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Review Article

INDIGENOUS AUSTRALIANS' EMPLOYMENT PROSPECTS

Tim Rowse

Among the commentators on the situation of Indigenous Australians, the staff of the Australian National University's Centre for Aboriginal Economic Policy Research (CAEPR) stand out for their consistent attention to trends in Indigenous employment and income. The Centre owes its origin partly to the Hawke and Keating governments' wish to monitor the outcomes of the Hawke government's Aboriginal Employment Development Policy (AEDP). In 1987, the AEDP set targets which were couched in the language of statistical equality. The AEDP's hope was that Indigenous Australians, by 2000, would be like all Australians in their rates of labour force participation, unemployment, their average incomes, and in the occupational and industrial distribution of their jobs. These goals also implied a tendency towards equality between Indigenous and non-Indigenous profiles of participation in schooling, tertiary education and vocational training.

In methodology and social philosophy, the AEDP has been a rather conservative application of the recommendations of the 1985 *Report of the Committee of Review of Aboriginal Employment and Training Programs* (Miller 1985). The Miller Report had urged governments to acknowledge the differences between Indigenous and non-Indigenous aspirations and the diversity of outlook among Indigenous Australians themselves; it also promoted the economic and cultural significance of the Indigenous land base. The AEDP's emphasis on statistical equality has carried a message of 'sameness', rather than diversity and difference, a

significant echo of older 'assimilationist' policies towards Indigenous people.

Indeed, there has been a fundamental tension in the policies of Australian governments towards Indigenous Australians since the early 1970s. On the one hand, the government pursues a politics of recognition, affirming the right of Indigenous Australians to perpetuate their cultural traditions; on the other hand, governments (and frequently Indigenous political elites) voice concerns about Indigenous 'disadvantage' which is measured within a single framework for the assessment of Australians' well-being: their levels of income employment, schooling, vital statistics and so on. Action taken to remedy such disadvantage is ever at risk of ignoring the question of cultural differences in aspiration. A sustained reflection on the economic circumstances of Indigenous Australians is at fault to the extent that it fails to confront this tension between the politics of recognition and the politics of distribution ¹.

In this review article I do not try to cover all of the research conducted at CAEPR. Rather I have selected those studies which best exemplify the problems of assessing the outcomes of the AEDP. CAEPR's commentaries on the AEDP have featured two messages. One is that governments have very little chance of meeting their targets: statistical equality, in the senses mentioned above, will hardly be any closer in 2000, and may indeed be a receding target. The second message is that such equalities are questionable goals because they fail to take into account regional differences of circumstance and aspiration. 'Regional difference' can in turn be interpreted as pointing to 'cultural difference'. For example, to be living far from the metropolitan centres of relatively high labour demand and occupational and industrial diversity *can* be described merely as Indigenous people's 'locational disadvantage', but it

¹ This tension has recently been the focus of debate among intellectuals whose critique of contemporary capitalism leads them to pose questions of political strategy. Anne Phillips offers a succinct account of the problems in this debate (focusing on the work of Nancy Fraser and Iris Marion Young) in 'From inequality to difference: a severe case of displacement?' *New Left Review* no.224 (July/August 1997), 143-53. It is implicit in my review article that it is not only socialists and feminists who worry over this tension. It is an issue for any policy intellectual who seeks rational coherence in the actions of contemporary Australian governments.

can also be recognised as their positive choice to value kin and country more highly than wage and salary-based material advancement. If we take the second view, then it follows that it is inappropriate to judge Indigenous economic welfare by nationally uniform criteria. Such criteria may be appropriate to urban Indigenous people (though even this supposition can be questioned, as I will show), but to apply them to the more remote Indigenous people is to forget the spatially and culturally differentiated impact of colonisation of Indigenous Australians.

The CAEPR publications under review are mostly written in the hard-nosed language of labour economics, a language which tends to universalise the human condition and to factor all culture as (more or less) 'human capital'. But other realities, usually signalled by such bleak and constipated terms as 'cultural priorities' keep breaking through. As individuals, the CAEPR researchers mentioned in this review article know those 'cultural' factors much better than their language allows them to express. (Some are trained as economists, but others come from Anthropology and Human Geography.) In their choice of theoretical object - a labour market to which sellers of labour bring their human capital - they are playing a Canberra language game, in which the world is to be described in economic terms which are ostensibly free of cultural presuppositions. One of the interesting features of the works under review is that 'culture' keeps breaking through 'economics'. This is sometimes inadvertent, sometimes embarrassed (one would not want to be seen as coming from what one referee calls 'the "noble savage" school') and sometimes a grateful flinging open of doors to air a rather stuffy room. Eventually, the hardest of bureaucratic noses get rubbed in the messy incalculabilities of Indigenous existence.

A Colonialism of Categories

Diane Smith's 1994 paper (Smith 1994a) was seminal in raising these problems as issues of policy and methodology. She argued that assessments of Aboriginal well-being based on conventional quantifications of labour market status are loaded with colonising values. To evoke 'distinctly Aboriginal mores', she cited ethnographic accounts of Indigenous attitudes and practices in relation to work and the use of

money. In the absence of relevant studies of urban and rural communities, she cautioned against attributing such mores exclusively to remote Indigenous people.

Smith underlined the limitations of Census data for an analysis of the labour market behaviour of Indigenous Australians. Ethnographic studies give a more dynamic account of regional economic factors than the Census' five-yearly snapshots can convey. Census data offer little clarification of 'the distinguishing patterns of Indigenous employment and unemployment'. There are no Census questions about short term entry to and exit from the labour force, nor about short term movement from having a job to being 'unemployed'. Nor does the Census pick up all the Indigenous activities which THEY might conceive to be 'work'. Nor can it convey the (non-)availability of what we normally call 'work' in many regions in which Indigenous people are numerous.

One of the major issues facing those developing and interpreting socio-economic data sets, Smith suggested, is how to classify CDEP participants? Initiated in 1977 in some remote communities, the CDEP scheme was a substitute for individual Unemployment Benefits. Incorporated community-based bodies were given a sum equivalent to the combined UB payments to which community residents were entitled. This fund was used to create jobs for the unemployed. Although 'employed', participants do not achieve what normally goes with a job - improved incomes and access to the mainstream labour market. Arguably, CDEP employment is not an antidote to 'welfare dependency' but another form of it. On the other hand, when CDEP works as it should, participants are in a form of employment (and, very often, job-related training) and so should not be lumped in with other 'unemployed' folk. The CDEP participant is thus an ambiguous figure in terms of our usual labour force status categories. In addition, Smith pointed out, if CDEP participants are classed as 'employed' by the ABS, then that agency is unwittingly allowing its notion of 'work' to be broadened, for CDEP schemes enjoy the autonomy to classify a great many activities as 'employment'.

'Labour force participation' is another problematic category. What does it mean to classify almost half of Indigenous people of working age (15-64) as 'not in the labour force'? Smith cited the International Labour

Organisation's (ILO's) recognition of 'discouraged workers' and 'marginally attached' as sub-groups of a more broadly defined 'unemployed'. Australia lacks an instrument for enumerating such 'hidden' unemployed. Some Indigenous people, she suggested, 'have chosen a strategically casual attachment to the labour force'; their position is perhaps better understood as an attachment to the 'informal Aboriginal economy'. She cited ethnographic data to say that some Indigenous Australians are neither 'unemployed' nor 'not in the labour force'.

A possible innovation in labour status categorisation is to recognise 'training'. Perhaps many who undertake training (and, according to the data then available to her, 30 per cent do so more than once) are 'neither fully exiting from their employment status, nor entering into the regular labour market'. They may be long term unemployed, though not counted as such, exercising a culturally determined choice of casual and marginal attachment to the mainstream labour force, under the umbrella of the Commonwealth's many training programs.

Calling for attention to these definitional and methodological issues, Smith warned of the apparently growing political credibility and significance of culturally inappropriate social indicators. (The AEDP is, in this sense, more than a set of 'economic' policies, it is also a kind of cultural policy, elaborating a language for the appraisal of well-being.) Smith's paper was thus an important intervention into the politics of statistical representation, a critique of an implicitly 'assimilationist' perspective.

Trends in Indigenous Employment

So what's been happening in Indigenous employment? Men's rates of employment have been falling catastrophically. In 1971, the proportion of males 15-64 with jobs was 60.4 per cent. This ratio fell throughout the 1970s, and then in the following decade as well, notwithstanding AEDP, from 49 percent in 1981 to 36 per cent in 1991. According to Gregory and Daly (Gregory and Daly 1995), the fall has been much more severe among those with lower levels of skill, while Indigenous employment at incomes higher than the non-Indigenous, employed male median income

has increased. They speak of this as the rise of an Indigenous middle class - one of the very few occasions in which a CAEPR publication alludes to 'class'. The characteristic CAEPR emphasis has been on regional rather than class differences across Indigenous Australia. Gregory and Daly's study did not cover Indigenous women, for whom the 1971 to 1991 trend was rather different. Their employment/population ratio, their labour force participation rates and their rate of unemployment all rose from 1971 to 1991, with the latter rate rising the most steeply.

Most of CAEPR's research uses the 1986 Census, not the 1971 Census, as its base line, not only because of better data quality, but also because of the pertinence of that interval to an evaluation of the impact of the AEDP, which commenced in 1987. The differences between 1986 and 1991 Censuses have been productively quarried, particularly by the human geographer John Taylor, to highlight a feature of the Indigenous labour market fostered by AEDP policies - the creation of a regionally segmented Indigenous labour market. (The fullest account of the trend from 1986 to 1991 is to be found in Taylor (1993a) and (1993b), but I make no attempt to review these publications here. Some of Taylor's conclusions in those monographs are repeated and elaborated in the publications under review here.)

Between the 1986 and 1991 Censuses, the employment/population ratio for Indigenous Australians improved by 16.1 per cent. This reflected rapid growth in the number of jobs (31.8 per cent) watered down by a less rapid growth in the population 15 years and over (13.5 per cent). Policy succeeded in making job growth surpass a remarkable growth in the working age population. However, as Taylor points out in numerous publications, such success was largely due to the Labor governments' willingness to expand the Community Development Employment Program (CDEP) scheme. Sixty-four per cent of the new jobs, 1986-1991, were CDEP positions. Putting it another way, CDEP employment grew by 268.1 per cent, and non-CDEP ('mainstream') employment by 12.2 per cent, between these Censuses.

Data from the 1996 Census has yet to be analysed, but Taylor draws on other 1994 data to say that 'the rate of employment growth in the early 1990s slowed considerably compared to the late 1980s, although CDEP scheme employment growth (30.3 per cent) continued to substantially

exceed mainstream employment growth (1.8 per cent).¹ By 1994, 25 per cent of the Indigenous workforce were in CDEP schemes. The growth in jobs in the early 1990s has not changed the employment/population ratio because of an equivalent rate of growth in the Indigenous population of working age (Taylor 1997).

The prominence of CDEP's contribution to Indigenous employment growth has given rise to a crucial contradiction within the AEDP. CDEP helps to uphold the employment/population ratio, but it keeps Indigenous incomes low. Though the CDEP grant is topped up with some administration and capital funding, it is in the very nature of the scheme (an Unemployment Benefits substitute) that it should lock average participant incomes into the level of the dole. The CDEP creates jobs but puts a ceiling on incomes. To the extent that the CDEP scheme has been prominent among the battery of programs known as the AEDP, the AEDP cannot simultaneously bring about employment and income equality between Indigenous and non-Indigenous Australians, thus defeating one of the central aims of the AEDP.

One could draw the conclusion, from the point of view of the AEDP, that the CDEP is a 'bad' program. Further support for that view might be found in Altman and Taylor's 'Estimating Indigenous Australian employment in the private sector' (Altman and Taylor 1994). The authors note that it is one of the aims of the Aboriginal Employment Development Program (AEDP) to reduce the 'dependence of indigenous economies via government-subsidised generation of an indigenous economic base.' Our ability to measure one realisation of that aim - growing indigenous employment in the private sector - is hampered by a lack of clarity in the terms 'private sector' and 'public sector', they point out. Nonetheless, they are confident that private sector employment of Indigenous Australians grew by between 13 and 20 per cent from 1986 to 1991. However, public sector employment of Indigenous Australians grew much faster; and in some regions public sector employment was the only source of Indigenous employment growth. To correct that 'disproportion' would imply urging many more Indigenous Australians to move to the cities where private employment opportunities are greater. Altman and Taylor do not endorse this policy conclusion, preferring to question the terms in which AEDP goals are defined and measured -

national statistical equality in certain labour force characteristics. Their paper ends on a plea for the regionalisation (using ATSIIC 'regions') of labour market data bases, economic development planning and outcome definition and evaluation.

Taylor's paper 'Indigenous employment and job segregation in the Northern Territory labour market' (Taylor 1995) focuses on a jurisdiction where growth in Indigenous employment is almost wholly attributable to CDEP. This has perpetuated a distinctly Indigenous sector of the labour market with the following features:

- **Industrial Concentration.** Indigenous employees are over-represented in: the cattle industry, Aboriginal community organisations, house and non-residential building construction, legal services, cleaning services, printing and book binding, local government, parks and gardens, accommodation, travel agency services, grocers and general stores. Taylor comments that the Census probably overstates the degree of industrial concentration, because it tends to underenumerate employment in arts and crafts and to overstate employment in local government and community services.
- **Occupational Concentration.** Indigenous people were over-represented among: cleaners, welfare para-professionals, unclassified labourers, farm hands and assistants, gardeners, clerks, enrolled nurses, teachers' aides, construction and mining labourers, sales assistants. They were under-represented in occupations which tend to be urban, in the private sector and required high skill. Only about one in four Indigenous jobs is in the Northern Territory private sector.

Taylor concludes that Indigenous Territorians who are in this CDEP-defined economic niche will not share in the likely Territory-wide pattern of employment growth. CDEP will remain their low income, government-dependent enclave.

This is not to say that CDEP communities are disadvantaged right now. Altman and Hunter compared CDEP and non-CDEP communities in the Territory and found that, although CDEP jobs are part-time, they are associated with the creation of full-time positions (administrative,

professional, paraprofessionals and tradespersons) which give them greater occupational diversity than is currently to be found in non-CDEP communities (Altman and Hunter 1996a).

With Liu Jin, Taylor has examined Indigenous distribution among industries across the nation, concluding that 'the creation of an indigenous segment of the labour market is very much a non-urban, or at least non-metropolitan, phenomenon. The overriding characteristic of this appears to be a relative increase in the importance of government and indigenous community service industries as opposed to those concerned with a more diverse range of activities such as hospitality, education, agriculture, mining, health and defence' (Taylor and Jin 1995).

These conclusions about the segmentation of the Indigenous labour force have not made the CAEPR researchers into enemies of the CDEP scheme, however. Their view seems to be that CDEP is better than no effort at job creation. In more recent papers (Hunter and Taylor 1996, Taylor 1997, Taylor and Altman 1997) Altman, Taylor and Hunter have projected the consequences of the Howard government's curtailing of labour market programs aimed at Indigenous Australians. With these 1996 cuts, even the most optimistically projected rate of mainstream employment growth would keep Indigenous rates of employment only as high as their (historically low) current levels. If CDEP is not allowed to grow (and there is unmet Indigenous demand for it), then even this best scenario has a bleak end: falls in the Indigenous employment/population ratio and rises in unemployment. With a sluggish Australian economy in the late 1990s (and the signs are mixed at the time of writing) Indigenous welfare-dependency will accelerate to unprecedented levels by the early years of the next century. And, as Hunter and Taylor point out, these outcomes may go unmeasured. The 1996 Census was drawn before Howard's cuts took effect; the next Census (in 2001) will survey a bleak landscape indeed and it would be at least a couple of years after that before any government could mount programs informed by researched portraits of economic need. Hunter and Taylor call for an intermediate survey, a repeat, in 1999, of the 1994 National Aboriginal and Torres Strait Islander Survey (NATSIS).

Taylor and his demographer colleagues have sought constantly to remind governments of the dangerous dynamics of the Indigenous population.

From 1996 to 2006, the number of Indigenous persons aged 15 years and over is projected to increase by an astonishing 28.6 per cent. 'To sustain Indigenous employment at its current level would be less than sufficient to meet the growing demand for jobs and the result will be ever worsening labour market outcomes', writes Taylor. '[E]ven a return to the much higher employment growth rates of the 1980s would fail to impact on the current low labour force status of Indigenous Australians' (Taylor 1997, 7). Australia requires 'a quantum change in the number of new jobs.' By 2006, the employed Indigenous workforce will have needed to grow by 28% just to maintain the current (comparatively low) employment/population ratio. To give parity with the national ratio, the rate of growth would have to be around 105%, or 7,000 new Indigenous jobs per year. This is simply inconceivable, unless the Howard government were to reverse its current policy and embrace wholeheartedly the CDEP scheme and to promote it to every community in Australia - remote, rural and urban.

CDEP

One cynical case which can be made for CDEP is that it enables the government directly to improve the Indigenous job count, thus saving the AEDP's reckoning in the year 2000 from being a bad joke. There are better reasons for supporting the continuation of CDEP. Arguably, it gives Indigenous Australians a way to enter the waged and salaried economy at least cost to their vitality as a distinct people. That is, CDEP buffers the occupational and industrial mismatch between the mainstream economy's demand for labour and the characteristic skills and inclinations of Indigenous job seekers. CDEP draws not only on those people who are seeking jobs (the 'labour force') but also people who have been outside the labour force. CDEP is the principal source of labour demand in some remote regions in which Indigenous people chose to remain because it is their ancestral country. To leave their home 'country' merely for the sake of a job is an unattractive option for a people already resisting many pressures on their cultural survival. Bearing these advantages in mind, we should not be surprised that the Indigenous demand to set up CDEP

schemes has long exceeded government's executive capacities to deliver them.

More surprising is that, although the scheme began (in 1977) as a response to the employment needs of the most remote Indigenous people, CDEP has since proved popular in the cities. By March 1996, 28 per cent of the 28 thousand participants in CDEP were in 'rural' and 'urban' schemes (other schemes were in 'remote' regions), and 14 per cent of all participants resided in New South Wales or Victoria. This 'urban' tendency within CDEP's growth raises an important question about the measured distribution of social problems associated with long term unemployment. If CDEP participants are counted as 'employed' then the ATSI regions with a high proportion of jobs through CDEP have relatively low proportions of 'long-term' unemployed, compared with those regions in which there are Indigenous city dwellers. In the city Indigenous people have much better qualifications and face more buoyant labour markets but they are also more likely to be among the long-term unemployed, with its attendant social risks. To the extent that CDEP spreads to urban areas, it may disguise this phenomenon.

Is long term unemployment ameliorated or merely disguised by CDEP? Diane Smith has made it her business to investigate three of these urban schemes, and her answer is basically optimistic. Urban CDEPs can be the basis of sustainable Indigenous enclaves which enable Indigenous people to control the nature of their insertion into Australia's cities and towns.

The Port Lincoln CDEP scheme ('Kuju'), set up in 1989, has been hailed as 'self-determination in practice'. CDEP has certainly contributed to the improvement in the Indigenous rates of employment and labour force participation in the region; and there is a waiting list to get into the Kuju scheme (Smith 1994b). Participants are contracted for a period, in recognition of their mobility. The minimum working week is two days. If they are in a work program which generates income, they can ask for more work, 'top-up' money. They can request garnisheeing of their wages to pay bills. Kuju is governed by a Board elected from among the participants, and a general manager. The Board has formulated policies on pay rates, occupational health and safety, conditions of leave, the use of vehicles and boats, training and other matters.

Smith records the terms in which Kuju was praised by participants and government officials to whom she spoke: real jobs, acquired skills, providing services desired by the community, Aboriginalising work, establishing participants' credit ratings, gender equity in access to a job. In her opinion, Kuju, like other CDEP schemes in towns, helps to preserve an Indigenous sense of a 'domain' which is largely under Indigenous control, notwithstanding its encapsulation within a non-Indigenous town or city. Smith's decision to take seriously, as an 'outcome', the maintenance of this domain questions the importance usually attached - by labour market economics (and by many government officials) - to physical proximity to urban labour markets. Physical proximity, she reminds us, does not necessarily overcome cultural distance, which is not only an effect of settler colonial racism but also of Indigenous strategies of cultural survival. While this domain may not be 'self-sufficient' (independent of government subsidy) it can realise 'self-determination' in the sense of being under 'local control'. Kuju, she recommends, should not be pushed prematurely into 'enterprise expansion'.

Smith's study of Redfern (Smith 1995) builds on her Port Lincoln paper by taking up a major issue of ethnography and policy: how distinct are the circumstances and problems of 'urban' from 'rural' and 'remote' Aboriginal communities? Should ATSIC expect different outcomes and offer different kinds of help according to whether a scheme is 'urban', 'rural' or 'remote'?

Urban schemes are organised on a project by project basis, and do not seek to define their clientele as discrete 'communities' (though an ideology of 'community' may be an important part of any scheme's functioning). Smith writes that because urban people are assumed by ATSIC to interact more with the wider community and to be on the threshold of participating in mainstream labour markets, there is more pressure on them to 'take off' into self-sustaining enterprises, or to graduate their participants to mainstream jobs.

Smith makes two challenges to such assumptions. First, according to Census data (1991), the Redfern Aboriginal population resembles the 'remote' Aboriginal population in its age structure and dependency ratios; its unemployment rates are higher than for other urban Indigenous

populations in NSW, and its labour force participation rate is in the same low range as remote Northern Territory and rural Western Australian communities. The intercensal mobility of Redfern residents (1986-91) was also higher than the Indigenous average. If Redfern is unlike other urban areas in some respects, and similar, in other respects, to 'remote' communities, is the category 'urban' useful? Second, Smith expounds the Redfern Aboriginal Corporation's (RAC's) view of its environment and obligations. While maintaining policies on work discipline, training and payment which recognise the transient nature of the population and oblige CDEP policy, RAC has also set cultural and environmental goals. 'Work and culture are not seen as substantially separate domains.' As part of that 'community development' orientation, the RAC respects its participants' preference for working with other Indigenous people and within 'the geographic domain known as "the Block".' The RAC recognises the health needs (including substance abuse problems) of its clients, and sees much of its work as rehabilitative. It has also developed loan and credit schemes - a 'crucial Aboriginalised welfare net'.

The Yarnteen Aboriginal and Torres Strait Islanders Corporation in Newcastle (Smith 1996) better resembles the conventional idea of an 'urban' Indigenous employment scheme. Already established as a subsidised organiser of Indigenous employment services, the Yarnteen Corporation received funding for a CDEP scheme in 1993. Yarnteen's management have been effective commercially, borrowing money for investment and paying it back quickly from income generated by contracting various services to private and government agencies in the Newcastle area. As operator of a CDEP scheme it has also received funding for administrative costs and a substantial (3 million dollars) grant for the purchase of capital, enabling it to adopt a strategic position within the materials handling industries of Newcastle's port. Smith points out how beneficial it has been to CDEP participants that they are part of a larger organisation with commercially sustained jobs and government-subsidised training schemes designed specifically for Yarnteen Corporation's needs by its own full-time training staff. The flaw in Yarnteen's set-up is its residual obligation to obtain ATSIC's permission to pursue commercial ambitions. Smith says that ATSIC appears to suffer from a lack of expertise in commercial evaluation; as well, recent political harassment of Indigenous organisations using 'taxpayers' money'

has made ATSIC even more cautious. Yarnteen management, having benefited so much from government help of various kinds, now chafes under continuing, inappropriate government supervision.

Yarnteen's commercial success has not led it to abandon its work as a provider of community services. CDEP participants who exit the scheme tend to go to work for other Indigenous organisations, and their transitions are case-managed by Yarnteen career advisory and training staff. The corporation's earnings are re-invested in the local community. Employment creation remains a distinctive aim of the enterprise.

Reflecting on her three studies, Smith insists that 'an urban-specific set of policies' is unlikely to deal adequately with such diversity of urban, Indigenous circumstance. She adds that it would be inappropriate to any of her three schemes were ATSIC to consider under separate program headings 'the income-maintenance or socially-oriented aspects of the CDEP scheme and the income-generating economic aspects.' She coins the term 'syncretic employment' to refer to people whose working life is 'part CDEP employment and part private sector employment in the mainstream' (Smith 1996, p.16-17). Whether Lester Thurow's term 'communitarian capitalism' is an appropriate point of reference in wider economic theory, as Smith suggests, is debatable: it depends on your view of 'capitalism' - is it compromised by, or is it normally reliant upon, state support for its survival, as even the most 'successful' of these three schemes seems to be? Certainly, Smith's three studies have laid bare a phenomenon worthy of wider discussion - state-supported, community-based economic enclaves mingling commercial and 'welfare' (in its broadest sense) functions, furthering the reproduction of the Indigenous domain. Perhaps Indigenous Australians are pioneering a new paradigm for work and income sharing in this era of permanent high unemployment.

Human Capital

The CAEPR researchers are well aware of empirical and theoretical arguments in favour of enhancing the job-relevant skills of Indigenous Australians. The point is stronger if we consider the fact that the economy

is making more demand for skilled workers and less for unskilled, and non-Indigenous people are all the time responding to this change by improving their own skills, thus upping the competition for trained Indigenous job-seekers.

CAEPR's first studies of Indigenous 'human capital' treated Indigenous people as if they made the same kinds of cost-benefit decisions as textbook *homo economicus*. Noting that Indigenous Australians still acquire less formal education than Non-Indigenous Australians, Daly and Liu (Daly and Liu 1995) estimated the 'private rate of return to education for Indigenous Australians'. Indigenous Australians have started to stay at school longer and an increasing proportion are taking tertiary courses, but why is there still relatively little Indigenous 'investment' in formal education? Estimating income, the likelihood of employment and including the values of Abstudy and Austudy, the authors find that income returns are small for Indigenous students who stay until the end of secondary school but go no further. However the pursuit of post-secondary qualifications was much more financially rewarding for Indigenous students, and more so for them than for their non-Indigenous counterparts. The income incentive was always slightly higher for females than for males.

Another CAEPR study has recently confirmed the difference between completing secondary school and getting vocational training. Using regression analysis of data from the 1994 National Aboriginal and Torres Strait Islander Survey (NATSIS), Hunter found that education was the most important of ten measured factors explaining Indigenous employment (Hunter 1996). To complete secondary school, Hunter found, was not nearly as effective as having a vocational qualification or recent vocational training.

Disaggregating their data by region, Daly and Liu predicted better returns for Indigenous women staying on at school and/or getting a tertiary qualification in cities and major towns than in rural and remote regions. However, for Indigenous men post-secondary qualifications were better in rural areas than urban. The authors then qualify their results by making five points: the higher returns from schooling might reflect ability and motivation rather than the schooling itself; the Indigenous life course may be different (intermittent attachment to the labour force, early mortality);

'a large increase in the proportion of Indigenous Australians completing a university degree would also lower the rate of return to this form of education'; the quality of education received by Indigenous Australian might be inferior; the notion of benefit employed in their study is narrowly pecuniary and individualistic. Their overall message remains, however, that post-secondary education pays off, but post-compulsory (until the end of secondary school) does not. Hunter's regression analysis of NATSIS data suggests another complication in assessing the importance of education to Indigenous employment. The association between education and employment is stronger when the definition of 'employment' is confined to non-CDEP jobs. Hunter is worried that, unless this is noted, the significance of education to Indigenous employment could be underestimated.

Taylor's interest in the regional differentiation of Indigenous labour market experience made him question one fallacy which could be entrenched by using human capital theory - the assumption that 'human capital' is a single dimension of marketable skill which one possessed more or less of. He and Liu made the observation that in Indigenous segments of the labour market, that is, those with a high proportion of CDEP-based jobs, 'culturally derived skills may form an important part of human capital....' (Taylor and Liu 1996, p.21). There are different skills for different regions, and one does not acquire in mainstream education certain skills which are highly relevant to working in some remote communities.

The theme of regional differentiation also appears in the conclusions which Taylor and Hunter draw from their analysis of DEETYA databases on Indigenous participation in labour market training programs from 1992 to 1995 (Taylor and Hunter 1996). The proportion of those eligible for such assistance who were in such training programs rose from 11.5 to 17.1 per cent in those years, with greater rises in mainstream programs than in those devised specifically for Indigenous clients. Repeated participation was common - just under half of those clients registered between January 1990 and November 1995. There were no data on the duration and frequency of repeat participations. Twice as many men as women were involved. When surveyed, women complained of lack of child care as an obstacle. (This converges with another finding from

Hunter's regression analysis of NATSIS data: having children seemed to mitigate employment prospects - more so for women - though having only one child was positively related to men's employment.) Inequities in participation across regions and states declined in the period, though rural and remote rates of participation in training continued to lag behind metropolitan. Those who reported some training in the last twelve months were more likely to be employed, and it was more likely that such jobs were non-CDEP. This was particularly true of rural females. The authors suggest that labour market and training programs be more differentiated according to the labour market features of different regions.

In two further considerations of the utility of human capital theory, Jerry Schwab has attempted to imagine some Indigenous perspectives on the education which the colonists offer. In his first paper (Schwab 1996), he described the increasing Indigenous participation in post-secondary education. He found the students concentrated in ten Universities, eight of which were Colleges of Advanced Education before the Dawkins reforms. A relatively high proportion of Indigenous students were in non-award, 'enabling' courses, with a corresponding relatively low percentage taking higher degrees. Completion rates were also lower than for non-Indigenous students. Schwab argues that this pattern undermines human capital theory, which would have us believe that Indigenous students would be hell-bent on acquiring the credentials employers love to see on a c.v. Why are Indigenous students not 'human capitalists'? (to coin a phrase). He suggests that among Indigenous students there is less of what Bourdieu calls 'cultural capital' - 'a sort of informational competence and grounding in the assumptions of the Western educational enterprise that is essential to academic success'(Schwab 1996, p.13). This is no simple, remediable 'lack', he goes on to argue, rather it should be recognised as Indigenous Australians' negative appraisal of a education system which remains, in Indigenous eyes, a colonial imposition. Another factor differentiating Indigenous students, he argues, is that their home environments include many practical obstacles to effective study. Able Indigenous persons are also subject to competing pressures for their time and allegiances.

It is not clear whether Schwab's paper overturns or complicates human capital theory. He eventually comes around to arguing that perhaps

Indigenous students or putative students do make an investor's calculation. It's just that they reckon that the cultural costs of participation in higher education outweigh the individual returns. In a more recent paper, he argues that 'many Indigenous Australians employ a cost benefit analysis that is quite different from the analysis of other Australians' (Schwab 1997, p.8). He refers to different perceptions of 'costs' and of 'benefits'.

Schwab is worried that a distinctive Indigenous approach to acquiring 'human capital' will go unrecognised by education policy makers. In his analysis of NATSIS data on participation in education and training, Schwab notes that 'the majority of individuals who have participated in some form of training course not leading to a qualification did so at an institution other than a university or TAFE' (1997, p.7). He worries that the rationalisation of the tertiary education sector will fail to respect, on grounds of 'inefficiency', some of the institutional cultures with which Indigenous people have become comfortable. The performance measures of modern education management may also fail to take into account the different kinds of 'pay-off' which education can give. He notes the evident appeal to Indigenous students of TAFE-based bridging or basic education courses. 'Most Indigenous people are still catching up and employment as a result of this training may not be high on the agendas of those Indigenous students.' The NATSIS found that only one in four who attended a training course said that they did so to get a job, whereas a 30 per cent referred to 'personal development'. That term referred not merely to outcome, but to the social benefits of participation. Schwab points to the part played by community-based training institutions in the reproduction of Indigenous Australians' sense of being a distinct people within Australian society. 'Economic rationalist' approaches to education are at risk of being blind to such values and purposes.

It is not only individuals who can be supposed to calculate the returns on investment in education. Society (through its rational microcosm, the Department of Finance) also evidently considers the 'social return' on public expenditure on the formal education of Indigenous people. Two CAEPR researchers P.N.Junankar and J.Liu have attempted to estimate the private and the social rates of return to education for Indigenous and non-Indigenous Australians (Junankar and Liu 1996). Social benefit is

quantified by postulating that the enhancement of individuals' incomes is a good thing for society because it implies increased productivity, longer life and a decreased likelihood of imprisonment. With gross income as a numerical proxy for social benefit, Junankar and Liu use the 1991 Census income data, employing a regression analysis to weight the contribution to income of various lengths of formal schooling. They find 'very high' social rates of return, exceeding 'the Department of Finance's recommended cut-off rate for public projects' (p.14).

I am not sure how to take this paper. It certainly works as a parody of 'economic rationalism', but I would not leap to the conclusion that that is the most fruitful way to read it. It would be interesting to know how this analysis is received in the Department of Finance, and how it affects that Department's intervention into the Budget process. Is the notion of a society calculating the social rates of return on education for Indigenous people a fantasy concocted in a strange and tiny academic-bureaucratic sub-culture? Or does the fantasy have a point - the point being that, nowadays, government's allocations of public money are substantially framed in terms of the calculus which the Junankar and Liu paper exemplifies? We need an ethnography of the bureaucracy, to know how this kind of rationality, exemplified by Junankar and Liu, works in practice.

NATSIS and Beyond

A theme of this review has been the problem of developing accounts of Indigenous employment which are culturally relevant to a variety of Indigenous people and policy-relevant to government, using data bases designed neither by Indigenous people nor by the social scientists in CAEPR, nor by the bureaucrats in the relevant government departments. In 1994, an attempt was made to conduct a more focused inquiry into Indigenous well-being, including into problems of employment. As a result of a recommendation of the Royal Commission into Aboriginal Deaths in Custody, the Australian Bureau of Statistics conducted the National Aboriginal and Torres Strait Islander Survey (NATSIS). NATSIS asked 114 substantive questions of a five per cent sample of the Indigenous population. The results have been reported in a series of ABS

publications in 1995 and 1996 though I will pay attention only to one - *Employment Outcomes for Indigenous Australians* (ABS Cat no.4199.0), jointly produced by ABS and CAEPR. (The NATSIS as a whole is assessed, theme by theme, in Altman and Taylor 1996.)

In line with Smith's critique (Smith 1994a), the NATSIS adopted a more culturally sensitive definition of 'work' than other surveys. For example, the NATSIS asked people about 'voluntary work', finding that 'more than one quarter of the Indigenous adult population was engaged in unpaid voluntary work. For the most part this was some form of community-based work, although a significant proportion were engaged in hunting, fishing and gathering bush food.' More than two thirds spent 10 hours or less per week in voluntary work. Working with community associations was a greater consumer of such voluntary effort than hunting etc. NATSIS also shows the regional distribution of hunting, fishing and gathering.

NATSIS also asked people about their satisfaction with part-time employment (which has been growing among Indigenous people, as for the rest of the Australian labour force), and so now we have data on those who would like to be employed for more hours. We also know from NATSIS more about the 'supply-side' obstacles (lack of schooling, desire to attend school, poor health, child-care responsibilities) to satisfying that desire.

Finally, NATSIS adopted a better way to assess Indigenous labour force participation rates. The ABS' 'Monthly Labour Force Survey' does not ask respondents specifically about CES registration and such respondents are not prompted to realise that CES registration counts as job-seeking behaviour. The NATSIS did ask about this, and, as a result the NATSIS gives a much higher labour force participation rate and a correspondingly higher unemployment rate than the ABS' monthly survey.

The CAEPR researchers and the ABS seem to have developed a close working relationship through devising NATSIS and discussing the uses and limitations of its 1994 data. They would like a revised NATSIS to be run in 1999, and I have mentioned above one of their arguments for doing so - the need to get a picture of the Indigenous experience of employment before the Census of 2001 (whose data would not be

available as analyses until 2003). The combined impact of Howard government cuts to labour market programs and the pattern of Indigenous population growth are likely to make the news in 1999 or 2001 rather grim. I wonder whether the Howard government is interested in grim news, or in 'good' news either. If the NATSIS shows that Indigenous Australians are more actively 'employed' than anyone had realised, that they have a higher labour force participation rate and a greater desire to shift from part-time to full time work - will the Howard government be pleased to hear it? The political obstacles to a second NATSIS should not be underestimated.

Conclusion

In introducing this overview of recent work by CAEPR, I remarked that the language used by CAEPR researchers seemed to be an artefact of their effort to raise issues of cultural difference in a policy milieu dominated by the universalising and culture-blind language of economic approaches to public policy. By now the reader should have had a taste of that language and its characteristic ways of thinking about the economic welfare and participation of Indigenous Australians. The CAEPR researchers are in a troubled relationship to the underlying values and goals of Australian economic policy making. Their work should be read, I suggest, within a wider intellectual project which seeks to expose the limits of Australian multiculturalism. If Australians are to come to terms with the cultural heterogeneity of Australia's peoples, then we cannot congratulate ourselves on our 'multiculturalism'. Historian Andrew Markus makes a remark relevant to this review article in his *Australian Race Relations 1788-1993* (Markus 1994, p.215):

The trend in postwar Australia has been towards greater opportunities for *individuals*. There has been little reorientation in social goals, of the basic ethic of society as defined by Anglo-Saxon elites. Although in a formal sense assimilation has been abandoned, the rules of the game have altered little: the shift to policies of self-determination and multiculturalism has not radically changed the position of disadvantaged *groups*. Immigrants are more willing to take advantage of the

opportunities offered. Most Aborigines on the other hand seem to reject the path of self-denial, the remorseless mind-dulling work and the gradual accumulation of money, year after year, which have been the bases of the economic success of working-class immigrants.

Some of the work of the Centre for Aboriginal Economic Policy Research modestly begins to question the cultural assumptions of our 'political economies' of well-being. But to social and economic planners suspicious of appeals to 'culture', the louder message is that the problems of Indigenous well-being have to be considered on a regional basis. Such a spatially-sensitive political economy has the prospect of contributing to the most promising trajectory of Indigenous empowerment - the assembly of regional political coalitions around the land councils and resource agencies which have begun to flourish, under government subsidy, in the last twenty years.

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