1976, 29).

The working party's report went on to discuss one particular proposal relating to 'Aborigines living in a traditional way in communities'; that instead of these Aborigines receiving individual UB payments, the money be directed to community councils to fund work projects in their communities (IWP on Aboriginal Employment 1976, 31). Though not referred to in the terms of reference, this idea was clearly under consideration by the new government. It was no doubt attractive to its cost-cutting mentality. But the working party was strongly against such a proposal. It argued that the proposal would leave the DSS open to charges of discrimination against Aborigines unless all individual beneficiaries in the communities concerned approved the arrangement. It also argued that employment funded by unemployment benefit would disqualify the beneficiaries from further eligibility for UB. The working party's preferred solution was to seek an expansion of Commonwealth government expenditure on Aborigines in a number of employment related areas; an extra \$3.5M for formal training programs, \$6M for on the job training, \$5M for the creation of long term employment opportunities through the encouragement of Aboriginal enterprises and an extra \$25M for the creation of short term employment opportunities through the DAA's Special Works Projects scheme. The working party believed that if these initiatives were undertaken there would be 'useful' employment opportunities for Aborigines in all areas against which a 'realistic application of the work test' could be made (IWP on Aboriginal Employment 1976, 31). There would then be no need to entertain ideas of using UB to fund community work projects in the more remote communities.

These recommendations for major increases in expenditure were, of course, quite out of step with the Fraser government's cost-cutting mood. The working party, not unaware of this, was often tempted to play on that mood in putting its case. It argued, for example, that its suggestions for expanded training and employment funding for Aborigines should be seen against the background of significant savings in UB expenditure and increased taxation revenue. The 'net cost' of the initiatives to the government would therefore be much less than the projected \$39.5M. This was an interesting ploy. The working party was attempting to appear seduced by the Fraser government's cost-cutting managerialism, while at the same time trying to resist the suggestion of UB-funded work projects. The ploy was to little avail.

During the months following the submission of this report to the ministers, former Prime Minister Whitlam repeatedly questioned the Minister for Aboriginal Affairs regarding its fate. From the Minister's answers and his other statements to the parliament on the matter, it quickly became apparent that the proposal to convert UB into work projects payments in remote communities was to be pursued, despite the continued opposition of the DSS and the DEIR (CPD House of Representatives 5/10/76: 1497, 18/11/76: 2844, 7/12/76: 3370, 16/3/77: 248). In May 1977, when the Minister for Aboriginal Affairs launched the government's new 'National Employment Strategy for Aboriginals' arising out of the working party's report, a UB-alternative works project proposal figured prominently.

Having outlined the general extent of Aboriginal unemployment, the Minister launched immediately into a description of 'initiatives to assist those Aboriginals who live in remote or separate communities who do not form part of the open labour market' (CPD House of Representatives 26/5/77, 1921). He then reinterpreted the working party's rather cautious words about the purported 'adverse effects' of UB and credited its members with having revealed the 'serious social problems' caused by UB in these communities. He continued:

The initiatives to be undertaken in these communities consist of community development employment projects, or CDEPs as they will be known, which will provide work for all Aboriginals in a particular community who wish to work. Finance for the CDEPs will be provided to individual Aboriginal councils to enable the council to pay for work performed by individual community members, preferably on a co-operative, part-time or contractual basis. The total moneys available to a community would be determined in consultation between the community and departmental officers. In determining the amounts available, the entitlements of individual community members to unemployment benefit would be taken into account (CPD House of Representatives 26/5/77, 1921).

In the face of continued resistance from the DSS, the proposal had been changed from being a UB-funded community works project to one better described as a UB-alternative. The DAA was to run the program providing funds from its own budget rather than the DSS's. The direct link with UB had disappeared, except to the extent that in determining the level of funding the DAA was to take into account the amount of UB for which community members would otherwise be eligible. This it was to do, in conjunction with the DEIR, not the DSS. The scheme was already underway in one NT community and was to be implemented in another dozen communities on a pilot basis before further expansion.

The 'National Employment Strategy for Aboriginals' also provided for 'initiatives to be undertaken in respect of Aboriginals who live in, or wish to move to, urban and rural areas where they will have access to the established open labour market' (CPD House of Representatives 26/5/77, 1923). These resembled the working party's suggestions for all Aborigines in that they covered the range of formal training, on the job training and employment creation. However, apart from increased staffing for the Aboriginal employment and training section of the DEIR, improvements were to be achieved within existing levels of expenditure. In short, while lauding the working party's report and using it to launch and to justify the new national employment strategy for Aboriginals, the Minister and his colleagues had neither been convinced of the need for the considerable expansion of expenditure which the working party had recommended nor of the arguments against a UB-alternative works project scheme for Aboriginal communities in the remote areas.

Perhaps the most significant aspect of the new employment strategy was its introduction of the distinction between Aborigines who are part of the 'open labour market' and those who are not. This was not so much an introduction as a reintroduction. Distinctions like it had underlain the exclusion of Aborigines in the remote areas from UB prior to the Whitlam era. Although the Whitlam government had not succeeded in extending a UB and award wage economy to all Aborigines, its efforts in this direction had gone some way to undermining the use of such distinctions to deny Aborigines in the remote areas benefits enjoyed by other Australians. Critics of the Whitlam approach had attempted, even during that government's term in office, to maintain such a distinction in more subtle forms. Now, however, the distinction was being reasserted with a vengeance, as the basis of a whole new alternative to UB.

The account thusfar, would appear to suggest that the years of the Fraser government were unequivocally ones of reaction back towards the sorts of ideas which dominated thinking about Aboriginal eligibility for UB prior to the Whitlam government's attempts to introduce a thorough-going award wage and UB economy for all Aborigines. But there was also an aspect of the Fraser government's term in office which appeared to contradict this reaction. It was in fact this government which presided over the greatest expansion in the payment of UB to Aborigines in the remote areas. The reasons for this had little to do with either the intentions or predilections of the new government.

During the late 1970s as unemployment grew in the Australian community generally, it became increasingly difficult to argue that Aborigines in the remote areas were in any categorically different labour market situation to other unemployed Australians. It therefore also became increasingly difficult to sustain the interpretations of the rules which had until then excluded most Aborigines in these areas from eligibility for UB. The growth in unemployment generally in Australia provided critics of the established interpretations with ample opportunity to redefine the relevant comparisons in ways more favourable to the extension of eligibility to these Aborigines. For example, as early as 1976, in response to a suggestion that Aborigines in the remote areas be put to work instead of receiving UB, one former Labor minister for Aboriginal affairs rhetorically asked his parliamentary colleagues what Aborigines in these areas might be put to work doing. As he saw it the prospects for creating employment opportunities were severely limited. He continued:

What else are they going to do but draw unemployment benefits?... In this respect they are no different from the 170,000 other people in Australia drawing unemployment benefits (CPD House of Representatives 5/10/76, 1488).

Over the next few years, as the numbers of Australians unemployed grew to exceed 500,000, comparisons of this sort became more and more compelling and the exclusion of Aborigines in the remote areas from UB harder and harder to sustain. This general change manifested itself in a number of successful challenges to the specific interpretations of the UB eligibility criteria which had excluded Aborigines in the past.

In April 1977, it was reported in the Canberra press that Aborigines in central Australia were being denied UB because of a strict application of the work test (Canberra Times 5/4/77). This was a reference to the DSS in the NT requiring Aboriginal applicants to produce evidence of a 'work history'. Though in 1974 this interpretation of the term 'unemployed' in the UB eligibility criteria had received the support of most established interests in Aboriginal welfare in the NT, by 1977 it was increasingly under attack. The press report itself was largely due to information supplied by interested individuals in central Australia, both within and outside the DSS, who felt that this application of the rules to Aborigines

was discriminatory and unjustified. It was estimated in the press report that there were 3,000 Aboriginal males of working age in central Australia and that less than one sixth of these were receiving UB. At Papunya, 260 kilometres north-west of Alice Springs, six men were in receipt of UB while an estimated 300 others were out of work. There was, the press report also claimed, talk of an enrolment drive among those who were dissatisfied with this state of affairs. But, unless the DSS's interpretation of the eligibility criteria for UB changed, most who could be assisted to apply would still be judged ineligible.

Challenged publicly in this way, the DSS initiated a review of the situation at Papunya and of the 'work history' condition as it was being applied to Aborigines in remote areas of the NT more generally. The work history condition fell easily to the pressure for reinterpretation. The Senior Assistant Director of the SA administration of the DSS who conducted the review, concluded in his report that:

The Act does not carry any requirement of a previous work history and claims cannot be disallowed on that basis.

In future, each claim for UB would have to be assessed 'on its merits', without regard to work history. In case this might be construed as an admission of large scale past underpayment, the Senior Assistant Director's report went on to note that, during a visit to Papunya by CES and DAA officers the week after the press report, not a single inquiry had been made to them about UB eligibility by any of the allegedly hundreds of unemployed. The report then predicted that as the people at Papunya became aware that a work history was no longer required for eligibility, the number of UB recipients in that community would probably only rise to 20 or 30. The reason for this, he explained, was that Papunya was presently losing population to newly established 'outstations'. He argued that the department would 'probably disallow' claims for UB from outstation residents on the ground that they were 'unavailable or unwilling to work'.

While the Papunya incident in 1977 had led to the demise of the 'work history' condition and with it a considerable expansion in the potential for UB payments among Aborigines in the larger more established remote communities, it had also created a new focus for the ongoing debate over Aboriginal eligibility for UB. The DSS was not, in fact, as single minded as the SA Senior Assistant Director had suggested in regarding Aborigines living at outstations as ineligible for UB. The new focus of debate related to whether the DSS should regard all Aborigines on outstations automatically as having made themselves unavailable for work. Those who thought the Department should do so, looked to the revised guidelines of January 1976 and the new section 14.104 of the Unemployment and Sickness Benefit manual relating to applicants who had placed themselves in a position in which they were likely to remain unemployed. The SA Senior Assistant Director, for one, felt that the DSS would be quite justified in placing all outstation residents in this category. However, there were others who raised the question of the eligibility of long time residents of outstations. Surely they could not be so regarded? Officers of the DSS sympathetic to these applicants suggested that they came under the 1973 section 14.201 of the manual stating that Aborigines were not required to leave the settlements where they lived in order to qualify for UB. This controversy was resolved, in the first instance at least, by placing a foot firmly in both camps. In mid-1978, the First Assistant Director General in charge of the Benefits Division in DSS central office issued a circular instructing that if an applicant 'normally lives and works' at the outstation, he may be eligible for UB. The circular also indicated that if an applicant:

moves to a location where, in the opinion of the CES, there are little or no employment opportunities for him, he is considered not to have satisfied the work test.

This fine distinction between residents who normally live and work at an outstation and new arrivals who have moved to locations of low employment opportunity was a recipe for further controversy.

In November 1978, the Review of DSS Operations in the NT revealed that the application of this central office instruction relating to eligibility for UB on outstations differed markedly between the two DSS regional offices then operating in the NT, and in relation to different communities. There were, the review team calculated, just over 100 unemployment beneficiaries on outstations in the NT at the time, almost all of whom lived in the area covered by the Alice Springs regional office. The Papunya outstations, over which the fuss had arisen in the first place, accounted for no less than half the total. Differences of this magnitude could certainly not be explained merely in terms of a more substantial development of outstations in the central Australian region. The Review also reported uncertainty in relation to particular types of cases. If, for example, an Aboriginal in receipt of UB moved from a settlement to an outstation, was this to be regarded as the applicant making himself unavailable for work when the prospects of employment on many settlements may have been no better than at the outstation? Similarly, how long need a newly arrived outstation resident stay in order to pass from the category of one who has moved to a locality where they are likely to remain unemployed to the category of 'normal' outstation resident? There was also uncertainty as to which of the many small Aboriginal communities in the remote areas were to be regarded as outstations. In the figures for their report, the review team had tentatively included one pastoral community which had been established as the result of one of the walk offs of the late 60s. But many thought of these communities slightly differently from the outstations which had blossomed in the 70s. Uncertainty and difference of opinion abounded.

The NT Review team's line was to push for a reinterpretation of the rules which would extend UB eligibility to most outstation residents of working age, regardless of whether or not they were new arrivals. They argued that:

movement to an outstation should normally be regarded as movement to a homeland and not viewed, in relation to the work test, as a move to a new location where the person places himself in a situation where he will remain, or is likely to remain unemployed. Only when a person has actually terminated employment to move to an outstation should he be considered not to satisfy the works test on this basis (DSS 1978, 39).

Though this argument for extending UB eligibility in outstations was not immediately sanctioned at the highest levels of the DSS, it was clearly becoming the dominant opinion within the NT branch and among the Department's Aboriginal employees. During 1979, the Director of the new NT administration of the DSS also became convinced of the view that Aborigines who had 'gone home to their country' should not be penalised in the receipt of DSS services, and on a number of occasions he put this view to central office. In DSS central office, some were still inclined to maintain the line that Aborigines who moved to outstations were placing themselves in a position where they were likely to remain unemployed. In July 1979, for example, the Deputy Director General commented that the payment of UB to Aborigines living on outstations could:

lead to complaints that they were being more favourably treated than non-Aborigines who, for various reasons, wish to adopt what might be termed an alternative life-style and establish self-supporting co-operatives in areas where there is little prospect of obtaining other employment.

He even went so far as to compare Aboriginal outstation residents with the white alternative life-style new settlers at Nimbin in northern NSW. However, the Director General was unimpressed with this reasoning and commented, in reply, that it was not 'applicable' to Aborigines 'living in their natural locations'. The Director General, like the NT Director and others, was coming increasingly to argue for the 'to homeland' rather than the 'away from work' construction of Aboriginal movement to outstations and for the expansion of eligibility for UB which it implied.

Arrayed against this changing climate of opinion within the DSS was an increasingly hostile DAA. The argument of the NT Branch of the DAA during 1979 was that outstations represented a 'formal choice' by Aborigines to move towards an 'alternative self-sufficient life-style' and that the payment of UB in such communities was a 'socially disruptive proposition' which would destroy their 'economic balance'. The virulence of this opposition to UB needs to be understood in relation to the strong attachment to the CDEP scheme which had developed within the DAA by this time. DAA officers were keen for the CDEP scheme to expand as a UB alternative and clearly saw the further spread of eligibility for UB as contrary to this goal. In response to criticism of the NT branch of the DAA, the DSS's new NT Director insisted that it was not within his power to 'withhold payment of benefit to eligible clients'. The DAA was not at that time in a position to greatly expand the CDEP scheme, so eligibility for UB spread to the outstations despite its opposition.

The DEIR also had reservations about the DSS's more generous attitude to Aborigines on outstations. Initially this Department's officers were simply perplexed as to how, with their limited resources, they could apply the work test in communities which were even more remote than the larger established settlements and in which there were even fewer employment opportunities. The response of most DEIR rank and file officers in the past had been to disregard outstation residents as automatically failing the work test. But that was increasingly unacceptable to the climate of opinion developing within the DSS, and so became a focus for departmental conflict. The response of one Aboriginal DSS employee was to suggest that the DSS by-pass the DEIR officers and allow its own ALO's to apply the work test to applicants in these communities directly. More senior officers of the DSS did not countenance such unilateral action, but they did increasingly insist that the DSS was going to stick to its more liberal interpretation of Aboriginal eligibility for UB on outstations despite DEIR work test recommendations.

In the WA branch of the DSS, the debate about UB eligibility for outstation residents was also spilling over into one about eligibility during absence on ceremonies. In the north of WA in recent years, a number of cases had arisen in which Aboriginal men had travelled to extremely remote tribal areas during the off work season in order to conduct ceremonies. At first, during such absences, the applicants were regarded as making themselves unavailable for work and hence ineligible for UB. But there were those within the DSS more sympathetic to these applicants who felt that such 'traditional' activity should not be so regarded, particularly as its timing had been adjusted to fit in with the limited employment opportunities that were available in the region. These officers invoked the comparison with other unemployed Australians who were being allowed to retain eligibility for UB while going on annual holiday. This argument was increasingly accepted in the DSS during 1979 and thereby led to some further expansion in Aboriginal eligibility for UB in the remote areas of WA.

Discussion: The New Economic Marginality

Despite its early rulings against the adverse effects of UB payments to Aborigines in remote areas and despite its creation of the CDEP scheme in 1977, the Fraser government had, by the end of 1979, presided over an

expansion of UB eligibility for these Aborigines which would have more befitted the stated objectives of the Whitlam government. Adverse interpretations of eligibility criteria had gradually been broken down until even those Aborigines living in the most remote areas were being regarded as eligible for UB. This was not, however, the end of the debate over eligibility for UB. Nor did it signal the achievement of a thorough going award wage and UB economy for all Aborigines. The CDEP scheme was still in operation and supported by the DAA. Much of the burden of the old debate over UB eligibility has since been transferred to that program and, in the process, has become inextricably interwoven with another debate over the preferability of group or individual/family unit service allocation for Aborigines. Another paper would be needed to do that debate justice. But there have also been other ongoing conflicts around the issue of award wages and UB. In Queensland, for example, Aborigines on reserves were still trying to escape an old style 'training wage' regime run by the Queensland state government DAIA at the same time as those in NT and WA outstations were being granted eligibility for UB. For other Aborigines too the reality of award wages which legal reforms have held out for them has not always been achieved.

In 1979 an Aboriginal worker from the Yarrabah reserve community, near Cairns in north Queensland lodged a claim in the Queensland Industrial Commission for the difference between the award wage applying to his job and the training wage being paid to him by the DAIA. The case led to a judgement ruling that the Queensland government did not have a legal basis for paying under award wages to Aborigines working in reserve communities. The Commission instructed the DAIA to adjust its rate of pay accordingly. The DAIA, its Minister and the Premier of Queensland all resisted, claiming that if award wages were to be paid on reserves about half the Aborigines then employed in these communities would become unemployed. The Queensland government saw this as an excellent opportunity to demand that the Commonwealth DAA contribute an extra \$7M to the DAIA's budget in order to meet the extra wage bill. This it argued was preferable to seeing 850 Aborigines in these communities unemployed and receiving a similar amount from the Commonwealth in the form of UB. The Fraser government was unimpressed by the Queensland government's argument and was adamant that it would not pick up the DAIA's extra wages bill. But the Queensland government remained equally adamant that without such additional funding, it would not countenance raising DAIA wages to award levels. The Yarrabah worker's victory in the Industrial Commission had become a mere illusion of legal formality. What had been given in the courts had been denied by the Queensland government. DAIA training wages would, and still do, remain.

These events in Queensland in 1979 were reminiscent of the manoeuvring which had gone on in the NT during the Whitlam government's push for award wages. The reaction of established interests and the invocation of the spectre of a UB epidemic had both been seen before. Here the Queensland example serves to remind us that the achievement of an award wage and UB economy for Aborigines was still far from complete, even though the interpretations of UB eligibility criteria which had excluded Aborigines in remote areas had been broken down. What had emerged among many Aboriginal communities by the late 1970s was a new less formal structure of economic marginality. An example will once again help to illustrate the point.

The example concerns one of the Aboriginal communities established in the late 1960s and early 1970s, as a result of the walk offs which were then plaguing the NT cattle industry. By the 1980s, this community of 200 Aborigines had established itself on an excision of land from the larger pastoral property and was operating its own pastoral company. At the beginning of 1981 the company was not in a particularly healthy financial state. The new manager of the company engaged a number of young men in the community to do fencing and stock work on the understanding that once the muster had been completed later in the year, the workers would be back paid from the receipts. Come the end of the mustering season, however,

receipts were only adequate to cover other costs which had been incurred and the workers received no back pay at all. The workers then enrolled for UB during the off-season. In 1982, come the time for mustering, this group of workers once again began to 'help out' with the cattle work. But this time they retained their UB rather than trusting the manager to find them some back pay. The local office of the DSS was aware of the situation and judged it to be within the rules. The stockmen reasonably expected not to be paid, so were in a sense merely undertaking 'voluntary work' while unemployed. This interpretation of the facts and eligibility criteria by the local DSS was not, of course, without its precedents. The DSS had long realised that a number of WA missions were extracting a little 'voluntary work' from their Aborigines in return for the UB which they received through the missionary as warrantor. The DSS in WA had generally judged this to come within the rules in much the same way other unemployed Australians might work voluntarily for a church charity while receiving UB. In our example it was an emerging Aboriginal leader, rather than an established white missionary, who was building his regime on this sort of arrangement. I say building his regime because, even though his workers were not being paid wages, there were benefits which they did enjoy. They had access to the cattle company vehicles and food store; benefits of some value in a poor Aboriginal community. Because of this, the benefits for the manager were not only an unpaid work force, but also a band of followers on which to build local political as well as economic leadership. All this depended crucially on the local DSS's interpretation of the facts and rules surrounding eligibility for UB. In this community in 1982, UB had become not so much an income support mechanism for those who could not find work as the means of support for a highly marginal economic enterprise. These sorts of arrangements are now common in remote Aboriginal communities. In many ways they reflect the continuation of an economic marginality which was created within the formal confines of a separate legal structure of Aboriginal welfare, but which is now developing within the structure of Australia's mainstream welfare and workforce institutions. That economic marginality is now taking on new forms, but only slowly moving towards a thorough going award wage and UB economy. One such new form has emerged in the changing role of UB. There was a time when it was excluded from these marginal economies, even though the legislative barrier to Aboriginal eligibility had been removed. Now, however, UB has become a major source of resources for Aborigines in remote areas, and even for some who during their waking hours undertake a little 'voluntary work'. Such are the reversals possible in politics in an administrative setting.

References

- Cavanagh, J.L., 1974. Selected Policy Statements on Aboriginal Affairs 1973-1974, Minister For Aboriginal Affairs, AGPS, Canberra.
- Clarke, L.M., 1978. Unemployment Benefit in the Northern Territory, in Review of DSS Operations in the Northern Territory, Final Report, November, Darwin.
- Davey, S., 1965. Discrimination in the North West; Commonwealth Social Services Department Policy on Unemployment Benefit for Aborigines Assures Cheap Labour Pool, Smoke Signals 4 : 4, 3-4.
- Doolan, J.K., 1977. Walk off (and later return) of various Aboriginal groups from cattle stations; Victoria River District, Northern Territory, in Berndt, R.M. (ed.), Aborigines and Change: Australia in the '70s, 106-113, Australian Institute of Aboriginal Studies, Canberra.
- Dept. of Social Security, 1978. Review of DSS Operations in the Northern Territory Final Report, November, Darwin.
- Edwards, M., 1983. The Income Unit in the Social Security System; Explanation and Evaluation, Social Security Journal, December, 1-23.
- Ferber, H., 1980. Diary of Legislative and Administrative Changes 1975-1978, in Scotton, R.B. and Ferber, H. (eds), Public Expenditure and Social Policy in Australia, Vol. 2 The First Fraser Years 1976-78, Longman Cheshire, Melbourne.
- Gregory, R.G., 1984. The Demise of Full Employment, in Castle, R. and Mangan, J. (eds) Unemployment in the Eighties, 3-22, Longman Cheshire, Melbourne.
- Hardy, F., 1968. The Unlucky Australians, Nelson, Melbourne.
- Interdepartmental Working Party on Aboriginal Employment, 1976. Report, July, Canberra.
- Jordan, A., 1981. Work Test Failure: A Sample Survey of Terminations of Unemployment Benefit, Research Paper no.13, Research and Statistics Branch, Dept. of Social Security, Canberra.
- Painter, M., 1980. Bureaucracy and the Politics of Access, in Mayer, H. and Nelson, H. (eds), Australian Politics, A Fifth Reader, 265-73 Longman Cheshire, Melbourne.
- Rowley, C.D., 1971. The Remote Aborigines: Aboriginal Policy and Practice Vol. 3, ANU Press, Canberra.
- Sheehan, P.J. and Stricker, P.P., 1980. The Collapse of Full Employment 1974 to 1978, in Scotton, R.B. and Ferber, H. (eds), Public Expenditures and Social Policy in Australia, Vol. 2 The First Fraser Years 1976-78, Longman Cheshire, Melbourne.
- Smee, R.A., 1966. Report on an Experiment Using Central Australian Aborigines as Seasonal Workers in New South Wales, January-April 1966, in Sharp, I.G. and Tatz, C.M. (eds) Aborigines in the Economy: Employment, Wages and Training, 69-72 Jacaranda Press, Melbourne.

- Stevens, F., 1981. Black Australia, Alternative Publishing Co-operative, Sydney.
- Whiteford, P., 1981. Work Incentive Experiments in the United States and Canada, Research Paper no. 12, Research and Statistics Branch, Dept. of Social Security, Canberra.

ABORIGINAL EMPLOYMENT IN THE INFORMAL SECTOR:

THE OUTSTATION CASE

Jon Altman
Department of Political and Social Change
Research School of Pacific Studies
The Australian National University

This paper examines Aboriginal employment in the informal economy, or outside the formal labour market. The emphasis here is on employment at Aboriginal outstation or decentralised communities, located on Aboriginal land primarily in the Northern Territory. Overall, it is estimated that about five per cent of Australia's Aboriginal population live at outstations. Despite the relative insignificance of outstations in population terms, there are indications that will be supported by quantitative data below, that in terms of employment levels, self-sufficiency and standard of living, the outstation community-type is the most successful in remote areas of Australia. This state of affairs is a direct function of the existence of vibrant informal or non-market economies at these communities.

Initially, I will demonstrate, with data collected at one outstation in central Arnhem Land since 1979, that people at outstations are fully employed, if the definition of employment is broadened to include activities outside the formal labour market. It is important to note however that this employment is predicated on Aboriginal access to large tracts of land, low person to land ratios, and unimpeded access to floral and faunal resources.

While people at outstations are fully employed, outstations are not self-sufficient. Today, people at these communities utilise a limited range of market goods and require cash to procure these goods. This cash comes from two sources: earned income, primarily from the manufacture and sale of artefacts, and social security income, the entitlements of Aborigines as Australian citizens. The policy-oriented concern of this paper is to contrast two forms of transfer payments made to Aboriginal people: unemployment benefits and Community Development Employment Project (CDEP) grants. It is argued that if my hypothesis that Aborigines at outstations are fully employed is accepted, then the current Department of Aboriginal Affairs (DAA) administered CDEP scheme is a more appropriate system for providing outstation people with minimum income support than unemployment benefits.

The Outstations Situation

The genesis and development of what is now termed the 'outstations movement' has been thoroughly documented in the literature (see for example, Coombs 1974 and Gray 1977) and only a brief introduction to this community-type is provided here. Outstations are small satellite communities that developed as offshoots of larger settlements and missions in the early 1970s. Today, they are invariably linked to an outstations resources centre usually located at Aboriginal townships. The existence of outstations and their regular occupation for well over a decade now suggests that they are a permanent Aboriginal community-type. Outstations

were originally re-established for a complex set of reasons that included a desire by Aboriginal people to re-occupy traditional clan lands to protect sacred sites and to demonstrate land ownership by occupation. The migration out of centralised settlements and missions was also a definite Aboriginal statement about the failure of assimilation policies prominent during the 1960s; people moved out because they were dissatisfied with the 'development ideology' on which government policies were predicated.

What is of significance here is that with the re-occupation of Aboriginal land, there has been a distinct revival in the Aboriginal subsistence economy, based primarily on hunting, fishing and gathering activities. The outstations movement has not been a luddite revolution - Aborigines have not rejected goods available in the market economy nor have they returned to a pristine pre-contact mode of subsistence. Rather, groups have adopted and adapted a limited range of market foods and technology and utilise these out bush. This market dependence is financed primarily by welfare state transfer payments and cash earned from the sale of artefacts. I will show below that despite this limited market dependence, the mainstay of outstation economies has remained subsistence or 'informal' economic activities.

In the Northern Territory and South Australia, outstations are located on Aboriginal freehold land, while in Western Australia and Queensland they are on Aboriginal reserves. At present, the vast majority of outstations are located in the Northern Territory. In 1981, DAA community profiles indicated that there were 151 outstations in the NT with a total Aboriginal population of about 4000. The latest DAA community profiles compiled in 1984 indicate that 8124 Aborigines in the NT reside on 277 'A2' communities. These communities are defined as outstations and other small groups linked to a resource centre. Overall, it seems likely that no more than five per cent of Australia's Aboriginal population resides at outstations, although with land rights in the States there would be tremendous potential for expansion. This paper deals specifically with the outstations section of the Aboriginal population.

The Outstation Case

The outstation case that I utilise here is called Momega, a community where I have undertaken field research since 1979. Momega outstation is situated in central Arnhem Land some 70 bush-road kilometres from the nearest Aboriginal township of Maningrida. Momega is occupied by a group of eastern Gunwinggu-speaking Aborigines; the average population of the outstation is about 30 persons.

Two points need to be made at the outset. Firstly, one may doubt whether Momega, the case-study, is a typical outstation; this doubt can be dispelled by data presented in a survey that I undertook of 25 outstations in the Maningrida region and a broader formal analysis of all outstations in the Northern Territory undertaken by Young (1983). In formal economic and demographic terms, Momega is a typical Arnhem Land outstation (Altman 1982).

Secondly, most of the information presented here was collected between October 1979 and November 1980 when I resided at Momega. This information was collected some four years ago and may seem dated. However, return visits that I have made to Momega annually suggest that little has changed. Furthermore, there are no more recent quantitative data available on the subsistence economy of an outstation over a seasonal cycle. Meehan's comparable study at Kopanga outstation some 60 kilometres from Momega was based on data collected in 1972/73. Unfortunately, no detailed quantitative data have been published on outstations in Central Australia. It must be borne in mind then that the case study examined here is from the tropical 'Top End' of the Northern Territory.

Employment at Momega

At Momega outstation no-one is formally employed. In fact, formal employment opportunities at outstations are limited to part-time employment with the Health and Education Departments that are a part of the Maningrida labour market. People are employed to some extent in production of artefacts for market exchange, that is, for sale. But the bulk of employment occurs in the informal economy, that is in producing goods and services for local use.

Informal or subsistence work effort is given little attention in assessment of employment and unemployment in Australia. The reason for this is that economic analysis has a definite market bias, that assumes that productive activity in the informal or non-market economy is insignificant. Yet Carter (1983, 33) has indicated that estimates of the significance of the hidden economy (which includes the underground or black as well as the informal economy) range from 2 per cent to 33 per cent of gross national incomes. In short, it appears that despite estimates that the informal economy may be significant, a combination of a market ideology and problems in estimating the significance of informal activity has resulted in this phenomenon being largely ignored.

At Momega, I utilised a time allocation methodology to estimate the work effort undertaken by all adult producers. The definition of adult was based on a mixture of standard Census practise and Gunwinggu age grading. Males and females were regarded as adult if they were over the age of 16. However if females were under 16 and married (this being the Gunwinggu rite of passage from child to adult status) they were regarded as adult. Similarly if males were under 16 but fully initiated and actively engaged in productive activity they were defined as adult. The sample of producers included 26 adults who resided at Momega for at least four months over a nine month (253 day) survey period. The youngest producers were a thirteen year old girl (recently married) and a fifteen year old boy; there was no age barrier to participation in the informal economy - the oldest producer was estimated to be about 70 years old.

My data collecting methodology was based on an assumption that Gunwinggu people differentiate work from leisure. In the vernacular, Gunwinggu certainly distinguish between work (garrukmiri) and leisure, rest, sleep (gayo) although it is not entirely clear whether this is a customary distinction or one more emphatically stated today. One particular grey area is ceremonial activity that is emically (that is by Gunwinggu values) regarded as work for ritual cult and mortuary ceremonies, but as leisure for ceremonial exchange ceremonies (even though goods and services are traded). I assume for this analysis that ceremonial activity is non-productive and is not work.

Observation of Gunwinggu productive activity indicated that the day was generally divided into three phases - morning time (ngulamanjmak), middle-of-the-day time (benbehgat) and afternoon time (wolehwoleh). Rather than use hourly time units in my measurement of work effort, I divided each day into three time units of three hours duration. A methodological problem arose here linked to work rhythm, but this was partially overcome by defining activity during a time period by its predominant activity. If a person hunted for two hours within one time unit and rested for one hour, that unit was defined as hunting activity. I assume that this was balanced by a time unit when that person may enjoy two hours leisure and one of hunting (defined as leisure activity).

Data were collected on work effort in three ways, and generally in conjunction with data collected on bush foodstuff production. On alternate days I accompanied a production team in the food quest and was able to make an accurate assessment of work effort. On days that I stayed in camp I recorded non-productive activities and observed artefact producers at work.

For sections of the adult population that I did not observe, I relied on data from key informants. At other times, I questioned people on the productive activities that they had undertaken during the day. For hunting, fishing and gathering activities, bush foods brought back to camp served as a useful cross-check on productive activity.

Gunwinggu people, like most hunter-gatherers have a well defined division of labour that is based on age, sex and ritual grading. It is not important to undertake a detailed analysis of these divisions here. Three types of production activities were identified:

- Production for subsistence use: This type of activity included hunting (mainly by men), fishing (a mixed activity) and gathering (mainly by women) activities.
- Production for market exchange: This included the production of bark paintings (by men) and artefacts (primarily by women).
- Miscellaneous production: This included a variety of activities including housebuilding, equipment manufacture, airstrip construction, mining for pigments and ochres, and community services.

Time spent in ceremonial participation, gambling and leisure is defined here as non-productive activity, although I hasten to add that gambling often has economic significance and Gunwinggu people regard much ceremonial activity as productive work.

Some activities did not feature in my analysis, and this may be regarded as a caveat by some. Firstly domestic activities are not quantified. These included collection of firewood and water, and cooking. As Momega is located near tall open forest and perennial running rivers, collection of these two items, from my observations and personal experience, rarely exceed 20 to 30 minutes per household per day. They were not activities that were significant enough to feature in the time unit quantification. Cooking is of two types - traditional and modern. Traditional cooking involves cooking vegetable foods and game on open fires or in underground ovens. When cooking took a particularly long time, as when a buffalo or kangaroo was shot it was quantified as hunting activity. Modern cooking of market foods was predominantly women's activity, but owing to its overall daily insignificance it was not quantified. Secondly, specific child care was quantified as leisure activity. However I hasten to add that this activity was a task shared by men, women and children and that infants were commonly taken on hunting, fishing and gathering expeditions.

In this paper, I want to concentrate on some of the aggregate data collected during this time allocation survey. In table 1, data are provided over one annual seasonal cycle for productive work effort. The data show that overall, Gunwinggu adults spent 3.6 hours per capita per day in productive work effort; men spent 3.8 hours on average and women 3.4 hours, but the difference was not statistically significant. Standard deviations indicate that work effort did not vary significantly over the year although there was some evidence of increased activity during the wet seasons.

These figures for daily work effort appear low in daily terms. But when they are translated to weekly terms they indicate that men worked an average of 27 hours per week and women 24 hours per week, with the community average being 25 hours per week. (The conversion is calculated on the basis of a 7 day week, as Gunwinggu do not recognise a five day week).

Table 1

Productive work effort at Momega outstation,
November 1979 to October 1980 (hours per adult per day)(a)

Month	Productive work effort					
	Men		Women		Total	
November/December	3.3	(2.0)	1.9	(1.9)	3.6	(1.9)
December/January	3.6	(1.9)	3.6	(1.5)	3.6	(1.7)
January/February	3.6	(1.9)	4.2	(1.9)	3.9	(1.8)
February/March	4.8	(1.6)	3.9	(1.8)	4.3	(1.7)
March/April	4.1	(1.2)	3.2	(1.7)	3.7	(1.5)
April/May	5.3	(0.8	4.4	(0.6)	4.8	(0.8)
May/June	3.3	(1.6)	2.3	(1.9)	2.9	(1.8)
August/September	3.2	(2.1)	2.8	(2.1)	3.0	(2.0)
September/October	3.1	(1.8)	2.1	(1.8)	2.7	(1.8)
Mean	3.8		3.4		3.6	
Standard deviation (b)	(0.8)		(0.8)		(0.7)	

- Notes: (a) Figures in parentheses refer to standard deviations of means between producers.
 (b) This standard deviation refers to mean monthly production figures.

In table 2, data are provided on work effort in the three major productive sectors of the Momega economy. Overall, both men and women spend the bulk of their time in the subsistence sector, producing for local use; less time is spent producing artefacts for market exchange and an almost insignificant amount of time (in average terms) is spent in miscellaneous production.

Table 2

Summary table of average hours spent
in the major productive sectors of the Momega economy

	Subsistence	Market	Miscellaneous	Total
Men Hours	2.9	0.6	0.3	3.8
Per cent	76.0	16.0	8.0	100.0
Women Hours	2.3	1.0	0.1	3.4
Per cent	68.0	29.0	3.0	100.0
Total Hours	2.6	0.8	0.2	3.6
Per cent	72.0	22.0	6.0	100.0

Later, I will examine the economic significance of this productive activity for the Momega economy. Firstly, let us examine the extent of Gunwinggu employment at Momega, assuming that informal employment is recognised as productive work effort. To get an accurate reflection of the extent of employment, it is not enough to merely provide data on hourly work effort. The analysis should also include an investigation of 'labour force' participation rates.

Examination of work effort data collected on individual male and female producers indicates that all adults were engaged in some productive activity; in other words, 'labour force' participation rates among Gunwinggu was 100 per cent. There was variability in work effort, from a low for women of 12 hours per week to a high of 42 hours per week and for men from a low of 15 hours per week to a high of 39 hours per week. The small size of the sample allowed limited correlation between age and work effort to be undertaken. There was some evidence that work effort among men took the shape of an inverse U shaped function, with men in their late twenties and thirties undertaking most work, particularly in the subsistence sphere, and young and old men working less. With women, there was no such clearcut function, although older women appear to be actively engaged in subsistence activities to a far greater extent than older men.

What is particularly interesting is that in societal terms, Gunwinggu people at outstations appear to be fully employed. In the wider Australian society, if the total work force is employed for 40 hours per week, it is regarded as fully, if not over, employed. Maintaining our assumption that employment in the informal economy is genuine employment, then it appears that Gunwinggu people are fully employed. To explain this assertion, let me utilise 1981 Census data. These indicate that 61.3 per cent of the Australian population aged over 15 is in the labour force. Assuming that there is full employment and that all in the labour force worked 40 hours per week, then all Australians would work a hypothetical 24.5 hours per week, which is surprisingly similar to the Momega figure. One problem with such a comparative exercise is that it ignores the work effort of the wider society in informal activities, but as the vast majority of Australians are urban dwellers, this is not a major shortcoming. There are indications however that some Australians who reside in rural areas are significantly involved in the informal economy (see Sommerlad et al., 1985). Nevertheless, the implication is that at a societal level Aborigines at outstations are as fully employed as people in the wider Australian society, except that the bulk of Aboriginal employment is in the informal sector, and work effort is more evenly distributed among all adults.

The Economic Significance of Gunwinggu Production

It is probably not enough to merely demonstrate that Gunwinggu people at outstations like Momega are actively employed; it may be equally important to show that this work is productive. I say probably and may be because in the wider society we have become increasingly concerned with maintaining employment levels and increasingly unconcerned with measuring the productivity of labour particularly in the massive service and public sectors of the formal economy. The economic significance of Gunwinggu production can be demonstrated in two ways - by utilising data that I collected during a dietary survey at Momega outstation and by quantifying social accounts for the outstation that include both cash and imputed income.

The dietary survey at Momega was comprehensive and attempted to estimate total intake (at the community level) of both bush foods produced by hunting, gathering and fishing activities and market foods procured either from a mobile store that visited the outstation fortnightly or from Maningrida township. Subsistence foodstuff returns were weighed whenever possible and converted to calorific and protein values depending on the produce type. There were nine types of bush food types: mammal, birdlife, fish, shellfish, reptiles, vegetables, fruit, nuts, and honey.

In aggregate terms, over a 296 day survey period, Momega people produced an estimated total 5.25 tonnes of bush food which translated to 11.8 million kilocalories and 944 kilograms of protein. In more manageable terms of daily per capita consumption figures, this translates to 1320 kilocalories and 107 grams of protein. Overall, I estimated that mean per

capita dietary intake at Momega amounted to about 2850 kilocalories and 133 grams of protein per day. Bush foods accounted for 46 per cent of total kilocalorie and 81 per cent of protein intake. In short, hunting, fishing and gathering activities were of crucial significance and resulted in Momega people enjoying a diet that was well in excess of minimum benchmarks required for physical well-being. (The benchmarks used were 2500 calories and 66 grams of protein per capita per day for the Momega profile population; people consumed 114 per cent and 200 per cent of these two benchmarks respectively). Obviously then, work effort in hunting, fishing and gathering was productive, but the returns were bush foods and not cash.

The social accounts of the outstation similarly reveal the significance of informal economic activities for Momega people. In this exercise, I concentrate on the three main sectors of the economy - production of bush foods for local use; production of artefacts for sale; and non-production, or social security, income. In this quantification it is imperative to estimate the value of subsistence produce. I undertake this task by estimating the market replacement value of such production. Proxy values are allocated to bush foods by identifying similar market goods and allocating a market value to them. The value of artefact production is the price producers receive from the craft adviser for items that they sell.

Quantifying subsistence production in imputed terms provides a more realistic estimate of the outstation's economy. Overall, in 1979/80, I estimated that 64 per cent of total (cash and imputed) income came from subsistence activities, 27 per cent from social security payments and 9 per cent from the sale of locally produced artefacts. In 1979/80, total (cash and imputed) per capita income was \$2400. By 1983, in a resurvey, I estimated that this figure had increased to \$3200 per capita. This increase was partly due to a fuller endowment of unemployment benefits, particularly to junior men, and the indexing of social security payments to inflation. Today, the subsistence sector accounts for about 48 per cent of total income; art and craft income for about 6 per cent and social security income for 46 per cent. In recent years, the significance of non-production income has increased markedly.

Non-Production Income

Up until 1979, residents of outstations received social security entitlements such as pensions (age, invalid, widow's, supporting parent's) but did not receive unemployment benefits. In fact, it was the payment of these pensions to Aborigines in cash since the late 1960s that provided most of the financial support for the outstations movement. Since 1979, unemployment benefits have been slowly introduced to outstations in central Arnhem Land and today most adult males over the age of eighteen receive these payments. Aborigines readily accept the dole, even though they are actively involved in productive activities, for people need cash to finance their purchases of market foods and technology. The only productive market-oriented activity that is undertaken at outstations on a regular basis is artefact manufacture. This production provides outstation residents with a poor cash return, owing to the labour intensiveness of production, low market demand, and poor marketing arrangements (see Altman, 1984). In 1980, I estimated that male artists earn about \$4 per hour, male artisans (or craftsmen) \$2.2 per hour and female artisans \$0.8 per hour. Indications are that producer returns have stagnated over the past 5 years, with the producer receiving a smaller and smaller share of retail price - in 1983, I estimated that this was in the range of 16-25 per cent (Altman 1984, 15).

This state of affairs means that people at outstations cannot develop their only means to financial self-sufficiency effectively; the market and marketing agencies dictate that artefact production income will remain

insignificant. This in turn means that outstation residents are becoming increasingly dependent on welfare transfers - particularly unemployment benefits.

Policy Implications

There are numerous policy implications from the above analysis that relate to the payment of social security payments to Aboriginal residents of outstations. The payment of pensions is excluded from the discussion here, for these payments are a civil right (as is the receipt of family allowances) that Aborigines are entitled to as Australians. Today these payments only account from between 25 and 30 per cent of the social security income of outstation people. What I will examine here is the payment of unemployment benefits to outstation residents. My central argument is that these benefits constitute an inappropriate method for making essential cash transfer payments to outstation residents.

Unemployment benefits are paid to Aboriginal people at outstations, but only owing to a fairly relaxed interpretation of the work test. Firstly, it is assumed that Aborigines are actively looking for work in the formal labour market - hardly a realistic assumption at remote locations. Secondly, Aborigines are not required to move to take up employment opportunities (were they to exist). It is assumed quite correctly that there are no formal employment opportunities for Aborigines at their chosen place of residence, at outstations. Finally, the extent of Aboriginal involvement in informal economic activities is ignored (as it is for all other Australians).

There are numerous existing, and potential, shortcomings in making cash transfers to Aborigines at outstations via the dole. Firstly, unemployment benefits are a discretionary right. In other words they are only paid after work and income tests have been passed. Other welfare payments, like pensions, are more of a civil right although their receipt is also dependent on passing income (and at times assets) tests. It is a fact that since 1979 the work test has not been applied rigorously to Aboriginal communities, but this has been a political decision. The possibility always exists that a future Federal government may apply tests more stringently as a cost cutting measure and this leaves Aboriginal people extremely vulnerable to policy changes.

Secondly, to receive the dole Aborigines must register with the Commonwealth Employment Service as unemployed. However as I have demonstrated above, most Aborigines residing at outstations and receiving the dole are employed, but in the informal (or Aboriginal) economy rather than in the formal (or market economy). The inclusion of Aboriginal outstation residents in unemployment statistics misrepresents the extent of Aboriginal employment at remote locations. The receipt of unemployment benefits is still regarded negatively by the wider Australian society. Consequently, Aborigines who choose to live at outstations and make their living off the land, with access to cash income support, are represented in a bad light. With time, Aboriginal residents of outstations may grow to resent the wider society stereotype that they are lazy and unproductive, because they receive the dole, when in fact they utilise the renewable resources of the land in a productive manner.

Finally, unemployment benefits were designed, and are set, at a rate that is intended to provide financial support to the average Australian family coping with short-term unemployment. In the 1970s and 1980s, Australian society in general has had to adjust to the reality of longer term and structural unemployment, that is particularly prevalent among the young. Many Aborigines are also structurally unemployed, for they reside predominantly in areas that are geographically remote and economically underdeveloped. Furthermore they face major barriers in gaining access to formal labour markets.

Aborigines at outstations are somewhat different though, for in reality they often do not seek employment in the formal labour market. For outstation residents then, the payment of unemployment benefits is a particularly inappropriate method for providing cash income support. The payment of these benefits is predicated on an assimilationist assumption that Aboriginal family structures and social and economic practises are similar to those of other Australians (diverse as those may be). However the data presented here suggests some important differences. In particular, women's participation in productive activities at outstations seems similar to men's. Yet since 1979, unemployment benefits have only been paid to men as household heads. Similarly, the payment of unemployment benefits does not recognise the existence of polygynous households nor the community-based organisation of production and distribution at outstation communities. The latter is an important shortcoming, for the payment of benefits to individual households appears to be increasingly undermining the wider basis for economic organisation that has been a feature of Aboriginal outstation communities. It would not be an overstatement to say that the payment of unemployment benefits to Aboriginal people residing at remote, traditionally-oriented communities, as if they are no different from the average Australian households, is acting as an important agent of social change. I will not place a value judgement on these changes and say whether they are good or bad; however it does seem imperative that Aboriginal people maintain some controls over economic and social changes at their communities, rather than these changes being externally determined by the administrative requirements of the Department of Social Security. Only one scheme, the Community Development Employment Project (CDEP), administered by the DAA attempts a novel approach in providing income support to Aboriginal groups that is both flexible and provides a potential for Aboriginal administrative autonomy.

An Appropriate Minimum Income Scheme: CDEP?

CDEP was first introduced to Aboriginal communities in the 1976/77 financial year, and was developed to provide remote Aboriginal communities with an alternative to unemployment benefits. Block funding, that is equivalent to the sum of individual unemployment benefit entitlements otherwise payable at a community, provides a financial pool from which wages can be paid. In order to partake in this scheme, it is necessary that there is a high degree of community consensus that unemployment benefits should not be paid to individual community members. In cases where the extent of this consensus declines, communities maintain the right to withdraw from the scheme.

To date, the CDEP scheme has not been widely introduced to Aboriginal communities, primarily owing to Federal Government financial stringency. CDEP is more expensive than merely paying individuals unemployment benefits, as an additional 20 per cent of total entitlements is paid to participating communities to administer the scheme and for materials and equipment. Currently, 32 communities are participating in the scheme; there are 2899 adult (male and female) participants; and the total cost of the scheme is \$23.5 million (of which \$19.6 million is the equivalent of unemployment benefit entitlements). The scheme so far has been primarily introduced at remote Aboriginal townships, and not at outstation communities (except in Central Australia and in two recent cases in the Top End).

It is not my intention to review the CDEP scheme here, but rather to point to its potential advantages over unemployment benefits as an income support scheme for outstations. From the outstation perspective, there is the obvious financial benefit - the 20 per cent additional payment for operational, equipment and administrative costs associated with the scheme provides access to much needed scarce capital. Of greater significance perhaps, the DAA's CDEP Operation Guidelines state that 'work' may be defined as whatever the community regards as productive activity. (This is

despite the inclusion of the word 'development' in the scheme's name.) This means that all the informal productive activities listed earlier could be rewarded with wages; even additional activities like ceremonial participation could feasibly be defined as work under this scheme. In short Aboriginal interpretations of 'work' can be rewarded rather than the definitions of work of the wider society. There is also inherent flexibility in the CDEP scheme, as participating community members can choose whether to work or not work; and if people work they can decide the extent of their daily work. The scheme allows participating communities to set wage rates and to provide income maintenance payments to non-workers. The benefits of such flexible work arrangements have been demonstrated with a formal work-effort model elsewhere (see Altman and Niewenhuysen 1979, 201-204). It is important to note that while participation in CDEP curtails individual rights to unemployment benefits, rights to all other forms of pension are maintained.

The provision of block funding to communities and the devolution of allocative decision-making to the community level allows for distributional practises that are consistent with Aborigines values, as distinct from the values of the wider society. In particular, women's productive work in the informal economy can be rewarded. Communities may also decide to correlate payments with individual productivity - something that is not unusual in the distribution of subsistence returns in Aboriginal Society. For example, in the division of game, the successful hunter always gets a prescribed portion, whereas the rest of the community is only guaranteed access to some game. In other words, wages may be paid on the basis of both involvement in and productivity in the informal economy.

The CDEP scheme, with its title emphasising 'employment' and 'development' appears to remove much of the negative stigma associated with the payment of unemployment benefits, although I hasten to add that the term CDEP appears to reflect positive values of the wider society rather than those of participating communities. Once Aborigines participate in CDEP, they are removed from unemployment statistics and this should make the scheme politically popular, despite the additional 20 per cent cost. From the Aboriginal perspective, CDEP has the ultimate benefit that it provides Aboriginal communities with a guaranteed income, and the unnecessary administrative requirements that individuals regularly pass work and income tests are removed.

The advantages of CDEP appear to favour its wholesale introduction to outstation communities, but there are some impediments to its effective functioning that still require consideration. The first is associated with the extremely high mobility of people (both between outstations and between outstations and other communities) that is a feature of Aboriginal society. There is often a need to frequently adjust community entitlements and a need to withdraw the individual access to unemployment benefits that residents returning to participating communities may have enjoyed. This will require DAA flexibility in administering the scheme and on-going liaison with the Department of Social Security. Secondly, while the DAA has recently emphasised (DAA 1985a) the autonomy that communities exercise in choosing whether to participate in CDEP and on deciding how to utilise and distribute block funding (including the capital component), DAA policy guidelines emphatically state that each CDEP scheme will be subject to regular monitoring by the Department to ensure compliance with DAA grant conditions and operational guidelines. This implies that the DAA will be entitled to monitor how CDEP funds are spent, whereas with unemployment benefits there is no requirement for financial accountability for spent benefits. It seems that at most, the DAA should be entitled to monitor community expenditure of the 20 per cent paid on top of a community's unemployment benefit entitlement. Finally, it seems essential that the nexus between CDEP grants and unemployment benefits is recognised in official government policy, so that funds are automatically paid to CDEP and not as apart of the DAA's annual budget appropriation.

Conclusion

In this paper, it is argued that Aborigines who reside at outstation communities in remote Australia are frequently fully employed, but that this employment is in the informal, rather than in the formal, economy. This means that economic analysis, with its market bias, ignores productive activity being undertaken at outstation communities. By utilising time allocation, production and social accounts data it was demonstrated that the informal economy is both significant and vibrant at outstation communities.

Nevertheless, outstations are not self-sufficient and do require some form of cash income support to supplement subsistence returns and cash income earned via market exchange. Currently, the bulk of this income support comes from the payment of unemployment benefits to outstation residents. However the payment of this benefit is inappropriate if it is accepted that Aboriginal people at these communities are employed.

It is suggested that Aboriginal outstation communities need an appropriate mode of minimum income support, and the DAA's CDEP scheme is examined to see if it provides some of the requirements of such a scheme. A brief examination of CDEP suggests that it has many of the features of a suitable minimum income scheme. It is recommended that the DAA investigate the feasibility of extending this scheme to outstation communities throughout remote Australia.

References

- Altman, J.C., 1982. Maningrida outstations: a preliminary economic overview, in Young, E.A. and Fisk, E.K.(eds) Small Rural Communities, The Aboriginal Component in the Australian Economy, Vol. 3, Development Studies Centre, ANU, Canberra.
- Altman, J.C., 1984. The Significance of Artefact Production for Market Exchange in an Arnhem Land Outstation Economy. Unpublished paper presented at the AIAS Biennial Conference 'Aboriginal Arts in Contemporary Australia', Canberra, 7-9 May 1984.
- Altman, J.C. and Nieuwenhuysen, J., 1979. The Economic Status of Australian Aborigines, Cambridge University Press, Cambridge.
- Carter, M., 1983. The Hidden Economy: What are the Issues? Discussion Paper no. 84, Centre for Economic Policy Research, ANU, Canberra.
- Coombs, H.C., 1974. Decentralisation Trends among Australian Aborigines, Search, 5 : 4, 135-143.
- Department of Aboriginal Affairs, 1985a. Submission to the Review of Aboriginal Employment and Training Programs, [Canberra].
- Department of Aboriginal Affairs, 1985b. DAA Additional Estimates of Expenditure 1984-85, Explanatory Notes, [Canberra].
- Gray, W.J., 1977. Decentralisation Trends in Arnhem Land, in Berndt, R.M. (ed.), Aborigines and Change: Australia in the '70s, Australian Institute of Aboriginal Studies, Canberra.
- Meehan, B., 1982. Shell Bed to Shell Midden, Australian Institute of Aboriginal Studies, Canberra.
- Sommerlad, E.A., Dawson, P.L. and Altman, J.C., 1985. Rural Land Sharing Communities: An Alternative Economic Model?, BLMR Monograph Series no. 7, AGPS, Canberra.
- Young, E.A., 1983. Outstations, 1981: The Wider Setting, in Loveday, P. (ed.), Service Delivery to Outstations, Monograph, NARU, ANU, Darwin.

PROSPECTS FOR DEVELOPMENT AND EMPLOYMENT
IN RURAL ABORIGINAL COMMUNITIES

Dr Owen Stanley
 Department of Economics
 NSW Institute of Technology

This paper is concerned with the long term development and employment prospects for rural Aboriginal communities. It is general, in the sense that my comments are meant to have relevance to all large Northern Territory Aboriginal communities. The ideas have, however, formed as a result of my examinations of a number of communities in recent years. These are the Gagudju Association, Nguiu, Daly River Mission, Peppimenarti, Mornington Island and 53 outstations in central Australia (Stanley 1982, 1983, 1985, 1986; Cane and Stanley 1985). The data to support various of the propositions are not presented here unless they have not been presented elsewhere, or are of particular interest. The paper begins with a discussion of stages of development or change through which Aboriginal communities have gone, or are going, then discusses general issues of policy and finally makes comments about industries which are likely to provide long term employment prospects.

Stages of Development

It is a generalisation, but will do for our purposes, to say that Aboriginal development and employment have gone, or are going through, four stages. The first stage, which we will call the traditional stage, existed before European colonisation and to some extent after it. Production was largely for self-consumption (including one's immediate group), was very labour intensive, and involved relatively little specialisation (excepting on the basis of sex). Trading was limited largely because of transport costs (distances between groups) and involved such durable and transportable items as spears, shields, boomerangs, shells, pituri and fruit balls. Under the natural protection provided by high transport costs production could, and did, take place over almost all of the country. Elements of this stage in many areas continues today alongside European type activities.

In the second stage, which we will call the settlement stage, Aborigines moved to missions, settlements and homesteads and became dependent in varying degrees on the European economy. This stage began in particular areas (where missions and stations were established) in the second half of the nineteenth century and spread until the late 1960s and early 1970s. It is characterised by complete European control over Aborigines for as long as they lived at these European centres, laws restricting the rights of Aborigines, European management, low wage rates for Aborigines (wages were usually paid as keep plus 'pocket money'), a decline in traditional production and the vacating, so far as permanent habitation goes, of many areas (such as the western desert). By modern standards, the social system which existed at this time was appalling. Aborigines, in this stage, were employed to produce European goods and because of the low wage rates, production techniques were labour intensive. Aborigines consumed European goods, too, including European vegetables, fruit and flour, beef, milk, European clothes and introduced drugs such as

alcohol, tobacco and opium. Bush production continued, but at a much reduced level, by comparison with the traditional stage, to supplement their low incomes.

The low wage rates made Aborigines attractive as employees in the cattle industry, and enabled the cattle industry to colonise land, which would not have otherwise been possible. Stations often had large Aboriginal camps. The manager supported the camp in some degree by allowing the camp to kill bullocks and by supplying flour, perhaps run a store and sometimes performed some social welfare functions. The Aborigines, in turn, supplied as much labour as required for station work, the labourers receiving small cash rewards. These, in turn, were spent at the station store or elsewhere on tobacco, tea, sugar, camp gear, guns, etc. This system of employment has been described as feudal.

The economy of the missions and settlements ('communities') are more interesting for our purposes than those of the stations and we will discuss them in some detail here. Some of the communities began as ration stations only (such as Haast Bluff) where food and especially flour was distributed, and medical assistance was given. Flour was very arduous to make from bush seeds, taking a woman about five hours to make a kilogram of damper, excluding time involved in collecting seeds (Cane 1985, chapt.4). Many of these ration stations evolved into communities (Haast Bluff had poor water supply and people were moved north and a new settlement, called Papunya, was established there). Other communities were established with the intention that they develop to become self-sufficient towns with large permanent populations. Whatever the intention of the founders, they all developed along similar lines.

By the late 1960s there were 32 missions and settlements in the Northern Territory. They generally had a school, clinic, church, a kitchen from which the community was fed and some elementary housing. Commodities were produced by the community, essentially for consumption within the community, though some of the produce was sold.

The basic structure of employment was along these lines: a person was employed at, say, two pounds per week and he produced ten pounds worth of food (by European market values); the food so produced was distributed free through the kitchen and the worker was able to spend the two pounds at the store. These numbers are entirely hypothetical. This structure allowed the community to be largely self sufficient, provided the workers could not gain significantly better wages elsewhere, and it allowed the communities to compete in the marketing of certain goods to the European community. These communities received various levels of subsidies from government and mission authorities.

Table 1 shows the numbers of communities producing significant quantities of certain commodities in 1967-68. These data were obtained from Welfare Branch annual reports. As can be seen, the great majority of the communities had gardens producing fruit and vegetables, had cattle and sometimes pigs and goats, had a fowl run, and had a sewing factory which produced school uniforms, other children's clothing and sewed materials for the hospital. Of the 20 communities located on the coast or on major rivers (such as the Daly River or the Roper River) all but three produced significant quantities of seafood. Much of the Northern Territory does not produce significant quantities of useful timber and so it is not surprising that only six communities were involved in timber production. Some of the larger communities produced concrete blocks. Bakeries and tanning operations were common, but the Welfare Branch reports did not reveal, on a systematic basis, which communities had them.

While the principal aim of community production was to achieve self sufficiency and full employment, some of the produce was sold to other communities and to Europeans. These sales were never a large proportion of

total production and did not usually involve continuous supply. Goods most commonly exported from the communities were fodder, timber, artefacts, sewn items and concrete bricks.

Table 1

Industries on missions and settlements, 1967-68

Industry	Number of communities with significant production
Fruit and vegetables	29
Milk	2
Meat	26
Eggs	23
Fish	12
Dugong	3
Turtles and oysters	12
Crabs	4
Fodder crops	8
Forestry	6
Artefacts	19
Sewing	24
Concrete brick making	5
Total number of communities	32

Source: Welfare Branch, Northern Territory Administration, Annual Report, 1967-68.

The inventiveness of these communities and their economic importance have been ignored. The early missions, for instance, experimented with a wide range of crops. The Jesuit missions on the Daly River (1886-1899) grew or attempted to grow a very wide range of crops, including maize, yams, sweet potatoes, pineapples, caffre corn, watermelons, Indian beans, tobacco, bananas, coconuts, pawpaws, mangoes, chicory and rice (O'Kelly 1967). In so doing they provided valuable second-hand experience for farmers moving to the area after they left.

Table 2 illustrates the importance to the Northern Territory economy of these communities in 1967-68. It is instructive of attitudes at the time that the Northern Territory Animal Industry and Agriculture Branch Reports, when reporting 'agricultural production' did not include production in these communities. The first three columns from the left are designed to show the sorts of fluctuations in output of some categories. The fourth column shows official production (European only). The last column shows production on communities as a proportion of the real total production for the Northern Territory. It is obvious from data in this column that the communities were in fact very important producers of fruit and vegetables, seafood and fodder. These percentages varied over time because of large fluctuations in European and community production of these goods. Even so, community production was very important by the late 1960s. No data could be obtained on overall sewing production for that time in the Northern Territory, but community production would have been a large proportion of that total.

Table 2
Food and Fodder Production in the Northern Territory 1963-64 to 1967-68

	Production on Missions and Settlements		Production by the European Community		Aboriginal Production as proportion of Aboriginal and European Production 1967-68
	1963-64	1965-66	a 1967-68	b 1967-68	
Fruit and Vegetables (Gross weight, lbs)	828,127	887,170	714,222	1,164,800	38.0
Milk (Gross pints)	62,000	41,719	11,791 ⁽¹⁾	445,488	8.6 ⁽²⁾
Meat (Net weight, lbs)	505,777	718,062	620,153	82,272,000 ⁽³⁾	0.007
Eggs (Dozens)	27,078	41,118	62,722	373,760	14.4
Seafood including Dugong (Net weight, lbs)	277,109	215,768	262,045	630,000	29.4
Fodder (lbs)	678,776	534,643	578,217	4,256,000	12.0

Footnote: (1) This figure excludes production on settlements, which was usually much more than for missions, as it was not provided in the Report.

(2) Aboriginal production for the year 1965-66 was used in this calculation

(3) The Animal Industry and Agriculture Branch report does not give the weight of cattle produced so this figure was obtained by multiplying the number of cattle produced for local and export markets by 500 lbs.

Sources: Northern Territory Report, 1963-64, 1965-66, 1967-68.

Animal Industry and Agriculture Branch of the NT Administration, 1967-68.

In the late 1960s and early 1970s a number of changes took place which moved Aborigines into the third stage, which we will call the integrated stage. This stage began in the early 1970s and has continued to the present, although some communities have begun to move into the next stage. The integrated stage is characterised by Aboriginal communities having the same basic cost structures as the European community. The changes which brought this about and which were highly desirable at the time, were the integration of Aborigines into the European wage and social welfare system.

Prior to this the Northern Territory economy had two sectors. The first was a high labour cost, capital intensive European sector and the second was a low labour cost, labour intensive Aboriginal sector. Insofar as the pastoral industry used Aboriginal labour, it was in the second sector. Production of European goods could exist in remote areas with few resources if the production techniques were of the second type. Production in the first sector could not survive in these areas and was concentrated in a few towns or in mineral rich areas. The integration of Aborigines into the wage and social welfare system, however, moved Aborigines into the first sector. That is, the geographic distribution over the Northern Territory of viable European production became the same whether it was undertaken by Aborigines or Europeans. In terms of the numerical illustration presented earlier, the communities went from a situation where they were paying two pounds in wages to obtain ten pounds worth of goods, to one where they were paying, say, twenty pounds in wages to receive ten pounds worth of goods (delivered price). The subsidies at the level required were not forthcoming and labour intensive production ceased: bread, fruit and vegetables were cheaper flown in from the towns than produced in the community. Meat, unless butchered in only an elementary way, was cheaper imported. Imported clothes were cheaper than locally produced items. The communities lost their ability to compete in the supply of building materials to the Europeans and their own communities, and European labour was employed in building construction. A visitor to a community today is struck by the rural archaeology: the vacant iron sheds which were once the bakery, sewing factory, butchershop, kitchen and dining hall, the vast abandoned and overgrown garden, the washing and store sheds which were used for cleaning fish and storing fishing equipment, and possibly even decaying cattle yards.

The cattle stations too adjusted their production techniques so as to shed labour. Phillpot (1985, 123) reports that employment on the stations in the Northern Territory fell from 550 man weeks per year in 1968-69 (when equal pay for Aborigines was introduced) to about 300 man weeks per year in 1975-76. Stanley (1976) found in 1974 that broad compliance with the equal pay decision existed in the Alice Springs area, even though no Aborigines were members of the union. The feudal system of employment on stations came to an end and some pastoralists attempted to drive Aborigines off their stations. Many Aborigines moved to towns and nearby Aboriginal communities. Later, the policy of creating excisions on stations and buying them for Aborigines was introduced partly to alleviate this problem of expulsion.

The following is a brief chronology of the introduction of Aborigines into the European wage and social welfare system:

- 1966 Conciliation and Arbitration Commission judgement providing that award wages be paid to union-member Aborigines working on pastoral properties to be effective from 1 December 1968.
- 1966 Pensions and other social security benefits to be paid to nomadic Aborigines.
- 1968 Social Security pensions and other benefits paid directly to Aborigines.

- 1969 The introduction of the Employment Training Scheme (ETS).
- 1969 The introduction of the Special Work Projects
-1970 scheme.
- July Substantial increases in the rates of training
1972 allowances under the ETS.
- April Aborigines on reserves and missions become
1973 eligible for unemployment benefits.
- May Easing of the work test for unemployment benefits
1973 to enable Aborigines on reserves and missions to receive unemployment benefits without having to shift away from their place of residence.
- Nov. The beginning of the phasing out of maintenance
1973 payments to pastoral properties.
- 6 Nov. Award wages replace training allowance under ETS.
1973
- 1973 Expansion of Special Work Projects to reduce
-1974 unemployment arising from decision to pay award wages to recipients of training allowance.
- April Introduction of the Community Development Employ-
1977 ment Project (CDEP). Under this scheme a community can receive grants in lieu of unemployment benefits to employ people on development projects.

While commodity production declined in the early 1970s, the federal government increased its funding for community development, and community infrastructure was developed: schools, hospitals, housing, roads, recreation and town beautification improvements were undertaken. At the same time Aborigines made substantial progress in gaining political control of their communities, and 'village' or 'tribal' councils developed into community councils, controlled by Aborigines, with very substantial powers under local government legislation. In general, these powers include the right to refuse entry to the area under the council's control.

Unfortunately the Welfare Branch Annual Reports and the Northern Territory Annual Reports ceased to be published in the late 1960s and early 1970s so there is no simple way of tracing production and employment patterns in these communities from 1970 onwards. While there are no general overall data on levels of production for the communities in the 1980s comparable with data provided in Welfare Branch Reports, 1981 Census data on Aboriginal employment in communities are useful.

The first column in table 3 shows the percentages of total Aboriginal employment in various industries in the 35 communities in the Northern Territory for which census data was provided. It can be seen that some 45.3 per cent of all workers in Aboriginal communities are employed in the category 'community services'. This includes jobs in Town Maintenance and Public Utilities (TMPU), schools and health clinics. The next column shows the position for the 'average' community. That is, the average community has 51.8 per cent of its employment in community services. Thus, whether we are describing employment structure of the communities in terms of aggregate Aboriginal employment, or the 'average community' it is clear that commodity production is unimportant as an employer and that community services dominates.

Table 3

Employment data for 35 Aboriginal communities, 1981 Census

	Total Aboriginal employment in commun- ities, % by industry	Average Aboriginal employment per commun- ity in each industry, by %	Number of communities with some employment	Highest % recorded of Aboriginal employment in each industry	Average % of employment in commun- ities listed in column (3)
	(1)	(2)	(3)	(4)	(5)
Agriculture	4.0	6.0	15	90.8 (Peppimenarti)	13.9
Mining	0.8	1.7	3	22.0 (Angurugu)	8.8
Manufacturing	1.7	1.1	5	16.8 (Oenpelli)	6.3
Electricity, water, gas	0.0	0.0	1	0.9 (Yuendumu)	0.9
Construction	4.3	5.8	21	48.4 (Docker River)	9.7
Wholesale, retail	4.1	4.6	25	16.2 (Maningrida)	5.3
Transport, storage	0.1	0.1	3	1.2 (Maningrida)	0.9
Communications	0.1	0.2	1	0.6 (Nguiu)	0.6
Finance	0.6	0.6	10	5.5 (Minjilang)	2.1
Public admin, defence	7.0	6.7	19	63.8 (Lajamanu)	12.3
Community services	45.3	51.8	35	100.0 (Numbulwar)	51.8
Personal services	1.5	1.6	10	13.2 (Willowra)	5.6
Not class., not stated	29.4	25.9	28	81.7 (Gapuwiyak)	26.6
Total	100.0	-	35	-	-
Absolute total employed	3,232	92.3			
Population	13,667	390.4			

Source: Derived from 1981 census microfiche

The third column shows the number of communities for which some production takes place in the various industries. Thus, it can be seen that in 15 of the 35 communities some agricultural production (almost entirely beef cattle production) takes place. While, in that year, the cattle enterprise at Peppimenarti was reported to account for 90.8 per cent of its employment, this was clearly a very extreme situation for communities with agricultural activities. By 1983, no local Aborigines were employed in the cattle project at Peppimenarti. The average percentage of employment in communities with agricultural activities was 13.9 per cent (column 5). Mining provided a substantial proportion of employment in only Angurugu. At Oenpelli it accounted for only 1.9 per cent of employment and only 2.4 per

cent in Yirrkala. As can be seen, most communities employed Aborigines in the construction industry - this would usually be in house construction for Aborigines; and most communities employed Aborigines in the community store and other retailing institutions. Ten of the communities employed Aborigines in 'finance' - these people would often be women working in the community bank agency. All communities employed people in community services and at Numbulwar, all people with jobs were employed in that area. This was in sharp contrast with the situation at Numbulwar in 1967-68 when people were employed in production of fruit and vegetables, eggs, fish, dugong, turtles and oysters, sewing and artefacts.

Table 4 shows the dependence of the various activities on government funding for three communities for which I have collected data (Stanley 1983, 1985). It is clear that the most important activities in terms of employment (infrastructure institutions) are also those that are most dependent on government funds. Commodity production enterprises generally export products from the communities. They may be more dependent on government than the percentages in that table suggest because without subsidies of a certain level operations may cease altogether, and revenue would drop to zero. The service institutions (community store, etc) generally have a high degree of monopoly power and so can charge prices so that costs are covered. They receive few operating subsidies. The capital costs of stores, etc., however, are usually borne by the relevant government body. The 'other' category is dominated by employment in the hospital and school which are totally funded by government. The seventh row in this table shows the high rates of unemployment in these communities and such rates are typical of Aboriginal communities.

Table 4

Aboriginal employment and revenue derived from
government subsidies, certain activities, by per centages

	Nguiu, 1981		Daly River Mission, 1982		Peppimenarti, 1982	
	% of Aboriginal employment	% of revenue derived from subsidies	% of Aboriginal employment	% of revenue derived from subsidies	% of Aboriginal employment	% of revenue derived from subsidies
Council	22.4	76.5	60.7	69.5	24.0	68.3
Housing	9.0	77.2	9.8	82.1	0.0	93.9
Commodity production	16.9	36.1	5.9	0.0	40.0	0.0
Service activities (store etc including beer clubs)	16.9	3.6	3.9	0.0	12.0	1.9
Other (hospital, school, etc)	34.8	-	19.7	-	24.0	-
Total	100.0	-	100.0	-	100.0	-
% of workforce unemployed	24.9		12.1		46.8	
Population	1082		213		241	

Thus communities in the integrated stage of development have the following characteristics: very high dependence of economic activity on government subsidies; little commodity production and a concentration on local government, health, education and housing activities; and high unemployment rates.

This situation is highly undesirable for a number of reasons. Neither Europeans nor Aborigines like this degree of dependence on government. Europeans often do not like tax revenue being used to support Aboriginal communities to the degree they are now, and Aborigines do not like the control over their lives which dependence on government gives to Europeans, governments and government officials. Further, many communities are reaching the stage where the backlog in housing and town facilities are being overcome and overall funding for the communities may decline and unemployment may increase as a result. The outstation movement has hastened the meeting of the backlog in communities because many communities have lost population.

While many communities are currently in the integrated stage many others are moving into the fourth stage which we will call the independence stage. A community in this stage has some or all of the following characteristics: a growing visibility of traditional Aboriginal political power structure; the development of outstations; a desire to manage and direct socially important institutions, and the breaking of the nexus between Aboriginal and European reward systems.

The movement towards Aboriginal control of organisations and involvement in administration have been overt developments. Less obvious, however, have been changes in the area of factor costs. Examples of these developments are: piece rates are generally used whenever possible in communities; cross-subsidisation takes place in the form of the store or school or housing association buying locally produced, but more expensive products such as bread, clothes and building materials; profits from such activities as the beer club are used to support worthy but unprofitable enterprises; various taxes are imposed on residents in the communities to support desired activities; wage rates are sometimes below the usual European minimums, in order to support an enterprise (for example, in Peppimenarti cattle operations were funded to employ 10 stockmen, but they decided to employ 20 stockmen on half pay). Bush production is undertaken under terms which are independent of regulations imposed from outside and so it is sensitive to local conditions. Insofar as the development of outstations has stimulated bush production, their development can be considered part of the move to the independence stage. The overall effects of such changes is to adapt the local economy to more accurately reflect local attitudes, local factor supply conditions and market conditions. These adaptations are desirable from a development and an employment point of view.

There are a number of reasons why the independence stage has emerged. Firstly, it is likely that Aborigines always wanted greater control over their communities and lives and when the possibility was given to them to achieve this they took it. Secondly, it had become obvious to Europeans and Aborigines that European control of Aboriginal situations has not produced the desired results of large Aboriginal towns imitating 'best European behaviour patterns' and becoming integrated into European society. The result of this realisation is that some government departments have instituted Aboriginal management and control policies (DAA, DCD). Others have not (NT Depts of Education and Health) even though they do attempt to employ Aborigines. Thirdly, Aborigines now receive cash incomes and resources without having to work for the European authorities and some need no longer conform to European rules. An example at one extreme is the Gagudju Association which receives substantial royalties from the Ranger Uranium Mine. It has chosen to establish and run many activities which are normally under government funding and control. At the other end is the fact that people away from the communities receive unemployment benefits

and other social security incomes as well as some housing and other services. This change has aided the development of outstations. Fourthly, the land rights legislation has aided this development in many ways: it has made land available to Aborigines for resettlement, it has provided a reward for traditional activity and political structures, and has given European legal recognition to Aboriginal land ownership rules.

It is the usual view of development economics literature (see Lewis 1955, chapter II for instance) that traditional culture, overall, works against economic development - where this phrase is used to mean sustained increases in income per head. These discussions concentrate on the ways in which traditional attitudes and institutions suppress effort at work, savings and entrepreneurial activities and encourage high reproduction rates. While it is agreed that much of this analysis carries over to the Aboriginal situation there are points of differentiation which must be made in relation to Aborigines. It is argued here that a coherent Aboriginal society, in which Aboriginal traditional politics, attitudes and law prevail, is a great aid to development. In particular, firstly, such a society is able to make workable collective decisions. Secondly a traditional society is better able to handle modern social problems (such as alcoholism) and so avoids potential development energy being side-tracked into solving those problems. Thirdly, in traditional society, the earning of an income and the right to enjoy that income are less strongly related than in European society. This fact gives an added flexibility because our concern shifts from who in society earn incomes, to a concern about total incomes. At the extreme one could argue that the important thing in Aboriginal society is to maximise total income coming into the community and allow traditional mechanisms to achieve equity by redistributing the income. Fourthly, while it is conceded that traditional attitudes are likely to inhibit work and self oriented entrepreneurial activities, it is much less clear that they inhibit savings and entrepreneurial activities for the community overall. The Gagudju Association is the only Aboriginal group to receive substantial independent incomes and it has shown itself to be very entrepreneurial (with a wide range of investments) and to have a very high savings and investment rate.

It is argued here that moving into the independence stage is necessary for reasonable development and employment to emerge in the long run. It is in this way that rural communities can develop their own economic systems that reflect the attitudes of people and resources available in the communities. That is, this flexibility will allow the communities to establish new areas of comparative advantage.

If Aboriginal communities were countries the problems of dependence on aid and growing unemployment would be handled by devaluation of the exchange rate, tariffs, tax and subsidies policies, and government spending policies. Aboriginal communities cannot devalue against the European economy of course, but they can achieve a similar effect in a number of ways: direction of government funds to special activities, using profits of some activities (such as the beer club) to subsidise other activities (cattle enterprise etc), purchasing policies by various bodies (such as the store, housing association, council) to encourage local production, the manipulation of prices to encourage some activities and to discourage others, and the imposition of income taxes and granting of subsidies (at the moment taxes are usually imposed to finance particular activities such as the kitchen) and low wage rates. Many of these techniques are used in the integrated stage of course. The point of increasing commodity production, even if at the expense of the creation of social overhead capital is that the former has in general, greater income and employment multipliers per dollar of subsidy than the latter. This point will be elaborated on later. High population growth rates, poor resources, distance from markets and other factors mean that Aboriginal communities will continue to need substantial subsidies in the indefinite future. Greater

commodity production (for sale) however, will make these subsidies more efficient at maintaining incomes and employment at reasonable levels.

How different conditions can be between European and Aboriginal society depends on three major factors. The first is government policy. A large proportion of funds coming into an Aboriginal community comes as tied funds from the government. These are tied in terms of what they can be used for, who can receive benefits from them, under what conditions people can be employed in relation to the projects, the political structures of organisations which can receive these funds. Such funding creates two essential problems for communities. The first is that it creates 'inefficiency', in the economist's sense. That is, there is an 'economic welfare' loss inherent in this system at the community level because the allocation of these resources will only by accident correspond to the desires of the community. For example, in terms of the community's tastes, there may be too much expenditure on TMPU and housing, and too little on enterprises. The second problem is that this rigid allocation system blocks off a large proportion of the community's resources for use in re-defining the local economic structure. Thus this process inhibits the development of the independence stage. These two points imply, of course, that there should be block funding which would allow the community to determine how resources should be allocated.

The second restriction in relation to differentiating the Aboriginal economy from the European economy, is that one major area of policy control, the wage rate, will be greatly constrained from below, by poor work performance, UB rates and emigration. Finally, conditions in the community cannot deviate too far from those of other communities, including European towns, otherwise emigration (if conditions are 'too hard') or immigration (if they are 'too good') will take place.

Well, one may ask, what would a community look like if it was entirely in the independence stage? The only community which I have studied which I consider to be in this stage is the Gagudju Association. The complication with using the Association as an example is that it has a level of funding, through royalties, which is greater than an ordinary community can expect. However, its operations have been marked by the following characteristics:

- A great emphasis on independence from government funding including the Association wholly or mainly funding schools, a health service, housing and the provision of transport equipment.
- The choice of elementary rather than elaborate and expensive housing styles.
- A great concern about saving for the future, and associated with that, a very extensive investment program which absorbs a large part of the Association's income.
- Small annual cash distributions.
- A policy designed to ensure everyone has a job who wants one, either with the Australian National Parks and Wildlife Service (ANPWS) or with the Association itself. During the period of study, 1981 and 1982, there was no member of the association receiving unemployment benefits.

I am sure that these sorts of policies are approved of by Aborigines and Europeans alike and that these are the sorts of policies which would be followed by any appropriately constituted Aboriginal community organisation which had complete control over government funding and other essential

parameters in the local economy. I am arguing, that is, for as much block funding as the realities of departmental policies will allow and policies which encourage Aborigines to establish allocation and distribution policies themselves.

Policies

With the basic philosophy just outlined, I now want to discuss some general funding policy issues.

1. The fundamental problem with policy is that the underlying philosophy in relation to funding Aboriginal groups is dominated by the notion of 'donor's rights': that is, the right of a donor to determine the size of the gift, who receives it, under what conditions and how it can be used. The 'donors' in this case are, of course, the general European Australian community. There needs to be a change in philosophy to include the rights of Aborigines to receive funds at a certain level and to be able to do with them what they wish. Such a change in philosophy is needed in relation to all needy groups in the community, and not just Aborigines.

There have been moves in the direction of giving Aborigines greater control over how resources are allocated within the communities. The CDEP and block grants schemes are tentative moves in that direction. The ideal arrangement would involve total block funding which involved local control of all resources which currently come from DCD, Departments of Health and Education, DAA, ADC and other funding bodies. The local organisations would determine how all these resources are used. The budget should also be on a three-year or so basis, so that the organisations can plan their development. They should also be able to transfer expenditure to the future by investing surplus funds if they wish.

2. The problems of a movement to overall block funding are obvious. Firstly, there are various governments and various government departments involved, with their own philosophy and positions to protect. Secondly, some Aboriginal organisations are not effective political bodies at the moment. They are likely to become more effective and representative as they are given more power, however, because more local people will become active in the organisations. Thirdly, the organisations will have to greatly develop their administration abilities and this may result in the employment of more Europeans. It also may not, of course, because the need to account to government departments will be diminished. Finally, there may be considerable problems when the program is first established and 'misuse' of resources - in European terms - may occur and attract adverse publicity. However, greater misallocation problems, which are harder to document, are likely to be diminished in the long run because the allocation of resources will be in a way which conforms more closely to Aboriginal tastes.

A compromise program could involve particular government departments granting responsibilities for determining the allocation of resources to local organisations. The Department of Community Development, for example, could budget certain funding for water and roads to a group of outstations and allow the outstation organisation to nominate who would get water equipment and where the roads should be built. Similar schemes could exist for health and education resources.

3. Current practices by government departments tend to lead to misallocation of resources because their allocation differs from the pattern preferred by Aborigines:

- (i) The public service system of accountability is designed to detect accounting errors and fraud in relation to a project, rather than to answer the question 'should a project have been undertaken'. This is not surprising since the system developed to handle a situation where

politicians decided whether a project should be undertaken and it was the public service's task to undertake the project as cheaply as possible. Thus, for instance, the public service is likely to spend much time finding or explaining a missing \$2,000 and little time on the fact that an outstation which cost \$30,000 to equip was unoccupied because it was built in the wrong place. Public service offices are concerned with such problems, of course, but the accountability system handles them in only a haphazard way.

- (ii) When seeking Aboriginal opinions on how funds should be spent, the authorities commonly ask the wrong question. An authority providing funds for housing, for instance, may ask Aborigines a question to the effect, 'Would you like a larger house?' When the answer is either, 'Yes' - possibly resulting in the respondent gaining a larger house - or 'No' - in which case the respondent receives nothing. Under these circumstances everyone would answer 'Yes' unless having a larger house actually made one worse off. Consequently, this question yields almost no information about Aborigines' tastes. The appropriate question is, 'If we gave you \$25,000, would you like to spend it on a larger house or on something else?' It is only when the respondent says he would like to spend it on a larger house, that the house ought to be provided. Otherwise the funds should be spent on the more preferred item. This problem is difficult to avoid because funds come from numerous bodies who can provide funding only for given purposes.
- (iii) The returns from some expenditure are easy to calculate while the returns from others are not. The returns from enterprise activity are profits and employment and these are easy to observe. They tend to be low in the situation we are discussing here. Returns from expenditure on TMPU, health, education and housing are much more difficult to calculate. They are generally assumed to be high but they may be lower than those for enterprise activity. The result of the differences in ease with which returns can be calculated is that the rationality of a particular allocation of resources cannot be judged by people outside the community, and only with difficulty by those within it. In some situations, this factor has led to too much funding going to social overhead capital and too little funding going to enterprises.
- (iv) Different funding agencies use different criteria to allocate funds to communities and outstations. This leads to inconsistency (funds 'wasted' in one area and scarcity of funds in another) and none of the criteria may accord with the recipient's views.

4. As was shown earlier, much government funding has been directed to social overhead capital spending (TMPU, schools, hospital and health, housing) and relatively little on enterprises. While it is agreed that there is a great need for social overhead capital expenditure in many communities, there are also arguments in favour of reallocating some funds to supporting enterprises. The main one is an employment argument.

Unemployment rates in communities are of considerable importance, not least because they are an important determinant of cash incomes. Figure 1 shows the relationship between per capita cash incomes and unemployment rates for Daly River Mission, Peppimenarti and Nguu. The data are presented in 1982 money values. Data for the mission and Peppimenarti were collected in 1982 and data for Nguu were collected in 1981 values and indexed to 1982 values at the rate of CPI increases. The figure displays a simple negative relationship between cash incomes and unemployment. A sample of three communities is not sufficient to infer statistically that this relationship is general for communities. However, there are theoretical reasons why the relationship between average incomes and the rate of unemployment within a community, and between communities with similar employment and population structures, should have a negative slope and be mildly convex to the origin, as shown in the diagram.

To establish this point we will use the following symbols. Suppose Y is total personal disposable income in the community, P is the community's population, L is the community's workforce, W is the average wage rate, B is the average rate of unemployment benefit received, A is total social security payments other than unemployment benefits and U is the rate of unemployment. Now, per capita income is

$$\frac{Y}{P} = \frac{A + WL(1-U) + BLU}{P}$$

or

$$\frac{Y}{P} = \frac{A + WL + L(B-W)U}{P}$$

and so, if average wage rates and average unemployment benefits are constant with respect to U , average income will be a linear function of the community's unemployment rate. The assumption, however, that W and B are constant with respect to U will be invalid as U becomes very small or large. When the unemployment rate is small, W is likely to be high because it is probable that Aborigines will occupy many skilled jobs and higher wages may have to be paid to workers overall to gain sufficient labour; and B is likely to be low since most of the unemployed people are likely to be men and women without dependents. When the unemployment rate is large, W is likely to be low for the converse reasons of these just given; and B is likely to be large because a large proportion of the unemployed workers are likely to have dependents. These assumptions are justified in the cases of Daly River Mission and Peppimenarti. The mission has a lower unemployment rate and a lower average unemployment benefit rate, and a higher average wage rate than Peppimenarti. The difference between average unemployment benefit rates in the two communities is very marked.

Now, whether the average income - unemployment rate curve becomes strictly convex for extreme values of U depends on the relative movements of W and B at those extremes. It seems reasonable to assume that when U is small B will be constant but W will increase significantly for decreases in U . That is, average income will increase more rapidly with decreases in unemployment when the rate of unemployment is already low. Conversely, when U is large, W is likely to reach a lower limit and further increases in U will leave W unchanged, while continuing to increase B as more workers with large families become unemployed. This would result in the average income falling less rapidly with increases in the unemployment rate when the unemployment rate is already high. It seems likely, however, that variations in W and B will only be significant at extreme values of U . If these assumptions are correct then the theoretical average income - unemployment rate curve is likely to resemble the curve AB , shown in figure 2; that is, it is likely to be almost linear over a substantial range and becoming steeper for small values of U and flatter for large values of U .

The shape of the average income - unemployment rate curve has a useful interpretation. The slope of the straight line drawn between the DRM and Nguu points in figure 1 is -26.7, and the slope of the line between the Nguu and Peppimenarti points is -19.9. Ignoring for the moment the fact that these curves will in reality be non-linear, the absolute values of these slopes (26.7 and 19.9 respectively) give the number of dollars per year by which average income falls as the unemployment rate increases by one per cent. As was to be expected from earlier analysis, the fall in income decreases as the level of unemployment increases.

Figure 1

Disposable income and unemployment rates

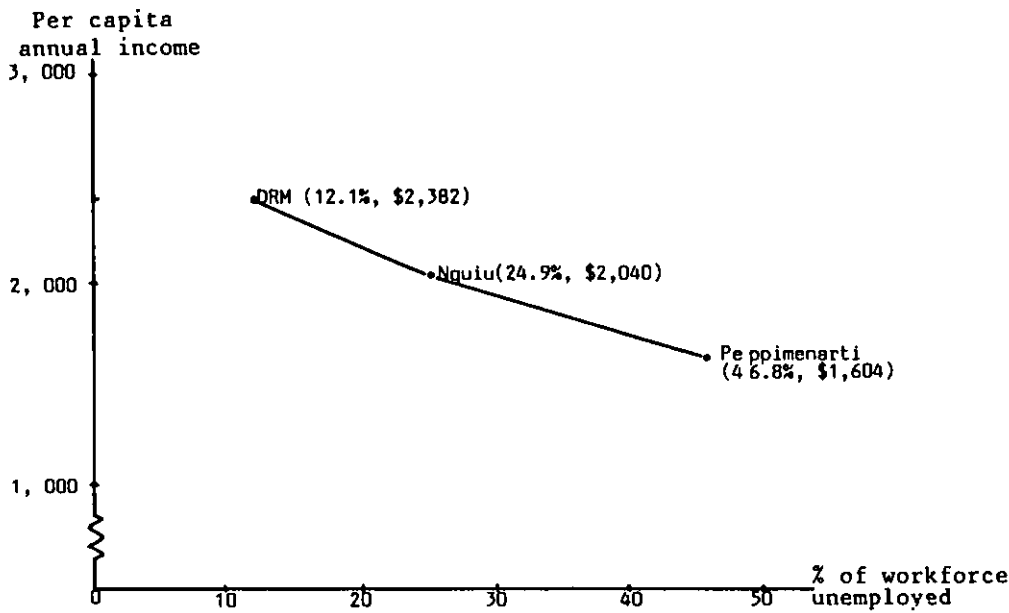
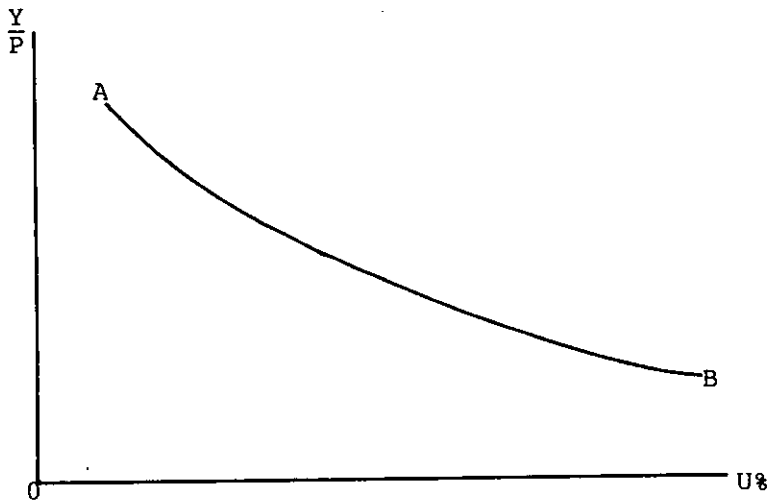


Figure 2

Theoretical average income - unemployment rate curve



While it has been emphasised that the actual observations in figure 1 are specific to those three communities, one would expect data on the relationship between average income and unemployment for other large communities to be broadly the same. The reason for this is that the relevant aspects of most large communities are alike: average wage rates are similar since employment in all large communities is concentrated in infrastructure institutions where particular award wage rates are paid; also, age structures of the communities appear to be very similar so that the workforce as a percentage of the population, rates of unemployment benefits for given unemployment rates, and other DSS incomes are likely to be similar. Thus the above empirical observations should have considerable generality.

Having established the somewhat obvious proposition that employment rates are a very important determinant of average incomes (this observation emerges generally in studies of poverty) it is clear that one criterion for the allocation of government subsidies to projects in a community ought to be the income and employment impacts of projects. The internal income and employment multipliers of a \$1 government subsidy when allocated to an exporting enterprise will very often be greater than when the \$1 is allocated to an infrastructure institution. As an illustration, consider the following example. If \$1 subsidy is allocated to an infrastructure institution and all goods are imported into the community, then income will increase by \$1 and wages will increase by, say \$0.75. If, however, that \$1 is used to support or help expand an exporting enterprise - suppose a cattle business - and the \$1 enables the cattle business to sell, say \$3 worth of cattle, then income increases by \$4 and the enterprise may employ, say, \$2 worth of labour. Clearly, the \$1 should be allocated to the cattle business and not to the infrastructure institution. Diminishing returns will emerge, of course, and eventually the extra \$1 allocated to the cattle business will simply increase the enterprise's income by \$1 of which say \$0.75 will be paid as wages. At this stage there is no benefit from further redirecting funds from infrastructure to exporting enterprises.

Thus our conclusion is that there is likely to be an employment argument for subsidising an exporting enterprise, even if it will make a loss on operations, providing the marginal cost of employing a worker in the enterprise is less than or equal to the marginal cost of employing a worker in infrastructure institutions.

Europeans are also beneficiaries of funds allocated to Aboriginal communities because they are suppliers of goods and services to these communities. A similar argument to that above applies here. That is, \$1 allocated to infrastructure work will generate, say \$1 worth of imports (assuming that workers spend all of their incomes) while if the \$1 is allocated to the cattle enterprise it will increase imports by a value equal to the total income generated by the subsidy which, in this example is four dollars. The multiplier effects from that stage will depend on the nature of the goods imported but in the case of TMPU versus cattle operations the imports are likely to be similar: store goods, petroleum products, vehicles, accounting and management services etc. Thus the trade multiplier, and hence the benefits to Europeans, of a \$1 used to subsidise an enterprise will often be greater than when the \$1 is used to support infrastructure institutions. As described before, diminishing returns will set in and eventually the \$1 subsidy will increase the community's income by \$1 only at which stage no further benefits to Europeans exist from the reallocation of subsidies. Clearly, from this point of view, funds should be allocated to enterprises and infrastructure institutions in such a way that the value of imports generated by an extra \$1 subsidy be the same as that for infrastructure institutions.

5. The Community Development Employment Project (CDEP) has much to recommend it. The program is funded by the Department of Finance and administered by DAA. It is designed to assist self management and reduce

the high rates of unemployment amongst Aboriginal groups. Under normal circumstances unemployed Aborigines living in communities or on outstations receive unemployment benefits. However the community and/or outstations may apply to DAA to join the CDEP scheme. Government approval needs very broad acceptance amongst the Aboriginal group concerned. If the request is granted the rights of individuals to receive unemployment benefits are withdrawn and the council receives a sum equal to the total of unemployment benefits which the group would have received plus up to 20 per cent of that sum for administration costs. The council then uses that sum to employ people and buy equipment. Although wage rates and the allocation of funds to wages or equipment purchases etc. are matters for the council, the DAA guidelines for the scheme state that an unemployed person would normally be expected to receive wages at about the rate of his unemployment benefits entitlement.

The CDEP scheme, in principle, has many good features. Firstly, it can increase the degree of self management because the local community organisation has control over a greater proportion of resources coming into the community. This gives the community greater opportunity to shape its society in the way it wishes. Secondly, the increase in financial resources going to organisations can enable greater local production and greater provision of local facilities. Thirdly, the scheme can provide more jobs and under more flexible conditions than is usually possible. Fourthly, by providing jobs the scheme can provide training and work experience. Finally, the scheme can be used to subsidise enterprises which would not otherwise exist.

The scheme has had, of course, problems at various times and at various places where it was operated. The main problems are:

- (i) Once a community or system of outstations joins the scheme people who were once on unemployment benefits have no option but to work for the organisation, if they wish to continue to live in the area. This means that more power becomes concentrated in the hands of local administrators and individuals become more vulnerable to local politics. Further, this power may become concentrated in the hands of European council staff.
- (ii) Workers on CDEP sometimes resent those on full wages if the two groups are doing similar jobs.
- (iii) It is sometimes difficult to obtain a satisfactory work performance from CDEP workers. This is a result of low wages and because the economic environment results in there being relatively few 'meaningful' jobs. Consequently, the increased community production under the scheme may not be great and the work experience obtained from CDEP jobs may be counterproductive.
- (iv) It is said that some councils have been unable to handle the financial and labour control problems associated with the scheme.
- (v) Generally, the scheme has not led to the undertaking of a range of new projects. Rather, it has been used as a new way to finance projects of the type undertaken in the pre-CDEP period.
- (vi) Finally, it is often said that the scheme is organised and administered by Europeans in the organisations so that it has not led to greater Aboriginal independence.

The scheme cannot be said to be an overwhelming success. However, despite its problems, it has so much potential that it ought to be encouraged as a way of financing outstation and community development. The problems listed above need to be worked on continuously. Most of them are not, of course, problems that are unique to the CDEP scheme and they apply

in varying degrees to community councils and enterprises. Their solutions will not be easily forthcoming and will probably be unique to particular situations.

6. The Commonwealth Community Employment Program (CEP) is a new program undertaken by the Department of Employment and Industrial Relations, which is designed to reduce unemployment rates amongst the most disadvantaged employee groups, including Aborigines. It does so by financing projects which are undertaken by approved 'sponsor' organisations. These are usually State, Northern Territory, local government or community organisations. State and Territory government organisations are expected to contribute at least 30 per cent of the cost of the projects, while local government and community organisations, are expected to contribute at least 20 per cent. In the case of community organisations, part or all of their contributions may be waived if the organisations can demonstrate their inability to make the contributions. Approval of a project will be granted only if it meets certain criteria, including the following: the sponsor organisation must be capable of managing the CEP grant and project; the project must employ previously unemployed people from a disadvantaged group; the project must be a discrete project, and labour intensive; the project, and employment must last from three months to twelve months and it must provide benefits to the community.

In terms of overall development this scheme has the advantage that it can result in a sizable increase in funding for a community, can finance the provision of goods or services, particularly of a capital nature, and can be sensitive to community desires. However, it does nothing about the long-term structural problems of Aboriginal communities.

7. There are two new concepts in DAA funding for communities and outstation organisations which deserve comment:

- (i) 'Program performance budgeting': DAA intends to move to this system in the near future. Under the system, community and outstation organisations will set, with DAA assistance if necessary, a goal for their funding. If the organisation's program is approved, funding will be provided and reports will be made to DAA regularly on progress toward the achievement of the goals. The goals will be stated in terms that are measurable physical aspects of projects. The Department believes that system will be of benefit to the Department and to the organisation by improving efficiency and accountability. This may have a desirable educative impact on Aboriginal organisations although the system still emphasises DAA control.
- (ii) 'Block Grants': In an attempt to increase the degree of self management in community and outstation organisations, DAA has given them the option of adopting a block grant system. This allows the organisation to set its own goals, within limits, and to apply for funding for a whole expenditure program. In some cases, resources may be reallocated by the organisation from one use to another without DAA's approval. Permission will be required, however, where the funds are for items of capital, salaries and allowances. Most of the accountability conditions currently imposed on organisations will remain but it is hoped that some of these will be relaxed in the future. In its initial tentative form this system represents only a minor increase in local control. It may, however, develop substantially in the future.

Industries

Even with the reforms suggested in the previous discussion, poor local resources and remoteness from markets mean that - for realistic levels of government funding - industries will be developed only with great difficulties. We will now discuss the long term prospects for some of them.

Various types of manufacturing have been and can remain successful. Examples are: traditional art and craft work survives in most communities; clothes making, screen printing and pottery at Nguuu; and batik printing at Utopia and Hermannsburg. An enterprise, producing goods that are the same as those available from the wider Australian community, under factory conditions where award conditions are paid is unlikely to succeed without considerable assistance. In general, the more differentiated the product (often achieved by combining manufacturing with local art) and the greater the use of piece rates, the greater will be the chance of success. Piece rates allow Aborigines to work at their own pace, in a less formal employment structure and allow effective wage rates to be sensitive to local economic conditions. Much manufacturing which still survives in the Aboriginal communities takes place under these conditions.

Horticulture of the style which existed in the missions and settlements until the 1970s is probably not a realistic option for most communities. These gardens grew a wide range of crops under conditions similar to European horticultural enterprises. High wages, difficulties in controlling horticultural labour and protecting the crops from children and animals resulted in these gardens becoming unworkable. However, there is probably an important place for less formal types of horticulture. Fruit is generally expensive and difficult to obtain in most communities and there would seem to be a case for establishing fruit plantations. The main aim of these plantations would be not to produce a cash crop but rather to provide a source of food which could be picked when ripe. Obtaining a cash crop from plantations involves much care and labour. In addition to the usual range of tropical and citrus fruits, coconuts and native fruit trees could be planted. These plantations would require some attention to protect them from disease and insect attack. The Ernabella outstations in central Australia have been experimenting with permaculture and such an approach could prove very useful, especially for outstation people.

Prospects for forestry generally are poor. CSIRO, for instance, closed their research in forestry activities in the Northern Territory in 1980. However, cypress pine is a very useful building timber because of its resistance to insect attack and a plantation of such trees would prove a useful resource for the community and a cash crop for some communities in the long term.

For some communities, especially the coastal ones, various forms of fishing enterprises may prove successful. Arrangements which involve families fishing independently but using community-provided refrigeration and transport facilities are more likely to be successful than a large scale capital-intensive operation. Large financial overheads which are associated with capital-intensive techniques require continuous operation and this is difficult for Aborigines to achieve. The Nguuu experiment with a capital-intensive fishing project proved unsuccessful.

Open range cattle grazing has been successful for Europeans and Aborigines, allowing that profits are low. Overall, the benefits to Aboriginal groups of gaining stations or establishing cattle activities on their land are, in varying degrees, the following:

- A means of gaining land for living space, for the protection of sacred sites and for the performance of ceremonies in an uninhibited way.
- Provision of employment of the type which is desired and does not conflict directly with the culture.
- Provision of training which can be used in gaining employment outside the community.

- Provision of a killer herd to supplement low cash and bush incomes.
- Provision of profits for the community.
- Gaining independence from Europeans.
- Gaining funding for the community, either for the cattle operations or for social overhead capital (houses, school, etc) which would not be forthcoming without the group owning land.

Cattle operations have been moderately successful in providing these benefits with the exception of making profits. This poor profit performance is not surprising when it is considered that European cattle enterprises have also had great difficulties making profits.

In recent years, however, two important developments have taken place which complicate the operations of Aboriginal cattle enterprises. The first is the outstation movement. The economies of scale in cattle production require that large areas of land be worked as a single unit. The development of outstations on a pastoral property can lead to many conflicts over many issues including who owns the cattle grazing on an outstation's land, royalties to be paid by the cattle company to the landowners of particular areas, outstations excluding cattle from areas which are good grazing country or vital watering points, and outstations may exclude the company's cattle from large areas. Given low profits which cattle properties earn overall, these companies have little tolerance for increases in costs of production.

The second major problem is the bovine brucellosis and tuberculosis eradication campaign (BTEC). This is an important issue and deserves elaboration. Bovine brucellosis and bovine tuberculosis are contagious diseases found in cattle and buffalo for which there is no cure. Brucellosis causes abortions amongst cows and tuberculosis causes death and failure to thrive. Humans can be infected by both diseases. Generally speaking brucellosis is a problem in the south of the Northern Territory and tuberculosis is a problem in the north. These diseases have existed in Australia since at least the 1920s and since that time State governments have instituted eradication policies, mainly for the purpose of protecting human health. By the 1960s many foreign beef exporting countries had been successful with their 'eradication' programs and this put pressure on Australia to accelerate its programs. It was thought that national coordination was required because of the fear that Australian exports of beef and dairy products would be discriminated against on the grounds that trade within Australia would cause reinfection of areas previously rendered clean. Thus in 1970 an Australia-wide coordinated BTEC program came into being. The original aim was to achieve 'provisional freedom' by 1984. This would involve a prevalence of brucellosis of less than 0.2 per cent of the national herd and a prevalence of tuberculosis of less than 0.1 per cent. The program has been largely successful in southern parts of Australia but there have been special problems in northern and central Australia which have led to the extension of the completion date to 1992 but it is doubtful that even this date will be met.

The main problems in relation to the campaign are the following. Firstly, most stations have little fencing so that major fencing improvements have to be undertaken before economic numbers of BTEC clean cattle can be separated from feral animals. Secondly, BTEC clean herds must be kept behind fences and this means that management of such a herd is much more capital and labour intensive than under open range grazing, causing cost increases that are resulting in financial difficulties for many stations and may result in some stations being abandoned. These abandoned

stations and parts of pastoral leases not fenced will in time become major reservoirs of the diseases. The pastoralist receives some financial assistance including the following: cattle which are slaughtered under the program, including unmusterables, are compensated for at market prices less transport costs; fencing and yard construction associated with BTEC programs receive a 100 per cent tax deduction in the first year; money from the sale of cattle as a result of a destocking order does not attract tax until five years have elapsed and pastoralists are assisted with debt reconstruction. However, benefits in the form of tax deductions are of no use to pastoralists, including Aboriginal cattle companies, who do not generate taxable incomes. Meanwhile the program creates considerable financing problems for pastoralists.

The program affects Aboriginal interests in the following ways. Firstly, financial difficulties experienced by some European pastoralists will result in more stations being offered for sale which can be purchased by Aboriginal interests. Secondly, the ADC underwrites and gives loans to Aboriginal cattle interests so that Aboriginal cattle enterprises can conform to BTEC requirements early. The purpose of this is to enable these enterprises to gain from being early suppliers of BTEC clean cattle to stations in the process of destocking. The profits from this process may not be great, however, if southern cattle producers also actively seek this market. Thirdly, cattle management required under the BTEC program is much more rigid than is ideal for Aboriginal communities. The constant need to patrol and maintain fencing and the systematic turn-off operations required to meet interest payments on loans obtained for BTEC improvements, and to meet destocking plans, may impose undesirable burdens on the communities. Finally, the additional financial problems for an Aboriginal community associated with higher variable and capital costs of producing cattle and the lower revenues resulting from the stations carrying much smaller herds may lead communities to abandon cattle activities. The results of these forces is that large scale Aboriginal cattle enterprises can no longer be run on a casual - and hence suitable - basis. Best European practices must be followed. Expert, contract musters, probably from outside, must be used and so the advantages of running a pastoral property in terms of employment and training are lost. The greater financial planning required means an increased European involvement. Greater debts and small herds mean that the chances of making profits have become even more remote. It now seems that the options for Aboriginal cattle enterprises are: that either they are run like European stations, with few spinoffs to the local community, or that small BTEC clean killer herds are maintained or that cattle operations be abandoned.

It is my opinion that the BTEC program is illconceived in relation to much of remote Australia. To some extent the program is based on naive beliefs about the politics associated with international trade in beef. Importers of beef such as the USA and Japan determine import quotas largely at the outcome of conflicts between domestic producers and consumers, from the desire to open markets for their exports, and as part of economic-political international relations. If it is convenient for such countries to reduce import quotas for Australian beef then no degree of BTB 'cleanness' in the Australian herd will deter them. Certainly the Industries Assistance Commission (1982) could not find evidence of a relationship between BTB in the Australian herd and access to export markets. It would be most surprising if the resources devoted to the scheme could not be more efficiently used in seeking and developing new export markets.

While large scale cattle operations are of much less use to Aborigines under BTEC than before, there is an important role for small scale cattle or buffalo operations. Many communities and outstations could run small BTEC clean herds, behind fences, to provide killer cattle and buffalo and a modest source of funds from the sale of stock.

Amongst the most unfortunate aspects of these developments is the fact that large scale open range cattle operations were well suited to the economies of the communities: stockwork was widely liked, employment conditions were adaptable, production plans could be tailored to the ceremonial and social life of the community, the cattle provided an ample source of protein and the sale of cattle provided a valuable source of cash for the community.

The prospects for the development of the tourism industry are good all over the Northern Territory. Tourism has many direct and indirect benefits in generating facilities, income and employment. It can lead to the establishment of towns and roads, it can result in compensation to Aboriginal owners of the resource (as in the case of Ayers Rock), it can lead to employment in the tourist facilities themselves, in construction, retailing and wholesaling, transportation, community services and government administration. Pearse (1985) estimates that 100 jobs in the Northern Territory are created for an increase of \$1.7million in expenditure by tourists and in tourism support (including construction of accommodation and roads, maintenance of parks, promotion, etc). Most of this employment takes place in the area where the expenditure takes place. The question is, of course, whether Aborigines are likely to gain some of those jobs. The answer probably is that not many Aborigines will be employed, unless employing Aborigines is required under some agreement or unless they are proximate to the development. In this area, and in mining, there appears to be a dual market in labour. That is, there are two labour markets, one for blacks and one for whites. An increase in demand for one type of labour does not necessarily lead to an increase in demand for the other.

Aborigines are likely to benefit most from tourism where the development takes place on Aboriginal land. In such cases, Aborigines could be employed in the running of the facility, provision of food, grading of roads, production of artefacts, staffing guided tours, selling petrol, etc. Such a development could provide royalties and considerable employment in the facilities for people in the communities and outstations, if managed properly. It would involve the invasion of Europeans, and many people have moved to outstations partly to avoid them, so that there is a clear trade-off, which would have to be considered carefully by the people concerned.

Despite a recent downturn in exploration in the Northern Territory, mining is likely to remain an important and expanding industry in the long term. As in the case of tourism, Aborigines are likely to benefit very little from mining which takes place outside their land. Where it takes place on their land there is the possibility that Aborigines could obtain considerable royalties. However, even on Aboriginal land, mining provides few jobs for Aboriginal people (see, for example, Stanley 1982 and Cousins and Nieuwenhuysen 1984). There appear to be both demand and supply reasons for this: mining companies sometimes show little interest in employing Aborigines and Aborigines sometimes show unwillingness to be involved with a mining company working on their land.

The unwillingness of many mining companies to employ local workers is not confined to cases where the locals are Aborigines. Many small modern mines prefer to employ highly professional workers, who are housed in temporary accommodation, work weeks without breaks and are flown by the company to a major southern city for leave and recreation. Where this technique is used the mine has very little impact on the local economy. In such cases the mine is said to form a 'enclave' in the economy and such operations are of concern to all regions where this type of mining takes place. Even with conventional mining, few jobs are created for locals apart from during the construction stage. This problem can be reduced when mining takes place on Aboriginal land by the mining agreement requiring the employment of Aborigines.

Conclusions

The problems of few natural resources, low incomes and savings, lack of entrepreneurship, high population growth rates, distance from markets and the integration of the Aboriginal economy with the European economy make development and the provision of employment in rural Aboriginal communities now, and in the future, difficult tasks. Most Aboriginal communities will always need substantial government support, as indeed do many European communities in remote areas.

The situation could be vastly improved, however, if the economic structures of the communities were changed to reflect attitudes within the communities, local factor supply and market conditions. This change would improve the efficiency of allocation of resources within the communities by redirecting resources to those activities which the people prefer most, and is likely to lead to more employment through greater emphasis on enterprise activity than exists at present.

The most difficult area for reform is that of government funding. Grants are so tied and are such important sources of resources for communities that the granting agencies, collectively, impose a rigid and inappropriate economic structure on the communities. The ideal reform would involve a move to 'block funding', at the highest level of aggregation. This would allow local people to determine the allocation of funds to all of the activities supported by government.

Although, in recent years, reforms have been achieved involving an allocation of government funds more in accord with the desires of local people, we are still a very long way from the ideal. Since the level of government funding is unlikely to be sufficient to overcome the problems of development listed above and the problems created by its own funding procedures, unemployment and low wages are going to remain serious problems. Because of this, bush production will continue to remain an important way of supplementing low cash incomes, as well as being an activity which is valued in its own right.

References

- Cane, S. 1985. Desert Camps, PhD thesis, ANU, Canberra.
- Cane, S. and Stanley, O., 1985. Land Use and Resources at Desert Outstations, NARU, Darwin, (forthcoming).
- Cousins, D. and Nieuwenhuysen, J., 1984. Aboriginals and the Mining Industry: Case Studies in North Australian Experience, George Allen and Unwin, Sydney.
- Industries Assistance Commission, 1982. Bovine Brucellosis and Tuberculosis Eradication Campaign, AGPS, Canberra.
- Lewis, W.A. 1955. The Theory of Economic Growth, George Allen and Unwin, London.
- O'Kelly, G.J., 1967. The Jesuit Mission Stations in the Northern Territory 1882-1899. BA(Hons) history thesis, Monash University, Melbourne.
- Pearse, M., 1985. The Tourist Industry of Central Australia, a Regional Application of Input-Output Analysis, in Loveday, P. and Wade-Marshall, D. (eds) Economy and People in the North, Monograph, NARU, ANU, Darwin.
- Phillpot, S. 1985. 'Aspects of Labour Usage in Aboriginal Operated Activities in Central Australia', in Loveday, P. and Wade-Marshall, D. (eds) Economy and People in the North, Monograph, NARU, ANU, Darwin.
- Stanley, O., 1976. 'Aboriginal Communities on Cattle Stations in Central Australia', Australian Economic Papers, 15 : 27, 158-70.
- Stanley, O., 1982. 'Royalty Payments and the Gagudju Association' in Loveday, P. (ed.) Service Delivery to Remote Communities, Monograph, NARU, ANU, Darwin.
- Stanley, O., 1983. An Aboriginal Economy: Nguiu, Northern Territory, Monograph, NARU, ANU, Darwin.
- Stanley, O., 1985. The Mission and Peppimenarti: an Economic Study of Two Daly River Aboriginal Communities, Monograph, NARU, ANU, Darwin.
- Stanley, O., 1986. The Economy of Mornington Island, NARU, Darwin, (in draft).

ABORIGINAL EMPLOYMENT IN THE PASTORAL INDUSTRY

(N.T. 1930-1966)

Lyn Anne Riddett
Darwin Institute of Technology

Historians have come only recently to view Aborigines as conscious actors, active participants, in their contact with non-Aboriginal settlers and colonisers. For too long it has been convenient to see Aborigines as mere victims of whites, and as mere pawns in another culture's game.

This paper is an attempt to move another pace forward along a path charted by historians such as Reynolds, Loos and McGrath - a path towards recognition of Aborigines as active participants in the settlement and development of the North and as actors who influenced and affected the lives of the white settlers and white economic structures.

Evidence will be introduced which demonstrates that in the Victoria River District (VRD) of the Northern Territory Aboriginal people were an influence of some importance on the pastoral industry, were able to understand and respond to white society intelligently and with integrity in respect of their own values and social systems, and that white managers and company directors acted against their own best interests by carrying on the fight for economic dominance by arguing with governments to provide support for their employment policies when it might have been more useful to talk with their Aboriginal employees.

There is evidence that in many instances Aborigines were harshly treated, granted only grudging respect for their skills in cattle management, and forced to live in squalor. What does not emerge is a picture of Aborigines so oppressed and so down trodden as to be incapable of free choices in regard to their employment. Many of them responded to harshness and ill-treatment by withdrawing their labour, and thereby often caused serious disruption to the station management.

Up until the 1960s Aboriginal responses would seem, from the available evidence, to have been spontaneous acts carried out by individuals. The events of 1966, with two strikes and subsequent 'walk offs' from stations, were different insofar as they were deliberate and concerted actions by whole groups of people. They were, nonetheless, consistent with a pattern established at least by the 1930s and repeated with noticeable effect and more frequency during the 1940s and 50s.

Because the evidence presented in this paper is mainly archival the weight of documentary evidence will be offered in support of events during the 1930-40s. The later period will be viewed largely from oral and secondary source material. Indeed there is little accessible evidence for the period 1954-65; however events of the 1960s are clear enough indications that a continuum of action does exist.

Settings

Recent journal articles which examine the colonial situation in Africa and Latin America during the 1930s and 40s have emphasised that colonial

settlers and industrialists coerced indigenous people into employment with the capitalist mode of production by creating and sustaining economic dependence through a number of measures chief among which was the necessity to earn money to pay state taxes. The indigenous people became enmeshed in the other system and although an articulation of the two modes of production, i.e. tribal and capitalist, existed for a period, gradually the former gave way to the latter as the native born were forced deeper and deeper into the dependent state - emerging later in some cases as a militant working class. Introduced economic and social structures, including in the latter case education and changes in language, gradually took over the local structures albeit modified by the interaction between the two (Baretta and Markoff, 1978; Geschiere, 1978; Shenton and Lenniham, 1981; Arrighi, 1970).

The situation in the Northern Territory as a whole was quite different; that difference was heightened in the Victoria River District by a combination of factors relating to the isolation and remoteness of the area from main administrative centres, the persistent belief of the large companies that availability of labour would be guaranteed if Aborigines were not paid cash wages and were denied access to white services and education and by a skilful manipulation of those factors by Aboriginal people strong in indigenous law and custom and resistant to coercion.

Three distinct phases may be identified in the development of the beef industry in the Northern Territory. Stage 1 was characterised by early high hopes and expectations; in stage 2 there were years of hard work and drudgery which led to stage 3: economic disaster.

Disaster was not prevented despite the efforts of dedicated people and vast sums of government and private investment money. Successive Commonwealth governments looked to the pastoral industry to support their policies of northern development, but within 40 years of the industry getting started in the NT the third phase was so obvious that Canberra realised action was necessary.

Typically the action taken was to commission an inquiry. In the twelve years between 1925 and 1937 there were three major inquiries, and many minor investigations into aspects of northern development. The first (Buchanan) and the last (Payne-Fletcher) were comprehensive and addressed the issue of the pastoral industry only inter alia; the second (Shepherd Committee, 1933-34) dealt specifically with the industry, basing its findings on a station by station survey.

The Victoria River District stations featured in both the Shepherd and Payne-Fletcher reports and provided evidence of some of the worst problems within the industry, although one or two stations did demonstrate how the industry could work given the presence of certain conditions. Two facts emerge as significant: the worst stations, those with huge overstocking and significant soil erosion, were those owned by absentee landlords, and the bigger the station the bigger the problems.

Reports and inquiries do not of themselves constitute change no matter how much they might recommend it and the field reports of Lands Branch officers during the late 1940s and early 1950s contained descriptions of continued mismanagement of properties in the Victoria River District (CRS F630 PL121N part 2, D. McInnes 24 November 1949, Buchanan 26 May 1952). J.H. Kelly took up the same issue in his reports to the Bureau of Agricultural Economics (BAE) in the 1950s and 1960s.

Consistently three stations were singled out for comment: Wave Hill, Victoria River Downs and Rosewood. The last, much smaller than the other two and owner-managed, was used by all observers as an example of what good could be done by dedicated owners managing a small property wisely.

What do the reports say? Shepherd, after surveying over 90 stations, reported on the Victoria River District that

- (a) The areas held are too large for the staff employed...
- (b) There is an atmosphere of confusion in some cases as a result of divided control in the management in others lack of the business experience necessary in the running of such large holdings...
- (e) On many holdings there is no bullock paddock
- (j) No control of bulls. (Shepherd Report, 14).

A few years later Payne-Fletcher had this to say:

The stations in this section of the Territory are generally too large for effective handling.... Generally the holdings are insufficiently improved for effective management.... (Payne-Fletcher Report, 51).

In his 1952 BAE Report Kelly described a framework for establishing a viable cattle industry in the Territory. He referred to a 'primitive state of husbandry' (105) and the need for leases to carry conditions related to stocking rate, water improvement, fencing and building.

The words of the colourful Territory writer, Bill Harney, in his field report from his patrol of the district in 1945 indicate that the appalling living conditions of Aboriginal employees on these stations was consistent with the careless attitude of management to resources generally. 'In all cases with few exceptions', says Harney, 'the housing conditions and supervision of these natives and their dependents is deplorable, any houses built by the native must be done in their own time after work hours' (CRS Fl 44/275, 29 June 1945).

Harney goes on to say that 'often old natives told me of their treatment and their desires but it was with lowered voice as though the trees had ears and the arm of the boss was long'. He suggested that a letter 'be sent to Head Office of Vestey's Sydney to warn them about the treatment of natives by their managers and stockmen, and point out to those in charge that native labour in the future rests on the treatment of natives today'.

This was a prescient comment and one based on experience in the field, but Harney and others were talking from the heart and did not perceive Aboriginal labour as a structural factor in the pastoral industry. Their understandable humanitarian concern led them to an advocacy for a welfare model in Native Affairs which when implemented in the 1950s continued to ignore the economic significance of Aboriginal labour.

Responses

Vestey's were also concerned about Aboriginals on their Victoria River District stations, but from a different angle: they wished to recruit more Aboriginal labour. In 1945, Bingle, their group manager, approached anthropologists Ronald and Catherine Berndt on the advice of E.W.P. Chinnery (Director of Native Affairs) and Professor Elkin, and asked them to investigate Aboriginal groups referred to by Bingle as 'walkabout tribes' (CRS Fl 45/157, 7 September 1945). Vestey's quite explicitly referred to the Berndts' employment as agents to help recruit Aboriginal labour (CRS Fl 44/441, 10 August 1944).

The interest in Aboriginal Welfare grew enormously in the years following the end of World War II, a situation which Chinnery anticipated when he wrote to the Administrator:

.... thousands of ex-service men and women, tax-payers and voters, now dispersed throughout the Commonwealth, became aware of the conditions, requirements and potentialities of the native population during their association with them in Northern Australia....

.... In future, therefore, the Government must anticipate wider and more intelligent publicity and criticism of its financial provisions for, and administration of, native welfare requirements than was experienced in the past, although in the past it was harassing enough to everyone connected with native welfare from the Minister down (CRS Fl 42/461, Pt.1, June 1944).

Commonwealth files for the period support his contention. Many white Australians expressed their concern, in some cases writing to the government requesting information on policy for Aboriginal welfare and sometimes suggesting welfare programmes. Government officers continued to respond as if being harassed. Driver, the Administrator, in 1949 drafted a reply for the Secretary to the Department of the Interior, in response to a letter from the United Nations Association of Australia (UNAA). As a preamble he wrote:

Nothing is known of the United Nations Association of Australia in the Northern Territory. A full reply to the points raised by the Association has been prepared. It is suggested that unless the Association has high credentials this reply might be abridged (CRS Fl 43/24, 6 July 1949).

In a fit of purple prose designed to make the reader aware of his sensitivity and general awareness and to lay blame where it was due, in the past, Driver finished off:

The crimes and neglect of Australia perpetrated against the Aboriginal population commenced with the first settlement and continued as late as twenty years ago. The ideas expressed by such a group as the United Nations Association of Australia might have now been possible if Australian consciousness had arisen earlier - that necessary consciousness now exists in the Northern Territory, admittedly a century late, but nevertheless an effort is being made for which the Commonwealth Government should be praised instead of being subjected to odious criticism and idealistic and impracticable suggestions.

Two efforts made by the Northern Territory Administration were in respect of Aborigines connected with the pastoral industry, but each took the best part of four years to implement because of harassment from another quarter. The project to establish a new Aboriginal reserve in the Victoria District at Catfish Waterhole (now known as Lajamanu), and the Commonwealth Conference, and subsequent new regulations, covering Aboriginal employment in the pastoral industry were constantly hampered by stalling tactics employed by Vestey's and the Northern Territory Pastoral Lessees Association (CRS Fl 58/710; CRS Fl 44/275).

Vestey's were determined to maintain the status quo and argued consistently that 'no action be taken which would tend to the detribalisation of

the natives in the Territory' (CRS F1 58/170 22 January 1947). They believed that the best control of Aborigines was to keep them away from cash wages and European-style services, and Driver appears to have agreed with that view as his 1949 reply to the UNAA indicates

It has been maintained that the aborigine is incapable of handling money and he had been kept incapable of so doing in the past by not being permitted to spend his wages as he would. This belief had been fostered by the government, the employers and the missions, none of whom would admit that by a system of serfdom they were able to maintain strict control of a subject people (CRS F1 43/24, 6 July 1949).

The view that Aborigines were actually being controlled through these mechanisms is questionable. Vestey's may have served their own purposes better if they had turned their energy away from protracted legalistic debate with governments and towards consultation with their employees. What Vestey's, and others, apparently did not understand was that Aborigines were not so dependent on the pastoral industry as to feel compelled to work in it.

Not all pastoralists were so obtuse however and Hector Fuller of Newry Station and Tom Quilty of Coolibah are good examples. Late in 1937 Fuller wrote to the Officer in Charge, Police Station, Timber Creek, complaining about the difficulties he was facing with 'bush blacks':

It is hard to estimate the actual damage done to the stations by bush blacks, but I cannot enlarge too fully on it. Apart from what they actually kill to eat, which I might say is a great number, they kill dozens more in getting killers (CRS F1 39/593, 23 November 1937).

He went on to say that bush blacks are leprosy carriers and therefore a health risk and proposed the following solution:

If the Northern Territory Medical Department wishes to combat this disease, which I presume they do, it is my hope that they would start by arranging an extensive systematic patrol through the outlying bush camps. If they do this they will gradually drive the blacks into the stations, where they would be under the observation of the station managers and the police, whereas now, as soon as a boy or a lubra gets anything the matter with them they go bush, and into the most remote camps they can find.

Fuller assured the Officer in Charge that he would 'get the support of all the stations in the district, as the different managers with whom I have discussed the position think along the same lines as myself'.

In August 1938, apparently frustrated by the lack of official response, Fuller took up the matter again this time directly with McEwen, Minister of the Interior. This time there was action but the memo of December 1938 forwarded by the Inspector of Police to the local policeman at Timber Creek covering the copy of Fuller's letter to McEwen contains the following questions:

Forwarded for your information

1. Is Mr Fuller genuine in his desire to assist the Police.
2. Are there many lepers in the District, as inferred by Mr Fuller.

3. Does Mr Fuller experience much difficulty in the way of Aborigines absconding from employment.
4. Is one entitled to become suspicious that Mr Fuller's main object is to intimidate the Aborigines into returning to employment at Newry, rather than ridding the district of Lepers.

(J.C. Lovegrove)
INSPECTOR OF POLICE

(CRS Fl 39/593 27 December 1938)

In May 1939 the Administrator, C.L.A. Abbott signed the matter off with a letter to the Secretary, Department of Interior. Abbott stated:

The trouble appears to be that Mr Fuller does not get on very well with natives and they will not remain in his employment....

.... There appears to be no doubt whatever that the statements regarding leprosy have been grossly exaggerated and indeed are without foundation (CRS Fl 39/593, 27 December 1938).

Bingle, Vesteys' Sydney man, told Abbott in late 1945 that Vesteys' need for labour could be met in part by Aborigines being demobilised from the Army and gave leprosy as the reason for the labour shortage on Waterloo, Limbunya and Willeroo Stations (CRS Fl 45/157, 9 September 1945). It is interesting to speculate as to the home base of the Aboriginal men being demobilised and if Vesteys meant to exploit the situation and employ men regardless of their country particularly in light of their preference for local tribal people. Perhaps the men to be demobilised were in fact from Vesteys stations, and labour shortages on those stations were the result of absenteeism rather than leprosy.

Tom Quilty, Manager of Coolibah Station, also wrote to express his concern about Aboriginal labour. He, at least, seemed to be aware that the problem of holding labour might not be entirely due to the capriciousness of the 'boy'. When he wrote to the Prime Minister, John Curtin, in February 1943 about the problem he blamed 'Station Managers employing boys from other stations' and continued:

At one time no Station Manager would employ a boy from another station; each place had its own batch of boys. Boys were let go for their 'walk-about' at the end of the season and returned about the end of March to start work. Now you never know if they will return. The result is, if a boy is spoken to a bit sharply, he walks off and gets a job on a place managed by a white blackfellow. This type of Manager cannot handle natives; the natives get the upperhand after a while, and are no use on any place (CRS Fl 43/24, 10 February 1943).

Further on in his letter Quilty made the allegation that 'should there be an invasion the bush blacks are going to be a source of great trouble'. He supported his contention by describing two incidents in which he spoke with Aborigines about the Japanese:

In 1938 I took two boys from Bradshaw to Queensland. One boy told me the Japs were coming to this country to fight and take the country from the white man. Then the blackfellow would be boss.

Last year I met a boy walking between Coolibah to Timber Creek. I asked his name; he said Tiger, Bradshaw boy. I knew then he had come from Darwin where he was in jail for murdering two men on the Fitzmaurice. I asked 'How did you get out of jail?' He said 'Japanese been make him let me go'. I told him the white men let him go, so that the Jap could not shoot him (CRS Fl 43/24, 10 February 1943).

Later in the same year during an exchange of correspondence with the Administrator, Quilty now demonstrating considerable irritability with 'Office of Arm Chair strategists', challenged Abbott with the statement that 'All stations and drovers are just blundering along owing to unreliable labour. Not one property north of Newcastle Waters is efficiently worked and we cannot alter the situation without assistance from our Government' (CRS Fl 43/24, 23 July 1943).

So, a picture begins to emerge of Aborigines as unreliable not because they will not work but because they choose to work where it suits them. The barely suppressed anger in some of the correspondence indicates how deeply the pastoralists were frustrated by a situation they could not control.. Significantly the incidents referred to here occurred either before, or in the very early stages of the War. The Aborigines' choice to withdraw labour did not come about merely as a response to having learnt about better pay and conditions while working for the army, nor was their choice exercised only in a context of visible moral support from white sympathisers. They continued for the whole of the period to move in and out of the industry as it suited them and from station to station for work when that suited them.

During the War, however, opportunities existed to work in areas away from the pastoral industry and Aborigines used those opportunities. Pastoralists and other employers experienced difficulty in keeping Aboriginal labour (CRS F 1 42/461 Part 1), and often approached the NT Administration for assistance, not always with success because officials at all levels of the bureaucracy recognised that Aborigines were often better off working for the Army (Abbott, CRS Fl 42/461, Part 1, 1 March 1943). In January 1944 in a Memorandum for the Secretary of the Department of the Interior, Chinnery, commented:

.... It is, of course, well-known to you that there is now an increased, if belated, appreciation of the capacity of the aboriginal and at the same time a widespread demand for this labour, particularly in specialised occupations like those connected with the cattle industry and other developments, where the services of the aboriginal have been widely used in the past, but in many instances, inadequately appreciated. The aboriginal himself has long been conscious of these factors and it will be obvious to you that his sense of relative values is developing rapidly through contact with the friendly soldiers with whom he has been working, men who openly express their admiration of the part the aboriginal is playing in the war effort (CRS Fl 42/461, Part 1, 4 January 1944).

It is necessary, however, to ask just what this consciousness meant. Did Aboriginal people for instance understand how much their labour was structurally important to the industry, that if their labour was removed then the industry would be seriously affected? Was this sense of 'his relative value' communicated among the whole group and widely appreciated between groups? And can the strike action in 1966 be construed as part of this consciousness?

The opinions of the sympathetic white bureaucrat seem to accurately reflect the Aboriginal view. The man who led the strike on Newcastle Waters in 1966 maintained, when speaking to Frank Hardy later that year, that he had been aware for years that white people were not treating Aborigines properly, 'don't gib him proper wages or nothing. He never teach you to read, only to count, to keep tally when the cattle go in the yard' (Hardy, 1968, 30). The strikes at Newcastle Waters Station and at Wave Hill appear to have been the culmination of discussions among Aborigines over a considerable period.

The man accepted as the leader of the Wave Hill strike had been in Darwin in hospital in the few weeks immediately before his return to lead his group on their track from the station. Whilst he was there he was visited by an Aboriginal man from another part of the country who was acting as a union organiser, although in this case not with the sanction of leading white union organisers and officials. Together they discussed strike action and its implications (Hardy 1968, 72-73) so that when the sick man returned to Wave Hill he was aware of some union support for a strike.

Another of the strike leaders explained in 1978, in his own language, that the events at Wave Hill in August 1966 were a culmination of long years of frustration with Europeans who made promises and broke them. Over a period of seven years the members of the group, observing that 'We're making big money for the Europeans, but we get nothing' discussed the issue many times. They resolved to leave if there was no improvement. Each year for a number of years they waited to see if the Europeans were going to keep their word. Finally in 1966 they said 'No more lies, everyone on all the camps we must leave them now altogether' (Daguragu Land Claim book, 1981, 103-105).

Over the whole period under discussion there was constant movement of Aboriginal people around the Victoria River District and from that area to Darwin, often for treatment of injuries sustained working cattle, and away to the south-east droving cattle or as in the case of one Wave Hill man, Bill, to Beswick Station 'to see a bit of the World' (CRS F1 58/1710, Moy, 3 November 1948). Each year people gathered on Nicholson Station, or at VRD Station, or Timber Creek, for the horse races, meeting their relations from the west and south-west and often conducting important business to do with law and social harmony. The opportunity for them to travel and meet other Aborigines, to trade song and ritual, and importantly to discuss the daily life on cattle stations was not only there (and ironically often provided by the big companies to help keep their native labour 'sweet') it was used. (The race meetings and district shows were particularly significant for the whole Aboriginal Land Rights Movement as recently published source material indicates (Ngabidj, 1981; Sullivan, 1983; Gurindji Land Claim, 103-104, Hardy, 1968, 72).)

In this, as in many of the matters associated with life in the Victoria River District, the Aboriginal people, relatively comfortable in the context of their own social groupings and close to their land, continued to respond as positive actors very much in control of their lives despite the problems created by the pastoral industry. Europeans on the other hand saw problems, looked away from themselves for others to solve those problems and remained daunted by the isolation, the sparseness and the vastness of the country. Both groups faced up to the problem of how to maintain Aboriginal labour in the industry, and Aborigines dealt with the problem effectively by organising among themselves and taking concerted and decisive action to bring the matter towards resolution. For they had never shown they wished to leave the industry permanently, and demonstrated that their concern was primarily to get things to work so that people could co-operate and live together harmoniously on terms of mutual respect. The strikes of 1966 were in a line of actions which were consistent with their world view and social systems. Ultimately it was the Aborigines who succeeded.

References

- Arrighi, G., 1970. Labour Supplies in Historical Perspective: A Study of the Proletarianization of the African Peasantry in Rhodesia, Journal of Development Studies, 6.
- Baretta, S.R. and Markoff, J., 1978. Civilisation and Barbarism: Cattle Frontiers in Latin America, Comparative Studies in Society and History, 20, 4.
- Buchanan Report, 1925. North Australia Commission, Northern Territory Development and Administration, Report, Canberra.
- Daguragu Land Claim Book, 1981. Central Land Council, A Traditional Land Claim by the Gurindji to Daguragu Station, Alice Springs.
- Geschiere, P., 1978. The Articulation of Different Modes of Production: Old and New Inequalities in Maka Villages (Southeast Cameroon), African Perspectives, 2.
- Hardy, F., 1968. The Unlucky Australians, Nelson, Australia.
- Kelly, J.H., 1952. Report on the Beef Cattle Industry in Northern Australia, Bureau of Agricultural Economics, Canberra.
- Ngabidj, G., 1981. My Country of the Pelican Dreaming, Australian Institute of Aboriginal Studies, Canberra.
- Payne-Fletcher Report, 1937. Report of the Board of Inquiry: Land and Land Industries of the Northern Territory of Australia, Govt. Pr., Canberra.
- Shenton, R.W. and Lennihan, L., 1981. Capital and Class: Peasant Differentiation in Northern Nigeria, Journal of Peasant Studies, 9 : 1, October.
- Shepherd Report, 1935. Report of the Pastoral Lease Inspection Committee to the Commonwealth Government, unpublished.
- Sullivan, J., 1983. Banggaiyerri, Australian Institute of Aboriginal Studies, Canberra.

THE ROLE OF THE STATE IN FABRICATING
A BLACK WORKING CLASS IN
THE NORTH QUEENSLAND CATTLE INDUSTRY

Dawn May
 History Department
 James Cook University of North Queensland

Lying 40 miles off the coast from Townsville, Palm Island is regarded as a place of splendid natural beauty. The observation is frequently made that if it was not already occupied by 1,500 Aborigines it would make an excellent tourist resort. But North Queensland blacks have a somewhat different perception of the island. For many it was used to force them into the European system. This paper will examine the role of Palm Island along with other methods adopted by the state in creating a black working class. Points for consideration include the intention of the 1897 legislation; the role of protectors in the employment arena; opposition from employers; the social control that could be achieved through the use of removal orders; enforced sharing and the state's right to manage Aboriginal wages.

With the prevailing belief that Aborigines were members of a dying race, the intention of the 1897 Queensland Act was essentially protective in nature. The three broad issues addressed were the provision of reserves, restrictions on the sale of opium and regulation of employment. With regard to the latter it is clear that flexibility was to be a key feature. The Home Secretary argued that he did not want to make regulations as had been done for other races; he was in favour of setting up simple machinery which would provide a measure of protection for the remnants of the Aboriginal population. On the question of wages it was thought that payment should take the form of bona fide 'in whatever form may be most suitable for the aboriginal' (Queensland Parliamentary Debates (QPD) 1897 v.78, 1541). Indeed when the final draft of the Act was completed the matter was left open ended with details of wages or other remuneration to be simply noted on agreements.

Protectors charged with administering the Act had a far less casual approach to black employment. They endeavoured to have as many Aborigines as possible placed under formal agreement. When the Police Commissioner became aware of their zealous approach he hastily informed W.E. Roth, Northern Protector of Aborigines, that he did not want the status quo disturbed if abuses were not occurring. 'In such cases even agreements need not be insisted on', he wrote. 'I wish to cause as little friction as possible and throw no obstacle in the way of legitimate employment of the natives' (Parry Okeden to Roth, 28 April 1898, COL/142 Queensland State Archives (QSA)). Notwithstanding this, Roth and his fellow officials attempted to have all Aborigines brought under agreement as quickly as possible.

In drawing them into the European workforce protectors were at all times mindful of the rigid constraints imposed by society. Because of the widely held notion of Aboriginal inferiority, it was thought only fitting that they should be incorporated into the lower occupational stratas of the

European system. Additionally their employment was in no sense to be detrimental, economically or socially, to the white community (QPP 1917 v.3, 997). These objectives were tempered by a strong commitment to Aborigines being segregated from the European population for the sake of both races. Finally there was an overwhelming desire that Aboriginal relief should absorb a minimum of state resources. Most of these requirements could be satisfied when Aborigines were employed as stockmen and domestics on remote cattle stations.

As station interests were best served by a labour supply displaying traditional characteristics, employers were unenthusiastic about state intervention. Few managers made any attempt to have employees signed on until they were actually approached to do so. Protectors were thus forced to highlight the benefits that could be derived from agreements; the possibility of inculcating a greater commitment to work was very much to the fore. Roth suggested that the Act could be invoked to prevent blacks from 'absconding from hired service'. He warned that without proper legal process the police could not bring back deserting employees. His advice was that 'if the agreement for hiring [was] in accordance with the Regulations and section 15 of the Aborigines Act, warrants could be issued in cases where they would be issued against servants under the Master and Servants Act' (QPP 1902 v.1, 1132). Whilst the Aboriginal propensity to go on 'walkabout' was particularly disruptive to station routine, by and large employers remained unwilling to make use of this Act to force employees to adopt the required habits. It was also pointed out that by having Aborigines signed on they could not be 'decoyed away by neighbours unless the latter wish[ed] to run the risk of rendering themselves liable to prosecution for harbouring' (QPP 1902 v.1, 1132). Protector Old of Normanston argued that 'If the Acts were strictly and faithfully carried out throughout the State, both employers and employees would in the near future benefit by its administration, but where one district tries to enforce it and another is lax and indifferent, it then becomes very hard on both' (cited in QPP 1906, v.2, 921).

By 1908 the new Chief Protector R.B. Howard, very much a pragmatist, had decided that too much 'spoonfeeding' of Aborigines had occurred. It became the aim of his department to 'obtain employment for each and every individual impressing upon them the desirableness of doing their best to satisfy their employer, and at the same time, saving some of their earnings for a rainy day' (QPP 1909 v.2, 975). Thus it is evident that what had begun as legislation to ameliorate the condition of Aborigines had turned a complete circle in less than a decade. But obviously there were some on stations who would not become part of the 'normal' workforce.

Initially the articulation of the Aboriginal and capitalist modes in the northern industry involved dependents as well as those regularly employed. The willingness of owners to allow large numbers of relatives to live permanently on stations was in no sense altruistic. Employers were aware that station staff would voluntarily spend longer periods at their duties if dependents were located in the working environment. Their presence was less acceptable to protectors because of the disturbing influence they might have on the development of a disciplined workforce. The more active officers demanded that all dependents on stations be placed under agreement regardless of the amount of work they did. This sometimes resulted in ridiculous situations - for instance the case where a two year-old child was signed on. Other protectors saw the problem being solved by removing 'all blacks other than those under agreements, away from the stations' (Roles Report, 15 July 1935, 35/14054, A/3811 QSA). This would make it easier to ensure that those who remained were being employed in accordance with the provisions of the Act.

Protectors exercised enormous power in relation to removal of Aborigines and many used it to the fullest extent in their efforts to create a malleable workforce. Those Aborigines considered unemployable

were removed to missions and government settlements. For instance five Nebo Aborigines who were unwilling to work and therefore not likely to get further employment were removed from the district in 1926 (3 February 1926, Protector of Aborigines letterbook, 1916-30, A/20595 QSA). This practice was in train from the turn of the century but gained momentum with the opening of the Hull River settlement in 1915. With the establishment of Palm Island in 1918 after Hull River was demolished in a cyclone, the trend rapidly escalated. In the first two years, Aborigines from such scattered cattle stations as Valley of Lagoons, Gunnawarra, Victoria Downs, Yacamunda, Koolburra, Yelvertoft, Dagworth, Kirrama and Strathleven were banished to what was to become known to the Aboriginal population as Punishment Island.

Palm Island was not only used for the disposal of surplus Aborigines; the threat of being sent there became an ideal device for controlling the behaviour of station employees. Jimmy of Gunnawarra was removed in 1922 for being 'bad tempered and abusive' (22/10350 H.S. Register of Letters 1922, HOM/B60, QSA), Joe from Cloncurry because he was 'tired of work' (25/10136, H.S. Register of Letters, 1925, HOM/B66 QSA), Aggie from Gregory Downs for 'poor conduct' (23/9878 H.S. Register of Letters 1923, HOM/B62 QSA), and Harry from Georgetown because he was 'insolent and no one [would] employ him' (28/4733 H.S. Register of Letters 1928, HOM/B72 QSA). Frequently this course of action was initiated by the protector rather than the station owner or manager. The Cardwell Protector requested the removal of an Upper Murray Aborigine who caused discontent amongst blacks by advising them not to sign agreements (Cardwell Protector to CPA 13 June 1927, Protector of Aborigines letterbook, 1926-30, Clerk of Petty Sessions, Cardwell, CPS 12J/W9, QSA). In another widely publicised incident the Maytown Protector threatened to send nine Wrotham Park Aborigines to a southern settlement if they did not renew their agreements (Wrotham Park Inquiry, A/31709, QSA). In 1942 investigators looking into the reasons for the desertion of Aborigines from Woodleigh station recommended that the ring leader be sent to Palm Island 'so as to learn him some discipline, as if he was allowed to get away without some form of punishment he [would] become worse' (Bracken to Inspector of Police, Cairns, 15 May 1942, 42/3705, A/4283, QSA). A Charters Towers stockman recalled that when he left the station before his agreement was up he was told by the protector 'If you don't go back I'll send you to the island'. He added, 'Any Aborigines who kicked up a row outside, that's where they'd send you. I can tell you we were frightened of it' (Interview with Mo Dallachy, Charters Towers, 10 October 1983).

The zeal with which removal orders were invoked makes it easy to understand why there has never been a strike amongst Aboriginal stockmen in Queensland when similar events have occurred in both the Northern Territory and Western Australia. It was so easy to defuse potential trouble by removing offenders to Palm Island. The case of Albert Hippi, a stockman from Saxby Downs who organised a petition amongst fellow workers in 1923 markedly illustrates this point. Hippi and his friends were dissatisfied with the small amount of money they could withdraw from their bank accounts while on holidays in Richmond. 'We do not ask that a big amount be paid to us in one sum but that we be permitted to draw at least one pound a day during our holidays', Hippi informed the Minister for Justice (petition by Albert Hippi and seven others to Minister for Justice, 1 January 1923, 23/593, HOM/J453, QSA). The complaint was duly investigated and the protector's actions vindicated. It was however somewhat disconcerting to discover Hippi's name amongst those being removed to Palm Island the following year. The reason? 'He frightens women and tries to get liquor.' (24/9082 H.S. Register of Letters 1924, HOM/B64 QSA).

Individual protectors had a great deal of autonomy in administering the Act. For instance the arrival of a new officer in the district often meant a re-negotiation of wages (Nebo Protector to CPA, 24 November 1925, Protector of Aborigines letterbook, A/20595, QSA). In other instances

protectors would be prepared to allow children under 12 years to work without formal agreements whilst successors would prosecute for the practice (Roles Report, 15 July 1935, 35/14054 A/3811 QSA). The need to accommodate the different demands of a series of officers in his district evoked an angry outburst from one station manager. 'It appears to us each Protector in Cloncurry has his own interpretation of the regulations and his own methods of working his office...We do not have these incidents with Normanton' (Manager to Cloncurry Protector, 12 October 1934, Lorraine Station letterbook).

In drawing Aborigines into the capitalist workforce, many protectors were committed to the notion of keeping them in their correct place. Even Roth was opposed to them being 'treated socially above their natural station in life' as it encouraged cheekiness (QPP 1903 v.2, 467). A common method of keeping blacks in their place was to bully them. Obviously condoning the practice, a politician explained that he had 'seen the treatment that policemen have given [blacks] not because they desired to be cruel, but because they wished to demonstrate to the native that they the policemen, were their masters. If they had not done that, then the native would have assumed an air of equality or superiority; he could have cast off his inferiority complex' (QPD 1946 v.187, 2038).

The belief that Aborigines were incapable of managing their own affairs made it extremely difficult for them to be anything but wage labour. The Chief Protector was unhappy that some found trapping and shooting a more congenial lifestyle than 'regular' work (QPP 1930, v.1, 947). One of his main concerns with Aborigines working on their own account was that they tended to move around and this meant a loss of control. A Charters Towers man was sent to Palm Island because he 'would not remain at any one place under agreement'. However this man had displayed considerable ability to handle his own affairs. Drought had forced him to temporarily abandon mining and engage in odd jobs on neighbouring cattle stations (J. Kenniff to Minister for Mines, 15 June 1928, 28/5459, HOM/J679, QSA). For this he was sent to Palm Island. This man was in fact the victim of a system geared only to Aborigines as wage labour. Ideally this was to be undertaken at the one place on a more or less continuous basis. Those who did not conform to this pattern stood a good chance of permanent removal from the district.

The education system also played a part in ensuring that Aborigines were locked into low status jobs in the European workforce. A survey conducted by the Anglican Church in 1925 revealed that only Aborigines on government settlements and missions were receiving any education in North Queensland (North Queensland Diocese Year Book 1925/6, 48-9) and even then it was only up to grade three level. This ensured that Aborigines were not brought into competition with whites for the more skilled jobs. One employer who was obviously concerned about the impact of education on the status quo argued that 'what the native really wants to learn is to be useful on the land and amongst stock. Leave the education out' (North Queensland Register, 3 October 1921, 70). Those restricted to employment in the cattle industry were exposed to few other occupational models and consequently accepted their role in the European economy.

But despite such active government intervention in shaping a capitalist workforce, administrators failed to appreciate that other actions on their part were counterproductive to this endeavour. Concerned that Aborigines were not being paid their correct wage, it became compulsory for a percentage of their salary to be paid directly to protectors. The initial stimulus for this was to ensure that employees were not cheated of their earnings but successive administrators viewed savings as a means of reducing the burden of Aboriginal relief on the state. Bleakley advised that 'the deductions are banked to the individual credit of natives and are used as a provident fund for times of sickness, unemployment and holidays' (CPA to Under Secretary Home Department 14

October 1913, 13/6972 HOM/J159 QSA). A second reason for government intervention in the collection of wages was the belief that the notion of thrift could be more easily instilled if protectors supervised spending. In 1905 the Chief Protector hoped that 'in future all Protectors [would] endeavour to encourage a spirit of thrift amongst the native female servants in their respective districts' (QPP 1905 v.1, 751). (It became mandatory to pay part of female Aboriginal wages direct to the protector in 1904. This was not put into practice for males until 1909). Protector Sweetman of Charters Towers considered that he had made good progress in this area. He had been

trying to educate some of the boys up to a spirit of thrift and save their money by showing the Savings Bank Pass books of the gins wherein some have as much as 18 pounds: they express wonder and surprise at so much money being the property of one gin. I am opposed to Aborigines having much money to squander, except a few shillings as pocket money but the native should get the full benefit of his labour for a rainy day (QPP 1906 v.2, 914).

Protectors were always mindful that Aboriginal savings accounts should not be unduly run down leaving no reserve for times of need. Because of this most Aborigines found it a frustrating experience to draw money from their personal savings accounts. The humiliation of having to wait outside the police station all day was vividly etched in the memory of one woman. 'You would sit there all day frightened to go away and get a feed for fear that you would miss out. Then at 5 o'clock the protector would come out and say, 'Nothing today. Come back tomorrow'...It was just like a big kick up the ribs when it was your own money anyway' (interview with Marnie Chester, Townsville, 15 February 1982). Protectors justified their actions by arguing that Aborigines did not know the value of money. However because they were given little opportunity of handling money, they could not learn its value. Moreover with Aboriginal wages so rigidly controlled, they did not experience the notion of monetary reward in return for labour. It is surprising that denied 'individual incentive' the driving force of the capitalist system they had any commitment at all to their European duties.

The twin goals of government control of wages and a desire that Aborigines should not be a burden on the system gave rise to a policy of enforced sharing and this too militated against the emergence of the capitalist spirit. Under such a system as Rowley has pointed out 'the more enterprising workers under the Act must contribute to the maintenance of others who exert less effort. It is a kind of apartheid of social service benefits' (Rowley, 1971, 237). Apart from compulsory savings, deductions were made from wages for the Aboriginal Provident Fund. All workers not living on reserves were to contribute a portion of their wage (five per cent for single men and two and a half per cent for married men) for the relief of 'indigent natives' (QGG 6 June 1919). However there appeared to be general confusion about the purpose of the Aboriginal Provident Fund. Was it for needy Aborigines generally or for the benefit of temporarily unemployed blacks who had contributed to the scheme? With the uncertainty surrounding the fund, it remained largely untouched throughout the 1920s although contributions continued to swell the coffers. However from the early 1930s money from the APF was used to subsidise the Aboriginal vote and to provide substantial sums for the relief of indigent country Aborigines. It was even on occasions used to assist missions that 'were feeling the pinch in their funds from private sources'. Aboriginal savings accounts were also manipulated to provide general maintenance. Interest accruing on deposits was initially credited to the holders of the individual pass books. However in 1933 it was decided to pool Aboriginal savings and invest the money in bulk to obtain a higher rate of interest. This income was then used for welfare work amongst Aborigines (QPD 1933 v.163, 920) thus reducing the state's social security obligations. The

inequity of the scheme was recognised by the member for Cook. 'You don't pinch it from the white man's account to pay the other man's debt', he argued (QPD 1933 v.163, 920).

Departmental paternalism was another factor which inhibited the development of the capitalist work ethic. Committed to the view that Aborigines were childlike, the department became totally preoccupied with closing loopholes in the Act which employers might otherwise exploit. In the process Aborigines were subjected to an ever increasing degree of control further stifling attempts to display initiative. This can be clearly demonstrated by looking at the change in Aborigines before and after they were placed under the Act. It was obviously a traumatic experience for a part Aboriginal stockman working on Lorraine Station in the 1920s to suddenly find himself under agreement for the first time in 1929. In applying for exemption his employer reported that:

[G.P.] has associated and worked with white men since his infancy and to all intents and purposes has lived on an equality with them as far as station life is concerned. He has always received the full wage of station hands as fixed by the various awards and has contributed to the Unemployed Workers Insurance in conformity with the Act respecting it. When working here and elsewhere his status has never been called into question by his employers and he does not appear to have realized the necessity of formal exemption...I can assure you that [he] is intelligent and industrious and is certainly above the average halfcaste in general ability and attention to duty (Manager to Protector of Aborigines, Burketown, 15 October 1929, Lorraine Station letterbook).

But despite this glowing recommendation the Chief Protector was unmoved and G.P. remained under the Act which of course meant a lower wage rate. From this point there was a marked deterioration in the man's ability to cope with the European system. In 1931 there were reports that he and his family were starving. Two years later he was before the courts in Cloncurry for an undisclosed crime. A former employer came to his assistance but the following year he was again in trouble and was sent to Palm Island (34/253 H.S. Register of Letters 1934, A/4739 QSA). Thus in just five years of Aboriginal 'protection' this man had degenerated from being 'intelligent and industrious' to 'a horse thief and unemployed'.

By themselves formal agreements were not particularly effective as a means of fabricating a black working class in the cattle industry. Departmental removal orders proved a more useful device. Aborigines surplus to the system could be simply spirited away by the invocation of a government order. For those who remained, the threat of being removed to a settlement or mission was a form of social control without equal. The British industrialists' use of bells, fines, clocks, preaching and so forth (Thompson, 1967) pales into insignificance when compared with the Queensland government's methods. However the lack of success in creating a disciplined labour force can be partly attributed to conflicting objectives. Departmental paternalism and the desire that Aborigines should not be a burden on the state worked against their normal incorporation into the capitalist workforce. Adam Smith's 'invisible hand' had sadly gone astray only to be replaced by the inept and predacious organ of the state.

References

- QGG, Queensland Government Gazette, 6 June 1919.
- QPD, 1897. Queensland Parliamentary Debates, Vol. 78.
- QPD, 1933. Queensland Parliamentary Debates, Vol. 163.
- QPD, 1946. Queensland Parliamentary Debates, Vol. 187.
- QPP, 1901. Annual Report, Northern Protector of Aborigines 1901, Queensland Parliamentary Papers.
- QPP, 1903. Annual Report, Northern Protector of Aborigines 1902, Queensland Parliamentary Papers.
- QPP, 1905. Annual Report, Chief Protector of Aborigines 1904, Queensland Parliamentary Papers.
- QPP, 1906. Annual Report, Chief Protector of Aborigines 1905, Queensland Parliamentary Papers.
- QPP, 1909. Annual Report, Chief Protector of Aborigines 1908, Queensland Parliamentary Papers.
- QPP, 1917. Annual Report, Chief Protector of Aborigines 1916, Queensland Parliamentary Papers.
- QPP, 1930. Annual Report, Chief Protector of Aborigines 1929, Queensland Parliamentary Papers.
- Rowley, C.D., 1971. The Remote Aborigines, ANU Press, Canberra.
- Thompson, E.P. 1967. Time Work Discipline and Industrial Capitalism, Past and Present 38, 56-97.

A PROFILE OF WAGE PAUSE PROGRAM PARTICIPANTS
IN THE NORTHERN TERRITORY

Richard Curtain and Alex Mokrij
Bureau of Labour Market Research

The Wage Pause Program (WPP) was initiated by the Fraser Government in January 1983 and gained its name from the expected savings from the 12 month suspension of wage increases for Commonwealth Government employees. An amount of \$100 million was provided for additional welfare housing and the remaining \$200 million was to be spent through a 'Wage Pause Program' of public sector job creation aimed at those unemployed who are especially disadvantaged. Projects could be approved under the Program until 31 December 1983 and the funded employment was to be completed by 30 June 1984.

The WPP in the Northern Territory was, understandably, quite small compared with the States. Only 180 positions were created out of a projected total of some 22,000 jobs overall. This paper reports the results of a special survey of WPP participants conducted between October and December 1983 against the background of an analysis of the Commonwealth Employment Service's (CES) monthly placement data for the Program.

The WPP in the Northern Territory differed in a number of respects from the operation of the Program elsewhere in Australia. The projects in the Northern Territory were approved more quickly and unemployed persons given jobs more rapidly than anywhere else. The average approved cost of projects (\$99,769) was considerably higher than the average for Australia (\$58,291) and higher than the other States and Territory except for Queensland. Also, in common with Queensland, two-thirds of the projects were sponsored by local government. Only a fifth (21.6 per cent) of the projects in the Northern Territory were sponsored by the Territory Government compared with 52 per cent of projects sponsored by State governments Australia-wide. Some 12 per cent of WPP projects in the Territory were sponsored by community groups compared with 18 per cent of all WPP projects.

Money was allocated to the Northern Territory on the following basis:

Preservation of items of historical importance	\$0.124m
Development and conservation of public areas	\$1.083m
On-the-job clerical and administrative training	\$0.194m
Projects for Aboriginal communities	\$0.264m
	\$1.665m

The list of projects funded are shown in table 1 (all tables are located at the end of the paper).

A Profile of Placements on the Program

The CES, as part of its role in Program administration, compiled a monthly record of persons placed on WPP projects. The final placement data show 262 placements for 180 positions. This reflects a ratio of 1.46

persons per position or 46 per cent more persons employed at some time on the Program than the number of positions funded, due to the job turnover of participants. (It is, however, possible that the CES records in the Northern Territory may not have listed all Program placements.)

The Program was to generate worthwhile employment opportunities for unemployed workers with particular emphasis on promoting 'greater equality of opportunity for groups of disadvantaged unemployed workers in obtaining access to worthwhile employment'. The specific target groups were those unemployed for eight months or more, Aborigines, the disabled, migrants with language difficulties, and out-of-trade apprentices. There was also to be equal employment opportunities for women and youth.

The record of achievement of the Program's targets for the Northern Territory, based on CES data, was as follows: 73.3 per cent were from the long-term unemployed (eight months or more duration); 13.0 per cent of the placements went to women and 38.9 per cent to persons aged under 25 years. Comparable figures for the Program as a whole were 68.6 per cent of placements for long-term unemployed persons; 32.4 per cent to women; and 50.5 per cent to young people. The Northern Territory Program participants were, therefore, more likely to be men and older than Program participants as a whole.

Long-term Unemployed

The high proportion of long-term unemployed (73.3 per cent) placed on the Program appears to show the effect of specific targeting by the CES selection as only 23 per cent of CES registrants in the Northern Territory between April and September 1983 were reported as having been registered for nine months or more. Nevertheless, data from the special survey of participants on time since they left their last job, reported below, casts some doubt on the accuracy of the placement record and suggests that the latter may be an over-estimate.

Women on the Program

The proportion of women placed on the Program in the Northern Territory (13.0 per cent) was, however, the lowest of all States and Territories. The proportion of women placed nationally on the Program was 32.4 per cent. The proportion placed in the Northern Territory was even lower than women's share of the pool from which referrals were selected. While women accounted for 18.0 per cent of CES registrants for nine months or longer in the Northern Territory (during the months of April to September 1983), only 13 per cent of WPP vacancies in the Northern Territory were filled by women.

Youth/Adult Balance

The Program guidelines also aimed to provide equal opportunity to the young unemployed and older workers. The Program as a whole managed to give half its jobs to persons under 25 years of age, but this was largely at the expense of older unemployed persons. This was due to the fact that young people only accounted for about a third of long-term CES registrants Australia-wide. As a consequence, older workers aged 45 and over only accounted for 18 per cent of placements but represented one-third of all long-term CES registrants.

The WPP in the Northern Territory, however, placed young people closer to their proportion of the long-term unemployed on the CES register (38.9 per cent to 33.4 per cent). But older workers did not gain the number of jobs their share of the long-term (nine months and more) CES registrants would suggest. Only 12.6 per cent of placements were aged 45 and over compared with 17.5 per cent of long-term CES registrants in the Northern Territory (see table 2).

Prime-age (25-44 years) men accounted for 41.6 per cent of all placements in the Northern Territory, followed by young men (20-24 years) with 21 per cent of all placements. These proportions were, however, the same as the male share of long-term CES registrants aged 25-44 years. Only 20-24 year old men were over-represented by some 5 per cent compared with their share of the CES register.

A comparison of tables 2 and 3 shows the differences between the age and sex profile of the placements in the Northern Territory and the Program as a whole. The left hand columns show the sex distribution within each age group. The male bias in the Northern Territory placements was strongest in the 15-24 age group compared with the general Program placements in this age group. The right hand columns show the distribution of the male and female total population between age groups. Young female placements (15-19 years) in the Northern Territory, in particular, were considerably under-represented compared with their share of total Program placements.

Aboriginal Representation

The placement data also record membership of other specified disadvantaged groups. A comparison of the proportion of specific disadvantaged groups placed in the Northern Territory and for the Program as a whole is shown in table 4. The obvious differences between the two profiles is the high proportion of Aboriginal people placed on the NT Program compared with the total for Australia. Nevertheless, the benchmarks for comparison are the Aboriginal population as a proportion of the total population in the Northern Territory and the Aboriginal population as a proportion of the total unemployed in the Territory.

The total Australia-wide placement of 5.2 per cent for Aboriginal people reflects a degree of targeting under the Program, as it compared with Aborigines' share of CES registered unemployed of 2.6 per cent. Also, it is higher than the 4.0 per cent of CES registered unemployed for nine months or more who are Aborigines. CES figures, however, do not reflect the actual level of Aboriginal unemployment.

Information available from the 1981 Census showed the Aboriginal unemployment rate was 24.6 per cent (compared with 5.9 per cent for the population as a whole) and their labour force participation rate (persons employed and persons actively looking for work as defined by the ABS) and 47.3 per cent (compared with 61.3 per cent for the total population). Nevertheless, there is likely to have been substantial under-enumeration in the census as well, especially in Victoria and New South Wales but not, it seems, in the Northern Territory (Gray and Smith 1983). The 1981 Census in the Northern Territory, however, only recorded an Aboriginal unemployment rate of 11.5 per cent and a labour force participation rate of 45.1 per cent. These figures compare with a 3.9 per cent unemployment rate for the non-Aboriginal population of the Northern Territory in 1981 and a labour force participation rate of 75.1 per cent. A higher proportion of the Aboriginal population aged 15 and over in the Northern Territory was employed (39.9 per cent) compared with the proportion for Australia as a whole (35.7 per cent).

The Aboriginal share of WPP placements in the Northern Territory is only slightly less than their share of the enumerated population in the Territory in 1981 (19.1 per cent compared with 23.7 per cent). But the representation of Aborigines on the Program was considerably less than their share of CES registrants. Over the months of April to September 1983 (the main period of referral selection for WPP jobs) there was an average of 4475 Aborigines registered with the CES out of a total average number of 11,113 of CES registrants (or 40.3 per cent). In the absence of data on the characteristics of persons referred but not placed, it is not possible to identify the extent to which the CES or project sponsors were responsible for the considerable under-representation of Aboriginal people on the

Program compared with their share of the unemployed as measured by CES registrations.

Table 5 compares the age and sex profile of WPP Aboriginal placements and Aboriginal CES registrants. The comparison shows clearly that young Aboriginal males were placed on the Program greatly in excess of their share of CES registrants. This has been largely at the expense of Aboriginal men aged 25 and over. Young Aboriginal women were under-represented and older women slightly over-represented compared with their proportions on the CES register. But it should be emphasised that Aboriginal women as with all women are typically under-represented on the CES register compared with the official ABS unemployment figures.

Other Disadvantaged Groups

Although only four disabled persons (1.5 per cent) were listed as having been placed on the Program in the Territory, this proportion is similar to the proportion of disabled persons listed in the June quarter CES statistics, but the proportion reported in the September quarter figures has doubled to 3.0 per cent of all CES registrants in the Northern Territory. Nevertheless, the proportion of Program placements going to disabled persons does appear low compared with the national average for the Program of 5.0 per cent.

The placement of more persons born overseas (13.0 per cent) compared with the national average of 8.6 per cent is worth noting, but migrants as such were not a target group of the Program. It is not possible to calculate separately a figure for migrants with language difficulties. The placement of 'persons with language difficulties' appears to be slight (0.4 per cent) but it is highly possible that these figures under-estimate the number of persons with language difficulties placed on the Program due to problems with CES coding.

In addition to the specific disadvantaged groups listed above which are the target groups of the Wage Pause Program, the CES has also provided details on the placements of a number of other groups. There is also the sub-category of 'other disadvantaged'. This group is large, but its meaning is difficult to interpret. It seems probable that a large number of persons have been so classified because of their employment histories, but it is unlikely that this fully explains the magnitude of the group. It is also possible that groups such as 'labour market re-entrants' and 'single bread-winners with dependents' may be under-recorded in the CES statistics on Wage Pause Program placements because, unlike classifications such as Aborigines and disabled, they were not part of the Program's target groups and therefore may not have been consistently recorded by the CES.

It is worth noting that the unemployment duration of persons who were listed as having no specified disadvantage is less than for the specified disadvantaged groups. As many as 47.2 per cent of the former group had been unemployed for less than eight months compared with 16.2 per cent of the remaining groups. This proportion (47.2 per cent) is much higher than the national program figures which recorded 31.2 per cent of the no specified disadvantaged group with a previous unemployment duration of less than eight months.

Occupations on the Program

The occupational profile of the placements is shown in table 6. It is clear that the proportion of WPP placements in the basic manual occupations in Northern Territory is twice that of the total for Australia and higher than any other State and Territory (Queensland was closest with 66.8 per cent of WPP placements in the basic manual occupations). The high proportion in the Northern Territory may reflect to some extent differential job turnover rates in this occupational category, due to environmental condi-

tions. Also, the proportion of project activities in the Northern Territory likely to employ the basic manual occupations was high compared with elsewhere. Construction, land management, sport and recreation and worker cooperative activities accounted for 59 per cent of all activities in the Territory compared with 12 per cent for the same activities in the Program nationally (see table 7).

The picture of the typical project in the Northern Territory is, therefore that of a local government-sponsored undertaking engaged in traditional public sector job creation activities such as construction and land management based on basic manual work. The typical WPP participant was a man aged between 20 and 44 years engaged in low skill level work who had on average been out of work for eight months or more.

'Creaming'

The data cited above on the low unemployment duration of Program participants in the Northern Territory with no specified disadvantage suggest the possibility of a 'creaming' of the unemployed by the CES and/or project sponsors. This refers to the selection of unemployed persons who in general terms have better employment prospects than the unemployed at large because of their more favourable characteristics such as higher levels of education. Creaming may have occurred in a number of ways. First, it was acceptable under the guidelines to employ more highly qualified persons as supervisors from outside the target groups. But the number of Program employees in this category is likely to have been small. It is also possible that the nature of some of the jobs funded required skills which persons from the long-term unemployed target groups could not provide, requiring the placement of people from outside the target groups. Finally, project sponsors may have used the Program as a screening device to enable potential permanent employees to be given a trial run and in the process, 'bargained' with the CES to obtain less disadvantaged participants.

The example below demonstrates how this latter case might have operated.

The following scenario is hypothetical, but gives some indication of the bargaining in which sponsors and the CES may have engaged. A project sponsor, in say local government, may not have been aware of the requirement to employ only unemployed persons from the specified target groups, or may have wanted to use the Program as a simple extension of their existing activities. The former may have been the case where there was inadequate information on Program guidelines and projects sponsors had only a previous experience of the Regional Employment Development Scheme (REDS) where no target groups for employment were specified. The CES was, therefore, required to depart from its usual practice of regarding the employer's needs as foremost and asked to insist on the employment of persons from the target groups. If the project sponsor was unwilling to go along with this requirement and threatened, for example, not to use the CES in the future as a source of recruits, a compromise might have been struck. This may have been in the form of sending 'normal' referrals as half of the required number and half from the target groups. This scenario may explain the relatively high proportion (28 per cent) of participants placed in basic manual, construction, transport and primary production occupations with less than eight months unemployment duration.

The BLMR's Special Survey of Participants

The BLMR decided to conduct a special survey of WPP participants using self-administered questionnaires, despatched by mail, to gather more information than was available through CES records and to provide a basis for tracking participants to enquire about their post Program employment

experiences. It was realised that special arrangements would have to be made in the Northern Territory for an interview-administered survey because of the large transitory population, both white and black. It was also realised that it would be very difficult because of this factor to institute a follow-up survey of former participants (see also BLMR, forthcoming for Australia-wide WPP survey, excluding South Australia, to be separately reported).

The BLMR's survey of WPP participants in the Northern Territory attempted to achieve complete coverage of current projects and all those employed under the Program at the time of the survey. Interviews were conducted under the supervision of Mr Fred Robbins of the Darwin Community College and Dr Bruce Walker of the Central Australia Community College.

Information about employment on projects was obtained from 12 of the 16 project sponsors approached. For these 12 projects, 74 completed questionnaires were received from project participants, out of a total of 144 employed on these projects at that time, giving a 51.4 per cent response rate. The main factor behind the non-response was the difficulty in locating people after the completion of projects. The low response rate does cast some doubt on the representativeness of the results. The survey data, for example, show that 72 per cent of the respondents were males. Women were, therefore, over-represented in the survey compared with their proportion of placements on the Program as recorded by the CES (28 per cent compared with 13 per cent). Nevertheless the age distribution of the survey respondents was similar to the age distribution of the placement data with the average age 30.3 years compared with an average of 31 years as recorded by the CES. Tables 2 and 8 show the age distribution for males and females for both placement and survey data. There was also a close correspondence between the proportions of males employed in basic manual jobs.

Country of Birth

Persons who were born in Australia accounted for 63 per cent of the respondents in the Territory. This compared with 76.5 per cent of Program participants elsewhere who were Australian born. Of the remainder, 31 per cent were from England and 12 per cent from New Zealand. Migrants from non-English speaking countries, however, comprised slightly more than one-half (53.8 per cent) of those who were born overseas. This was a higher representation than for the Program generally where only 30.9 per cent of persons born overseas were from non-English speaking countries.

Dependent Children

Less than half (43 per cent) of the persons who answered this question had dependent children. The proportions who had one, two and three children were the same (28 per cent). About one-quarter (26 per cent) of the females had dependent children, compared with nearly half (48 per cent) of the males. These figures compare with only 15 per cent of all female participants and 30 per cent of all male participants in the Program Australia-wide who had dependent children. The differences basically reflect the fact that the participants in the Northern Territory were older than the Australia-wide participants.

Education Attainment

Nearly one-half of the persons (46 per cent) had some post-school qualifications or training, including 15 per cent who had a trade certificate or equivalent. This is higher than the qualifications or training in the Program as a whole. The proportion is particularly high if the greater number of low skill jobs in the Program in the Northern Territory is taken into account. These results reveal a considerable bias in the Program in the Territory and Australia-wide towards the employment of more highly educated persons compared with the educational profile of long-term

unemployed persons. Only 23 per cent of all persons in Australia looking for work for six months or more in July 1983 had post-school qualifications (ABS 1984).

Labour Market History

Immediately before their Wage Pause Program job, 89 per cent of respondents, in the Northern Territory were looking for work after separation from their previous employer, 8 per cent were either looking for their first regular job or were students and 3 per cent were employed. Only one person had been on a Government training program. The most common reasons for separation from an employer were because the job had ended (40 per cent), dismissal (23 per cent), because the person had decided to leave (15 per cent) and retrenchment along with others (9 per cent).

More than half the persons (55 per cent) had separated from their employer less than nine months before they commenced their Wage Pause Program job. Thus according to our survey, only 45 per cent of participants fell within the target group of long-term unemployed. This is at marked variance with the CES placement data for the Northern Territory which showed that 73 per cent of placements were long-term unemployed. The representativeness of the survey may be less than desirable, but the gap between the two results is sufficiently great to raise a query about the accuracy of the CES measurement of unemployment duration as recorded on the placement data. Such a gap was not replicated for the Program as a whole. There was a much closer correspondence between the unemployment duration as measured by the Participant Survey and the Program placement data (BLMR 1985).

The Wage Pause Program Job

Two-thirds of the persons surveyed in the Northern Territory said that they accepted their Wage Pause Program job because they wanted any sort of work, compared with 19 per cent who said it was the sort of work they wanted. These responses are notably different from those of all Program participants surveyed Australia-wide. Only 44 per cent of the latter said they accepted the job because they wanted any sort of work while just over half said it was the type of job they wanted. One likely explanation of these differences is that they probably reflect the relative unattractiveness of many of the WPP jobs in the Northern Territory. Of the remainder, 4 per cent said they were permanent employees who had transferred to work on this Program, whilst a relatively high proportion (10 per cent) said that it was because they were afraid that if they did not accept the job, their dole would be cut off. This compares with only 2 per cent of participants in the Program as a whole who accepted their job out of the same fear.

Again for the Northern Territory, in response to the question whether participants thought 'the job was a good one' a rather high proportion gave no reply (16 per cent). Of those who did reply, however, a clear majority (71 per cent) either 'agreed' or 'agreed strongly', that it was a good job. Only 10 per cent considered that it was not a good job. Most people thought that the job was useful to the community (88 per cent).

It is noteworthy that high proportions of persons did not reply to the questions whether 'the job helped to improve their skills' (24 per cent), whether 'the pay was too low' (32 per cent), whether 'there was enough work' (34 per cent), whether 'they enjoyed the work' (31 per cent), whether 'too much was expected of them' (27 per cent) or whether 'the job was worthwhile' (23 per cent).

For those who expressed an opinion about the above matters, the first three questions elicited favourable responses from a majority of persons, whilst the remaining three elicited unfavourable responses. Thus 61 per

cent agreed or agreed strongly that the job was improving their skills, 79 per cent considered that it was worthwhile doing, whilst only 20 per cent did not think that there was enough work to do. On the other hand, 38 per cent agreed or agreed strongly that the pay was too low, only 18 per cent said that they enjoyed the work and 65 per cent said that too much was expected of them. Thus the attitude towards the Wage Pause job was a very mixed one. This is quite contrary to the experience in the survey for Australia as a whole, where the attitude was overwhelmingly a favourable one.

The results for Australia show that 85 per cent of the participants in other States agreed, or agreed strongly, that the job was a good one, 87 per cent that the work was useful to the community, 76 per cent that they were improving their skills, 83 per cent that they enjoyed the work and nearly 89 per cent that the job was worthwhile. Only 7 per cent considered that there wasn't enough work to do and 6 per cent that too much was expected of them, whilst 29 per cent considered that the pay was too low.

Occupational Profile

The occupational profile of the Wage Pause Program jobs in the Northern Territory was noteworthy for the high concentration of male participants in basic manual jobs. This was shown by both the CES placement data and the survey results (76 and 74 per cent respectively). There was also a high concentration of jobs (85 per cent) amongst the surveyed women in clerical and related occupations. The absence of managerial, professional and semi-professional jobs in the Northern Territory is also noteworthy compared with the Program elsewhere (see table 9).

Acquisition of Skills for the Wage Pause Job

Participants were asked how they learnt to do the work in their WPP job. For the Northern Territory, over a quarter said that there was nothing to learn and a further quarter said they did not need to learn how to do the job because they had already done similar work. Most of the former (17 out of 20) were doing basic manual work. The proportion who said there was nothing to learn was high compared with the same response of all participants (4 per cent). Nearly one-third of the participants were shown how to do the work by their supervisor, or were shown by their supervisor and also picked it up as they went along. Only 6 per cent picked up the necessary know-how by attending special classes held at work.

While a clear majority (61 per cent) of those who answered this question considered that they were picking up skills, nearly one-half of these persons were women working in clerical and related jobs. Most persons in these occupations (94 per cent) considered that they were picking up skills. Excluding this category, the proportion of those who thought that they were picking up skills was 46 per cent. If no replies are regarded as indicating that no skills were being picked up, the proportion is reduced to only 32 per cent. Given the high proportion of basic manual jobs, this low figure is understandable. Nevertheless, it is noteworthy that of those doing basic manual jobs, 21 per cent indicated that they were picking up some skills.

Earnings in the WPP Job

The average weekly earnings were recorded for only 38 out of the 74 respondents. The gross pay was about \$266 overall and there was little difference between the sexes (females \$263 and \$267 for males). These figures compare with an average of \$361 for adult persons in full-time work (ordinary time earnings) in the Northern Territory as a whole in December 1983 (ABS 1984). The corresponding figures for women were \$327 and men \$377. The average wage on the Program in the Territory was slightly higher than the average obtained for the Program as a whole (\$267 compared with

\$258) although given the higher proportion of adults on the Program in the Territory, the gap might have been expected to be larger. The gap between male and female average wages was wider on the overall Program (\$264 compared with \$248) because of the higher representation of females 15 to 19 years. The average weekly earnings were close to the average for persons doing basic manual work (\$266). Those in clerical and related jobs received slightly less than the average (\$258).

Occupational and Skill Level Shifts

In moving from the previous job to the Wage Pause Program job, 56 per cent of the persons in the Northern Territory remained in the same broad occupational group. This compares with 46 per cent of the Program as a whole. Nearly all the persons who were working in the clerical or related area, or in a basic manual area, in their previous job remained in this occupational area in taking up their WPP job. The persons recruited into basic manual jobs came from a variety of occupations, although two-thirds had done this type of work in their previous job.

A majority of people (57 per cent) did not experience any decline in skill level in moving from their previous job to the WPP job. However, the proportion who experienced a decline in the level (30 per cent) was more than twice as high as the proportion who experienced an increase in the skill level (13 per cent) - indicating a decline in the overall skill level (see table 10). The ratio of those experiencing a decrease in skill level to those experiencing an increase (2:3) was about the same as the figure of the Program as a whole.

The Program in Operation: Competing Objectives

The first interim report on the evaluation of the Wage Pause Program explained the clearly identifiable differences in the Program between States and the Territories in terms of the relative priority given to three distinct and often competing objectives: the rapid implementation of projects, jobs aimed at disadvantaged groups and projects with significant community benefit.

The Program was launched in response to the rapid increase in unemployment that occurred in the latter half of 1982. It was initially proposed as a traditional countercyclical program of accelerated public works that would get people into jobs quickly. Some States responded by approving projects which were already planned but had been deferred because of a shortage of funds. These projects had not been initially designed to provide suitable employment opportunities for disadvantaged groups nor were they likely to be innovative, as they were extensions of existing activities.

The Program guidelines specified particular groups for preferential treatment. State and Territory Governments responded to these guidelines in two ways. One - apparently the predominant one taken in the Northern Territory - was to choose projects by reference to criteria other than suitability for the employment of designated groups and to rely on the CES to refer people from the target groups to the projects. The effectiveness of such a matching operation by the CES depends on the types of jobs available and the ability of CES officers, backed by appropriate directives, to persuade project sponsors to accept participants from the target groups. The success of the CES depended on how well project sponsors were prepared to accept persons regarded as disadvantaged. Where project sponsors were the main source of vacancies notified to the CES, they may have had considerable bargaining power to insist on which types of unemployed persons are referred.

The other response to the targeted nature of the Program was to establish special sub-programs to cater for particular groups such as women.

This often meant accepting explicitly the traditional sex segmentation of the labour market. Such programs also often took some time to develop and implement and such delays tended to frustrate the 'countercyclical aim' of rapid approval of projects. Special provision was made after the initial approvals in the Northern Territory for the employment of women, but their representation in the Program remained low.

Some States, notably South Australia and Victoria, emphasised the community benefit objective. This also meant that project design and approval was a lengthy process, and in the case of South Australia, the targeting of particular disadvantaged groups such as women was less influential in project selection. South Australia also sought to ensure projects had substantial community support by requiring project sponsors to contribute a specified proportion of project costs. In contrast, the main interpretation of 'community benefit' taken by the Northern Territory Government appears to be the rapid dispersal of funds for job creation, with the result that many projects were initiated quickly with little time for planning.

This is, however, not to deny that the projects themselves especially in the community sector, may have contributed to the community in less obvious ways. One Aboriginal project sponsor, for example, claimed that the short-term and specific task orientation of WPP funding was of considerable benefit to the local community compared with the conditions imposed by alternative sources of funding for Aboriginal community works. This was despite the fact that the work undertaken by the project was basically minor landscaping and the construction of some outhouses.

Most States took some time to consider applications for funding but this was not the case for the Northern Territory and Queensland. The Northern Territory government approved most of their WPP projects by the end of February 1983 and over half of the positions (54 per cent) were filled by March and all positions were filled by May 1983. This was, by a considerable margin, the fastest implementation of any State or Territory. In contrast, Queensland, the next most rapid implementor, had only 35 per cent of its approved jobs filled by May.

Conclusion

The profile of participants revealed by both the CES placement data and the special survey results showed the distinctive nature of the Program in the Territory compared with its operation elsewhere in Australia. Most target groups specified by the Program guidelines for preferential employment were poorly represented. Women in general and Aboriginal people in particular were employed on the Program in numbers far less than even their share of their selection pool would dictate. Young females (15 to 19 years), first job seekers and older workers (45 years and over) were the most notable groups of the unemployed to miss out on jobs.

The apparent success of the Program in placing a high proportion of the long-term unemployed was undermined to some extent by the survey results which revealed shorter durations of previous unemployment among respondents.

The provision of training on the Program in the Northern Territory was minimal. A high proportion of respondents compared with Program participants elsewhere said there was nothing to learn. The value of the work experience was also likely to have been limited as most jobs were unskilled. The extent of participant dissatisfaction in the Territory compared with the Program as a whole was no doubt also related to the nature of activities undertaken.

How one judges the 'success' of the Program in a particular region depends on how one judges the importance of the objective which is given

primacy. In the Northern Territory, the Wage Pause Program was close to the model of traditional countercyclical, public sector relief work run mostly by local government, based on basic manual jobs and geared towards prime age males.

Less attention was given in the Northern Territory to assisting persons nominated as the most disadvantaged in the labour market. The rapid implementation of the majority of projects and limitation to the State and local government sectors also meant questions could be raised about their relative value in terms of community benefit compared with the types of projects funded elsewhere, where more community groups were involved and a longer time period was available to design more innovative projects.

Table 1

WPP projects in the Northern Territory
by sponsor and number of jobs funded

Project title	Sponsor	No. of jobs
Preservation of items of historical importance		
Fannie Bay Gaol and pearling lugger restoration	NT Museum	10
Archives establishment	NT Government	4
Central Aust. Aviation Museum	NT Government	2
Development and conservation of public areas		
General development activity	Katherine Town Council	35
Charles and Todd Rivers and Stuart Highway	Alice Springs Town Council	24
Eradication of coffee bush	Darwin City Council	20
Fred's Pass Reserve - improvements	Trustees - Fred's Pass Res.	15
General repairs and maintenance	Tennant Creek Town Council	8
On-the-job clerical and administrative training		
Public Service Commission - data collection bureau	Public Service Commission	12
On-the-job clerical training	Department of Lands	2
Projects for Aboriginal communities		
Community College of Central Australia - low technology item manufacture	Department of Education	7
Construction of adventure playground	Nhulunbuy Corporation	3
Landscaping, farming and fencing	Yulngu and Kalano Assn.	12
Railway Dam and Knuckeyes Lagoon lease development	Aboriginal Development Found.	7
Multitribal homemaker service	Ali Curung Council	7
Djembere Community site dev.	Yulngu Assn. Inc.	4
Palumpa Station cattle management and assoc. activities	Palumpa Pty Ltd	8

Table 2

Wage Pause Program:
CES placements by sex and detailed age group
in the Northern Territory

	Distribution within age group (number/per cent)			Distribution between age groups (per cent/cumulative per cent)		
	Males	Females	Persons	Males	Females	Persons
15-19	33 (94.3)	2 (5.7)	35 (100)	14.5	5.9	13.4
20-24	55 (82.1)	12 (17.9)	67 (100)	24.1 (38.6)	35.3 (41.2)	25.6 (38.9)
25-34	64 (82.0)	14 (18.0)	78 (100)	28.1 (66.7)	41.2 (82.4)	29.8 (68.7)
35-44	45 (91.8)	4 (8.2)	49 (100)	19.7 (86.4)	11.8 (94.1)	18.7 (87.4)
45-54	24 (96.0)	1 (4.0)	25 (100)	10.5 (96.9)	2.9 (97.1)	9.5 (96.9)
55-59	6 (85.7)	1 (14.3)	7 (100)	2.6 (99.6)	2.0 (100)	2.7 (99.6)
60-64	1	-	1	0.4 (100)	(100)	0.4 (100)
65 & over	-	-	-			
Total	228 (87.0)	34 (13.0)	262 (100)	100.0	100.0	100.0

Table 3

Wage Pause Program:
CES placements by sex and detailed age group
for all States

	Distribution within age group (number/per cent)			Distribution between age groups (per cent/cumulative per cent)		
	Males	Females	Persons	Males	Females	Persons
15-19	1,757 (50.8)	1,702 (49.2)	3,459 (100)	13.0	26.2	17.3
20-24	3,924 (59.0)	2,724 (41.0)	6,648 (100)	29.0 (41.9)	42.0 (68.2)	33.2 (50.4)
25-34	4,405 (76.6)	1,347 (23.4)	5,752 (100)	32.5 (74.4)	20.8 (89.0)	28.7 (79.1)
35-44	1,896 (78.2)	528 (21.8)	2,424 (100)	14.0 (88.4)	8.1 (97.1)	12.1 (91.2)
45-54	1,152 (87.5)	165 (12.5)	1,317 (100)	8.5 (96.9)	2.5 (99.7)	6.6 (97.8)
55-59	322 (94.7)	18 (5.3)	340 (100)	2.4 (99.3)	0.3 (99.9)	1.7 (99.5)
60-64	100 (99.0)	2 (1.0)	102 (100)	0.7 (100)	0.0 (100)	0.5 (100)
65 & over	0	1 (100)	1 (100)	0.0 (100)	0.0 (100)	0.0 (100)
Total	13,556 (67.6)	6,487 (32.4)	20,043 (100)	100.0	100.0	100.0

Table 4

Wage Pause Program:
CES placements by main disadvantage,
Northern Territory and Australia
 (per cent)

	<u>Northern Territory</u>	<u>Australia</u>
Target disadvantaged groups		
Aboriginals	19.1	5.2
Disabled	1.5	5.0
Persons with language difficulties	0.4	0.7
Out-of-trade apprentices		0.5
Non-target disadvantaged groups		
Single breadwinner with dependents		2.1
Ex-prisoners	0.8	0.5
First job seekers		1.4
Labour market re-entrant		1.3
Born overseas	13.0	8.6
Other groups		
'Other' disadvantaged	31.3	32.0
No specific disadvantage	34.0	42.7
Total	100	100
N =	262	20,043

Table 5

Wage Pause Program:
CES placements of Aboriginal persons compared with
CES Aboriginal registrants,
by age group and sex
(per cent)

Aboriginal persons	Males			Females			Total	N
	Aged under 25	25 and over	Sub- total	Aged under 25	25 and over	Sub- total		
On WPP placements	50.0	34.0	84.0	4.0	12.0	16.0	100	50
Among CES registrants	29.3	51.4	80.7	10.2	9.1	19.3	100	4,475

Source: Commonwealth Employment Service Statistics, Issue No. 1
and 2, end of June and September quarters 1983.

Table 6

Wage Pause Program:
distribution of CES placements by occupation,
Northern Territory and Australia
 (numbers and per cent in brackets)

Occupational group (ASCO)	Northern Territory	Total
Management and administration	0 (0.0)	428 (2.1)
Professional and related	7 (2.7)	1,812 (9.0)
Artistic, sport and literary	0 (0.0)	222 (1.1)
Clerical and sales	21 (8.0)	4,093 (20.4)
Primary production	25 (9.5)	1,488 (7.4)
Constructing and manufacturing	19 (7.3)	4,562 (22.8)
Transport and materials handling	6 (2.3)	158 (0.8)
Basic manual occupations	184 (70.2)	7,261 (36.2)
Not elsewhere classified	0 (0.0)	19 (0.2)
Total	262 (100.0)	20,043 (100.0)

Table 7

Wage Pause Program:
distribution of projects by activity,
Northern Territory and Australia
(per cent)

Project activity	Northern Territory	Australia
Construction	17.6	8.0
Maintenance and repairs	0.0	13.3
Kerbs and roads	0.0	6.4
Water storage supply and control	0.0	1.8
Local parks	5.9	6.3
National parks	0.0	2.1
Museums, art galleries, etc	11.7	2.2
Sport and recreation	5.9	2.6
Tourism	0.0	0.3
Forestry	0.0	2.7
Conservation	0.0	2.2
Land management	23.5	1.1
Clerical	17.7	29.3
Community service	5.9	21.2
Bushfire/flood relief	0.0	0.2
Worker co-operatives	11.8	0.3
Total	100.0	100.0

Table 8

WPP Participants Survey:
Northern Territory respondents by age and sex(a)
 (per cent)

Sex	Age group					Total	N
	Under 20	20-24	25-29	30-39	40 or more		(b)
Males	13.7	23.5	9.8	29.4	23.5	100	51
Females	15.0	35.0	15.0	20.0	15.0	100	20
Persons	13.5	25.7	12.2	27.0	21.6	100	74

(a) Percentages might not add to 100 due to rounding.

(b) Three respondents did not answer this question.

Table 9

WPP Participant Survey:
occupational profile of the Northern Territory
and all WPP jobs by sex
 (per cent)(a)

Occupation	Northern Territory			(b) Australia		
	Males	Females	Persons	Males	Females	Persons
Managerial and supervisory	-	-	-	4.3	3.0	3.8
Professional occupations	-	-	-	3.2	6.9	4.7
Para-professional occupations	-	-	-	3.6	12.5	7.1
Clerical and related	6.0	85.0	27.8	5.8	45.5	21.3
Sales occupations	-	-	-	-	0.3	0.1
Service occupations	-	5.0	1.4	1.5	8.3	4.2
Trades and other skilled (excluding agriculture)	12.0	10.0	12.5	19.2	1.3	12.4
Plant operating and related	2.0	-	1.4	2.7	-	1.6
Processing, fabricating and related	6.0	-	4.2	0.5	2.6	1.3
Basic manual	74.0	-	52.8	57.2	16.9	41.3
Occupation not elsewhere classified	-	-	-	2.0	2.6	2.2
All Occupations	100	100	100	100	100	100
N =	50	20	72	5,688	3,647	9,333

(a) Percentage might not add to 100 due to rounding. Sub-categories might not add to sub-totals due to rounding.

(b) Excluding South Australia.

Table 10

WPP Participant Survey:
skill level shifts from the previous job
to the Wage Pause Program job
for Northern Territory respondents (persons)
 (per cent)(a)

Skill level of previous job	Skill level of WPP job					Total	N
	Very low	Low	Medium to low	Medium	High/ very high		
Very low	91.7	8.3	-	-	-	100	24
Low	41.7	8.3	50.0	-	-	100	12
Medium to low	-	16.7	83.3	-	-	100	12
Medium	44.4	11.1	22.2	22.2	-	100	9
High/very high	25.0	-	75.0	-	-	100	4

(a) Percentages might not add to 100 due to rounding.

The views expressed are the responsibility of the authors and are not necessarily the views of the BLMR or the Australian Government.

References

- Australian Bureau of Statistics, (1984). Average Weekly Earnings, States and Australia, December quarter 1983, Cat. no. 6302.0, Canberra.
- Bureau of Labour Market Research, (1984). Public Sector Job Creation: Interim Report on the Wage Pause Program, Interim Report Series no. 1, Canberra.
- Bureau of Labour Market Research, (1985). Public Sector Job Creation: A profile of Wage Pause Program Participants, Interim Report Series no. 2, Canberra.
- Bureau of Labour Market Research, forthcoming. Public Sector Job Creation: A profile of Participants on the Wage Pause Program, Interim Report Series no. 2, Canberra.
- Gray, A. and Smith, L.R. (1983). 'The Size of the Aboriginal Population', Australian Aboriginal Studies, no. 1, 1-9.

MACROECONOMIC POLICY AND
EMPLOYMENT IN THE NORTHERN TERRITORY

Sheila M. Bonnell,
Brian R. Parmenter and Russell J. Rimmer
Institute of Applied Economic and Social Research
University of Melbourne

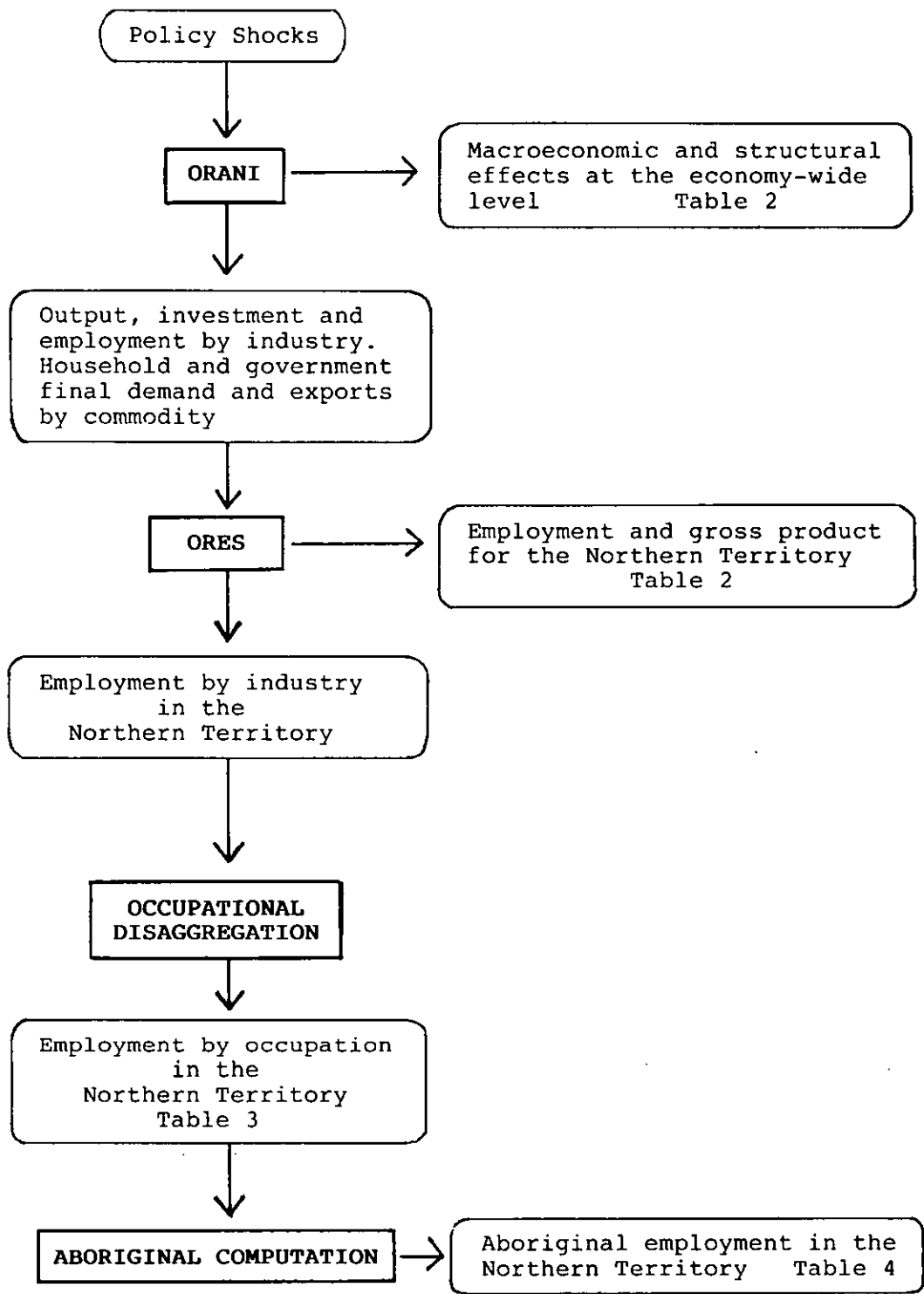
In this paper we attempt to assess the extent to which employment prospects in the Northern Territory as a whole and for Aborigines in particular would improve as a consequence of policies aimed at increasing the demand for labour overall in the Australian economy. That is, we attempt to identify whether unemployment problems in the Northern Territory are structural in nature or just symptomatic of general malaise in the Australian macroeconomy. The analysis has clear implications for policy formation. Employment policies targetted at particular labour-market groups (regional, ethnic, etc.) are appropriate when the targetted groups face structural barriers to their employment. If the problem is one of a general deficiency in the demand for labour, then such programs might well just have the effect of shuffling the unemployment queue, increasing employment for members of the targetted groups but only at the expense of employment prospects for other labour force participants.

In conducting our analysis we have used a large-scale model of the Australian economy called ORANI (see Dixon, Parmenter, Sutton and Vincent, 1982). The model is used to project the macroeconomic and structural (i.e. industrial and occupational) consequences at the economy-wide level of alternative employment-creating policies. The implications for the Northern Territory are then traced out via the ORANI Regional Equation System (ORES). Using ORES, differences between the projected employment performances of a region and the economy as a whole depend on differences in industrial structures and on links between regional income and expenditure. Finally, Census data on the occupational characteristics of Aboriginal employment are used to estimate the extent to which Aborigines are likely to participate in employment recovery.

The paper is organised as follows. Details of the analytical method are set out in section 1. Section 2 contains a description of the data sources used: first, the data on the industrial structure of the Northern Territory required for ORES and second the Census data on the industrial and occupational structures of employment required for detailed labour-market projections. Results of the analysis are reported and explained in section 3. In section 4 we draw some conclusions.

Figure 1

Schematic representation of analytical method



1. Analytical Method

Figure 1 gives a schematic representation of our analytical method. It shows that the method consists of four consecutive computations (represented by rectangular boxes in the figure). Each computation produces results (shown in rounded boxes) which form part of the final projections reported in section 3 or are required as input to a subsequent computation.

(a) Economy-wide Projections via ORANI

ORANI computations form the first stage in our methodology. ORANI is a disaggregated model of the Australian economy capable of projecting the effects at the economy-wide level of a wide range of policy changes and other economic disturbances. Results from the model appear in percentage-change form, interpretable as projections of percentage differences between the values which variables of interest would take with the shocks being investigated, and the values which they would have taken without the shocks. For example, if the model projects a 5 per cent increase in aggregate employment as a consequence of a policy change, the interpretation is that implementation of the policy change would result in aggregate employment being five per cent greater than it would have been had the policy change not been implemented.

In this case the policy shocks to be investigated are in fact initiatives aimed at increasing the economy-wide demand for labour. As shown in Figure 1 we require projections of the economy-wide macroeconomic and structural effects of these initiatives for the presentation of results in section 3. In addition, details of the effects of the policy changes on output, investment and employment by industry, on household and government final demand for commodities and on international exports, all at the economy-wide level, are required as inputs to ORES, the next step in our calculations.

(b) Projections of Output and Employment Changes in the Northern Territory via ORES

ORES maps economy-wide projections from ORANI into their regional implications. The mapping is based on a twofold categorisation of the

commodities identified in ORANI. 'National' commodities (produced in the corresponding 'national' industries) are commodities which are subject to inter-regional trade. For national industries ORES requires exogenous allocation of output projections to the regions. One obvious basis for this allocation (the basis used in the current implementation) is to assume that regions retain constant shares in the economy-wide activity levels of national industries. Under this assumption if ORANI projects a 10 per cent increase in activity for a national industry at the economy-wide level, ORES projects the same percentage increase (i.e. 10 per cent) for activity in the national industry in all the regions.

The second category of commodities and industries in ORES is 'local'. Local commodities (mainly services) are those for which no inter-regional trade occurs. Hence, demand for local commodities in a region can be satisfied only by their production in that region. ORES determines regional changes in activity for local industries via this regional-balance constraint. In calculating regional demand for local commodities ORES accounts for all the categories of demand distinguished in ORANI, namely industries' demands for current inputs and inputs to capital formation, and the demands of households and the government sector for current consumption. A link is assumed between each region's share of the economy's total income and the region's share in total household spending (see Dixon, Parmenter, Sutton and Vincent, 1982, chapter 6).

Results from ORES are all derived from its projections of regional activity changes in the national and local industries. Hence, the extent to which it is capable of projecting that a shock will have an economic impact in a region which differs from its economy-wide impact is determined by two factors: differences between the region and the economy as a whole in their industrial structures, and regional income-expenditure multipliers operating via the demand for local commodities. For example, a region in which the industry structure is relatively heavily specialised in sectors which are favoured by the shock will experience a relatively strong overall stimulus from the shock. To the extent that this increases the region's

share in the economy's total income ORES assumes that the region's share in aggregate household spending will also increase. This will stimulate further activity in the region's local industries which supply the household sector.

As figure 1 indicates, we report in section 3 ORES projections of the effects of employment-policy shocks on employment and gross product in the Northern Territory. ORES also provides details of employment changes by industry in the Northern Territory which are required as input to the calculation of occupational employment projections.

(c) Occupational Disaggregation of Northern Territory Employment Projections

The next step in our analysis is to project the effects of the policy shocks on employment in the Northern Territory disaggregated by occupational category. Our method assumes that the occupational compositions of employment in each industry is unaffected by the shocks. If a 10 per cent increase in aggregate employment is projected for an industry our assumption implies 10 per cent increases in the employment of all occupations in the industry. This is consistent with the assumption made in the initial ORANI calculations that occupational wage relativities are not altered by the shocks. To compute the change in employment (ΔL_{ij}^{NT}) in occupation i in industry j in the Northern Territory we calculate

$$\Delta L_{ij}^{NT} = L_{ij}^{NT} \ell_{.j}^{NT} / 100, \quad (1)$$

where $\ell_{.j}^{NT}$ is the projection from ORES of the percentage change in employment in industry j in the Northern Territory and L_{ij}^{NT} is the base-period number of persons employed in occupation i and industry j in the Northern Territory. (The L_{ij}^{NT} are data, see section 2). To find the aggregate change in the Territorial employment of occupation i ($\Delta L_{i.}^{NT}$) we merely sum the ΔL_{ij}^{NT} over industries, i.e., we compute

$$\Delta L_{i.}^{NT} = \sum_j \Delta L_{ij}^{NT} \quad (2)$$

(d) Projections of Aboriginal Employment Prospects in the NT

The final stage in our methodology is to use the occupational employment projections made at stage three to project Aboriginal employment prospects. The assumption adopted is that Aborigines retain their base-period shares in the employment of each occupation. We calculate the change in Aboriginal employment in occupation i in the NT (ΔA_i^{NT}) as

$$\Delta A_i^{NT} = S_i^{NT} (\Delta L_i^{NT}) \quad , \quad (3)$$

where S_i^{NT} is the base period share of Aborigines in total employment in occupation i in the Northern Territory (see section 2).

2. Data Requirements

Table 1 lists the data required to implement the four stages of our analysis (see figure 1).

Table 1

Data required to implement the four-stage analytical method summarised in figure 1

Stage of analysis	Data required	Source
ORANI	1977/8 Input-output accounts for the Australian economy Parameters for demand, supply, investment functions, etc.	Standard ORANI data files. See Higgs (1985) and Blampied (1985)
ORES	Northern Territory shares in the economy-wide levels of: (i) output by 112 industries (ii) output by 9 agricultural commodities (iii) aggregate household spending (iv) current government spending by commodity (v) international exports by commodity	ABS data on regional output, employment, household and government demand, and trade flows. See ABS (a, c)
Occupational disaggregation of employment projections	Employment in the Northern Territory cross-classified by industry and occupation	1981 Census of Population and Housing See ABS (b)
Projections of Aboriginal employment prospects	Aboriginal employment in the Northern Territory classified by occupation	1981 Census of Population and Housing

(a) ORANI Data

Stage 1, the ORANI computations, is conducted using the standard data files for ORANI. These consist of:

- (i) a set of input-output accounts distinguishing 112 industries and 114 commodities and based on the 1977-78 input-output tables produced by the ABS (a), and
- (ii) numerous parameters, derived primarily from econometric studies, required to implement various parts of the ORANI theory. These include, for example, elasticities of substitution between imported and domestically produced commodities and price- and expenditure-elasticities for household demand equations.

A description of the structure of the ORANI data files is given in Dixon, Parmenter, Sutton and Vincent (1982, chapter 4). Details of the 1977-78 files are in Higgs (1985) and Blampied (1985).

(b) ORES Data

In the standard data files for ORES, the Northern Territory is not distinguished as a separate region. Those files are based largely on data from the ABS manufacturing census in which the Northern Territory is aggregated with South Australia. For the present analysis separate Northern Territory data were required in order that ORES could be used to make separate projections for the Territory.

Table 1 indicates that what is required are data on the shares of the Northern Territory in the economy-wide levels of output by industry and commodity, aggregate household spending, government current demand for commodities and international exports by commodity. Complete data on these items compatible with the economy-wide ORANI data are not readily available. Whilst using such data as are available, mainly from ABS sources, we were also forced to make various theoretical assumptions in completing the data. Our data base must therefore be regarded as preliminary. For example, in compiling industry-output shares we relied heavily on industry-employment shares computed from the 1981 Census of Population and Housing, ABS (c). That is, for most industries we assumed that the Northern Territory's share in employment was equal to its share in gross output.

Data on household demand were taken from the national accounts (ABS, (b)) and export data from ABS trade-flow statistics (ABS (d)). Disaggregated data on government demands requires amalgamation of public finance statistics relating to national, Territorial and local government activities in the Northern Territory. An alternative which we employed is to treat government demand as a residual between total supply and private sector demand.

In ORES, these data play two main roles. Firstly, they are necessary for the estimation of the pattern of demand for local commodities in the Northern Territory. Only in the case of government demands are these estimates included directly in the data. For intermediate, investment and household demand, estimates are derived by assuming that the input coefficients applying to industries' and households' demands for local commodities are the same in the Northern Territory as they are economy-wide. The economy-wide coefficients are taken directly from the ORANI data base. For example, our estimates of the base-period demand in the Northern Territory for local commodity i by households (denoted C_i^{NT}) or as a current input to industry j (denoted X_{ij}^{NT}) are estimated as

$$C_i^{NT} = c_i C^{NT}, \quad (4)$$

and

$$X_{ij}^{NT} = a_{ij} Z_j^{NT}, \quad (5)$$

where C^{NT} and Z_j^{NT} are our estimates (from data) of the base-period levels of aggregate household spending and of the output of industry j in the Northern Territory, and c_i is the share of commodity i in national aggregate consumer spending, and a_{ij} is the share of commodity i in the total costs of industry j at the economy-wide level.

The second main role of the ORES data is to establish an estimate of the industrial structure in the Northern Territory for the base period. This is implicit in our estimates of Territory output levels by industry (the Z_j^{NT}). Our data reveal the importance of the beef industry, mining and government sector in the Territory economy. The virtual absence of a manufacturing base is also evident.

(c) Labour Market Data

Disaggregated data about the Northern Territory labour market are required for implementation of the final two stages of our analysis (see figure 1 and table 1). The required data were compiled from the 1981 Census of Population and Housing. For stage three we require a matrix of employment in the Northern Territory disaggregated by occupation and industry; that is, a matrix of the L_{ij}^{NT} entering equation (1). The Census data allow the compilation of such a matrix for 63 occupations and 43 industries. In implementing equation (1) it was therefore necessary to aggregate the 112 Territory output projections taken from ORES (the ℓ_{ij}^{NT}) to the 43-industry classification. Industry employment levels from the Northern Territory which are implicit in the ORES data base were used for the weighting scheme in this aggregation.

The final part of our analysis (see figure 1, table 1 and equation (3)) requires a vector of Aboriginal employment classified by occupation. Using 1981 Census data it was possible to compile such a vector at the level of 9 major occupations. Equation (3) was implemented at this 9-occupational level, the S_i^{NT} being calculated as the ratio of Aboriginal employment to total employment in major occupation i in the Northern Territory.

3. Results: The Effects on the Northern Territory of National Policies for Employment Creation

ORANI and ORES have been used to project the effects at the economy-wide and State levels of alternative policies for macroeconomic recovery (see Dixon, Powell and Parmenter, 1979). For this section we have repeated that exercise, using the latest ORANI database and generating results for the Northern Territory. In earlier versions of ORES, the Territory was not explicitly included.

(a) The Policy Shocks

The macroeconomic policy shocks which we simulate are a balanced increase in domestic consumption, investment and government spending (the Keynesian approach) and a cut in real-wage costs (the neoclassical

approach). Whilst both policies stimulate aggregate employment, their effects on the balance of trade and on the industrial structure of the economy are very dissimilar.

Domestic demand stimulation increases activity in sectors of the domestic economy which face no international competition (the 'non-trading' sectors) but also stimulates the demand for imports. In addition, demand increases tend to be inflationary. The inflationary pressures erode the international competitiveness of the export and import-competing sectors and reduce activity in those sectors. The net effect is an increase in aggregate employment but a deterioration in the balance of trade.

Wage-cost reduction (at a given level of domestic aggregate demand) increases the competitiveness of exports and import-competing goods and generates increases in output and employment in sectors that produce them. An improvement in the balance of trade occurs. With domestic demand held constant, non-trading sectors, the sectors most strongly stimulated by domestic demand expansion, derive only marginal benefits from cost reductions.

In view of the offsetting structural effects of Keynesian and neo-classical macroeconomic policies, it is possible to design a package of both policies which will increase aggregate employment, have no effect on the balance of trade and provide a balanced stimulus to industrial activity.¹ Such a package is the third policy shock analysed in our results.

(b) Results for Macroeconomic Variables and the Industry Structure

Table 2 shows the projected effects of our policy shocks on macroeconomic variables and the industry structure both in Australia as a whole and in the Northern Territory. Results are given for a macroeconomic package (columns 4 and 8) designed to increase aggregate employment economy-wide by 5 per cent with no change in the balance of trade and for the individual components of the package. The headings to the table show that the package consists of a 3.5 per cent increase in real domestic aggregate demand (columns 2 and 6) and a 4.0 per cent cut in the real wage (columns 3 and 7).²

Table 2

Projected effects in Australia and in the Northern Territory of a macroeconomic package of an increase in real domestic aggregate demand (3.5 per cent) and a real wage cut (4.9 per cent)

	Projections for Australia				Projections for the Northern Territory			
	Sectoral shares in GDP	Demand increase	Wage cut	Macro package	Sectoral shares in gross Territory product	Demand increase	Wage cut	Macro package
	1	2	3	4	5	6	7	8
<u>Macro-economic variables (a)</u>								
Aggregate employment		1.0	4.0	5.0		0.7	4.4	5.1
Gross Product		0.7	2.9	3.6		0.3	3.3	3.6
CPI		8.2	-8.6	-0.4		n.a.	n.a.	n.a.
Trade Balance		-2.4	2.4	0.0		n.a.	n.a.	n.a.
<u>Sectoral Contributions to Gross Product (b)</u>								
Ag., forestry and fishing (1-11)	0.067	-0.32 (-4.8)	0.53 (7.9)	0.21 (3.1)	0.055	-0.45 (-8.2)	0.71 (12.9)	0.26 (4.7)
Mining (12-17)	0.041	-0.25 (-6.1)	0.36 (8.8)	0.11 (2.7)	0.121	-0.90 (-7.4)	1.27 (10.5)	0.37 (3.1)
Manufacturing (18-83)	0.186	-0.24 (-1.3)	1.00 (5.4)	0.76 (4.1)	0.046	-0.10 (-2.2)	0.24 (5.2)	0.14 (3.0)
Services (84-112)	0.706	1.51 (2.1)	1.01 (1.4)	2.52 (3.6)	0.778	1.75 (2.2)	1.08 (1.4)	2.83 (3.6)

Notes: (a) Projections are percentage differences between the values which the variables would take about two years after implementation of the policies and the values they would then have taken if the policies were not implemented. Changes in the Trade Balance are expressed as percentages of GDP.

(b) The contributions are calculated as weighted sums of projected percentage changes in sectoral value added which are shown in parentheses. The industrial compositions of the sectors in terms of the ORANI industry classification as indicated by the numbers in parentheses following the sectoral descriptors. For the ORANI classification see I. Bruce, 'The ORANI 78 Input-Output and Parameter File for 1977-78', IMPACT Project Preliminary Working Paper OP-51, Melbourne, February 1985.

The results for the macroeconomic variables are short-run projections³ of the percentage effects of the shocks alone. That is they indicate percentage differences between the values which the variables would have about two years after implementation of the shocks and the values which they would have taken at the time had the shocks not been implemented. For example, the first number in the first row of table 2 indicates that about two years after the imposition of a 3.5 per cent increase in real domestic aggregate demand, aggregate employment in the Australian economy would be one per cent greater than it otherwise would have been.

As well as projections for the macroeconomic variables, the table also contains summaries of the sectoral contributions to the percentage changes in gross (domestic or Territory) product. Contributions for the four broad sectors distinguished are aggregated from ORES results computed at the 112-industry level. Each sector's contribution is calculated by multiplying the projected percentage change in its real value added by its weight in gross product. (The weights are shown in columns 1 and 5 of the table.) Percentage changes in sectoral value added could therefore be computed from the table by dividing the contributions by the weights. For example, column two shows that Agriculture, forestry and fishing makes a negative contribution of 0.32 percentage points to the 0.7 per cent increase in GDP generated by the increase in aggregate demand. The weight of this sector in GDP is 0.067, hence the projected percentage change in its economy-wide value added under the demand shock is $-0.32/0.067 = -4.8$ per cent. For convenience we have included these sectoral value-added projections in parentheses under the relevant contribution. Note finally that in each column the sectoral contributions sum to the projected percentage change in gross product (e.g., in column 2, $-0.32-0.25-0.24+1.51 = 0.7$).

The Economy-wide Results

The first half of the table, i.e. the columns referring to Australia as a whole, illustrate what was said in section 3(a) about the effects of the shocks. The increase in aggregate demand (column 2) increases employment and gross product but drives up the consumer price index and

causes a deterioration in the balance of trade. The sectoral contributions show that the increase in activity is accounted for entirely by the services sectors, whose products are subject to almost no international trade. The export sectors (Agriculture, forestry and fishing, and Mining) and the import-competing sector (Manufacturing) suffer declines in activity because of the effect on their international competitiveness of the inflationary consequences of demand expansion.

The wage cut (column 3) also increases employment and gross product but reduces the consumer price index and improves the trade balance. In this case all sectors make positive contributions to the increase in gross product with the trading sectors (Agriculture, forestry and fishing, Mining and Manufacturing) expanding more rapidly than the non-trade Services sector. Column 4 (which can be computed as the sum of columns 2 and 3) shows that the macro package achieves the targetted 5 per cent increase in aggregate employment with no change in the balance of trade. The inflationary effects of the demand increase are slightly outweighed by the cost reducing effects of the wage cut. All sectors make positive contributions to the expansion in activity, the degree of expansion being fairly even across sectors.

A Comparison of the Northern Territory and Economy-wide Results

The second half of table 2 contains projections from ORES of the effects on the Northern Territory of the macroeconomic policy shocks. Comparing columns 6 and 2 of the table it is evident that the Keynesian policy is less successful in expanding activity in the Northern Territory than for Australia as a whole. The sectoral results show that expansion in the Services sector makes a larger contribution in the Northern Territory than economy-wide. This is due mainly to the heavier weight of this sector in the Territory. More than offsetting this however, is the relatively severe impact in the Territory of contractions in the export sectors. The fact that the Mining sector has a much heavier weight in the economy of the Northern Territory than in Australia as a whole is a large part of the explanation. It is also evident that the percentage falls in value added

(shown in parentheses in the table) for the export sectors are greater in the Territory than economy-wide. Recall that at the 112-industry level ORES constrains percentage changes in the activity levels of national industries (which include the export sectors) to be uniform across regions (see section 1(b)). However, the composition in the Northern Territory of the aggregated export sectors distinguished in table 2 is relatively heavily concentrated on industries which are particularly sensitive to changes in domestic costs relative to world prices. The Northern Beef industry, which has a very large share in Territory agriculture, is the main example. A large decline in the Northern Beef industry accounts for the fact that the negative contribution of Agriculture, forestry and fishing in the Territory exceeds that in Australia as a whole even though the share of this aggregated sector in Territory product is slightly smaller than its share in GDP.

The effects on the Northern Territory of the wage cut are given in column 7 of the table. This neoclassical policy has a more expansionary effect on the Territory than on Australia as a whole. This is due primarily to the relatively large contributions made by the exporting sectors which more than offset the relatively minor contribution of Manufacturing. As noted in the previous paragraph, not only do export sectors in total have a large weight in the Territory economy relative to the national economy but their composition is such that they are more sensitive to changes in their competitiveness than are Australia's export sectors on average.

Finally, results for the macroeconomic package (column 8) indicate that under this policy, the economy of the Northern Territory is projected to expand by almost the same percentage amount as the Australian economy as a whole. The relatively weak stimulus given to the Territory economy by the expansion in aggregate demand is compensated for by the relatively strong expansionary power of the wage cut. Since the pattern of expansion across sectors is quite even, sectoral contributions to expansion in both the Territory and Australian economies closely reflect the weights of the sectors in gross product.

(c) The Employment Effects of the Macroeconomic Package in the Northern Territory

More detailed implications of the macroeconomic package for employment in the Northern Territory are traced out in table 3. The body of the table contains projections of changes in occupational employment within industries (i.e. the ΔL_{ij}^{NT} appearing in equation (1)) which are computed at stage three of our methodology (see figure 1). Recall from section 2(c) that we worked with data distinguishing 63 occupations in 43 industries. For presentation we have aggregated the detailed results to nine major occupations (in the rows of the table) and ten major industry groups (in columns of the table).⁴

In the final row of the table we report the percentage changes in employment projected for each major industry. (In terms of the notation developed in section 1 these are aggregations of the ℓ^{NT} which appear in equation (1).) The last entry in the row shows projected growth of 5.1 per cent in overall employment for the Northern Territory (which also appears as the last entry in the 'Aggregate employment' row of table 2). The balanced expansion across industries associated with the macroeconomic package is evident in this row. Given this balanced expansion, the relative sizes of the absolute changes in employment (shown in the penultimate row of the table) reflect mainly the relative weights of the industries in aggregate employment in the Northern Territory. Thus industry 10 (Community and personal services) accounts for by far the largest absolute change in employment⁵ although the percentage change in its employment is only slightly greater than the Territory average. Industries 9 (Public administration and defence), 6 (Wholesale and retail trade) and 5 (Construction) account for the next three largest absolute changes despite the fact that in each case the corresponding percentage increase in employment is below the Territory average.

As was explained in section 1(c), our methodology assumes that the occupational mix of employment within any industry (at the 43 industry level) does not change. Hence, if an industry experiences a 5 per cent change in its total employment the employment of each occupation within

Table 3
Projected changes in Northern Territory employment by
industry and occupation: macro package experiment (a)

Occupation group	Industry sector	1	2	3	4	5	6	7	8	9	10	Change in occupa- tional employ- ment
		Agri- culture	Mining	Manu- facturing	Elec- tricity, water, gas	Con- struction	Whole- sale and retail trade	Transport, storage and communica- tion	Finance	Public adminis- tration and defence	Community and personal services	
1. Professional, technical		6	31	18	14	24	44	20	60	79	297	593
2. Clerical		5	17	17	16	23	55	44	91	135	90	493
3. Sales		2	1	6	0	1	134	2	13	2	11	172
4. Farmers, fishermen, etc.		105	2	1	1	2	3	1	0	7	17	139
5. Miners, quarrymen		0	43	2	0	1	0	0	1	1	0	48
6. Transport, communication		2	10	4	3	6	7	78	3	9	9	131
7. Tradesmen, etc.		9	68	99	47	204	109	64	15	51	71	737
8. Service, sport & recreation		15	8	2	1	3	9	11	24	48	230	351
9. Armed Forces		0	0	0	0	0	0	0	0	49	0	49
Change in industry employment level		144	180	149	82	264	361	220	207	381	725	2,713
(Percentage change in industry employment)		(5.5)	(5.4)	(5.1)	(6.9)	(4.6)	(5.0)	(5.4)	(6.2)	(3.7)	(5.5)	(5.1)

(a) : Because there are differences between our Census data and the ORANI data in the shares of industries and occupations in total employment, percentage changes in employment calculated using Census totals as the base will be slightly inconsistent with the percentage changes in employment from ORANI. In this table we have re-scaled the percentage changes to make them consistent with ORANI, i.e., to yield 5.1 per cent change in aggregate employment.

that industry is assumed to change by 5 per cent. Within the aggregated major industries shown in table 3 there is, due to compositional effects, some scope for divergence across occupations in the percentage change in employment, but the relative changes in occupational employment nevertheless reflect quite closely the shares of the occupations in the industries' workforces. For example, the largest change in the body of table 3 is the 297 change in the employment of occupation 1 (Professional, technical) in industry 10 (Community and personal services). This represents 41 per cent of the total employment change in that industry. In the data, occupation 1 accounts for 44 per cent of total employment in major industry 10.

The final column of table 3 contains the aggregate changes in employment in the 9 major occupations. The largest increase is for occupation 7 (Tradesmen, etc.) which accounts for significant shares of total employment in most industries. Other occupations are far more specialised industrially. Armed forces (occupation 9) is an extreme example, being employed only in the defence industry. Employment of Farmers, fishermen, etc. (occupation 4) is heavily concentrated in industry 1 (Agriculture, forestry and fishing).

(d) Aboriginal Employment Prospects

Our projections of changes in employment for Aboriginal workers are made in the fourth stage of our methodology by implementing equation (3). Recall from section 2(c) that our data were for the employment of Aborigines in the 9 major occupations listed in table 3. The essence of the method is that the base-period share of Aborigines in each occupation is assumed to be maintained after the policy change. That is, the projected Aboriginal share of the occupational employment growth (shown in the last column of table 3) is equal to the base-period Aboriginal share of employment in the occupation.

Results from this final calculation are contained in table 4. A total increase of 327 or 5 per cent in employment of Aborigines is projected. Given the evenness across industries and hence across occupations of the

stimulus to employment generated by the macroeconomic policy package, it is not surprising that Aboriginal employment prospects expand at approximately the same percentage rate as employment in general. More than half of the projected total increase in Aboriginal employment is accounted for by occupations 7 (Tradesmen, etc.) and 8 (Service, sport and recreation) although these occupations account for only 40 per cent of the aggregate increase in employment in the Northern Territory. This reflects the importance of labouring (classified to occupation 7) and government employment (accounting for a large share of occupation 8) in total Aboriginal employment.

Table 4

Projected changes in occupational employment for Aborigines
in the Northern Territory: macro package experiment

<u>Occupation</u>	<u>Change in Employment</u>
1. Professional, technical	43
2. Clerical	32
3. Sales	13
4. Farmers, fishermen, etc.	56
5. Miners, quarrymen	2
6. Transport, communication	14
7. Tradesmen, etc.	96
8. Service, sport and recreation	81
9. Armed Forces	0
Total Change	327

Our projections for Aboriginal employment prospects must be regarded as very speculative for at least two reasons. In the first place, our method takes no explicit account of the predominance of the government sector in the employment of Aborigines. Introducing an industry, as well as an occupational dimension into the data could overcome this. That is, instead of assuming that Aborigines retain their shares in occupational employment, we could assume that their shares in industry- and occupation-specific cells are constant. This would allow us to take some account of the disparity between public- and private-sector employment of Aborigines within occupations.

The second suspect aspect of the method is that it takes no account of supply constraints in the Aboriginal labour market. For example, whilst it might be legitimate to assume that supply is not an impediment to employment expansion for Aborigines in less skilled occupations, supply constraints probably are important in the short run in the Professional, technical occupations.

4. Conclusion

The analysis reported in this paper suggests that the Northern Territory would participate fully in employment recovery generated by macroeconomic policy at the national level. To increase employment without causing a balance-of-trade problem requires a policy mix of domestic demand expansion and wage-cost reduction. The economy of the Northern Territory is shown to be less responsive than the economy as a whole to demand expansion but more responsive to cuts in wage costs. The reason is that in the Territory economy export sectors have a heavier weight than in the national economy and are more sensitive to changes in their international competitiveness. Competitiveness is eroded by the inflationary effects of demand expansion but improved by cuts in wage costs.

The appropriate mix of macroeconomic policy instruments is shown to have a stimulatory effect which is quite even in its incidence across industries and occupations both for the Australian economy as a whole and in the Northern Territory. If Aborigines are assumed to retain their shares in occupational employment in the Territory, the evenness of the stimulus implies that employment prospects for Aborigines improve at a rate similar to prospects for the rest of the workforce.

The projections which we have reported provide a basis for deciding the extent to which observed unemployment in the Northern Territory reflects a Territory-specific structural problem. Since the unemployment rate in the Territory is generally lower than in the economy as a whole (ABS, (e)), our results suggest that macroeconomic recovery engineered at the national level could be expected substantially to eliminate the unemployment problem in the Northern Territory.

End Notes

1. Formally we choose a percentage increase (a) in real domestic aggregate demand and a percentage cut (w) in the real wage to give a target increase in employment (e per cent) with no change in the trade balance ($\Delta B = 0$). That is, we solve the following simultaneous equations -

$$a\eta_{EA} + w\eta_{EW} = e ;$$

$$a\eta_{BA} + w\eta_{BW} = 0 ,$$

where the η are coefficients derived from ORANI. For example, η_{EA} is the percentage effect on aggregate employment of a one per cent increase in aggregate demand and η_{BW} is the change in the balance of trade generated by a one per cent decrease in the real wage.

2. In terms of the notation used in endnote 1, $a = 3.5$, $w = 4.9$ and $e = 5.0$
3. Results for the balance of trade are expressed as percentages of gross domestic product.
4. The first three of the industry groups are identical with the first three sectors distinguished in table 2. The last seven provide a disaggregation of the Services sector from table 2.
5. At the more detailed level three industries, Health (208 jobs), Education (165 jobs) and Welfare (132 jobs), together account for more than 65 per cent of the increase in employment in major industry 10.

Acknowledgement

The authors wish to thank Mr Vincent Ursi for his research assistance.

References

- Australian Bureau of Statistics (a), Australian National Accounts, Input-Output Tables 1977-78, Catalogue no. 5209.0, Canberra.
- Australian Bureau of Statistics (b), Australian National Accounts, National Income and Expenditure, Summary 1981, Catalogue no. 5201.0, Canberra.
- Australian Bureau of Statistics (c), 1981 Census of Population and Housing, Catalogue nos. 2450.0 and 2164.0, Canberra.
- Australian Bureau of Statistics (d), Australian Exports, Country by Commodity 1983-84, Catalogue no. 5411.0, Canberra.
- Australian Bureau of Statistics (e), The Labour Force Australia 1985, Catalogue no. 6202.0, Canberra.
- Blampied, C.W., 1985. A Listing of the 1977-78 Balanced ORANI Data Base with the Typical-Year Agricultural Sector Implemented, IMPACT Project Research Memorandum, Melbourne.
- Bruce, I., 1985. The ORANI-78 Input-Output Parameter File for 1977-78, IMPACT Project Preliminary Working Paper OP-51, Melbourne.
- Dixon, P.B., Parmenter, B.R., Sutton, J. and Vincent, D.P., 1982. ORANI: A Multisectoral Model of the Australian Economy, North-Holland, Amsterdam.
- Dixon, P.B., Powell, A.A. and Parmenter, B.R., 1979. Structural Adaptation in an Ailing Macroeconomy, Melbourne University Press, Melbourne.
- Higgs, P.J., 1985. Implementation of Adams' Typical Year for the Agricultural Sector in the ORANI 1977-78 Data Base, IMPACT Project Preliminary Working Paper OP-49, Canberra.

EMPLOYMENT CONSEQUENCES IN THE NORTHERN TERRITORY
OF CHANGES IN RECENT GOVERNMENT EXPENDITURE
1985-1986

B.G. Thomson
 Northern Territory Treasury

The Northern Territory has a number of distinctive demographic and economic characteristics.

Population

The 141,200 Territorians who live in 18 per cent of Australia comprise only one per cent of the total population. The population is small and widely dispersed. Population growth has been rapid, averaging 6.3 per cent per annum in the early 1970s and 3.8 per cent per annum between 1981 and 1984. This rapid growth has been sustained by high rates of natural increase as well as interstate migration (see table 1; all tables are located at the end of the paper). Aborigines comprised 23.3 per cent of the Territory's 1981 census population compared with one per cent of Australia's. The population is relatively youthful with about 68 per cent under the age of 35 compared with 59 per cent in Australia. Despite the relatively low density of population, the two major urban centres comprise 63.4 per cent of the total population.

Labour Force

Job creation has been at an average of 5.3 per cent per annum in the five years since May 1980. The participation rate of persons aged over 15 years in the labour force is higher than the Australian average. The rate of unemployment is generally lower than that for Australia (see table 2).

Economic Structure

Comparison of the proportions of the employed labour force by industry for the Territory with those for Australia suggests industry sectors of specialisation. Table 3 indicates location quotients derived in this way from 1981 Census data. Industries of specialisation are mining, public administration and defence, building and construction, community services and the accommodation dominated recreation and entertainment sector.

Northern Territory Government Revenue and Expenditure

Since self-government on 1 July 1978, the financial relationships between the Commonwealth and the Northern Territory have been patterned on those between the Commonwealth and the States with important differences. The Memorandum of Understanding on financial relationships provided for the transitional year of 1978-79 during which functions were progressively transferred and arrangements based on the State model in subsequent years. Additional assistance grants were provided during the transition period to 1984-85 while the Territory was to have access to the Grants Commission for

assessment of special revenue grants. A number of specific purpose programs were established. These include those in the process of being phased out - debt charges assistance and the electricity subsidy.

A discussion of Commonwealth/Territory financial relations is available in Russell Mathews' paper 'Commonwealth Northern Territory financial relations' (Mathews, 1983).

Table 4 gives a broad outline of NT Government revenue and expenditure since 1982/83; of particular note is the high proportion of revenue provided by the Commonwealth.

Recent Fiscal Decisions Impacting on the Northern Territory

There have been several recent events that impact on the Territory's fiscal position.

On 14 May 1985, the Commonwealth brought down a mini-budget;

On 30 May 1985, the Commonwealth announced at the Premiers' Conference new funding arrangements for the States and the Territory;

On 4 June 1985, the Northern Territory Government brought down a mini-budget in response to the above.

The Commonwealth is yet to finalise its own August Budget, however it is assumed for the following analysis that there are no significant financial decisions that will further affect the Territory.

Commonwealth Decisions

In the Commonwealth mini-budget announced on 14 May 1985 and some earlier decisions that were made, there were three items of special significance to the Territory. The reduction in electricity subsidy, reappraisal of the redevelopment of Darwin airport facilities and reductions in the roads program were major items in savings to the Commonwealth. Table 5 sets out known and estimated changes in specific purpose payments and Commonwealth spending in the Territory for 1985/86 relative to 1984/85 that are of significance.

Revenue Grants and Borrowing Programs, Premiers' Conference, NT Budgetary Consideration

At the Premiers' Conference on 30 May 1985, the Commonwealth Treasurer announced new arrangements for determining revenue grants from the Commonwealth to the States and the Northern Territory for the three years commencing 1985-86. This resulted in a reduction of expected revenue from the Commonwealth that led to a total revenue for the NT from all sources for 1985-86 to be \$1,165.6 million. However, it was estimated that to maintain existing services expenditure for 1985-86, revenue would need to be \$1,224.6 million, a difference of \$59.1 million.

To achieve a balanced budget with some small capacity to take on new initiatives, the NT Government brought down on 4 June a mini-budget which increased revenue by \$16 million and reduced expenditure by \$46 million. These figures, as announced by the Chief Minister, excluded NT Electricity Commission (NTEC) revenue and expenditure. Subsequent to that, NTEC revenue and expenditure was reviewed with new charging scales being announced and the funding arrangements restructured.

To analyse the overall employment effect of these decisions, the relative difference in expenditure on employment related activities is analysed in real terms for the years 1984/85 and 1985/86.

Although final figures for all budgetary items have not been finalised, there is estimated to be, including NTEC, a reduction of approximately \$31 million in government expenditure in employment related activities in 1985/86 as compared with 1984/85. This takes account of reductions in Specific Purpose Payments, the General Revenue Grant, Borrowings, and restructuring of the subsidy operations for NTEC.

Another major item impacting on employment in 1985/86 is the Gas Pipeline development which is outside the Budget. This is being financed by a consortium of financiers. The project cost is in the order of \$300 million in the 2 years 1985/86 to 1986/87. In broad terms, about \$140 million will be spent directly on inputs from elsewhere in Australia and will have no impact on Territory employment. It is assumed that \$80 million will impact on Territory economy in 1985/86.

Impact of Recent Decisions

The net impact of all fiscal decisions on the NT can be assessed using the following Input/Output analysis.

Aggregate expenditure in the 1985/86 NT Budget is expected to be about \$31 million less than in 1984/85 with reductions in expenditure spread over departments and authorities as indicated in the NT Mini-Budget of 4 June 1985. However, the Territory Government gas pipeline project is expected to involve expenditure in the Territory of about \$80 million of which about \$60 million could be expected to flow into investment and consumption spending on goods and services produced by Territory businesses. Works associated with the planned Darwin airport facilities involved the expenditure of \$4 million in 1984-85 but no expenditure will occur in 1985-86. However, spending on capital works associated with the RAAF base at Tindal and associated infrastructure is expected to total \$30 million in 1985/86 of which \$22.5 million can be expected to impact directly and indirectly on economic activity in the Territory.

The multipliers used to assess initial impact (direct) and production induced (indirect) employment effects of changes in government spending are sectoral multipliers of the input-output table for the Northern Territory (Morrison and West, 1983). The construction projects involve only the Building and Construction sector but reductions in NT Government spending are spread across the economy with the greatest impact on Public Administration and Defence, Trade, and Community Services.

In very broad aggregate terms, the effect on job opportunities in 1985/86 over 1984/85 is estimated to be the creation of about 740 additional positions (table 6).

In this analysis, it is assumed that there will have been no changes to the Territory economy as a result of the changes in government and general expenditure. Also, it is assumed that all other events are neutral especially Commonwealth Government expenditure in the Territory apart from that on the Darwin Airport and Tindal Airforce Base.

No private enterprise effects have been taken into account in the analysis. It has been assumed that these would also be neutral. It is worth noting however that during 1984/85, the NT Government changed its scheme for financing building and purchase of houses. In effect, the private financial institutions, it is estimated, will inject some additional \$20 million into the economy during 1985/86.

There will, of course, be some price effects from the Government fiscal decisions. It has been estimated that the NT Government's decisions will cause the Darwin CPI to rise by about 2.5 per cent in 1985/86 being about 0.5 per cent for increased electricity charges and 2 per cent for other factors.

Additionally, it is expected that the recent events will have a dampening effect on population growth. Whilst any projections are somewhat subjective, especially in a period of change, it is thought that any downturn in growth will be felt in the 1985/86 period and that growth will return after a period to the longer term trend. The Commonwealth Government's financial figures suggest population growth rates of 3 per cent in 1985/86, 2.7 per cent in 1986/87 and 2.6 per cent in 1987/88. It is considered that the latest year's figures may be somewhat low. Previous population projection figures by the Territory and separately by the ABS suggest a figure converging to about 3 per cent per annum over the next decade.

The paper has been somewhat silent on the subject of unemployment. To date there has been officially, according to ABS figures, low unemployment in the NT. But there is no doubt quite a number of people who are 'marginally attached' to the labour force especially in Aboriginal communities and remote areas. Other papers in this volume discuss special programs and methods needed to address those situations. However, for the urban dweller, unemployment is relatively low. This is due to high job creation, the high mobility of work force and the youthful age structure of the population. It can be expected that low unemployment will continue in urban areas for some time, at least until the population matures and at least whilst economic activity is high.

Conclusion

In broad terms, total government expenditure, both Commonwealth and NT on employment related activities in 1985/86 will increase at about the same rate as in previous years. The reduction in expenditure through the NT Government budget (in real terms) is off-set by several significant activities occurring in the Territory in 1985/86. Considering that much of the expenditure in earlier years was directed to post cyclone reconstruction and headworks programs, the Territory can look forward to continued economic growth. It seems likely that the major impacts of increased economic activity over the next couple of years will be felt mainly in Alice Springs and Katherine. The projects now scheduled will sustain activity through the next couple of years and it is the period 1987/88 onwards to which economic policy makers should now turn their attention.

Without going into detail in this forum, the budget has been structured to maintain the increasing proportion of private sector involvement in the Territory and to maintain healthy economic growth.

The recent decisions do however have some side effects. It is expected that there will be increased pressure on prices and an interim slowing down in the population growth.

Table 1

	<u>Population</u>	
	Northern Territory	Australia
<u>Population ('000)</u>		
30 June 1974	102.9 (6.0%)	13,722.6 (1.6%)
30 June 1981	122.6 (3.7%)	14,923.3 (1.6%)
30 June 1984	138.8 (3.7%)	15,543.6 (1.1%)
31 December 1984	141.2 (3.2%)	15,636.6 (1.2%)

Age Profile June 81 Census

% under 15 years	31.2	25.1
% 15 years - 19 years	7.9	8.6
% 20 years - 34 years	28.4	24.9
% Total under 35 years	67.5	58.6

Factors of Population Growth, NT

Year	Population Increase	Natural Increase	Migration	
			Interstate	Overseas
1979	3100	2200	500	400
1980	3100	2200	500	400
1981	3500	2100	300	1100
1982	6800	2400	3200	1200
1983	4500	2400	1600	500
1984	5000	2500	1900	600

Regional Population Estimates (30 June 1984)

Region	Population
Darwin	66,100
Alice Springs	22,000
Katherine	4,300
Tennant Creek	3,200
Nhulunbuy	3,900
Rest of Territory	39,400
Total	138,900

Source: ABS

Table 2
Labour Force

Labour Force	Northern Territory	Australia
Civilian Population 15+ ('000)		
May 1980	76.9	10,819.1
May 1985	96.6	11,927.4
Average Annual Growth Rate %	(4.7)	(2.0)
Labour Force ('000)		
May 1980	50.9	6,651.4
May 1985	68.7	7,240
Average Annual Growth Rate %	(6.2)	(1.2)
Participation Rate		
May 1980	66.1	61.5
May 1985	71.1	60.7
Employed ('000)		
May 1980	49.1	6,237.8
May 1985	63.6	6,632.4
Employed Annual Growth Rate	(5.3)	(1.2)
Unemployed ('000)		
May 1980	*	413.6 (6.2%)
May 1985	5.1 (7.4%)	607.7 (8.4%)
Employed Persons June '81 Census		
Public Sector	18,547 (33%)	1,533,981 (24%)
Private Sector	30,225 (54%)	4,365,994 (69%)
Average Weekly Earnings of all Employees December Quarter 1984	\$386.6	\$335.40

* Estimate is too small to be published.

Source: ABS

Table 3
Employment by Industry, 1981

		% of total employed		Location quotient
		NT	Australia	NT
A:	Agriculture	4.0	6.0	0.7
B:	Mining	4.6	1.4	3.3
C:	Manufacturing	4.6	17.7	0.3
D:	Electricity, Gas	1.9	2.0	1.0
E:	Construction	9.2	6.3	1.5
F:	Wholesale, Retail	11.9	17.4	0.7
G:	Transport, Storage	4.8	5.2	0.9
H:	Communication	1.8	2.0	0.9
I:	Finance, Prop, Bus. Serv	5.5	8.4	0.7
J(a):	Public Administration	10.2	4.2	2.4
J(b):	Defence	2.7	1.4	1.9
J:	Public Admin., Defence	12.9	5.6	2.3
K:	Community Services	19.5	14.9	1.3
L:	Recreation, Entertainment	5.9	5.2	1.1
M, N:	Not Classifiable/Stated	13.5	7.7	1.8

Source: ABS 1981 Census of Population and Housing

Table 4
Sources of NT Revenue

	1982/83	1983/84	1984/85	1985/86*
Commonwealth Payments to the NT	720.4 (85%)	826.5 (85%)	945.8 (86%)	920 (84%)
NT Revenue/ Receipts	130.0	146.3	150.0	192
Total	850.4 (100.0)	972.9 (100.0)	1095.8 (100.0)	1112 (100.0)
Expenditure	851.6	970.2	1081.3	N/A

* The 1985/86 allocation of Commonwealth payments to the Territory will be made on a different basis.

Table 5

Commonwealth Impacts on NT, (\$M)

1985-86

(a) Reduced Specific Purpose Payments to NT:

Roads	15.0	
NTEC operational subsidy	37.9	
Brucellosis and Tuberculosis Eradication (est.)	1.7	
Other (Local Government, Education, etc.)	1.2	
		-55.8

(b) Reduced Commonwealth Spending in NT:

Petroleum Subsidy (broad estimate)	8.0	
Darwin Airport Facilities (broad estimate)	4.0	
		-12.0

(c) Increased Commonwealth Spending at Tindal +30.0

Table 6

Impact on Employment of Changes in
Government Expenditure in NT

Function/Sector	1985/86 Prices \$'000	1980/81 Prices \$'000	Multiplier	Employment Impact
NT Budget	- 31000	- 20967	0.040 (average)	- 830
Pipeline (75% of \$80M)	+ 60000	+ 41400	0.029	+ 1200
Darwin Airport	- 4000	- 2760	0.029	- 80
Tindal (75% of \$30M)	+ 22500	+ 15525	0.029	+ 450
Net Employment Impact				+ 740

Acknowledgements

The assistance of Mrs Mavis Pearse in the preparation of this paper is acknowledged.

The views and analysis presented in this paper are those of the author only and in no way reflect those of the NT Government.

Details in the paper, especially those relating to the 1985/86 Budget, both for the Commonwealth and the NT, have come from working papers that are subject to revision and to further consideration of the Governments involved. At this stage of the year, it is not possible to provide estimates of total payments to the Territory for 1985/86.

References

- Mathews, R., 1985. Commonwealth Northern Territory Financial Relations, in Loveday, P. and Wade-Marshall, D. (eds), Economy and People in the North, Monograph, NARU, ANU, Darwin.
- Morison, J.B. and West, G.R., 1983. Input-Output Tables for the Northern Territory, 1980/81, Report to the Northern Territory Dept. of the Chief Minister. Department of Economics, University of Queensland, St. Lucia.

ISBN 0 86784 767 0