The Australian National University
a n u

CAEPR

Centre for Aboriginal Economic Policy Research

Discussion Paper

The cross-cultural validity of labour force statistics about indigenous Australians

D.E. Smith

No.69/1994

ISSN 1036-1774
ISBN 0 7315 1743 1

SERIES NOTE

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

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

The Director of the Centre is responsible to the Vice-Chancellor of the Australian National University and receives assistance in formulating the Centre's research agenda from an Advisory Committee consisting of five senior academics nominated by the Vice-Chancellor and four representatives nominated by the Aboriginal and Torres Strait Islander Commission, the Department of Employment, Education and Training and the Department of Social Security.

CAEPR DISCUSSION PAPERS are intended as a forum for the dissemination of refereed papers on research that falls within the CAEPR ambit. These papers are produced for discussion and comment within the research community and Aboriginal affairs policy arena. Many are subsequently published in academic journals. Copies of discussion papers can be purchased from Reply Paid 440, Bibliotech, Australian National University, Canberra ACT 0200. Ph (06) 249 2479 Fax (06) 257 5088.

Jon Altman
Director, CAEPR
Australian National University

ABSTRACT

This paper considers the cross-cultural validity of standard social indicators with reference to the indigenous population of Australia. Official indicators of the labour force status of indigenous Australians, developed from 1991 Census data, are critically examined in terms of their methodological and conceptual bases, and in light of information from ethnographic field studies. The paper argues that while the indicators may be useful in highlighting broad socioeconomic disadvantage among indigenous Australians, a range of cultural factors directly influence data collection and statistical outcomes, so that resulting indicators of employment and unemployment have significant shortcomings. In particular, the indicators are found to underestimate the extent of indigenous unemployment and especially long-term unemployment, to display definitional ambiguity, obscure key characteristics of indigenous involvement in the mainstream labour market, and ignore culturally-grounded economic decisions. However, these shortcomings of the labour force indicators are counterbalanced by the growing reliance by government and indigenous groups alike, on the available markers of the continuing economic disadvantage of indigenous people relative to other Australians. Finally, options are presented for expanding the accuracy and validity of official indicators.

Acknowledgments

An earlier version of this paper was presented at the first Australian Association for Social Research conference, titled 'Social research and the quality of life' in Launceston, Tasmania, January 1994. I would like to thank participants at the conference, as well as Frank Jones, Jon Altman and John Taylor for their comments on this and earlier drafts. Thanks also to Linda Roach, Krystyna Szokalski and Hilary Bek for thorough editing and proofreading.

In recent years increasing attention has been given to the human rights of the world's indigenous peoples, many of whom have low and declining standards of living. Yet little is known about the social and economic wellbeing of these people, who are often found living as minorities within more economically privileged populations. There is little quantitative information on the nature of their daily involvement in the mainstream labour forces of those wider economies. Equally, there has been little critical review of the methodological and conceptual issues involved in defining and measuring their labour market participation. When such analyses are conducted, questions arise as to the use of standard socioeconomic indicators to cover indigenous populations which may have different cultural attributes and priorities.

Measuring employment and unemployment in a cross-cultural setting is intrinsically problematic. Invariably, the concepts and methodologies used incorporate the values and assumptions of the majority group in a society. In such a situation there is a tendency to dismiss as unimportant those economic and social relations of minority groups which are less comprehensible or not amenable to standard methods of measurement. Seen in this light, seemingly objective statistical concepts and methods, when used cross-culturally, are also political and ideological instruments and may have limited validity.

In 1967, a national referendum[1] held by the Commonwealth Government initiated the transfer of greater citizenship rights to indigenous Australians.[2] As a result, since 1971, the Australian Bureau of Statistics (ABS), via its five-yearly National Census of Population and Housing, has included self-identifying indigenous people in its data collection, making them statistically more visible. The resulting official indicators on a range of labour, income, family and educational topics have had considerable impact on the development of Commonwealth and State Government policies and programs in the area of Aboriginal affairs.

Even so, the Commonwealth Government's recent Royal Commission into Aboriginal Deaths in Custody has criticised the continuing lack of appropriate quantitative data about the Aboriginal population and recommended that future national data collection procedures and indicators should take 'full account ... of the Aboriginal perspective' (Commonwealth of Australia 1991: 62). In light of that recommendation, this paper argues that while standard social indicators may be useful in highlighting broad socioeconomic disadvantage among indigenous Australians, a range of cultural factors influence data collection and statistical outcomes, and that this has implications for the validity of indicators whichneed to be assessed. The methodological and definitional bases underpinning census data collection procedures are critically evaluated in this paper. Finally, the very real ethnocentrism and related shortcomings of labour force indicators are posed against the growing reliance by government and indigenous

groups alike, on these markers of the continuing disadvantage of indigenous people relative to other Australians.

Aboriginal labour force status: the official definitions

The main source of national quantitative data on Aboriginal employment and unemployment rates in Australia are the periodic censuses conducted by the ABS. In these, the Bureau uses a set of strict definitions and associated census questions to assess 'economic work' and assign each Aboriginal person of working age to one of three mutually exclusive categories: employed or unemployed within the labour force, or not in the labour force. From questionnaire data obtained about these categories and their associated characteristics, a range of labour force indicators are developed for the Aboriginal working-age population. The ABS uses internationally standardised concepts and definitions in this process.

The current economically active population

The International Labour Office's (ILO) concept of the 'currently economically active population' has been adopted by the ABS as the basis for its definition of the Australian labour force. The 'currently active population' consists of those people aged 15 years and over who are classified as employed or unemployed during a current, specified period of time such as 'last week'. The upper age restriction of 65 years further defines the working-age population. This group provides the broad unit within which the ABS records and quantifies each Australian's actual level of gainful work; that is, work from which the individual can expect some remuneration, either in cash or in kind (ABS 1986). Common to many countries, work by homemakers, volunteer workers and the 'unpaid' work of indigenous hunter-gatherers are not included in the official definition of 'economic work'. Within this framework of the working-age population, strict operational definitions of employment and unemployment are used to classify an individual's current labour force status.

Employment status

The 1991 Census included nine questions relating to economic work, which were asked of all persons aged 15 years and over. These focused on industry sector, labour force status, name of employer, journey to work, occupation and hours worked. Each person aged 15 years and over was first asked whether he or she had a full-time or part-time job of any kind in the week previous to the census interview. In response to this question, respondents were considered to be employed if they: worked for one hour or more that week, for pay, profit or payment in kind; worked as an unpaid helper in a family business, if they worked for 15 hours or more; had a job from which they were on leave or temporarily absent for less than four weeks; or were on strike or temporarily stood down.

Unemployment status
A person is potentially unemployed if they are not employed according to the above criteria. But importantly, they are only finally classified as unemployed if they have also actively sought work during the four weeks previous to the census interview and are currently available for work. Actively looking for work specifically means '... checking with or being registered with the Commonwealth Employment Service (CES); writing, telephoning or applying in person to an employer for work; or advertising for work' (ABS Census Questionnaire, Household Form: 5). Only those people who are assessed as taking active steps to find work are classified as unemployed.

Labour force status
Aboriginal people officially classified in this way as either employed or unemployed are said to comprise the Aboriginal labour force. All others within the working-age population are considered not to be in the labour force. The latter category is a residual one based on an individual's assessed failure to meet the criteria of capacity and current availability for work within the mainstream labour market. Included in this classification are persons who are retired, pensioners receiving invalid and sickness benefits, those receiving supporting parent benefits, those who are not registered with the CES for employment, persons involved in so-called 'home duties', full-time students, cadets, and all others who are considered not to be currently and actively searching for work.

Assignment to the census categories of employed or unemployed is, first and foremost, a measure of current Aboriginal labour force participation in the dominant market economy. Various indicators, disaggregated by age, sex, residential location and so on, are based on these census classifications. Standardly, emphasis is given to the actual number of Aboriginal people employed and unemployed; the associated rates (that is, the percentage of the labour force who are either unemployed or employed); and to the Aboriginal labour force participation rate (that is, the percentage of the working-age population who are in the labour force). The census is targetted at all Australians and provides no further information about whether a currently unemployed Aboriginal person has been in the labour force at any other time during the previous year and if so, for how long; about the duration of their current spell of employment or unemployment; or about an individual's job search experience over a longer period of time. No questions are asked as to whether they have performed any 'work' other than the ABS-defined 'economic work'; or whether there is, in fact, any employment available to Aboriginal people in certain geographic locations. Consequently, there is little clarification of what might constitute the distinguishing patterns of Aboriginal employment and unemployment, or the relationship between their participation in the mainstream labour force and other work activities in the Aboriginal economy.

Aboriginal labour force indicators

Indigenous Australians make up the most disadvantaged group in the Australian labour market, and according to official indicators their level of unemployment has reached chronic levels. The 1991 Census identified a total Aboriginal population of 238,576, constituting 1.6 per cent of the total Australian population, but growing at almost double the national average (Taylor 1993a; Tesfaghiorghis and Gray 1991). An identified Aboriginal working-age population of 137,242 represented an increase of 16 per cent from the previous 1986 Census working-age population of 112,081 (Taylor 1993a: 12). This potential labour force is small in comparison with the total Australian working-age population of close to ten million, but owing to the fact that by most indicators Aboriginal people are approximately twice as badly off as other Australians, it is the focus of a wide range of special government employment, training and education programs.

While the Aboriginal employment rate of 37.3 per cent in 1991 increased over that of 33 per cent in 1986, it is still markedly lower than the rate for other Australians (of 64.7 per cent) (Taylor 1993a). There was a corresponding decline in the national Aboriginal unemployment rate - a significant one given the general economic conditions in Australia - from 36.8 per cent in 1986 to 32 per cent in 1991. As a ratio of the non-indigenous unemployment rate, the indigenous rate fell from 4.0 times higher in 1986 to 2.8 times higher in 1991 (Taylor 1993a: 14). Even so, this unemployment rate remains chronically high with nearly 60 per cent defined by the CES as being long-term unemployed (that is, unemployed for longer than 12 months).

Any analysis of the rates of Aboriginal employment and unemployment should be situated in the context of their level of labour force participation. In 1991, their participation rate was considerably lower than for other Australians; 54.8 per cent compared to 73.1 per cent. In other words, some 62,000 people of working age - approximately 45 per cent of the defined Aboriginal working-age population - were officially classified as being outside the mainstream labour force.

There is no doubt that continuing high rates of unemployment and low levels of employment amongst Aboriginal people are directly related to their continuing economic disadvantage. In 1991, some 83,617 Aborigines, or 60 per cent of the adult Aboriginal population, did not directly receive income from employment compared with 41 per cent of the non-Aboriginal population (Daly and Hawke 1993: 14). Official labour force indicators such as these are frequently referred to by government in the development and funding of special policy and program initiatives in the Aboriginal affairs arena. But there are a number of cultural, conceptual and methodological factors which appear to limit their ability to accurately portray the nature of Aboriginal labour force status and work patterns, and

consequently, the extent of either their economic disadvantage or wellbeing.

The historical context

Standardised classifications and strict definitions such as those above enable precision in measurement and facilitate the replication and representativeness of results. But social indicators are not value neutral. Notions of work and employment are culturally specific; the official indicators used to refer to the labour force status of indigenous Australians carry considerable historical baggage.

It was only in 1992 that the legal fiction of *terra nullius* was overturned by the High Court of Australia.[3] This opinion held that at the time of white occupation and assumption of sovereignty in Australia, the country was waste and unoccupied land, without legitimate owners with rights and power to govern. Underlying that colonising premise was the social evolutionist view held by British settlers that Aboriginal people lived in a state of nature, at the lowest stages of civilisation; they carried out no productive labour, owned no property and possessed no economic structures. It was assumed that they must be taught both the value of work and how to do it. Under government policy, Aboriginal children became prime targets for removal from their families and early labour training, and women were used as a convenient pool of domestic labour. On the moving frontier of colonisation, Aboriginal men became unpaid though often indispensable workers. On mission and government reserves across the country, dispersed nomadic groups were rounded up; one of the objectives being to introduce 'the general concept of 'work' as a worthwhile aim in life' (Northern Territory Administration 1961: 21). The policy of 'no work: no food' was often used to instil a white work ethic and regime.

The measured rate of Aboriginal incorporation into the mainstream economy was taken as one proof of the success of the government's assimilation policy. The common view of officials and the public was that the so-called 'half-caste' Aboriginal population represented a biological advance into civilisation and were better workers than those labelled as 'full-bloods'.[4] A 1953 ILO report referring to indigenous workers in the Australian economy lamented the situation with respect to this latter category who, 'even when civilised and apparently domesticated [had] an intense and irresistible longing to 'go bush''. It noted the success of government policy in placing children '... in employment in lucrative occupations that would not bring them into economic or social conflict with the white community' and in keeping the 'semi-civilised' and 'uncivilised native under benevolent supervision in regard to employment ...' (ILO 1953: 283-5, 553). In fact, it was not until the Australian Arbitration Commission decision came into effect in 1968 that Aboriginal

workers were granted the right to equal wages. Up until that time, food and clothing rations were the common return for their labour, and many received nothing. Subsequent to 1968, Aboriginal people often simply found their employment terminated by employers refusing to honour the new wages contract.

A more recent assumption associated with the statistical representation of Aboriginal people is that 'urbanising' Aborigines (Langton 1982) who have moved to cities and rural towns have no distinctive Aboriginal culture, or only the remnants of one, and so can be characterised as more 'attached' to the mainstream economy. 'Traditional' Aboriginal culture, fetishised and situated in the Australian public's mind in remote communities, is in turn held up as the benchmark for the 'real' Aborigines, though not for 'real' labour - for according to this representation, 'traditional' Aboriginal people do (or are supposed to do) the work of culture. When classified in terms of Australian census categories, these 'culture-workers' are invariably to be found located either as 'not in the labour force', or locate themselves as 'not stated'.

Through processes such as these, non-Aboriginal ideas of what constitutes 'real' work, 'real' employment and the 'real' labour force have informed official assessments of Aboriginal economic activities. The validity of associated social indicators thus needs to be critically evaluated, especially in respect to their accuracy in reflecting the cultural parameters of Aboriginal work activities and values.

Some cultural parameters

The very nature of the indigenous population makes it relatively inaccessible to standard data collection methods. They are relatively remote in geographic terms - close to one-third live in rural localities of less than 1,000 persons - and extremely dispersed. There is also significant cultural diversity, with groups differing in fundamental aspects of their kinship structures, key aspects of social organisation, music, art forms and ceremonial life, with distinctive local cultural priorities being emphasised. At the same time, there are continuities that create an Aboriginal commonality across Australia. This common identity is based on the continuing significance of kinship ties and the ethic of sharing, common socialisation practices, the continuing use by some of Aboriginal languages and by others of distinctive forms of Aboriginal English, and by patterns of mobility within extended social networks. The history of colonisation itself has reinforced shared understandings of the impact of dispossession and discrimination. Both the cultural diversity and commonality of identity pose a considerable challenge for the accuracy and reliability of social indicators.

On the bases of ethnographic field studies, a number of Australian researchers have argued that what constitutes work for some Aboriginal people is determined by values fundamentally at odds with western notions of the wage contract, hierarchical employment structures and participation in the labour force (see Coombs et al. 1989; Edmunds 1990; Sansom 1988). Even money is said to be used more for its relative value within an indigenous system of social relations (Sansom 1988; Smith 1991: 16-19), so that economic motivation itself reflects different cultural priorities. A recent multi-disciplinary, social impact study of mining development amongst East Kimberley Aboriginal peoples in Western Australia, argued that:

> Aborigines do not face the general Australian economy with their time fully available for employment or divided simply between 'work' and 'leisure'. Rather they come with their time significantly allocated to distinctly Aboriginal purposes and activities. Employment or involvement in the Australian economy involves a trade-off between the potential to earn cash and a range of other activities (Coombs et al. 1989: 86).

Aboriginal work rhythms and levels of participation in the mainstream labour market need to be considered within the context of kin-based resource networks and structures of reciprocity, as well as in relation to seasonal cycles and population mobility. These distinctly Aboriginal mores are not confined to the residents of remote northern communities, but continue to influence the nature of individual attachment to the mainstream labour force in rural and urban areas.

At the same time, differences in socioeconomic circumstances for Aboriginal people can be pronounced between urban, rural and remote locations, and are often striking within the same community. Remote Aboriginal communities are frequently characterised by high non-participation rates and often have poorly developed (or non-existent) labour markets. Field research data from regional and community case studies describe labour markets that are narrowly based and unstable (Altman 1987; Ellanna et al. 1988; Young 1981; Loveday 1985). When employment is available, it is predominantly part-time, short-term and in the community services sector. Levels of employment and unemployment in these communities are subject to the impact of seasonal fluctuations and population mobility, and display marked segmentation on the basis of sex and age. The static picture portrayed by official employment indicators is misleading and their usefulness for describing the actual patterns of Aboriginal work life and economic status in these locations is questionable.

Ethnographic evidence from different locations and community types also indicates that Aboriginal unemployment levels are likely to be higher than the official census data imply. In some cases, census statistics appear to underestimate Aboriginal unemployment by as much as 30-40 per cent (Ross 1988; Smith 1991). The difference in results partly stems from the

use of a more flexible approach in field research studies; in particular relaxing the job search criteria in those areas where the labour market is virtually non-existent, and including self-enumeration of work status. The close involvement of Aboriginal people in administering questionnaires has also been shown to play a major role in achieving better response rates from Aboriginal people (Ross 1988). Local Aboriginal opinion reported by Ross in a survey of Aboriginal labour force status in rural New South Wales also suggested that people were reluctant to identify their labour force status and especially reluctant to identify themselves as unemployed on official forms, being sensitive to the negative connotations associated with that status by the wider population (Smith 1991: 18-19).

There are then, a number of ways in which cultural factors directly influence the nature of Aboriginal participation in the mainstream labour force and their willingness and ability to respond to census questions. These factors have important implications for data collection and for the subsequent validity of census indicators. The methodological and conceptual bases underpinning such indicators need to be critically evaluated in light of these cultural parameters, in order to pinpoint their possible shortcomings.

The Remote Area Enumeration Strategy

Since 1971 the ABS has sought to develop special field procedures - known as the Remote Area Enumeration Strategy (RAES) - to ensure a more comprehensive coverage of remote Aboriginal populations, in line with their growing dispersion and high levels of illiteracy, and in recognition of the need for flexibility in cross-cultural communication. The tactic in the RAES has been to collect census data for specific Aboriginal localities by interview and via second-hand sources such as from key informants and local administrative records, rather than by the standard method of self-enumeration.[5]

In the 1991 Census, the strategy covered all non-urban areas and Aboriginal town camps in the Northern Territory, Western Australia, South Australia, in the Gulf and Peninsula area of Queensland, and the Torres Strait. For some of these areas, it represented the full enumeration. One-quarter of the entire Aboriginal population was covered by the strategy; in the Northern Territory it was as high as 70 per cent.

While the strategy enables much needed flexibility in delivering the questionnaire in remote Aboriginal communities, data accuracy has been compromised (Taylor 1993b). In the 1991 Census there was considerable variation in actual field recording techniques between and within States. The Aboriginal identifier was pre-ticked in remote areas covered by the strategy, but not in all other parts of Australia. With respect to the

recording of labour force data, it is not clear how it was determined by proxy that an individual was engaged in a paid job in the week prior to enumeration, the type of work engaged in, the number of hours worked, or if they had actively looked for work in the prior four weeks. In the case of the many remote, small outstations scattered across the top of northern Australia, it appears that information about residents was frequently obtained from administrative records held at larger centralised communities.[6] The reliability of such data are questionable when obtained for a number of people indirectly from a key informant or from distant administrative records.

Classifying special government programs

The question of content validity - of exactly what the labour force indicators are describing - is raised by a consideration of the way in which paid work carried out by Aboriginal participants in the Community Development Employment Projects (CDEP) scheme is classified by the ABS. The CDEP scheme operates as a work-for-the-dole arrangement whereby the Aboriginal residents of a community elect to receive block grants roughly equivalent to the total foregone welfare entitlements of individual community members. At the time of the 1991 Census some 165 communities participated, involving a total of 18,473 participants, with the majority in rural areas and occupied in part-time work.

Under the 1991 Census RAES, CDEP participants (who would all be eligible for social security benefits prior to their voluntary transfer to the scheme), were recorded as employed irrespective of whether they actually worked during the week prior to the census date (Taylor 1993a: 26). This ABS decision made a drastic difference to measures of employment and unemployment as individuals previously classified as unemployed were transferred, at the stroke of a pen, across to the employed category. It has been estimated that 58 per cent of total new jobs for Aboriginal people created between the 1986 and 1991 Censuses can be attributed to this classificatory decision, and that expansion of the scheme over that period accounted for virtually all net intercensal growth in Aboriginal employment in rural areas (Taylor 1993a). Associated employment characteristics such as hours worked, industry and occupation have similarly been changed as a result of the 'CDEP factor' in the census. Clearly, decisions made as to whether to include or exclude CDEP scheme participants from particular labour force categories have had a significant impact on rates of employment and unemployment; to the extent that opposite conclusions are produced depending on the decision.

Whether Aboriginal people moving from receipt of social security payments to participation in the CDEP scheme should be regarded and classified as transferring from unemployment to employment, is a

contentious point. Research indicates that while expansion of the scheme provides a means for government to reduce the official Aboriginal unemployment rates and thereby appear to achieve policy and program objectives in that area, overall, it does not seem to be particularly effective in reducing Aboriginal poverty or in moving Aboriginal people into employment within the mainstream labour market (Altman and Smith 1993). Rather, the program's welfare-linked fiscal ceilings appear to be locking scheme participants into a low-paid underclass.

Another interesting development has been the impact of the CDEP scheme on the definitional rigour of ABS labour force indicators. One of the scheme's most radical aspects is that it allows for an Aboriginalisation of work at the community level. Participating communities are able to define the work context, with the result that employment can include activities such as the maintenance of sacred sites, performance of religious ceremonies, living at outstations, firewood collection, canoe building, child-care, housework, and hunting and gathering (see Deloitte Touche Tohmatsu 1993). The otherwise strictly defined ABS concept of employment is being unwittingly expanded by its decision to classify CDEP scheme participants as employed, some of whom are engaged in types of work that in all other circumstances would be excluded from the Bureau's definition of what constitutes economic work and hence, employment.

Both the field inadequacies of the RAES and the definitional confusion arising out of the classification of Aboriginal work under the CDEP scheme raise further questions about the reliability and validity of data used to generate official labour force indicators for the Aboriginal population.

The meaning of 'not in the labour force'

Similar issues of measurement, definition and interpretation are highlighted by a consideration of the census category, 'not in the labour force'. The use of the official unemployment and employment rates as indices of Aboriginal economic status becomes crucial for analysis when a substantial portion of the population is not in the formal labour force. Arguably, the actual extent of Aboriginal unemployment, reckoned as it is within a comparatively low level of labour force participation, is understated relative to other groups which have higher participation rates. As noted previously, close to half of the Aboriginal working-age population, for definitional reasons, are classified as not in the labour force. Clearly, it is important to understand the composition and characteristics of this excluded group.

The ABS periodically attempts to measure, through special monthly labour force surveys, the numbers of people categorised as 'discouraged workers'

or as 'marginally attached' to the labour force, in an effort to more accurately estimate what is referred to as 'hidden' or 'invisible' unemployment. In Australia, this wider coverage of the potentially available workforce rests on the narrower ILO definition of unemployment, as opposed to an extended definition also proposed by the ILO which relaxes the criterion of seeking work. The latter approach recognises that, particularly in developing countries, there would be people who want to work and are available to work, but are discouraged from job-seeking. Within the extended definition these people would be officially classified as unemployed, both as measured in the unemployment rate and the incidence of unemployment. Arguably, this flexible definitional approach is more appropriate for many Aboriginal people resident in the economically undeveloped regions of remote and rural Australia.

Unfortunately, there are no official data on the extent of hidden unemployment amongst the working-age Aboriginal population, owing to the lack of identifiers in ABS special surveys on the subject. Yet a number of Commonwealth Government reviews (Miller 1985: 71; Kirby 1985: 34) have argued that the concept of hidden unemployment is more applicable to Aboriginal people than to other Australians because of the large numbers living in very isolated areas where few employment opportunities exist. An estimate of the extent of 'invisible' Aboriginal unemployment is clearly needed; when added to official measures it would provide a far more accurate and meaningful measure of the extent of Aboriginal joblessness.

However at the same time, we should be aware that the available official vocabulary is often inadequate for the purposes of accounting for the culturally grounded decisions of Aboriginal people in respect to their work lives. It is a fact that not all Aboriginal people seek full, or even partial, participation in mainstream employment. Whilst some do want full-time, permanent wage employment, others have chosen a strategically casual attachment to the labour force. Aboriginal withdrawal from, or low engagement in, the labour force cannot always be easily accommodated under the heading of 'discouraged worker', 'hidden unemployment' or 'under-employment'. Rather, central to the experience of some is the partial, sometimes complete irrelevance to them of the formal labour market. They may in fact be more appropriately described, not as marginally attached to the mainstream labour market, but as primarily attached to the informal Aboriginal economy.

While being classified as 'not in the labour force', Aboriginal people may nevertheless be engaging in productive work within their own communities. Using primary data based on a long-term time allocation study, Altman (1987; see also Altman and Taylor 1989) reported that among an outstation group of Gunwinngu Aboriginal people in Arnhem Land, all adults spent an average of 25 hours per week, year-round, working in the formal and informal sectors. For this group, the labour force

participation rate is effectively 100 per cent when the notion of economic work is widened to include subsistence production activities. In which case neither the tag 'unemployed', nor 'not in the labour force' accurately reflects their work status.

The question is whether such activities should be incorporated into a more flexible definition of the indigenous labour force, by expanding the component definitions of employment and unemployment to encompass Aboriginal values and work activities. This is an issue of cultural relativity - namely, from whose strategic perspective does one construct and analyse indigenous labour force status - which goes to the heart of matters concerning the breadth of coverage and relevance of the labour force indicators. It is also one which has pragmatic and policy consequences. The objectives of Australian Government policy and programs in this area are often developed and evaluated on the basis of labour force indicators, and will have to contend with the gap between statistical representations and Aboriginal lived experience.[7]

Recycling labour force status

Evidence from ethnographic field research indicates that one of the apparent features of Aboriginal participation in the mainstream economy is the substantial variability in their work schedules, with oscillations between periods of training, employment and unemployment. This recycling pattern is more than simply frictional unemployment, where people spend short periods of time out of employment as a result of imperfect information or having to search for jobs (Norris 1989: 181). For some Aboriginal people, short periods of employment or job training are often interspersed with long periods of time spent without a job.

In 1991, some 18,285 Aboriginal people participated in the Department of Employment, Education and Training's labour market programs (Daly and Hawke 1993: 11). Some of these were clearly educational training schemes which are excluded from the labour force category, while others had specific wage subsidy components and are classified as employment. While the ABS supposedly classifies Aboriginal trainees in wage subsidy areas as employed in the labour force, it is a moot point as to whether they actually occupy jobs. They might as easily be classified as in transit from being unemployed. Indeed, training may well constitute a third, phantom labour force status for many Aboriginal people who undertake recurrent training programs; neither fully exiting from their unemployed status, nor entering into the regular labour market. Thus a Commonwealth Government review of the Training for Aboriginals Program (Johnston 1991: 73) reported a high level of recycling with approximately 30 per cent of trainees proceeding to further training programs after completion of courses.

A further effect of this recurrent movement through training schemes is to create definitional fuzziness within official measures of Aboriginal unemployment. For example, Aboriginal unemployment spells are broken by this pattern, so that those who return to unemployment on completion of a training program are counted as starting a new spell of unemployment. In actual fact, their primary labour force condition could be described more accurately as that of long-term unemployment, broken only by intermittent and brief spells of training or insecure work. Given the recycling pattern to Aboriginal participation in the labour force, official indicators of long-term unemployment for Aboriginal people - which already report very high levels - will undoubtedly be underestimates.

Importantly, for some Aboriginal people this recycling pattern may not simply signify lack of employment opportunity or discouraged worker effects, but represent a characteristic pattern of self-selected high flows through mainstream labour force statuses. Some Aboriginal people are intermittent workers with a casual attachment to the mainstream labour force as a result of culturally determined choices. Their primary attachment is to the Aboriginal economy and their access to cash is via welfare transfers and processes of cash redistribution operating in the Aboriginal kin network. At the same time, it is clearly the case that in some areas of remote and rural Australia, low levels of Aboriginal participation in the labour force and high levels of Aboriginal unemployment are associated with the lack of available jobs and can be accurately described as recycling unemployment. These features of Aboriginal employment and unemployment are invariably obscured by official census indicators. Such deficiencies are all the more noticeable given that the regular ABS Labour Force Survey which aims to assess the ebb and flow of Australian labour force participation, does not identify the Aboriginal workforce.

Conclusions

Aboriginal involvement in, or exclusion from, the mainstream economy cannot be adequately described according to a static labour supply model. Available census indicators of employment and unemployment view the workforce in equilibrium at a single point in time (at most a month prior to the interview date), and hence obscure the characteristic patterns and fluctuations in Aboriginal labour force activities. The effective outcome for indigenous Australians is statistical marginalisation. The official indicators display problems of low content validity, definitional ambiguities and conceptual inadequacies, many of which arise from the fundamentally ethnocentric framework in which they have been developed. These shortcomings make them incomplete bases for the investigation of factors that are central to Aboriginal socioeconomic status and levels of disadvantage. By implication, the national statistical techniques and conceptual assumptions of many western countries may similarly be

inadequate to the task of accurately portraying the work activities and labour force status of indigenous minorities within their borders.

Not surprisingly, official censuses and surveys have faced considerable difficulties in taking the diversity of indigenous social and cultural life into account in their design, conduct and subsequent statistical analysis (Smith 1992). Nevertheless, a corrective to formal economic notions and to the use of indicators which ignore distinctly indigenous factors is needed if a more accurate picture of indigenous socioeconomic status is to be obtained. Pressure to this end is increasing as official indicators progressively inform government policy and program initiatives. Indicators have become linked to resourcing and are hence politicised; government departments and indigenous organisations alike use them to demonstrate areas of economic inequality so as to attract public funding. In these circumstances, policy makers will need to be aware of the limits of available social indicators, and to be better informed about the wider dimensions of Aboriginal employment and unemployment mentioned here.

The challenge in Australia is to obtain data that present a more accurate, less ethnocentric reflection of the employment and unemployment situation of Aboriginal people. To this end, a range of possible approaches could be considered.

Firstly, the concept of the 'currently active population' which informs the notion of labour force used by the ABS is not appropriate for assessing the labour market position of many Aboriginal people. The concept refers to those people above a certain age who supply labour for the production of goods and services during a specified brief period of time (standardly 'last week'). The alternative concept of the 'usually active population' is more applicable to the labour force in so-called developing countries where a high proportion of employment is affected by seasonal and cultural factors. The 'usually active population' refers to all people above a certain age who were employed or unemployed during the major part of a longer reference period, such as the preceding 12 months. Arguably, this definitional concept is more appropriate for obtaining Aboriginal labour force data. In regions where employment is characterised by seasonality and shorter, repetitive periods of work, and in economic conditions where employment and unemployment status fluctuate considerably, measuring labour force status over a brief period will be misleading.

Secondly, ABS special surveys such as the monthly Labour Force Survey the Survey of Employment and Earnings and others conducted on labour market issues, should be upgraded to include an indigenous identifier. The sampling method in particular, needs to be expanded to cover the known cultural and geographic variations evident within Aboriginal society. In some major urban areas, existing census definitions and questions may be more culturally appropriate. In other locations, they will need to be attuned

to local economic and cultural realities, to reflect important age and gender divisions in economic roles, and to use language interpreters both in the construction of definitions, the framing of questions and field interviewing.

Thirdly, definitional flexibility needs to be expanded in order to include Aboriginal perspectives on economy, work and unemployment. This need not occur to the detriment of obtaining comparative data. While comparability may require standardisation of operational definitions and measures, a range of additional ethnographic and statistical data can be obtained by including question series exploring certain topics in greater detail. The information obtained can be used to test and expand the restricted field of meanings in conventional definitions. Aboriginal perceptions and circumstances can be fruitfully used to clarify what constitutes relevant measures and needs for different groups across the continent.

Finally, longitudinal and long-term data sets based on a series of expanded measures are urgently needed in order to arrive at a dynamic 'life-cycle' model of Aboriginal labour force status. Such a model will more accurately reflect the Aboriginal experience of 'recycling' through and out of the labour force, and the cultural bases of their work schedules and preferences. Indigenous economic activity and status is more accurately depicted by using a dual reference period: the standard four week period and a longer 12 month period.

The design of social indicators to cover indigenous Australians and the data collection procedures upon which they are based need to be oriented towards a more dynamic model of Aboriginal interaction with the mainstream economy. The static, cross-sectional view of Aboriginal economic activity that is invariably portrayed by official labour force indicators obscures the underlying dynamics and is inadequate for government policy and program formulation. Attention to these issues becomes increasingly compelling in light of the central role that such quantitative information plays in government initiatives aimed at alleviating the high levels of Aboriginal socioeconomic disadvantage in Australia.

Notes

1. The 1967 referendum repealed section 127 of the Australian Constitution which statistically discriminated against indigenous Australians by stating that 'in reckoning the numbers of people of the Commonwealth, or of a State or other part of the Commonwealth, Aboriginal natives shall not be counted'. The immediate result of the referendum was to fully incorporate indigenous Australians into the 1971 Census, utilising a definition of 'Aboriginality' based on self-identification. Australian Aboriginal people have been requested to fill in a voluntary question on ethnicity in all national population censuses subsequent to 1971.

2. The term indigenous Australians is now commonly used in Australia to refer to both the Aboriginal population living on the mainland and Tasmania, and to the smaller Torres Strait Islander population residing in the northern Straits area off the Queensland coast and scattered throughout the Australian States. The data in this paper refer specifically to the Aboriginal population and the term 'indigenous' is used interchangeably with that of Aboriginal to indicate that discrete group only.

3. In June 1992, the High Court of Australia handed down an historic decision in respect to what has become known as the Mabo case, put to it by the Meriam people from Mer Island in the Torres Strait. That judgement effectively overturned the existing legal argument of *terra nullius* which had substantiated British occupation and assumption of sovereignty in Australia. The High Court judgement recognised the continued existence of native title to lands in Australia.

4. Early Australian government policy and practice categorised those Aboriginal people judged to have over half Aboriginal descent to be 'full bloods', and those with less as 'half-castes'. For the purposes of government records, usually only the latter were enumerated. This imposed genetic distinction became the foundation stone of the government's assimilation policy in Aboriginal affairs until the 1960s. The terms are regarded as highly pejorative by many indigenous Australians today.

5. See Taylor (1993b) for a full account of the strategy and its implications for Aboriginal data analysis.

6. Outstations are decentralised and often very isolated communities established across northern and central Australia as a result of the movement of Aboriginal people away from larger settlements, to lands with which they have traditional cultural affiliations. Beginning in the 1970s, the movement resulted in the establishment of some 600 outstations by the late 1980s. The populations at these outstations are invariably small and related by kin and language ties. Many are increasingly receiving government services and funding, and some have initiated secondary dispersions of small groups to even remoter locations (see Blanchard 1987; Altman and Taylor 1989).

7. Some of these issues have been raised recently in a major mid-term government review of the Aboriginal Employment Development Policy (AEDP). As a major Commonwealth Government initiative in 1986, the AEDP received substantial funding commitments for employment and training programs aimed at achieving broad equity for indigenous people with other Australians in terms of their employment and economic status (see Taylor 1993a).

References

Altman, J.C. 1987. *Hunter-Gatherers Today: An Aboriginal Economy in North Australia*, Australian Institute of Aboriginal Studies, Canberra.

Altman J.C. and Smith, D.E. 1993. 'Compensating indigenous Australian 'losers': a community-oriented approach from the Aboriginal social policy arena,' *CAEPR Discussion Paper No. 47*, Centre for Aboriginal Economic Policy Research, Australian National University, Canberra.

Altman, J.C. and Taylor, L. 1989. *The Economic Viability of Aboriginal Outstations and Homelands*, Report for the Australian Council for Employment and Training, Australian Government Publishing Service, Canberra.

Australian Bureau of Statistics (ABS) 1986. *The 1986 Census Dictionary*, ABS, Canberra.

Blanchard, C.A. (Chair) 1987. *Return to Country. The Aboriginal Homelands Movement in Australia*, House of Representatives Standing Committee on Aboriginal Affairs, Australian Government Publishing Service, Canberra.

Commonwealth of Australia 1991. *Royal Commission into Aboriginal Deaths in Custody, National Report*, vol. 4 (Commissioner E. Johnston), Australian Government Publishing Service, Canberra.

Coombs, H., McCann, H., Ross, H. and Williams, N. (eds) 1989. *Land of Promises: Aborigines and Development in the East Kimberley*, Centre for Resource and Environmental Studies, Australian National University and Aboriginal Studies Press, Canberra.

Daly, A.E. and Hawke, A.E. 1993. 'Work and welfare for indigenous Australians', *CAEPR Discussion Paper No. 48*, Centre for Aboriginal Economic Policy Research, Australian National University, Canberra.

Deloitte Touche Tohmatsu 1993. *No Reverse Gear: A National Review of the Community Development Employment Projects Scheme*, Report to the Aboriginal and Torres Strait Islander Commission, Canberra.

Edmunds, M. 1990. 'Doing business: socialisation, social relations, and social control in Aboriginal societies', unpublished paper for the Social Issues Unit of the Royal Commission into Aboriginal Deaths in Custody, Canberra.

Ellanna, L., Loveday, P., Stanley, O. and Young, E. (with assistance from I. White) 1988. *Economic Enterprises in Aboriginal Communities in the Northern Territory*, North Australia Research Unit, Darwin.

International Labour Office (ILO) 1953. *Indigenous Peoples: Living and Working Conditions of Aboriginal Populations in Independent Countries*, ILO, Geneva.

Johnston, E. 1991. *Review of the Training for Aboriginals Program*, Report to the Ministers for Employment, Education and Training, and Aboriginal Affairs, Department of Employment, Education and Training, Canberra.

Kirby, P. (Chair) 1985. *Report of the Committee of Inquiry into Labour Market Programs*, Australian Government Publishing Service, Canberra.

Langton, M. 1982. 'Urbanising Aborigines: the social scientists' great deception', *Social Alternatives*, 2 (2): 16-22.

Loveday, P. 1985. 'Aboriginal employment in Katherine', in D. Wade-Marshall and P. Loveday (eds) *Employment and Unemployment: A Collection of Papers*, North Australia Research Unit, Darwin.

Miller, M. (Chair) 1985. *Report of the Committee of Review of Aboriginal Employment and Training Programs*, Australian Government Publishing Service, Canberra.

Norris, K. 1989. *The Economics of Australian Labour Markets*, Longman Cheshire, London.

Northern Territory Administration 1961. *Welfare Branch, Annual Report*, Northern Territory Archives, Darwin.

Ross, R.T. 1988. 'The labour market position of Aboriginal people in non-metropolitan New South Wales', *Australian Bulletin of Labour*, 15 (1): 29-56.

Sansom, B. 1988. 'A grammar of exchange', in I. Keen (ed.) *Being Black: Aboriginal Culture in 'Settled' Australia*, Aboriginal Studies Press, Canberra.

Smith, D.E. 1991. 'Toward an Aboriginal household expenditure survey: conceptual, methodological and cultural considerations', *CAEPR Discussion Paper No. 10*, Centre for Aboriginal Economic Policy Research, Australian National University, Canberra.

Smith, D.E. 1992. 'The cultural appropriateness of existing survey questions and concepts', in J.C. Altman (ed.) *A National Survey of Indigenous Australians: Options and Implications*, Centre for Aboriginal Economic Policy Research, Australian National University, Canberra.

Taylor, J. 1993a. *The Relative Economic Status of Indigenous Australians, 1986-91*, Centre for Aboriginal Economic Policy Research, Australian National University, Canberra.

Taylor, J. 1993b. 'Census enumeration in remote Australia: issues for Aboriginal data analysis', *Journal of the Australian Population Association*, 10 (1): 53-67.

Tesfaghiorghis, H. and Gray, A. 1991. 'The demographic structure and location of the Aboriginal population: employment implications', in J.C. Altman (ed.) *Aboriginal Employment Equity by the Year 2000*, Centre for Aboriginal Economic Policy Research, Australian National University, Canberra.

Young, E.A. 1981. *Tribal Communities in Rural Areas*, Development Studies Centre, Australian National University, Canberra.

CENTRE FOR ABORIGINAL ECONOMIC POLICY RESEARCH (CAEPR)

RECENT DISCUSSION PAPERS

30/1992 *Estimating Northern Territory Government program expenditure for Aboriginal people: problems and implications*, D.E. Smith.

31/1992 *Estimating Aboriginal and Torres Strait Islander fertility from census data*, K.H.W. Gaminiratne.

32/1992 *The determinants of Aboriginal employment income*, A.E. Daly.

33/1992 *Occupational segregation: a comparison between employed Aborigines, Torres Strait Islanders and other Australians*, J. Taylor.

34/1992 *Aboriginal population change in remote Australia, 1986-91: data issues*, J. Taylor.

35/1992 *A comparison of the socioeconomic characteristics of Aboriginal and Torres Strait Islander people*, J. Taylor and K.H.W. Gaminiratne.

36/1992 *The CDEP scheme: a census-based analysis of the labour market status of participants in 1986*, J.C. Altman and A.E. Daly.

37/1993 *Indigenous Australians in the National Tourism Strategy: impact, sustainability and policy issues*, J.C. Altman.

38/1993 *Education and employment for young Aborigines*, A.E. Daly.

39/1993 *Self-employment amongst Aboriginal people*, A.E. Daly.

40/1993 *Aboriginal socioeconomic change in the Northern Territory, 1986-91*, J. Taylor.

41/1993 *ATSIC's mechanisms for resource allocation: current policy and practice*, D.E. Smith.

42/1993 *The fiscal equalisation model: options for ATSIC's future funding policy and practice*, D.E. Smith.

43/1993 *The position of older Aboriginal people in the labour market*, A.E. Daly.

44/1993 *Determining the labour force status of Aboriginal people using a multinomial logit model*, A.E. Daly, B. Allen, L. Aufflick, E. Bosworth and M. Caruso.

45/1993 *Indigenous Australians and the labour market: issues for the union movement in the 1990s*, J.C. Altman and A.E. Hawke.

46/1993 *Rethinking the fundamentals of social policy towards indigenous Australians: block grants, mainstreaming and the multiplicity of agencies and programs*, W. Sanders.

47/1993 *Compensating indigenous Australian 'losers': a community-oriented approach from the Aboriginal social policy arena*, J.C. Altman and D.E. Smith.

48/1993 *Work and welfare for indigenous Australians*, A.E. Daly and A.E. Hawke.

49/1993 *Change in Aboriginal and Torres Strait Islander population distribution, 1986-91*, K.H.W. Gaminiratne.

50/1993 *Education and employment for young indigenous Australians, 1986 to 1991*, A.E. Daly.

51/1993 *Reconciling public accountability and Aboriginal self-determination/self-management: is ATSIC succeeding?*, W. Sanders.

52/1993 *Indicative projections of the Aboriginal and Torres Strait Islander population to 2011*, A. Gray and K.H.W. Gaminiratne.

53/1993 *Employment implications of the growth of the indigenous Australian working-age population to 2001*, J.C. Altman and K.H.W. Gaminiratne.

54/1993 *The rise and rise of the CDEP scheme: an Aboriginal 'workfare' program in times of persistent unemployment*, W. Sanders.

55/1994 *The relative economic status of indigenous people in New South Wales, 1986-91*, J. Taylor and L. Roach.

56/1994 *The relative economic status of indigenous people in Tasmania, 1986-91*, J. Taylor and L. Roach.

57/1994 *The relative economic status of indigenous people in Victoria, 1986-91*, J. Taylor and L. Roach.

58/1994 *The relative economic status of indigenous people in South Australia, 1986-91*, J. Taylor and L. Roach.

59/1994 *The relative economic status of indigenous people in Western Australia, 1986-91*, J. Taylor and L. Roach.

60/1994 *The relative economic status of indigenous people in Queensland, 1986-91*, J. Taylor.

61/1994 *The relative economic status of indigenous people in the Australian Capital Territory, 1986-91*, J. Taylor.

62/1994 *The relative economic status of indigenous people in the Northern Territory, 1986-91*, J. Taylor.

63/1994 *The economic impact of mining moneys: the Nabarlek case, Western Arnhem Land*, J.C. Altman and D.E. Smith.

64/1994 *Implementing native title: economic lessons from the Northern Territory*, J.C. Altman.

65/1994 *The impact of the welfare state on the economic status of indigenous Australian women*, A.E. Daly and A.E. Hawke.

66/1994 *The economic status of older indigenous Australians*, A.E. Daly.

67/1994 *Self-employed indigenous Australians in the labour market*, A.E. Daly.

68/1994 *The determinants of employment income for indigenous Australians*, A.E. Daly.

69/1994 *The cross-cultural validity of labour force statistics about indigenous Australians*, D.E. Smith.

70/1994 *Estimating i ndigenous Australian employment in the private sector*, J.C. Altman and J. Taylor.

For information on earlier CAEPR Discussion Papers contact Nicky Lumb, Centre for Aboriginal Economic Policy Research, Faculty of Arts, Australian National University, Canberra ACT 0200. Ph (06) 249 0587 Fax (06) 249 2789.