The relative economic status of indigenous people in the Australian Capital Territory, 1991 and 1996

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Series Note

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Professor Jon Altman
Director, CAEPR
The Australian National University
March 1999

Foreword

A component of CAEPR's research charter requires it to examine the economic situation of indigenous Australians at the State and Territory, as well as the national and regional levels of aggregation. Accordingly, in 1994, a series of eight CAEPR Discussion Papers (Discussion Papers 55–62) were published outlining changes in the relative economic status of indigenous Australians in each State and Territory using census data for the period 1986–91. These analyses, together with CAEPR Research Monographs 5 and 6, formed CAEPR's commissioned contribution to the mid-term evaluation of the Aboriginal Employment Development Policy.

As part of CAEPR's continual monitoring of indigenous economic status, access to 1996 Census data now enables this series of Discussion Papers to be up-dated for the intercensal period 1991–96. As far as possible care has been taken to ensure direct comparability in statistical content with the earlier series, thereby enabling longer-term analysis of change for the decade 1986–96. It is anticipated that these two series of Discussion Papers, taken together, will be of assistance to policy development at State, Territory and national levels.

Professor Jon Altman
Director, CAEPR
February 1999

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Census data remain the primary source of information on the economic status of indigenous people in the Australian Capital Territory, but their utility as a tool of public policy analysis is limited. This is because the economic characteristics of individuals who identified as indigenous in 1991 cannot be re-calibrated in 1996. As a consequence, the fundamental question of whether circumstances for indigenous people who identified in the 1991 Census were any better or worse in 1996 cannot be answered. The best that can be done is to estimate aggregate characteristics for the initial population using Australian Bureau of Statistics experimental population estimates derived from reverse survival procedures. This, at least, has the effect of properly aligning data levels for time series analysis.

It should be noted that, as long as the census question on Aboriginal and Torres Strait Islander origins remains the sole means of comprehensively defining the indigenous population, it is possible that the numbers identified in this way will continue to rise steadily due to improved enumeration, changes in identification and the flow-on effects of inter-marriage. At a time of growing pressure for targeted service delivery that is cost-effective and based on demonstrated need, this prospect of an ever-expanding indigenous population requires careful consideration.

Leaving aside these complexities of data collection, a key policy question that can be addressed from cross-sectional examination of census data is whether growth of the population identified by the census question on indigenous origins has resulted in any improvement at the aggregate level in the absolute and relative economic status of indigenous people in the Australian Capital Territory. Results from the above analysis regarding employment and income status suggest that it has not, because:

- while the number of indigenous people recorded as employed has risen, growth in employment fell behind growth in population and the level of indigenous employment has been reduced to around three-quarters of that recorded for all other adults in the Australian Capital Territory;
- the unemployment rate among indigenous people is relatively unchanged at around two and a half times that recorded for all other adults in the Australian Capital Territory;
- the relatively low income status of indigenous people vis-a-vis others in the Territory has remained effectively unaltered — mean indigenous income is only three-quarters of the Territory average; and
- income levels for indigenous people who are employed have moved closer to the Territory average, though still lag behind. One consequence is a growing income gap between indigenous adults in work and those dependent on welfare.

Against this background, the key economic policy issue facing indigenous people is an orientation towards private sector activities as the primary source of

future employment growth. This trend appears inevitable given the downsizing of public sector opportunities and the fiscal squeeze on many indigenous organisations and areas of the mainstream public sector where indigenous people have, to date, found an employment niche.

A parallel development is the replacement of the Commonwealth Employment Service by contracted employment provision agencies and the dismantling and restructuring of government employment assistance. As it stands, there are 11 Job Network member agencies registered in the Australian Capital Territory. None of these are indigenous organisations, leaving the issue of dedicated services for indigenous job-seekers open for question.

It seems inevitable that this privatisation of employment services will produce greater fluidity in the labour market circumstances of indigenous people. As far as further engagement with the private sector is concerned, research based on the 1994 National Aboriginal and Torres Strait Islander Survey suggests that some of the issues likely to be encountered include a possible lowering of average incomes and the likelihood of less job security, more casual/part-time work and fewer opportunities for women and older people.

While numerically those indigenous people recorded by official statistics as unemployed or not in the labour force in the Australian Capital Territory may not appear to be substantial, the emergent public policy issue is more to do with reversing the trend towards worsening labour force status both in absolute terms and relative to the rest of the population. Furthermore, the Australian Capital Territory as a statistical entity cuts across social networks. The actual number of indigenous people serviced by the Canberra labour market is likely to be more extensive, with labour force characteristics more akin to those found generally in non-metropolitan New South Wales. Set against national projections of a need for substantial and immediate improvement in indigenous employment outcomes simply to sustain the status quo, the development of regionally-focused strategies for addressing this issue has become a policy priority.

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Introduction

Census-derived social indicators continue to provide the main statistical basis for assessing change in the economic status of indigenous Australians. By way of inference, they also provide one means of assessing possible aggregate impacts of indigenous economic policy. Use of such data in this way formed the basis for a mid-term review of the Aboriginal Employment Development Policy in 1993. This involved a series of research papers aimed at establishing relative shifts in indigenous employment and income status between 1986 and 1991 (Taylor 1993a, 1993b, 1994a).

Findings for the Australian Capital Territory indicated that the indigenous employment rate fell during the 1980s while the unemployment rate increased. By contrast, the labour force participation rate remained stable. The key feature, though, was that aggregate employment outcomes for indigenous people in the Australian Capital Territory exceeded those recorded in all other State and Territory jursidictions but still lagged somewhat behind the rest of the Australian Capital Territory population (Taylor 1993b, 1994a). Also of note was a slight improvement in income relativities with average indigenous individual incomes rising to a level above three-quarters of the non-indigenous average. Obviously, it is of interest to policy-makers and to the community at large to consider whether the economic status of indigenous people described by these indicators was altered in the subsequent 1991–96 period and, if so, to what extent and in what manner?

Following directives from the Australian Bureau of Statistics (ABS) regarding the interpretation of change in social indicators for the indigenous population using 1996 Census data, some caution is required in answering these questions (ABS 1999; Taylor and Bell 1998). This is because the 1996 Census count of the indigenous population in the Australian Capital Territory included a large number of individuals who had previously not appeared in census data as indigenous Australians. Nationally, between 1991 and 1996 some 42 per cent of the intercensal increase in the indigenous population was due to factors other than natural causes (Gray 1997: 13). While comparison of rates provides some basis for assessment of change over time, it should be noted that the rates recorded for variable characteristics, such as employment and income, in the Australian Capital Territory in 1991 and 1996 refer to quite different populations and may simply reflect this difference. If the aim is to assess change in economic status for those individuals who identified as indigenous Australian in the 1991 Census and again in 1996, then this simply cannot be done. At best, some adjustment to base year (1991) data can be made by applying demographic techniques to provide estimates of change.

Population size

Inconsistency in census counts is almost a defining feature of the indigenous Australian population. For the past few censuses, the trend in overall numbers has been steadily upwards, but population growth has been considerably above the level accounted for by natural increase. Reasons for this anomaly have been the subject of much speculation, but it is generally agreed that excess population growth reflects an increased willingness of individuals to declare their ethnic identity in official statistical collections combined with greater efforts by the ABS to achieve better enumeration (Gray 1997; ABS 1999). Given this context of uncertainty regarding the size and composition of the indigenous population in the Australian Capital Territory, and in the interpretation of census data purporting to establish this, it is worth recalling the Commonwealth's three-part definition of an indigenous Australian:

- that an individual has Aboriginal or Torres Strait Islander descent;
- identifies as an Aboriginal or Torres Strait Islander; and
- is accepted as an Aboriginal or a Torres Strait Islander by the community in which he or she lives.

The fact is, of course, that the indigenous population revealed by the census could only conform with the first and/or second of these criteria (to the extent that these are invoked by the census), and even then only to the extent that a collection of individuals anonomously tick the appropriate box on a census form which asks if they are of Aboriginal or Torres Strait Islander origin.[1] While the third of these criteria may not always be applied when recording indigenous status in administrative statistical collections, its lack of application in the census methodology means that the census-derived indigenous population would almost certainly be of a different size to any population based on the full Commonwealth definition. This effectively raises the prospect of different indigenous 'populations' eventuating in different statistical contexts, with that derived from the census being just one of these, though probably the most inclusive net of any census error. The point to note from this is that political and cultural processes, including the highly variable way in which States, Territories and the Commonwealth have attempted to enumerate and categorise indigenous people and the choices made by respondents to official enumerations, construct the official statistical entity we call 'the indigenous population' (Smith 1980; Dodson 1994; Anderson 1997).

Most research on the demography of socially constructed populations and the policy implications that result from the inevitable variability in official counts has been conducted in the United States with respect to changes in the size and composition of the American Indian population (Snipp 1986, 1997; Eschbach 1995; Sandefur, Rindfuss and Cohen 1996; Eschbach, Supple and Snipp 1998). It is noted, for example, that the numbers needed to make intercensal increase in a population balance after accounting for births, deaths and migration is usually

small. However, in ethnic populations defined by self-identification, as in the case of American Indians, this 'error of closure' is often large due to shifts in the propensity of individuals to declare an ethnic status on census forms.[2]

A large error of closure is clearly evident when accounting for indigenous population growth in the Australian Capital Territory over the last intercensal period. At the 1996 Census, 2,852 indigenous people were counted in the Australian Capital Territory, an increase of 1,084 (61 per cent) since 1991. To give some indication of how unexpected this result was, it is useful to compare this with the population that was projected for 1996 based on an estimate of natural increase using the 1991 Census as a base. Because census counts are subject to enumeration error, revised estimates of the resident population (ERPs) are produced by the ABS. In 1996, the indigenous ERP was calculated at 3,058, which was 49 per cent higher than the 2,052 expected on the basis of experimental projections from the 1991 Census which included an estimate of net gain due to interstate migration (ABS 1996b: 22; 1998b: 10). Compared to other jurisdictions in Australia, even those in the south and east of the continent where increases in the indigenous population count were also above expectation, this gap between the population projected for 1996 and that finally estimated in 1996 was very large (Taylor 1997: 5).

A number of observations are relevant to an understanding of this demographic discrepancy. First, the growth rate for the Australian Capital Territory is calculated from a far lower base than in any other jurisdiction with a large proportional change derived from a relatively small absolute increase. Second, the relative focus of economic activity in the Australian Capital Territory on the Commonwealth Public Service and the avowed aim of government policy over the period in question to encourage the employment of indigenous people in the Commonwealth sector, inevitably enhances the Australian Capital Territory as a destination for potential Commonwealth employees. This is particularly so in areas of the federal bureaucracy concerned with servicing the national indigenous population. Overall, almost half (48 per cent) of indigenous people employed in the Australian Capital Territory in 1996 were engaged by Commonwealth departments compared to only 34 per cent of all other employed persons.

This labour market niche is manifest in high net rates of interstate indigenous migration gain. For example, between 1991 and 1996 the balance of migration flows in and out of the Australian Capital Territory of indigenous people led to a net gain of 231 persons, representing a rate of around 102 per thousand of the average intercensal population. By contrast, the next highest interstate migration gain for indigenous people was recorded in Queensland with a net rate of only 28 per thousand.

As revealed by previous censuses, the bulk of the Australian Capital Territory's indigenous population (99 per cent) is located in the urban area of Canberra. However, this proportion was boosted in the 1996 count by the transfer of Jervis Bay Territory out of the Australian Capital Territory statistical boundary in 1993. This included a total of 185 indigenous people in the community of

Wreck Bay. Such a reduction in the rural share of the Australian Capital Territory population may have had some influence on intercensal change in population characteristics, but this has not been tested here. In 1986, indigenous people comprised only 0.4 per cent of the total Canberra population and this share increased to 1 per cent in 1996, highlighting the status of the indigenous population as an expanding community in the Australian capital. Indeed, a larger indigenous population with extant networks throughout the Canberra region between Yass, Tumut and Queanbeyan is recognised, though the demographic boundaries, both past and present, are difficult to specify. At the 1996 Census, a total of 1,047 indigenous people were counted in this general region (excluding Canberra and Tumut). Of these, 704 were counted in Queanbeyan, 120 in the Yass Indigenous Locality and 223 in the Southern Tablelands Indigenous Area. The question of precisely which population is serviced by the Australian Capital Territory and forms a potential target group for planning purposes remains an open public policy issue. At the very least, those in Queanbeyan would very likely form part of the labour market focussed on the Australian Capital Territory but for reasons of statistical convenience these are not included in the present analysis.

The working-age population, 1991 and 1996

The 1996 Census count of indigenous people in the Australian Capital Territory aged 15 years and over reveals an increase of 60 per cent since 1991, from 1,075 to 1,726. This rate of increase was far greater than the 9 per cent recorded for non-indigenous adults and was substantially above expectation based on projections from the 1991 Census. However, a more appropriate basis for estimating growth in the number of indigenous adults is provided by experimental population estimates produced by the ABS (1998a). These are constructed by a series of adjustments to the 1996 count. First, by excluding indigenous persons whose parents were both born overseas; second, by assuming indigenous status for a pro rata allocation of non-respondents to the census question on Aboriginal and Torres Strait Islander origins; third, by correcting for net undercount of the indigenous population; and finally, by adjusting the number of persons aged zero on the basis of registered births (ABS 1998a).

Reconstructing the 1991 population

Conceptually, the 1996 Census-derived population may be viewed as the best estimate yet of an ultimately unknown number of individuals of Aboriginal or Torres Strait Islander origins. In the Australian Capital Territory, as elsewhere in Australia, the number of individuals who could respond to the open-ended question on Aboriginal and Torres Strait Islander origins is, in all probability, greater than the number who actually do so given the potential expansionary effects on a self-identified population of inter-marriage over generations. In order to reconcile intercensal change in the self-identified population it is assumed that

those revealed in the 1996 Census are drawn from such a pool and that they include individuals who, for whatever reason, did not appear in the 1991 Census as indigenous. Realistically, for analysis of change in population characteristics, these latent numbers should be restored to the 1991 population. While the census provides no information which can be used to achieve this, it is possible to derive an estimate of the 1991 working-age population using the revised 1996 population as a base. The standard demographic technique for reconstituting the initial population in this way is through reverse survival (Shyrock, Siegel and Associates 1976: 262–3, 418–21) and this is applied by the ABS to generate new upwardly revised estimates of the 1991 population (ABS 1998a).

Application of the reverse survival procedure in this context involves taking the population as counted in 1996, disaggregated by age and sex, 'younging' this population by five years and making allowance for deaths that occurred over the intercensal period, to estimate the population in each age-sex group in 1991 (Taylor and Bell 1998). Thus, the population of males aged 20–24 in 1991 is estimated by applying reverse survival ratios to the male population aged 25–29 in 1996. This is essentially the reverse of the standard procedure used in making projections of future population by the cohort-component method, although it should be noted that ABS's application of the reverse survival procedure to reconstitute the earlier population assumes that the population is closed to interstate migration.

Table 1. Estimated population aged 15 years and over: indigenous and non-indigenous people in the Australian Capital Territory, 1991 and 1996

	1991	1996	1991–96	
			Net change	Per cent change
Indigenous	1,523	1,850	327	21.5
Non-indigenous	219,827	238,595	18,768	8.5

Source: ABS 1996: 14; 1998a: 9–10.

As indicated in Table 1, this procedure raises the 1991 working-age population from the 1,075 revealed in the census count to an estimate of 1,523. Thus, the estimated increase in the indigenous working-age population over the intercensal period was only 327, or 21 per cent, though this was still substantially above the 8 per cent growth rate estimated for the non-indigenous adult population. Precise reasons for this differential growth have not been established but they are likely to reflect higher indigenous net interstate migration gain and, possibly, the inevitable outcome of demographic processes set in train through high indigenous fertility in the early 1970s (Gray and Tesfaghiorghis 1993; Gray 1997). From a policy perspective, the key implication to note is that the rate of indigenous employment growth over the intercensal period would need to have been greater than for non-indigenous people, and at

least equivalent to the growth in the indigenous working-age group, simply to maintain the indigenous employment/population ratio at its 1991 level. The retrogressive nature of this connection is indicated by the fact that employment growth could be high in absolute terms but still have little appreciable impact on labour force status.

Labour force status, 1991 and 1996

In examining change in the labour force status of indigenous people, census count data are utilised to maintain consistency with data from previous analysis of indigenous economic status in the Australian Capital Territory (Taylor 1994a). It should be noted that labour force status is expressed as a proportion of the 15–64 years old working-age group. This is because of the much older age profile of the non-indigenous population which distorts comparison of labour force participation rates. Three standard indicators of labour force status are examined: the employment rate, representing the percentage of persons aged 15–64 years who indicated in the census that they were in employment during the week prior to enumeration; the unemployment rate, expressing those who indicated that they were not in employment but had actively looked for work during the four weeks prior to enumeration as a percentage of those in the labour force (those employed plus those unemployed); and the labour force participation rate, representing persons in the labour force as a percentage of those of working age.

Table 2. Labour force status of indigenous and non-indigenous people in the Australian Capital Territory, 1991 and 1996

	Indigenous		Non-indigenous	
	1991 (1)	1996 (1)	1991 (2)	1996 (2)
Employment rate	57.8	55.0	72.6	72.5
Unemployment rate	18.9	17.8	7.3	7.3
Participation rate	71.3	66.9	78.3	78.2
Ratios (1/2):				
Employment rate	0.80	0.76		
Unemployment rate	2.60	2.44		
Participation rate	0.91	0.86		

Note: All figures exclude those who did not state their labour force status.

The number of indigenous people aged 15-64 years who were recorded by the census as employed increased by 50 per cent from 614 in 1991 to 924 in 1996. However, growth in the count of this working-age population was higher and, as a consequence, the overall employment rate fell slightly from 58 per cent

to 55 per cent (Table 2). Compared to the rate of 61 per cent recorded in 1986, this represents a substantial decline over the last two intercensal periods (Taylor 1994a: 6). By contrast, the employment rate for the non-indigenous population was relatively stable over the same period at around 73 per cent. Consequently, the indigenous employment rate expressed as a ratio of the non-indigenous rate fell during the 1990s from 0.80 to 0.76 (Table 2). While the census-derived indigenous unemployment rate displayed a more favourable shift, it remained substantially above the non-indigenous rate at around two-and-a-half-times higher. This high level of unemployment was maintained despite a noticeable decline in the indigenous participation rate, which also fell relative to the rest of the population.

One factor which may have served to lower the indigenous labour force participation rate is the effect of policies designed to encourage higher levels of attendance and retention in educational institutions (Schwab 1995). In this context, it is worth noting that the number of indigenous adults counted in the Australian Capital Territory who were attending an educational institution increased by 75 per cent between 1991 and 1996 from 236 to 413. However, because of the overall increase in the count of working-age population, the rate of attendance actually fell slightly from 24.3 per cent to 23.8 per cent.

At the aggregate level, these indicators of labour force status clearly set the population of the Australian Capital Territory apart from the rest of the indigenous population of the Queanbeyan ATSIC Region which includes the city of Queanbeyan and stretches north to Yass and Goulburn, south to Cooma and Bombala and incorporates coastal communities from Nowra to Eden. In this wider region, the 1996 indigenous employment/population ratio was only two-thirds of that recorded for the Australian Capital Territory (36.8 per cent against 55.0 per cent) while the unemployment rate was two-thirds higher (29.4 per cent against 17.8 per cent).

This raises an interesting question in terms of defining the indigenous population of Canberra for policy purposes. For example, if high net migration gain to Canberra is mostly tied to the movement of individuals for employment, then it may be that employment and income status is differentiated according to migration status. Put another way, successful migrants to Canberra (to the extent that migration is predicated on the acquisition of employment) may serve to enhance the aggregate economic profile and thereby mask lower economic status among other more residentially stable sections of the community.

This proposition was tested with data on the labour force status of individuals counted in the Australian Capital Territory in 1996, according to whether their usual residence five years ago was also in the Australian Capital Territory or whether it was elsewhere in Australia. While this provides only a crude comparison of recent arrivals against longer-term residents, the results appear unequivocal – the fact of recent migration into the Australian Capital Territory has no appreciable impact on labour force status. Both groups reported employment rates, unemployment rates and labour force participation rates close

to the overall average for indigenous people in the Australian Capital Territory. To some degree, this is to be expected given that the vast majority of indigenous residents of the Australian Capital Territory would have migrated from elsewhere at some stage, not least from the surrounding region.

The influence of age and gender

The key structural impacts on labour force status both in the indigenous and non-indigenous populations still derive from age and gender, although the effect of the latter has diminished substantially in recent times, especially among indigenous adults. Table 3 shows relative changes in the labour force status of indigenous and non-indigenous males and females for the period 1986–96. A clear move towards convergence in employment rates is evident among both population groups due to a lowering in the rates for males and an improvement in rates among females. In this process, the relative position of indigenous males has deteriorated substantially. This is most apparent from changes in unemployment rates with indigenous males recording a steady rise in an already high level of unemployment, while the rate among indigenous females fell markedly to approach the more stable lower levels observed for the non-indigenous workforce.

These shifts in rates reflect much higher growth in employment for females, with the result that the aggregate level of employment in the Australian Capital Territory is now evenly divided between males and females (Table 4). This leaves aside consideration of any gender difference that may persist in the composition of employment by industry, occupation and level of appointment (Taylor 1993c, 1994b).

Table 3. Labour force status of indigenous and non-indigenous people in the Australian Capital Territory, 1986, 1991 and 1996

	Indigenous			Non-indigenous		
	1986	1991	1996	1986	1991	1996
Males						
Employment rate	74.6	65.0	56.0	83.1	78.9	77.1
Unemployment rate	15.0	20.0	24.4	4.1	7.5	8.0
Participation rate	87.7	81.3	74.2	86.7	85.3	83.8
Females						
Employment rate	47.7	50.6	54.1	63.8	66.3	68.0
Unemployment rate	15.1	17.3	9.8	5.4	7.1	6.5
Participation rate	56.2	61.2	59.9	67.5	71.3	72.7

Note: All figures exclude those who did not state their labour force status.

As for the age distribution of labour force status, this varies between those in the youth/young adult age group of 15–24 who are involved in the transition phase from school and training to work, those in the prime working-age group of 25–54, and those beyond retirement age of 55 years (Table 5). Across each of

these age ranges the gap in labour force status between indigenous and non-indigenous adults is fairly consistent. Most worrying for future outcomes though, is the fact that the relative level of employment among indigenous youth is the lowest of all age groups at barely 70 per cent of the level for non-indigenous youth. One consequence of this, is a much higher indigenous youth unemployment rate at almost 30 per cent.

Table 4. Change in employment among indigenous and non-indigenous people by sex: Australian Capital Territory, 1991–96

	Per cent of employed		Change	
	1991	1996	Net	Per cent
Indigenous				
Males	56.5	50.2	117	33.7
Females	43.5	49.8	193	72.3
Total	100.0	100.0	310	50.5
Non-indigenous				
Males	54.2	52.6	2,427	3.2
Females	45.8	47.4	6,365	10.0
Total	100.0	100.0	2,295	6.4

Table 5. Indigenous and non-indigenous employment and unemployment rates by broad age group, Australian Capital Territory, 1996

	Employment rate			Unemployment rate		
	Indigenous (1)	Non-indigenous (2)	Ratio (1/2)	Indigenous (1)	Non-indigenous (2)	Ratio (1/2)
Age group						
15-24	40.5	57.1	0.71	29.1	14.4	2.0
25-34	64.2	78.2	0.82	13.7	6.8	2.0
35-44	64.3	82.4	0.78	10.9	4.7	2.3
45-54	60.5	83.3	0.73	10.9	4.1	2.7
55-64	39.5	52.5	0.75	15.0	6.4	2.3

Note: All figures exclude those who did not state their labour force status.

Interpreting indigenous employment change

It is important to qualify observations of intercensal variation by pointing out that they reveal nothing about change in the status of the original indigenous population identified by the 1991 Census. All that can be said is that the employment rate among those who identified as indigenous in 1996 was lower than that observed for those recorded as indigenous in 1991, while the

unemployment rate for the 1996 population was essentially unchanged. Although these facts have cross-sectional value, the more interesting and vital policy question of whether the labour force status of the original 1991 population was worse, better or no different in 1996, is simply beyond analytical reach in the context of the large non-biological increase in the population. In effect, the census data are reporting different aggregate status in respect of 'different' populations. While there is some scope for estimating the compositional impact of newcomers to the population using fixed population characteristics, such as age left school (Eschbach, Supple and Snipp 1998; Hunter 1998), for characteristics that are variable over time, such as employment status, this is simply not possible. Given the lack of alternative sources of information on indigenous employment outcomes, this constitutes a serious public policy deficiency.

Revising employment change

One correction to employment change data that can, and should, be made is to establish a more realistic time series. Compensation for the effect of excess population increase is achieved by using the revised ABS estimate of the 1991 working-age population to re-align the 1991 employment level with an equivalent estimation for 1996.

Table 6. Estimated indigenous employment in the Australian Capital Territory, 1991 and 1996

	1991		1996
	Census count	Estimate from reverse survival	ERP
Population aged 15+	1,075	1,523	1,850
Employed	614	880	1,017

Because reverse survival inevitably alters the end-year age distribution, age-specific employment rates from the 1991 Census are applied to the new estimated five-year age distribution of the working-age group to generate an upward adjustment to the census-derived employment figure. Thus, as shown in Table 6, employment in 1991 rises from the census count figure of 614 to an estimated 880. Likewise, the 1996 employment figure from the census is adjusted to align with the 1996 ERP. This produces an estimate of employment in 1996 of 1,017. Using this adjusted estimate of 1991 employment as the new base, the intercensal rise in the number of indigenous people employed becomes 137, representing an increase of 16 per cent. This is a considerably lower growth rate than the 50 per cent increase obtained from a direct comparison of 1991 and 1996 Census employment figures, although it is still considerably above the level of 6 per cent employment growth recorded for the rest of the population in the Australian Capital Territory, albeit from a lower base. However, a proportion of

this higher growth for indigenous people can be accounted for by government program intervention and this contribution has also to be estimated.

Program intervention and employment growth

An important consideration when accounting for variation in the number of indigenous people recorded as employed is the fact that administrative changes in the way the state handles entitlements for the unemployed and those not in the labour force can effect a change in their labour force status as recorded by the census. Such program influences during the first half of the 1990s derived primarily from participation in Department of Employment Education Training and Youth Affairs (DEETYA) labour market programs.[3]

According to the ABS, the labour force status of labour market program participants is recorded by the census using the standard question about activities in the week prior to enumeration (ABS 1995a: 8). Those in programs involving a form of wage subsidy or job placement are likely to regard themselves as having undertaken paid work, and hence employed. Those in training, but with no subsidy, are more problematic. However, if these people held a part-time job along with their training then they were also likely to be regarded as employed. According to the Indigenous Employment Initiatives Branch of DEETYA, labour market programs that were likely to have contributed to employment numbers in this way in 1996 included various elements of the Training for Aboriginals Program (TAP), Apprenticeship Wage Subsidies, Job Clubs, National Training Wage Traineeships, the New Work Opportunities Program, Jobskills Projects, and the various Jobtrain and Jobstart programs.

A question remains as to which of these programs actually generated additional employment for indigenous people. For example, some individuals in wage subsidised employment may have secured their position regardless. However, it is more likely that wage subsidies offer an important competitive edge for indigenous people in the labour market given their multiple disadvantage in securing employment (ABS/CAEPR 1996). Equally, it seems that indigenous DEETYA clients in wage subsidy programs would, in all probability, substitute for non-indigenous employees given their small share of the population. This would serve to augment indigenous employment outcomes.

One pointer to this positive interpretation of the possible impact of program intervention is provided by the fact that, nationally, the proportion of the indigenous population aged 15 years and over that was employed was relatively stable between 1991 and 1994 at around 35 per cent (ABS 1995b: 41), but over the subsequent two years to 1996 it increased to 39 per cent. Likewise, between 1991 and 1996, the unemployment rate fell dramatically from 31 per cent to 23 per cent. Such positive shifts in labour force status are unlikely to have been produced by market forces alone, especially during a period of poor outcomes generally in the labour market. Given the coincidence in timing, the suggestion

here is that this improvement was associated with the introduction of *Working Nation* initiatives launched by the Labor Government in May 1994. A key feature of these initiatives was the Job Compact, which gave people in receipt of unemployment allowances for more than 18 months the guarantee of a job or training opportunity. Early interventions, case management and the National Training Wage were also major features of the *Working Nation* initiatives.

The fact that indigenous people have relied heavily on government program support for employment creation is well documented (Sanders 1993; Taylor and Hunter 1996). Thus, any meaningful assessment of intercensal employment change would ideally account for changes in such programs that may influence the number of individuals who could claim on the census form that they had a full-time or part-time job of any kind in the week prior to enumeration. Unfortunately, DEETYA administrative data on participation in labour market programs, which have been used to estimate this for other jurisdictions, incorporated figures for the Australian Capital Territory with the State total for New South Wales. As a consequence, separate analysis for the Australian Capital Territory is not possible.

Income status, 1991 and 1996

A key goal of government policy is to achieve an improvement in income levels for indigenous Australians to a point where they are equal to those of the general population. Since census data are the primary source of information on the individual incomes of indigenous people, the same difficulties encountered in the analysis of change in employment status also apply when assessing income levels. Consequently, relative income status can only be established cross-sectionally. The more important issue of whether individual incomes rose or fell among the original 1991 population cannot be addressed using this source of information.

Other conceptual problems bedevil the analysis of income data. For one thing, the census collects and reports information on gross income 'usually received each week' with annual income equivalents provided as a guide. For many people, the flow of income is intermittent and accurate depiction of a usual weekly income may be difficult. Aside from regular income flows from employment or welfare payments, there is the likelihood of sporadic employment income as well as windfall gains. On the debit side, there may be occasional reductions of income due to loss of employment or cash transfers to others. Taken together, these flows can create a highly complex picture, even over a short space of time, and one that census methods of data gathering are likely to misrepresent.

A further point to note is that census data report income as a range within an income category with the highest category left open-ended. Consequently, actual incomes have to be derived. In estimating total and mean incomes, the mid-point for each income category is used on the assumption that individuals

are evenly distributed around this mid-point. The open-ended highest category is problematic, but it is arbitrarily assumed that the average income received by individuals in this category was one-and-a-half times the lower limit of the category (Treadgold 1988). Clearly, estimates of mean incomes will vary according to the upper level adopted.

Despite these caveats, the census remains the most comprehensive source of income data derived from a consistent methodology and the only source available for the indigenous population. The gross income reported is intended to include family allowances, pensions, unemployment benefits, student allowances, maintenance, superannuation, wages, salary, dividends, rents received, interest received, business or farm income and worker's compensation received. Apart from enabling comparison between population groups, individual and household income can be established. Also, by cross-tabulating census data on labour force status and income a basis for distinguishing employment income from non-employment income is provided, the latter being a proxy measure of welfare dependence.

Figure 1. Annual income distribution of indigenous and non-indigenous adults: Australian Capital Territory, 1996

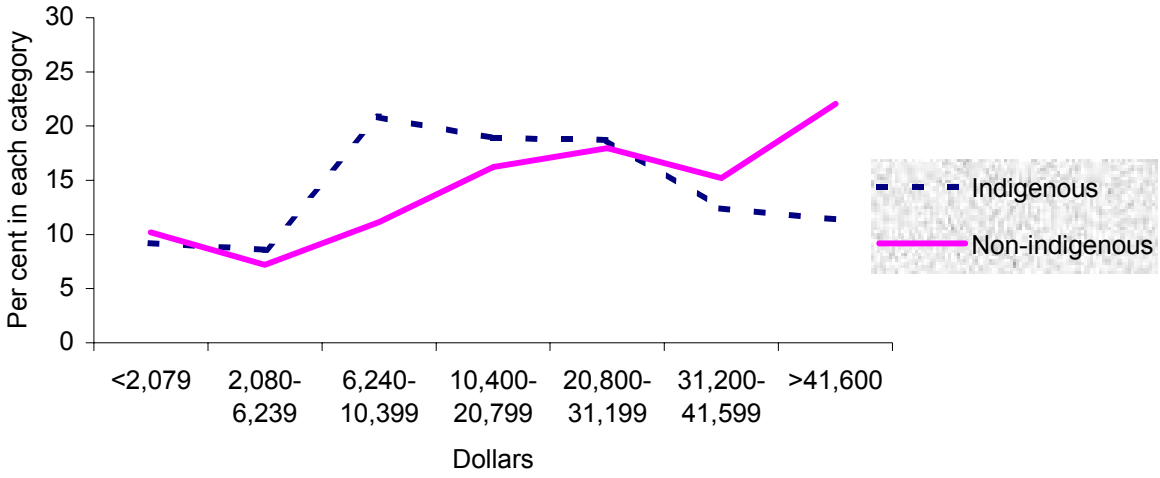

Figure 1 describes the relative income distribution for indigenous and non-indigenous adults aged 15–64 years in the Australian Capital Territory in 1996. A clear income gap is evident at either end of the distribution, with the bulk of indigenous incomes (58 per cent) reported at the lower end (below $20,800 per annum) compared to 44 per cent of incomes for non-indigenous people. At the higher end of the income range, only 11 per cent of indigenous people reported an income above $41,600 per annum compared to 22 per cent of non-indigenous people. Despite these differences, the income distribution for indigenous people in

the Australian Capital Territory resembles that of the rest of the population more closely than in most other jurisdictions, especially in regard to the relatively high proportion of individuals on higher incomes. Because of this, it would appear that substantial difference in income levels exist among indigenous people in the Australian Capital Territory. Apart from the obvious variation between those in work and those not, this is likely to stem also from the relatively greater availability to indigenous people in Canberra of higher paid positions, mostly in the Australian Public Service (APS).

Table 7. Income status of indigenous and non-indigenous people in the Australian Capital Territory, 1991 and 1996

	Income ($000s)			
	Indigenous		Non-indigenous	
	1991	1996	1991	1996
Mean	18.7	21.2	24.0	27.8
Median	15.8	16.2	21.8	23.9
Ratio of indigenous/ non-indigenous				
Mean	0.78	0.76		
Median	0.72	0.68		

Indigenous people in the Australian Capital Territory continued to record a higher average income than their counterparts in all other State and Territory jurisdictions. Nonetheless, the gap in mean income levels between indigenous and non-indigenous adults remained substantial and was slightly greater in 1996 (Table 7). Mean income for the indigenous adult population was $21,200 in 1996, up from $18,700 in 1991. This produces a ratio of mean indigenous income to that of the rest of the population of 0.76 in 1996, which was below that calculated for 1991. Median income figures appear somewhat lower because of the different basis for calculation, although the income ratios reveal the same outcome—a widening of the income gap. In addition, the fact that indigenous median income increased far less than mean income suggests that there has been a stretching out of the income distribution at the upper end of the tail due to the addition of more individuals on relatively high incomes. In short, the gap between rich and poor among those identifying as indigenous in the census was greater in 1996.

Income change by sex

Far less difference in income levels is evident between indigenous males and females in the Australian Capital Territory than is the case in the population generally (Table 8). Average income for indigenous males at $22,900 was only marginally above that for indigenous females at $19,500, especially compared to the large gap between non-indigenous males and females ($34,000 and $21,800 respectively). One implication is that the ratio of average income for indigenous

males compared to that of non-indigenous males (0.67) remained much lower than the equivalent ratio between indigenous females and other females (0.90).

Also of note is the fact that the income gap between indigenous males and females narrowed in contrast to the situation between non-indigenous males and females where the gap remained constant. One consequence of this, however, was a stretching out of the income distribution among indigenous females as indicated by the substantial and increasingly large difference between mean and median indigenous female income.

Table 8. Income status of indigenous and non-indigenous people by sex: Australian Capital Territory, 1991 and 1996

	$ ($000s)					
	Males		Females		Total	
	1991	1996	1991	1996	1991	1996
Indigenous						
Mean	20.8	22.9	16.6	19.5	18.7	21.2
Median	18.7	18.0	13.7	12.3	15.8	16.2
Non-indigenous						
Mean	29.8	34.0	18.1	21.8	24.0	27.8
Median	27.6	29.9	16.1	18.3	21.8	23.9
Ratio of indigenous/ non-indigenous						
Mean	0.70	0.67	0.92	0.90	0.78	0.76
Median	0.68	0.60	0.85	0.67	0.72	0.68

Employment income and welfare dependence

An important issue with regard to the economic impact of employment change concerns the contribution of employment to total income relative to the contribution made from other sources. This provides some indication of the ability of regional populations to provide for their own welfare as opposed to depending on state support (Altman and Smith 1993). By cross-tabulating employment status against income, a direct measure of the income return from employment can be derived. Likewise, the income of those who are unemployed or not in the labour force can be used as a proxy measure of welfare dependence. Average incomes calculated on this basis are shown in Table 9.

Overall, there has been no change in the proportional contribution of employment income to total income. At both census counts, 82 per cent of income for indigenous people was recorded as derived from employment. Compared to the equivalent figure of 92 per cent for the non-indigenous population, this means that a higher proportion of indigenous people (18 per cent compared to 8 per cent) remain dependent on non-employment sources of income. At the same time, it may also suggest that indigenous employment continues to be relatively concentrated in lower-wage occupations. This is of crucial policy significance as it

signals that improvements in labour force status alone may not be sufficient to enhance income status. Of equal importance to job creation is the nature of the work involved and the income it generates.

Table 9. Total income of indigenous and non-indigenous people by labour force status: Australian Capital Territory, 1991 and 1996

	1991		1996	
	Income ($million)	Per cent	Income ($million)	Per cent
Indigenous				
Employed	15.2	82.2	28.4	82.3
Unemployed	1.0	5.4	1.5	4.5
Not in labour force	2.3	12.4	4.5	13.2
Total	18.5	100.0	34.5	100.0
Non-indigenous				
Employed	4,004.2	92.2	5,140.3	92.3
Unemployed	77.4	1.8	89.1	1.6
Not in labour force	260.9	6.0	342.5	6.1
Total	4,342.5	100.0	5,572.0	100.0

Actual shifts in mean employment and non-employment incomes are shown in Table 10. In 1996, the average income for indigenous employees stood at $31,100. While this was higher than in 1991, mean income for all people in employment also rose. Nonetheless, the ratio of mean employment income for indigenous people compared to others continued to display a positive trend rising from 0.82 in 1986 (Taylor 1994a: 15) to 0.87 in 1991 and 0.89 in 1996.

The key factor contributing to overall lower indigenous employment income continues to be the overconcentration of indigenous employment in lower skilled, lower paid occupations. In 1996, the main difference between the occupational distributions of indigenous and non-indigenous workers was the fact that 26 per cent of non-indigenous workers were professionals compared to only 17 per cent of indigenous workers while 19 per cent of non-indigenous workers were intermediate clerical, sales and service workers compared to 29 per cent of indigenous workers. Furthermore, indigenous median incomes were lower than their non-indigenous equivalents in all occupational categories (except managers and administrators and elementary clerical, sales and services workers) (ABS 1998b: 38–9).

As for non-employment income, the mean individual income of unemployed indigenous people in 1996 was $7,900 while for those not in the labour force it was $8,800. Compared to income from employment, these figures have remained essentially unaltered with the result that the income gap between indigenous people in work and those more directly dependent on income transfers from the state has widened considerably.

Table 10. Mean employment/non-employment income of indigenous and non-indigenous people: Australian Capital Territory, 1991 and 1996

	Mean income ($000s)		Change	
Labour force status	1991	1996	Net	Per cent
Indigenous				
Employed	25.5	31.1	5.5	21.5
Unemployed	7.9	7.9	0.0	0.0
Not in labour force	8.9	8.8	-0.1	-1.2
Total	18.8	21.2	2.4	13.0
Non-indigenous				
Employed	29.5	34.9	5.5	18.6
Unemployed	7.8	7.9	0.1	1.5
Not in labour force	7.5	8.2	0.8	10.2
Total	24.1	27.8	3.8	15.8
Ratio of indigenous/non-indigenous				
Employed	0.87	0.89	0.02	2.51
Unemployed	1.01	1.00	-0.02	-1.52
Not in labour force	1.20	1.07	-0.12	-10.33
Total	0.78	0.76	-0.02	-2.45

Policy implications

Limitations of census data

Although census data remain the primary source of information on the economic status of indigenous Australians, and certainly the most comprehensive, their utility as a tool of public policy analysis is limited in the Australian Capital Territory. This is because the economic characteristics of people who identified as indigenous at the beginning of the intercensal period can not be re-calibrated at the end of the period. As a consequence, the fundamental question about whether circumstances for indigenous people in the Australian Capital Territory are improving or worsening over time cannot be answered. In a growing number of regional settings where non-biological population increase in the indigenous population has been substantial, as in the Australian Capital Territory, variable indicators such as employment and income are increasingly less useful as a measure of change in circumstances. The best that can, and should, be done in this event is to estimate aggregate characteristics for the initial population using ABS experimental population estimates derived from reverse survival procedures. This, at least, has the effect of properly aligning data levels for time series analysis.

At a conceptual level, it should be noted that as long as the census question on Aboriginal and Torres Strait Islander origins remains the sole means of comprehensively defining the indigenous population, then it is possible that the numbers identified in this way will continue to rise steadily due to improved enumeration, changes in identification and the flow-on effects of inter-marriage (Gray 1997; ABS 1998c). At a time of growing pressure for targeted service

delivery that is cost-effective and based on demonstrated need, this prospect of an ever-expanding population requires careful consideration. The main drawback here seems to be over-reliance on the census as the main source of vital information regarding the economic circumstances of indigenous people, as the census is increasingly unable to provide a long-term perspective for a population that is self-identified. The optimal solution to this problem (though unlikely to eventuate) would be the establishment of a confidentialised link between unit record data from one census to the next, along the lines outlined by submissions to the recent House of Representatives' report on the inquiry into name-identified census forms (Commonwealth of Australia 1998a: 98–103). Contrary to some submissions to this inquiry, retention of names would not be required, simply some means of tracking anonymous individuals over time.

More realistic options for tracking change over time appear to fall back onto the different arms of government charged with responsibilities for delivering citizen entitlements and special programs. With governments rhetorically committed to benchmarking the achievement of enhanced outcomes for indigenous people, the question of how will this be measured is looming as a key issue (Council for Aboriginal Reconciliation/Centre for Aboriginal Economic Policy Research 1998). Apart from the census, there has rarely been an adequate vehicle for answering and monitoring some of the most basic questions of public policy concern such as: how many indigenous people are employed? where? in what occupations? what qualifications do they have? how much do they earn? are they adequately housed? Most importantly, the issue of how individuals are faring over time has been left to drift, despite notable exceptions such as the DEETYA longitudinal survey of jobseekers. It has to be asked, in situations such as in the Australian Capital Territory, whether census data are any longer adequate to the task of profiling changing indigenous client needs and assessing the effectiveness of policies designed to achieve improvements? If they are not, what steps should be taken to fill the statistical void?

Trends in social indicators

Leaving aside these complexities of data collection, a key policy question that can still be addressed from cross-sectional examination of census data is whether growth of the population identified by the census question on indigenous origins has resulted in any alteration at the aggregate level in the absolute and relative economic status of indigenous people in the Australian Capital Territory. Results from the above analysis regarding employment and income status suggest that it has not.

In assessing this, the first point to note is that changes in social indicators for the period 1986–91 (Taylor 1994a), and now for the 1991–96 period, provide a ten–year perspective on the economic status of indigenous people in the Australian Capital Territory. This essentially covers a period of substantial efforts by the former federal Labor Government to enhance employment outcomes and income levels.

Over this period, each indigenous population identified by the census in the Australian Capital Territory reports a similar level of absolute and relative economic status. On the one hand, the number of indigenous people recorded as employed has risen, but there has been no narrowing of the employment gap between the census-derived indigenous population and the rest of the Territory's population. On the contrary, the employment gap appears to have widened. The indication is that growth in employment has failed to keep up with population growth, even though the level of indigenous employment has been rising faster than that recorded generally. Recent projections of employment outcomes for indigenous people nationally suggest that this situation is likely to persist (Taylor and Hunter 1998).

The other consistent feature of the past decade is that the relatively low overall income status of indigenous people has remained effectively unaltered, although for those in employment a more positive trend is evident with indigenous earnings moving closer to the Territory average. This trend is no doubt linked to the employment niches that indigenous people have occupied within the APS given the emphasis within the APS on equity and equal opportunity. From a labour market perspective, one difficulty continues to be the substantial proportion of indigenous adults of working age who are not in the labour force. This is especially so among females and accounts, in large part, for the persistence of relatively high levels of welfare dependence.

This effect is reflected in the fact that the Australian Capital Territory records much higher economic status than the population in the rest of the Queanbeyan ATSIC region, although some Canberra residents obviously share the characteristics of the wider group with almost 20 per cent dependent on non-employment income and just over one-third of all adults in receipt of incomes below $10,000.

Indigenous participation in the private sector

Against this background, the key economic policy issue facing indigenous people is a re-orientation towards private sector activities as the primary source of future employment growth. This trend appears inevitable given the downsizing of the Commonwealth public sector that has occurred since the time of the 1996 Census and especially in those areas of the public service where indigenous people had been consolidating an employment niche, notably in ATSIC and the larger service delivery agencies such as the former DEETYA and Department of Social Security. The most recent information for 1997–98 indicates that the indigenous share of separations from permanent employment in the APS (2.5 per cent) was slightly higher than the indigenous share of total public service employment (2.0 per cent) (Public Service and Merit Protection Commission 1998).

Counter to this trend, the number of indigenous people recorded as employed by the private sector in the Australian Capital Territory increased from 180 in 1991 to 370 in 1996. While this may be a by-product of increased

indigenous identification in census records, it does mean that the share of indigenous employment attributed to the private sector was much higher in 1996 at 42 per cent compared to 32 per cent in 1991. Nonetheless, this is still notably behind the private sector share of non-indigenous employment (54 per cent). Thus, at the time of the 1996 Census, indigenous workers in the Australian Capital Territory were overly concentrated in a declining sector with 48 per cent employed by the APS compared to 35 per cent of the non-indigenous workforce.

Since 1996, a number of other significant developments have occurred that impinge on likely outcomes for indigenous people in the labour market. First, the direct assistance elements of the TAP have been incorporated into mainstream employment services. This reduces Commonwealth involvement in this area to more selective interventions focused on recruitment and career development assistance packages negotiated with private and public sector employers under the guise of regional and local employment and training strategies.

A parallel development of greater significance is the replacement of the Commonwealth Employment Service by contracted employment service agencies and the dismantling and restructuring of government employment assistance under the new Job Network. A total of 11 Network providers are registered in the Australian Capital Territory, but none of these is an indigenous organisation. Under the new system, intensive assistance is available to job seekers who encounter the greatest employment placement difficulty. In this assessment by Centrelink, Aboriginal and Torres Strait Islander status identity assumes a weighting as do other characteristics, such as duration of unemployment and low educational status, which, in theory at least, would lead to a Flex 3 designation for a majority of indigenous clients. This is significant because a Flex 3 designation is associated with greater rewards to service providers for placing clients in work (Commonwealth of Australia 1998b).

However, just what effect these new arrangements are having on employment outcomes for indigenous people remains to be established. For example, the system only provides resources for a quota of Flex 3 clients and it is not clear what proportion of indigenous clients who may require case management and intensive assistance are actually receiving it. Another possibility is that, even if clients are designated as Flex 3, network agencies may prefer to focus on achieving a high turnover of easier-to-place job ready clients rather than expending time and resources on individuals requiring remedial assistance. The context for this hypothesis is the fact that the workforce as a whole is projected to become more skilled over the next decade at the expense of job opportunities at the lower end of the occupational scale. This inevitably places an increasing premium in the labour market on individuals who are qualified, multi-skilled and close to being job-ready. As a group, indigenous people in the Australian Capital Territory are poorly placed to compete in this environment with 74 per cent reporting no qualifications in the 1996 Census compared to only 53 per cent of non-indigenous people.

The Federal Government has in place an Evaluation Strategy for the Employment Services Market, though this is not due to report in a substantive way until 2001 (Commonwealth of Australia 1998c). In the meantime, a range of pressing questions arise in respect of the articulation of indigenous Centrelink clients and the Job Network. For example, what is the quantum of indigenous referrals to the Network for employment assistance? What level of assistance are they assigned and what proportion of clients access the Community Support Program? Which Network agencies are indigenous clients referred to and which do they actually utilise? How has the Network affected breach rates reported by Centrelink? Do any agencies specialise in servicing indigenous clients? If so, in what way? Are there any differences between private, community and government agencies in their handling of indigenous clients? What has been the impact on indigenous participation in apprenticeships and training given the demise of elements of the TAP? Does a market-based system adequately cater for individuals who may have serious impediments to job placement including health problems, lack of basic skills and work experience? Ultimately, of course, the key question surrounds the extent to which the network impacts upon indigenous employment outcomes. While it is probably too soon in the life of the Network to address this question, access to performance data which may be commercial-in-confidence is looming as a potential constraint for analysis. It should also be noted that the first comprehensive, though indirect, measure of performance will not be available for some time when the 2001 Census reports in 2002.

One clear prospect that appears to stem from the privatisation of employment services and associated decline in indigenous-specific labour market programs, is that indigenous articulation with the labour market will need to be more broadly based with less reliance over time on the public sector and indigenous-specific employment niches. A related issue in this regard is the unknown impact of tendering out of government services on community sector providers and whether employment prospects for indigenous people, who may have been favourably-placed in community sector operations, are diminished as a consequence of competition policy. Whatever the case, research based at the national level using data from the 1994 National Aboriginal and Torres Strait Islander Survey suggests that among the consequences of wider engagement with the private sector will be a lowering of average incomes, less job security, more casual/part-time work and fewer opportunities for women and older people (Taylor and Hunter 1997).

In terms of anticipating where opportunities in the private sector could be generated, is important to ask how the broad strategy of raising employment levels might be targeted to suit local circumstances. An initial requirement is for detailed local and regionally-based assessments of the supply of, and demand for, indigenous labour for different economic activities that either exist already or that might be nurtured. Only then, could an appropriate mix of resources for enterprise development and training be appropriately channelled.

At the whole of government and industry level this is a role that has been undertaken for the population generally by the Australian Capital Territory and

Southern Tablelands Area Consultative Committee (Capital Region Employment Council 1998a, 1998b). Given that the core functions of such committees include an obligation to improve indigenous employment, education and training outcomes, a key public policy issue revolves around how this might occur. Under the current three-year Regional Employment Strategy, the sole proposal specifically directed at indigenous people is for the formation of a Regional Aboriginal Employment Promotion Committee to lobby for indigenous employment and enterprise development opportunities. This is a Commonwealth-driven initiative and is currently under trial elsewhere in Australia. Within Canberra, the Commonwealth-sponsored initiatives since 1996 have stemmed from the Major Employment Strategies program which has provided a vehicle for the creation of some job opportunities with Woolworths and with licensed clubs in partnership with the Australian Chamber of Commerce and Industry.

More locally-based government solutions are soon to be articulated in an Australian Capital Territory Government indigenous employment strategy. Less formally over the past two years, this has focused on a partnership with Chubb Security to provide employment and training opportunities for 20 indigenous people while five traineeships have also been established in arts and recreation industries. Other opportunities for further policy intervention stem from the development of the National Museum of Australia and more generally in the arts and recreation industries. As for initiatives managed by ATSIC, the main employment strategy current being developed, which is in line with employment and training strategies adopted by indigenous communities across the country, is a proposal for the creation of a Community Development Employment Projects scheme in Canberra**.**

While this scale of intervention is unlikely to impact on aggregate social indicators it should be noted that numerically those indigenous people recorded by official statistics as unemployed or not in the labour force in the Australian Capital Territory are not substantial. At the same time, the emergent public policy issue is more to do with reversing a trend towards worsening labour force status both in absolute terms and relative to the rest of the population. Furthermore, the Australian Capital Territory as a statistical entity cuts across social networks and the actual number of indigenous people serviced by the Canberra labour market is likely to be more extensive than examined here with labour force characteristics more akin to those found generally in non-metropolitan New South Wales. Set against national projections of a need for substantial and immediate improvement in indigenous employment outcomes simply to sustain the status quo (Taylor and Hunter 1998), the development of regionally-focused strategies for addressing this issue has become a policy priority.

Notes

1. It is worth noting that the census question refers to 'origins' while the official Commonwealth definition refers to 'descent'. These may well be construed differently by respondents to official statistical collections. I am grateful to Dr Len Smith of The Australian National University for pointing this out.
2. The term, error of closure, derives from the basic demographic balancing equation and refers to the amount needed to make intercensal change in numbers balance after accounting for births, deaths and migration. Error of closure is usually small, but in populations defined by self-identification it is often large due to shifts in the propensity to so identify. For further discussion see Passel (1997).
3. Responsibility for employment services held by DEETYA were transferred to the newly constituted Department of Employment, Workplace Relations and Small Business in 1998.

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