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# Unemployment Payments, the Activity Test and Indigenous Australians: Understanding Breach Rates

W. Sanders

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# **Unemployment Payments, the Activity Test and Indigenous Australians: Understanding Breach Rates**

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# Foreword

This monograph is the result of a two-year collaborative research effort between the Centre for Aboriginal Economic Policy Research (CAEPR) at The Australian National University and the Commonwealth Department of Family and Community Services (formerly the Department of Social Security). While CAEPR has a multi-year agreement-based relationship with the Department, this research was commissioned as a special project in 1997 and undertaken entirely by Dr Will Sanders, a senior researcher at CAEPR.

The research described here analyses statistical information from the social security administrative database which has not previously been put in the public domain. The work demonstrates the usefulness of this statistical information for analysing issues of great policy significance for indigenous Australians; it demonstrates the importance of having an indigenous identifier for comparative research and policy evaluation. However, this research is not just based on statistical analysis: it is multi-pronged. On the one hand, the quantitative analysis is combined with extremely important contextualising field-based discussions and observations undertaken by Dr Sanders in a diversity of settings Australia-wide. This more qualitative work provides a means to qualify, ground and draw out important issues of policy and administration at the regional level. On the other hand, the research is informed by Dr Sanders's extensive research on the incorporation of indigenous people in the Australian social security system that extends over nearly two decades.

CAEPR is particularly pleased to have been given the opportunity to carry out this applied research for the Department of Family and Community Services, with great support from Centrelink. I look forward to further collaboration resulting in such significant research outputs and potential policy outcomes in the future.

Professor Jon Altman  
Director, CAEPR

Canberra  
August 1999

## List of abbreviations

AILO	Aboriginal and Islander Liaison Officer
ALO	Aboriginal Liaison Officer
ATSIC	Aboriginal and Torres Strait Islander Commission
CAEPR	Centre for Aboriginal Economic Policy Research, The Australian National University
CDEP	Community Development Employment Projects scheme
CES	Commonwealth Employment Service
DO	District Office
DSS	Department of Social Security
ICLO	Indigenous Customer Liaison Officer
ICSO	Indigenous Customer Service Office
INO	Indigenous Network Officer
RO	Regional Office

## Summary

- This research was commissioned because the Activity Test Section of the Department of Social Security national administration in Canberra noted differences in breach rates at the national level between indigenous-identifiers and non-identifiers within its unemployment payments administrative database.
- The research was conducted at two levels. Further statistical analysis of two unemployment payments data sets drawn from the administrative record at June 1997 and March 1998 were broken down into indigenous identifiers and non-identifiers. Contextualising discussion sessions and interviews were held in 20 localities between March and June 1998.
- The research confirms that national breach rates do seem to be consistently higher among indigenous identifiers by a factor of about one-and-a-half in relation to activity test breaching and a factor of two in relation to administrative breaching. It finds that indigenous breach rates were higher by about these factors across age groups, genders, income unit/family types and payment durations. It also finds that activity test exemption rates and jobsearch diary issue exemption rates were higher among indigenous identifiers than non-identifiers at the national level, and that jobsearch diary issue rates were lower. These latter differences should arguably help keep indigenous breach rates down, making actual differences in breach rates perhaps even more significant than the raw data alone would suggest.
- The issue of breaches being overturned by original decision makers was examined and evidence found to suggest that administrative breaches do get overturned at a far higher rate than activity test breaches. However, no evidence was found to suggest that the rate at which breaches get overturned is any higher in relation to indigenous identifiers compared to non-identifiers.
- Local/regional statistical analysis was conducted focusing on 50 Centrelink offices with more than 200 indigenous identifying unemployment payments customers. This found distinctive breach and activity test exemption patterns among various clusters of offices. Northern Territory offices, other than Tennant Creek, were observed to have low indigenous breach rates which are in fact lower than their non-identifier breach rates. This Northern Territory pattern is built on high activity test exemption rates which derive from remote area provisions and procedures. Western Australian offices were observed to have relatively high indigenous breach rates, but also high non-identifier breach rates. Some New South Wales offices appeared to have relatively low indigenous and non-identifier breach rates.
- State/Territory statistical analysis confirmed the Northern Territory's low indigenous identifier breach rates, built on high activity test exemption rates. It also pointed to high non-identifier breach rates in the Northern Territory and, in rural/remote areas at least, indigenous identifier breach rates which are clearly lower than non-identifier breach rates. In Northern Territory urban areas, non-identifier and indigenous breach rates are close to equal.

- State/Territory statistical analysis also confirmed the relatively high Western Australian breach rates, both among indigenous identifiers and non-identifiers, but refined the observed New South Wales low breach rate pattern to being essentially a coastal country phenomenon.
- Issues raised in discussion sessions provided useful contextualisation for the statistical analysis. They both sought to explain breach rate and activity test exemption differentials between indigenous identifiers and non-identifiers and pointed to adaptations that already existed within income support administration to the circumstances of indigenous people. Major issues raised were literacy and mobility, confidence in, and with, government bureaucracies, propensity to appeal or seek review, underpayment following breach decisions due to substantial periods of reliance on family and community support networks, labour market discrimination and expectations and compliance/review units, employment service providers and Community Development Employment Projects (CDEP) scheme administrative arrangements as sources of breaching. Indigenous identified staff and third-party intermediaries were acknowledged as significant system adaptations playing major roles in keeping down what may otherwise be far higher indigenous breach rates. Access to Disability Support Pension was seen as, in different circumstances, either pushing down or pushing up local indigenous breach rates.
- An analytic schema is developed which suggests the inevitability of high levels of indeterminacy, discretion and judgment involved in unemployment payments administration. This focuses on tensions and ambiguities and different office cultures and roles within income support administration. It also focuses on the cultural and social content of rules and procedures and the diversity of the unemployed.
- In light of this analytic schema, it is argued that the extent of difference observed in breach and activity test exemption statistics, between indigenous identifiers and non-identifiers, between Centrelink offices, and also over time, is not that surprising. Indeed, apart from the Northern Territory, the statistics may arguably be more notable for their lack of variability than for the greatness of differences. This partly reflects the adaptations to indigenous peoples' circumstances already built into income support administration, which generally tend to lessen statistical differences. Adaptation can, however, occasionally exaggerate statistical differences and this seems to be the case in the Northern Territory.
- The ideal of statistical equality within income support administrative processes between indigenous-identifiers and non-identifiers is defended as worthwhile pursuing. However, it is also acknowledged that some differences in statistics will prove intractable and difficult to change.

- Some ideas for further action within income support administration are offered which may help to better manage indigenous peoples' relations with unemployment payments and reduce statistical differences, while building on existing adaptations. These ideas include greater recognition of the diversity of the unemployed and the tailoring of activity test requirements accordingly, a No Correspondence Client facility, more of a case officer approach to unemployment payments administration and several more as well (see Chapter 8).
- The research is seen as demonstrating the useful way in which the indigenous identifier in the income support administrative database can be used for policy and administrative purposes. Some minor issues about the identification procedures are raised in passing.

# Acknowledgements

This work would not have been possible without the cooperation of scores of people in Centrelink offices and indigenous and other welfare organisations across Australia too numerous to name. Those in the Activity Test Section of the Department of Social Security, now Family and Community Services, who initiated the research and worked with me through it are not quite so numerous and can be named. They are: Jillian Moses, Bill Gemmell, Fran Corby-Moore, Anne Gregory, Graheme Usher, Rod Daniels, Gayle Abbott, Peter Wightman and Shirley Douglas. Jenny Myers contributed expert knowledge on the Department's changing approach to the Community Development Employment Projects scheme. At CAEPR, I am indebted to my colleagues John Taylor for reading drafts, and Linda Roach and Hilary Bek for editing. Without all their help this work would not have been possible.

# 1. Introduction

Within the Australian income support or social security system, it is not sufficient just to be unemployed in order to receive an unemployment payment. Applicants must also demonstrate that they are willing to undertake, and are actively seeking, suitable paid work. These latter eligibility criteria are referred to as the 'activity test' and failing to meet them is referred to in social security parlance as 'breaching' the activity test.

Breaching the activity test normally relates to a particular event occurring on a particular day. Technically, from that day unemployment payments become 'non-payable' to the applicant. However, eligibility for unemployment payments may be re-established immediately, if applicants demonstrate anew that they are both unemployed and available for, and are actively seeking, suitable paid work. In recent years, penalties have been introduced where applicants re-establish eligibility for unemployment payments within two years of an earlier activity test breach or breaches. As of July 1997, penalties are an 18 per cent rate reduction for 26 weeks after the first breach, a 24 per cent rate reduction for 26 weeks after the second breach and an eight-week non-payment period after the third breach in a two-year period.

Administrative requirements outlined in the legislation can also be breached by unemployment payment recipients. These breaches may relate to matters such as not attending interviews, not replying to correspondence or not notifying changes of circumstance. This leads to a second category of breaching, which is slightly different from activity test breaching. This is called administrative breaching and it too leads to unemployment payments becoming technically non-payable. In recent years, penalties have also been imposed where applicants successfully re-apply for unemployment payments after an administrative breach. As of March 1997, the penalty for an administrative breach or breaches is a 16 per cent rate reduction for 13 weeks.

Because breaching leads to unemployment payments becoming non-payable and to penalties being imposed if applicants subsequently successfully reclaim payments, breach rates among unemployment payment recipients are an increasingly important administrative and policy issue. The Department of Social Security (DSS) has, in recent times, begun to investigate rates of breaching among its clientele, by interrogating its administrative database.<sup>1</sup> The Department has observed that breach rates among those of its clientele identifying as indigenous Australians (that is, Aboriginal or Torres Strait Islander) seem to be significantly higher than among those not so identifying.

To further investigate this basic observation, the DSS commissioned the Centre for Aboriginal Economic Policy Research (CAEPR), at the Australian National University, to undertake research on unemployment payment breach rates and related issues among indigenous Australians. The research has been conducted at two levels. The first has been a statistical analysis of DSS records, interrogating breach rates among indigenous identifiers in comparison to those among the non-identifying clientele, at national, regional and other geographic levels. The second level of analysis has been more qualitative and contextual. It has been conducted through focused interviews and

discussion sessions convened in approximately 20 localities, with Centrelink staff, non-government welfare intermediaries and occasionally also individual clients. Access to individual clients was not always achievable, given that DSS judged it inappropriate to utilise the administrative database to directly access breached clients. However, considerable appreciation of local operating environments was gained through the interviews and discussion sessions that were able to be convened. A list of localities visited appears in Appendix A.

This monograph reports on both levels of the research. It analyses two data sets derived from the DSS administrative system at 20 June 1997 and 20 March 1998 and it attempts to relate findings from these data sets to the more qualitative, contextual, locality-based discussions and interviews. Chapter 2 details the national statistical analysis, while Chapter 3 moves to local/regional statistical analysis. Chapter 4 looks at State/Territory statistical analysis, including an urban/rural division. These statistical chapters include some insights gained from the locality visits. However, more comprehensive canvassing of the issues raised in locality-based interviews and discussion sessions is deferred until Chapter 5.

Chapter 6 attempts to provide a more general analytic schema, or framework, within which to understand the many issues raised by both the statistical and more qualitative contextual analysis in earlier chapters. This schema focuses on tensions and ambiguities in income support administration, office cultures and roles, the cultural content of rules and procedures, and the diversity of the unemployed. Combining all these elements, the analytic schema notes the high levels of indeterminacy, discretion and judgment inevitably involved in unemployment payments administration. Chapter 7 turns to the underlying issues of difference and equality which appear to have concerned the Activity Test Section within DSS national administration in commissioning this research. Chapter 8 explores ideas for further action which may assist in better managing the activity test, breach rates and related issues among indigenous people.

This is, to our knowledge, the first time that DSS has utilised the indigenous identifier in its administrative database for research purposes. The identification facility has only been in place for about a decade and, until now, DSS has been concerned about the incompleteness of indigenous identification. This issue is still current and is the reason those not identified as indigenous in the database are referred to as the 'non-identifying' or 'not-identified', rather than the 'non-indigenous'. More precise aspects of the issue of indigenous identification procedures will be returned to later. However, CAEPR's judgment is that the level of indigenous identification within the social security administrative system is now sufficient to allow utilisation of data for research purposes. This current research should help demonstrate that sufficiency.

## 2. National statistical analysis

The national data sets derived from the DSS administrative system at 20 June 1997 and 20 March 1998 contain records relating to slightly over 1.2 million unemployment payment recipients, almost 40,000 of whom have identified as either Aboriginal or Torres Strait Islander. Approximately two-thirds of these clients are current unemployment payment recipients, while one-third are cancelled recipients who have been current within the previous six months and whose records remain on the data set in the social security administrative system. Tables 2.1a and 2.1b provide current, cancelled and total recipient numbers from the June 1997 and March 1998 data sets respectively, broken down into Aboriginal, Torres Strait Islander and non-identifiers.<sup>2</sup> The percentage of Aboriginal clients who are current, as opposed to cancelled unemployment payment recipients, is slightly higher than for the non-identifying clientele, with Torres Strait Islanders occupying a middle position. This difference will be returned to later.

Not all the unemployment payment recipients in these two data sets receive the major payment, Newstart Allowance. Some are Youth Training Allowance recipients and some are Special Benefit recipients paid under Newstart or Youth Training Allowance conditions. Tables 2.2a and 2.2b break down the two national data sets into these three unemployment payment types. Newstart Allowance clearly accounts for the vast majority of unemployment payments; over 90 per cent in all three identification categories. This reflects the fact that, at the time of the study, Newstart Allowance covered ages from 18 to 64, whereas Youth Training Allowance covered only ages 16 to 18. It is, however, notable that the proportions of Youth Training Allowance recipients among clients identifying as Aboriginal or Torres Strait Islander are significantly higher than among the non-identifiers; around 8 per cent compared to 4 per cent. This probably reflects the younger age distribution of the Aboriginal and Torres Strait Islander populations, but could also reflect lower school retention rates among indigenous youth.

It should perhaps be noted here, that the divisions between Newstart Allowance, Youth Training Allowance and other income support payments, such as Austudy and Abstudy have been substantially re-worked since the derivation of these data sets. From 1 July 1998, a more general Youth Allowance has replaced both Youth Training Allowance and Newstart Allowance for unemployed people up to age 21 years. Youth Allowance has also replaced Austudy, but not Abstudy, for students up to 25 years. These changes should not, however, greatly affect the findings of this research. Newstart Allowance and Youth Allowance are still administered within the social security system in much the same way as previously. The findings of this research should, therefore, remain relevant.

### **Breach rates by identification category**

Tables 2.3a and 2.3b present breach figures, nationwide, for Aboriginal, Torres Strait Islander and non-identifying unemployment payment recipients. These tables identify customers with at least one, two or three activity test or administrative breaches placed on their record in the last two years. Breach rates are calculated by dividing these figures

of customers with breaches on their record by the total numbers of customers in each identification category. These tables can be viewed in a number of different ways, each of which brings out important different findings.

First, Tables 2.3a and 2.3b show significant differences in the breach rates of indigenous identifiers and non-identifiers. Looking at clients with at least one activity test breach on their record, these differences are of the order of a factor of one-and-a-half times; 9.2 per cent of indigenous identifiers had at least one activity test breach on their file compared to 6.0 per cent of non-identifiers at June 1997 and 13.4 per cent compared to 8.9 per cent at March 1998. Looking at clients with at least one administrative breach on their record, the differences are of the order of a factor of two; 10.9 per cent of indigenous identifiers had at least one administrative breach on their file compared to 5.4 per cent of non-identifiers in June 1997 and 19.7 per cent as compared to 10.5 per cent in March 1998. These differentials between indigenous identifiers and non-identifiers become considerably greater if we focus on the much smaller number of clients with at least two and at least three breaches on their records, where numbers permit. For example, the percentage of indigenous identifiers with at least three administrative breaches on their record in March 1998 was of the order of four times the rate for non-indigenous identifiers; 0.8 per cent compared to 0.2 per cent in March 1998.

Second, it is notable that the breach rates of Aboriginal and Torres Strait Islander identifying clients appear to be fairly similar. Percentages of Torres Strait Islander identifiers with at least one breach on their file are in fact slightly higher than for Aboriginal identifiers, for both activity test and administrative breaches and in both data sets. But this difference is probably insignificant and disappears, or is even reversed, as we move down the tables to the much smaller percentages of clients with at least two and at least three breaches on their record. However, at the three breach level of analysis, the number of Torres Strait Islanders becomes so small (one, two, six and 14) as to make talk of rates extremely dubious. Similarity of breach rates between Aboriginal and Torres Strait Islander identifiers is the dominant impression.

This similarity of Aboriginal and Torres Strait Islander breach rates to some extent justifies the collapsing of the Aboriginal and Torres Strait Islander categories into a combined indigenous category in the right hand column of Tables 2.3a and 2.3b. Much of the subsequent statistical analysis will use this combined indigenous category to avoid problems with small numbers of Torres Strait Islander identifiers. However, at times, when it is feasible, a distinction between Aboriginal and Torres Strait Islander identifiers will be maintained. This will enable the hypothesis of the essential similarity of the breach rates of these two groups of indigenous identifiers to be further tested.

A third perspective on Tables 2.3a and 2.3b points to a significant increase in the numbers of clients with breaches on their records between the time of the first data set in June 1997 and the second data set in March 1998. Reasons for this increase canvassed in discussion sessions related to new breachable actions being added, system changes which enhanced the ability of officers to both impose and overturn breaches, and a shift to rate reductions, as opposed to non-payment periods, as the penalty for single and double activity test breaching and all administrative breaching. All of these changes, introduced in the latter

half of 1997, may have made some contribution to increasing breach rates. It was also suggested in discussion sessions that the effects of these changes may still be working their way through the administrative system and that breach rates and breach penalties may increase further with time.<sup>3</sup> It was further suggested that as histories of breaching built up in the system more clients than at present would reach the more substantial levels of penalty imposed following two and three activity test breaches in a two year period. These changes in breach rates over time are of considerable interest and could be explored further. However they are somewhat peripheral to the current research which focuses more on differentials between indigenous and non-identifier breach rates.

### **Activity test alternatives and exemptions**

There are provisions within the social security legislation for unemployment payment recipients to be allowed to meet the activity test through a broader range of activities than just job search, and in some cases even to be exempted from the activity test while maintaining eligibility for an unemployment payment.<sup>4</sup> Tables 2.4a and 2.4b show numbers of indigenous and non-identifying clients exempt from activity test conditions. The percentage of indigenous clients that are exempt is somewhat higher than among the non-identifying clientele; 15.1 per cent as compared to 11.6 per cent in June 1997 and 18.9 per cent as compared to 11.6 per cent in March 1998. More will be said about rates of exemption from the activity test and how these relate to breach rates in the local/regional and State/Territory statistical analysis. Suffice it to say at this stage, that a higher activity test exemption rate should, in principle, lead to lower breach rates, since exemption removes requirements which might otherwise be breached. Hence breach rate differentials between indigenous identifiers and non-identifiers are perhaps even more significant than the raw figures suggest, given the higher rate of activity test exemptions among indigenous identifiers.

Tables 2.4a and 2.4b also show that rates of exemption from the activity test are lower among Torres Strait Islander identifiers than among either Aboriginal identifiers or non-identifiers. This may contribute to higher Torres Strait Islander breach rates and will also be returned to in the local/regional and State/Territory statistical analysis.

### **Breaches overturned by original decision makers**

Breaches imposed on a client can be subsequently overturned by the original decision maker. This aspect of unemployment payments administration, which was made much easier during the latter half of 1997 through computer system changes, was seen as an important part of understanding breach rates in many group discussion sessions. It was suggested that administrative breaching, in particular, could be used simply as a way of 'getting in contact' with clients and that once contact was made a breach may be overturned. The hypothesis in discussion sessions was that this administrative technique may be being applied disproportionately to indigenous identifiers, with high levels of mobility and low levels of literacy, and would be reflected in higher proportions of administrative breaches among indigenous identifiers subsequently being overturned.

It was not possible to test this hypothesis using the June 1997 data set, when overturning a breach was not as straightforward a procedure as it later became. However, it was possible to test it using the March 1998 data set and Table 2.5 presents the results. It is clear from this table that a far more substantial proportion of administrative breaches than activity test breaches do subsequently get overturned by original decision makers; of the order of 40 per cent as compared to 10 per cent. Hence there may be considerable truth in the idea that administrative breaching is used by decision makers simply as a way of getting the client to make contact. However, there appears to be no difference in the rate at which administrative breaches get overturned among the indigenous and non-identifying clienteles. Both seem to have their administrative breaches overturned at a rate of around 40 per cent. So as an explanation of higher overall indigenous breach rates, the hypothesis that a disproportionate number of administrative breaches among the indigenous identifiers are subsequently overturned does not seem to be sustained.

In deference to this line of argument and to further test the hypothesis arising from it, wherever possible in the local/regional and State/Territory statistical analysis in the next two chapters, net breach rates, after overturned breaches have been excluded, will be calculated from the March 1998 data set, as well as total or gross breach rates.

### **Breach rates by identification category, age and gender**

Tables 2.6a and 2.6b, in their top two panels, break down activity test and administrative breach rates by age and gender for indigenous identifiers and non-identifiers. The figures show clear and consistent age/gender patterns which can be observed from both data sets among both non-identifiers and indigenous identifiers. Moderate rates of breaching among those under 18 rise to higher breach rates among 18–21 year olds, which then gradually decline with increasing age. Within this general age profile, male breach rates are higher than female breach rates and indigenous identifier breach rates are higher than non-identifier breach rates.

What is perhaps most striking about the top two panels of Tables 2.6a and 2.6b is the consistency with which indigenous breach rates are higher than the breach rates of non-identifiers across age groups and genders. This can be observed from the ratio figures, which divide the indigenous identifier breach rate for each age and gender group by the non-identifier breach rate. In only three instances does this ratio fall to 1 or below – that being for activity test breach rates for females over age 55 in both data sets and for females under 18 in the June 1997 data set. And in only one instance does the ratio rise above 3 – that being the administrative breach rate for males over 55 in the June 1997 data set. The ratio of administrative breach rates among older age groups does seem to rise a little and to be partly offset by a lower ratio among younger age groups. However overall, higher breach rates among indigenous identifiers appear to be a very consistent phenomenon across age groups and genders.

The bottom panels in Tables 2.6a and 2.6b provide the denominators for the rates in the top two panels, comprising all unemployment payment clients in the relevant age, gender and indigenous identification category. In their right hand columns, these panels

calculate percentage age group shares for total unemployment payments clientele within each age/gender and indigenous identification category and indigenous/non-identifier ratios of shares. Indigenous age group shares tend to be larger than the non-identifying age group shares at younger ages (ratios >1) and smaller at older ages (ratios <1). This probably reflects shorter indigenous life expectancy, the younger indigenous population structure and possibly again, in the under 18 age group, lower indigenous school retention rates. One variation on this pattern is that indigenous female age group shares drop below non-identifying female age group shares in the 18–21 and 22–24 ages (ratios <1), probably reflecting younger indigenous child bearing and eligibility for other forms of income support.

### **Breach rates by identification category and income unit/family type**

Tables 2.7a and 2.7b, in their top two panels, break down activity test and administrative breach rates by income unit/family type; that is, whether unpartnered or partnered and by number of dependent children. Among partnered income units/families, breach rates are fairly similar across numbers of dependent children and indigenous breach rates are fairly consistently higher than non-identifier breach rates by about a factor of two. Among unpartnered income units/families, there are some statistically aberrant and non-significant results arising from small numbers of recipients with larger numbers of children. (Unemployed, unpartnered people with dependent children would normally qualify for Parenting Payment Single, formerly Sole Parent Pension, and hence are unlikely to be on Newstart or Youth Training Allowance payments.) However, unpartnered recipients with no dependent children, for whom numbers of recipients are not a statistical problem, appear to have higher breach rates than other income unit/family types and this appears to be the case both among indigenous identifiers and among non-identifiers.

This one instance of higher breach rates among income unit/family types takes on added significance when it is realised that unpartnered income units with no dependent children are, in fact, the substantial majority of all unemployment payment recipients. This can be seen from the bottom panels of Table 2.7a and 2.7b, which list the total numbers of unemployment payment customers in the unpartnered and partnered income unit/family types by indigenous identification category and, in their right hand columns, express these figures as percentage shares of all customers. Slightly over 70 per cent of all unemployment payment recipients in both data sets and in both the indigenous and non-identifying categories were unpartnered income units with no dependent children. Newstart Allowance is predominantly a payment made to single people with no dependent children and it is these people who have the highest breach rates.

Another way of presenting the data in the top two panels of Tables 2.7a and 2.7b is as numbers of customers with breaches by income unit/family type as a share of all customers with breaches. This is done in Tables 2.8a and 2.8b. Due to their higher breach rates, unpartnered unemployment payment recipients with no dependent children account for over 80 per cent of all customers with breaches in all but the indigenous identifier activity test breach category; and even in this category the figure only drops to

77.5 per cent in March 1998 and 78.4 per cent in June 1997. Unpartnered recipients with no dependent children are the predominant clients of unemployment payments and an even more predominant element within breaching.

### **Breach rates by identification category and payment duration**

Tables 2.9a and 2.9b present breach rates broken down by the duration of time for which customers have been on unemployment payments. Table 2.9a, for the June 1997 data set, shows little difference in breach rates by payment duration, but consistently higher indigenous breach rates across all payment durations (see ratio figures in far right column). Table 2.9b, for the March 1998 data set, shows breach rates rising with duration on payment up to about 9–12 months and then appearing to stabilise, or even beginning to fall for those on payment over 24 months. This pattern is clear among both indigenous identifiers and non-identifiers and across both activity test and administrative breaching. Higher indigenous breach rates are again evident across all payment durations, as evidenced in the ratio figures in the far right column.

This change of breach patterns by payment duration between June 1997 and March 1998 raises interesting, but at this stage perhaps unanswerable, questions. Were changes to breaching practices introduced in the latter half of 1997, like the rate reduction penalties, the larger range of breachable actions and the system changes which gave officers an increased ability to overturn breaches, having a disproportionate effect at March 1998 on people with payment durations between four and 12 months, and will this effect extend in time to longer durations or not?

The bottom panel of Tables 2.9a and 2.9b provide the denominators for the rates in the top two panels and also, in their right hand columns, calculate shares and indigenous/non-identifier ratios of customers with different payment durations. The proportion of indigenous identifiers who have been on payment for over 24 months is significantly higher than among non-identifiers; 25.5 per cent as compared to 20.3 per cent in June 1997 and 28.4 per cent as compared to 23.8 per cent in March 1998. Most of the offsetting reduction in proportions of indigenous identifiers on payment for shorter durations is in the under 12 months categories, reflected in ratios less than 1 for these payment durations. It is clear, therefore, that indigenous identifiers tend to be on unemployment payments for greater durations than non-identifiers and, by March 1998 at least, that this may be contributing slightly to higher breach rates.

### **Finer analysis of breach types**

Tables 2.10a and 2.10b divide clients with activity test and administrative breaches by type of latest breach.<sup>5</sup> The greatest limitation of these tables is the large numbers of clients with breaches for whom no finer breach type is recorded, beyond whether they were activity test or administrative breaches. This relates primarily to old breaches entered on the system before December 1996. As time passes, and these old breaches fall out of the

administrative record, the numbers of breaches for which there is no finer breach type recorded should decrease. This can be seen in the substantial decrease in the 'no type recorded' figures in Table 2.10b compared to Table 2.10a.

On examining clients with breaches for whom a finer categorisation of latest breach type is recorded, in Tables 2.10a and 2.10b, it is evident that indigenous and non-identifying clients do not always incur the various finer types of activity test and administrative breaches in quite the same proportions. In the activity test area, breaching because of misconduct at work seems to be lower among indigenous identifiers compared to non-identifiers; 6.4 per cent as compared to 11.1 per cent in June 1997 and 3.0 per cent as compared to 4.6 per cent in March 1998. This may relate to indigenous people moving in and out of work less frequently than non-indigenous people; which may also account for the slightly higher percentage of 'current' and lower percentage of 'cancelled' recipients among indigenous identifiers revealed in Tables 2.1a and 2.1b and also the longer duration on payment among indigenous identifiers revealed in Tables 2.9a and 2.9b. The hypothesis here would be that, if indigenous people are indeed moving in and out of work less frequently than non-identifiers, then they will stay on payment longer, they will have less cause to move between 'current' and 'cancelled' status as unemployment payment recipients and they will have less chance of being seen to have breached the activity test through misconduct at work.

In the administrative breaching area, one instance in which shares seem to vary significantly and consistently across the data sets is in the higher percentage of indigenous identifiers incurring an administrative breach for failure to attend an interview; 11.8 per cent as compared to 6.1 per cent in June 1997 and 46.0 per cent as compared to 39.8 per cent in March 1998. Failure to reply to correspondence is the next biggest finer type of administrative breaching, but interestingly, does not show up as a consistently greater source of breaching for indigenous identifiers, compared to non-identifiers. This is contrary to expectations raised in discussion sessions and may simply reflect the finer categorisation of breaches which client processing officers are most utilising. Failure to turn up for an interview which was requested in correspondence could, for example, be coded in either of two different ways.

One other thing to note from Table 2.10b is the addition from June 1997 to March 1998 of a new type of breaching relating to the work-for-the-dole scheme.<sup>6</sup> Although participation in work-for-the-dole is generally voluntary, participants must sign up for an agreed period (usually three or six months) and can be breached for failing to meet work-for-the-dole obligations during that period. This is clearly one instance of a new breachable action being added to the unemployment payments system between the time of these two data sets, which may be contributing to rising breach rates over the time period.

## Jobseeker diary issue and exemption

Tables 2.11a and 2.11b present two final variables at the national level of statistical analysis. These are whether customers have been issued a jobseeker diary and whether they are currently exempt from diary issue.<sup>7</sup> Indigenous identifiers have been issued diaries at significantly lower rates than non-identifiers and are currently exempt from diary issue at significantly higher rates than non-identifiers. Like exemption from the activity test, as explored in Tables 2.4a and 2.4b, this should arguably lead to lower breach rates among indigenous identifiers than would otherwise be the case, since lower rates of diary issue and higher rates of exemption should lessen opportunities for breaching to occur. So again the actual differentials in breach rates between indigenous identifiers and non-identifiers are perhaps more significant than the raw data alone might seem to indicate.

## Summary of major findings

Major findings of the national statistical analysis can be summarised as follows:

- Indigenous breach rates are consistently higher than non-identifier breach rates across age groups, genders and income unit/family types.
- Exemption from the job search aspects of the activity test and exemption from jobseeker diary issue is higher among indigenous identifiers than non-identifiers, while levels of jobseeker diary issue are lower. As these differences should all arguably lead to lower breach rates among indigenous identifiers, differentials in breach rates may be more significant than the raw figures alone tend to indicate.
- There is some evidence to suggest that administrative breaching may be used as a device to contact clients, leading to high proportions of administrative breaches subsequently being overturned by original decision makers. However, there is no evidence yet to suggest that this practice is any more prevalent in relation to indigenous identifiers than non-identifiers.
- There is some evidence to suggest that indigenous identifiers may be on unemployment payments for longer durations than non-identifiers, with fewer moves on and off. This is reflected in different proportions of finer breach types and different proportions of current and cancelled recipients. Duration may contribute slightly to higher indigenous breach rates, as by March 1998 breaching did appear to increase slightly with payment duration up to 12 months.

**Table 2.1a. Customers by current/cancelled status and indigenous identification category, 20 June 1997**

Status	Indigenous identifier								Total customers	
	Not identified		Aboriginal		Torres Strait Islander					
	Number	% share	Number	% share	Number	% share	Number	% share	Number	% share
Current	801,428	64.4	25,458	69.7	1,460	66.6	26,918	69.6	828,346	64.6
Cancelled	442,564	35.6	11,047	30.3	734	33.5	11,781	30.4	454,345	35.4
Total customers	1,243,992	100.0	36,505	100.0	2,194	100.0	38,699	100.0	1,282,691	100.0

**Table 2.1b. Customers by current/cancelled status and indigenous identification category, 20 March 1998**

Status	Indigenous identifier						Total customers	
	Not identified		Aboriginal		Torres Strait Islander		Indigenous combined	
	Number	% share	Number	% share	Number	% share	Number	% share
Current	810,889	68.1	27,822	75.0	1,606	70.4	29,428	74.7
Canceled	380,788	32.0	9,291	25.0	674	29.6	9,965	25.3
Total customers	1,191,677	100.0	37,113	100.0	2,280	100.0	39,393	100.0

**Table 2.2a. Customers by payment type and indigenous identification category, 20 June 1997**

Payment type	Indigenous identifier					
	Not identified		Aboriginal		Torres Strait Islander	
	Number	% share	Number	% share	Number	% share
Newstart allowance	1,187,529	95.5	33,449	91.6	2,043	93.1
Youth training allowance	55,517	4.5	3,043	8.3	151	6.9
Special benefit	946	0.1	13	0.04	0	0.0
Total customers	1,243,992	100.0	36,505	100.0	2,194	100.0
					Number	% share
					35,492	91.7
					3,194	8.3
					13	0.03
					38,699	100.0

**Table 2.2b. Customers by payment type and indigenous identification category, 20 March 1998**

Payment type	Indigenous identifier					
	Not identified		Aboriginal		Torres Strait Islander	
	Number	% share	Number	% share	Number	% share
Newstart allowance	1,140,553	95.7	34,030	91.7	2,095	91.9
Youth training allowance	50,268	4.2	3,073	8.3	185	8.1
Special benefit	856	0.1	10	0.03	0	0.0
Total customers	1,191,677	100.0	37,113	100.0	2,280	100.0
					Number	% share
					36,125	91.7
					3,258	8.3
					10	0.03
					39,393	100.0

**Table 2.3a. Customers with breaches by indigenous identification category, 20 June 1997**

Customers with breaches	Indigenous identifier					
	Not identified		Aboriginal		Torres Strait Islander	
	Number	% rate	Number	% rate	Number	% rate
At least one AT <sup>a</sup> breach	74,473	6.0	3,339	9.2	227	10.4
At least two AT breaches	3,828	0.3	242	0.7	14	0.6
At least three AT breaches	284	0.02	16	0.04	1	0.1
At least one Ad. <sup>b</sup> breach	67,148	5.4	3,975	10.9	257	11.7
At least two Ad. breaches	4,557	0.4	496	1.4	32	1.5
At least three Ad. breaches	300	0.02	65	0.2	2	0.1
Total customers	1,243,992		36,505		2,194	
					38,699	

**Table 2.3b. Customers with breaches by indigenous identification category, 20 March 1998**

Customers with breaches	Indigenous identifier					
	Not identified		Aboriginal		Torres Strait Islander	
	Number	% rate	Number	% rate	Number	% rate
At least one AT <sup>a</sup> breach	105,515	8.9	4,915	13.2	348	15.3
At least two AT breaches	11,175	0.9	669	1.8	41	1.8
At least three AT breaches	1,348	0.1	79	0.2	6	0.3
At least one Ad. <sup>b</sup> breach	125,313	10.5	7,279	19.6	468	20.5
At least two Ad. breaches	18,403	1.5	1,479	4.0	91	4.0
At least three Ad. breaches	2,782	0.2	302	0.8	14	0.6
Total customers	1,191,677		37,113		2,280	
					39,393	

Note:

- a. AT = activity test breach
- b. Ad. = administrative breach

**Table 2.4a. Customers by whether activity test applies, 20 June 1997**

Activity test applies	Indigenous identifier					
	Not identified		Aboriginal		Torres Strait Islander	
	Number	% share	Number	% share	Number	% share
Yes	1,099,340	88.4	30,830	84.5	2,013	91.8
Exempt	144,652	11.6	5,675	15.6	181	8.3
Total customers	1,243,992	100.0	36,505	100.0	2,194	100.0

**Table 2.4b. Customers by whether activity test applies, 20 March 1998**

Activity test applies	Indigenous identifier					
	Not identified		Aboriginal		Torres Strait Islander	
	Number	% share	Number	% share	Number	% share
Yes	1,053,546	88.4	29,861	80.5	2,086	91.5
Exempt	138,131	11.6	7,252	19.5	194	8.5
Total customers	1,191,677	100.0	37,113	100.0	2,280	100.0

**Table 2.5. Customers with breaches by indigenous identification category and whether latest breach has been subsequently overturned, 20 March 1998**

	Indigenous identifier			
	Not identified		Indigenous	
	Number	% share	Number	% share
Customers with activity test breaches				
Overturned	10,361	9.8	511	9.7
Not overturned	95,154	90.2	4,752	90.3
Total customers with activity test breaches	105,515	100.0	5,263	100.0
Customers with administrative breaches				
Overturned	48,913	39.0	3,035	39.2
Not overturned	76,400	61.0	4,712	60.8
Total customers with administrative breaches	125,313	100.0	7,747	100.0

**Table 2.6a. Customers with breaches and total customers by age, gender and indigenous identification category, 20 June 1997**

Customers with:	Gender/indigenous identifier									
	Female					Male				
	Not identified		Indigenous		I/N-I	Not identified		Indigenous		I/N-I <sup>a</sup>
	Number	% rate	Number	% rate	Ratio	Number	% rate	Number	% rate	Ratio
Activity test breaches										
Under 18	1,155	5.2	69	5.0	1.0	1,694	6.3	119	7.4	1.2
18–21	7,238	7.1	315	10.5	1.5	14,499	11.5	651	13.7	1.2
22–24	3,832	6.3	144	9.8	1.6	10,372	10.2	489	13.0	1.3
25–34	4,122	4.8	182	6.0	1.3	18,121	7.4	981	10.3	1.4
35–44	1,337	2.5	87	4.6	1.9	6,990	4.2	386	8.1	2.0
45–54	1,062	1.9	22	2.2	1.2	2,770	2.5	100	5.7	2.3
55 and over	295	1.9	2	1.1	0.6	986	1.5	19	3.4	2.3
Total all ages	19,041	4.8	821	6.9	1.4	55,432	6.6	2,745	10.3	1.6
Administrative breaches										
Under 18	1,431	6.4	156	11.3	1.8	2,120	7.8	245	15.3	2.0
18–21	7,293	7.1	433	14.5	2.0	13,390	10.6	881	18.5	1.7
22–24	3,376	5.5	143	9.7	1.8	8,972	8.8	526	13.9	1.6
25–34	3,801	4.4	238	7.8	1.8	15,522	6.3	997	10.5	1.7
35–44	1,280	2.4	116	6.1	2.6	5,782	3.5	347	7.3	2.1
45–54	920	1.6	34	3.5	2.1	2,347	2.1	91	5.2	2.4
55 and over	170	1.1	5	2.7	2.5	744	1.1	20	3.5	3.2
Total all ages	18,271	4.6	1,125	9.4	2.1	48,877	5.8	3,107	11.6	2.0
Total customers	Number	% share	Number	% share		Number	% share	Number	% share	
Under 18	22,408	5.6	1,380	11.5	2.1	27,047	3.2	1,600	6.0	1.9
18–21	102,620	25.8	2,997	25.1	1.0	125,797	14.9	4,767	17.8	1.2
22–24	61,267	15.4	1,473	12.3	0.8	101,856	12.1	3,772	14.1	1.2
25–34	86,162	21.6	3,035	25.4	1.2	246,333	29.1	9,527	35.6	1.2
35–44	54,483	13.7	1,911	16.0	1.2	167,723	19.8	4,745	17.8	0.9
45–54	56,034	14.1	980	8.2	0.6	109,663	13.0	1,761	6.6	0.5
55 and over	15,474	3.9	184	1.5	0.4	67,125	7.9	567	2.1	0.3
Total all ages	398,448	100.0	11,960	100.0		845,544	100.0	26,739	100.0	

Note:

a. N-I = indigenous/not identified.

**Table 2.6b. Customers with breaches and total customers by age, gender and indigenous identification category, 20 March 1998**

Customers with:	Gender/indigenous identifier									
	Female					Male				
	Not identified		Indigenous		I/N-I	Not identified		Indigenous		I/N-I <sup>a</sup>
	Number	% rate	Number	% rate	Ratio	Number	% rate	Number	% rate	Ratio
Activity test breaches										
Under 18	1,321	5.9	101	6.9	1.2	1,845	7.4	136	8.2	1.1
18–21	9,594	9.9	442	14.7	1.5	18,452	15.7	908	19.3	1.2
22–24	5,455	9.6	206	13.7	1.4	15,041	15.8	715	19.7	1.3
25–34	5,996	7.2	315	10.0	1.4	27,803	11.8	1,469	15.0	1.3
35–44	2,053	3.8	146	7.2	1.9	10,684	6.6	581	12.3	1.9
45–54	1,538	2.8	42	4.0	1.4	4,201	3.9	171	9.3	2.4
55 and over	341	2.1	4	1.9	0.9	1,191	1.9	27	4.5	2.4
Total all ages	26,298	6.8	1,256	10.1	1.5	79,217	9.8	4,007	14.9	1.5
Administrative breaches										
Under 18	2,681	12.0	283	19.3	1.6	3,255	13.0	349	21.0	1.6
18–21	13,182	13.6	755	25.1	1.9	22,291	19.0	1,416	30.1	1.6
22–24	6,357	11.2	306	20.3	1.8	16,919	17.8	900	24.8	1.4
25–34	7,323	8.8	520	16.5	1.9	30,472	12.9	1,950	19.9	1.5
35–44	2,734	5.1	252	12.5	2.5	11,572	7.1	689	14.5	2.0
45–54	2,007	3.6	94	8.9	2.5	4,647	4.3	193	10.5	2.5
55 and over	356	2.2	10	4.8	2.2	1,517	2.4	30	5.0	2.1
Total all ages	34,640	9.0	2,220	17.9	2.0	90,673	11.2	5,527	20.5	1.8
Total customers	Number	% share	Number	% share		Number	% share	Number	% share	
Under 18	22,271	5.8	1,464	11.8	2.0	24,990	3.1	1,663	6.2	2.0
18–21	97,017	25.2	3,005	24.2	1.0	117,221	14.5	4,710	17.5	1.2
22–24	57,002	14.8	1,508	12.1	0.8	95,273	11.8	3,636	13.5	1.1
25–34	82,985	21.6	3,160	25.4	1.2	235,683	29.2	9,789	36.3	1.2
35–44	53,812	14.0	2,023	16.3	1.2	162,402	20.1	4,744	17.6	0.9
45–54	55,678	14.5	1,056	8.5	0.6	107,988	13.4	1,832	6.8	0.5
55 and over	16,103	4.2	208	1.7	0.4	63,252	7.8	595	2.2	0.3
Total all ages	384,868	100.0	12,424	100.0		806,809	100.0	26,969	100.0	

Note:

a. N-I = indigenous/not identified.

**Table 2.7a. Customers with breaches and total customers by income unit/family type and indigenous identification category, 20 June 1997**

		Indigenous identifier				I/N-I Ratio
		Not identified		Indigenous		
		Number	% rate	Number	% rate	
Customers with activity test breaches						
Unpartnered with:	0 children	61,078	6.9	2,795	10.0	1.5
	1 child	406	4.0	77	6.8	1.7
	2 children	61	3.0	9	3.2	1.1
	3 children	21	3.4	8	7.1	2.1
	4 children	5	2.8	1	2.0	0.7
	5 children	1	3.5	0	0.0	0.0
	more than 5 children	0	0.0	0	0.0	0.0
	Partnered with:	0 children	5,438	3.4	235	7.3
1 child		2,838	4.4	139	6.7	1.5
2 children		2,682	3.9	131	8.3	2.1
3 children		1,287	3.6	88	7.8	2.2
4 children		469	3.7	39	5.4	1.5
5 children		128	3.5	23	8.1	2.3
more than 5 children		59	3.8	21	9.2	2.4
Total customers with activity test breaches		74,473	6.0	3,566	9.2	1.5
Customers with administrative breaches						
Unpartnered with:	0 children	56,954	6.5	3,457	12.4	1.9
	1 child	509	5.0	111	9.8	2.0
	2 children	71	3.5	26	9.4	2.7
	3 children	24	3.9	4	3.6	0.9
	4 children	7	4.0	2	4.0	1.0
	5 children	2	6.9	0	0.0	0.0
	more than 5 children	0	0.0	0	0.0	0.0
	Partnered with:	0 children	4,119	2.6	263	8.2
1 child		2,178	3.4	134	6.5	1.9
2 children		1,881	2.7	92	5.8	2.1
3 children		926	2.6	75	6.6	2.5
4 children		316	2.5	33	4.6	1.9
5 children		108	3.0	15	5.3	1.8
more than 5 children		53	3.4	20	8.7	2.6
Total customers with administrative breaches		67,148	5.4	4,232	10.9	1.6

(continued)

**Table 2.7a. Customers with breaches and total customers by income unit/family type and indigenous identification category, 20 June 1997 (continued)**

		Indigenous identifier			
		Not identified		Indigenous	
		Number	% share	Number	% share
All customers					
Unpartnered with:	0 children	882,284	70.9	27,888	72.1
	1 child	10,164	0.8	1,131	2.9
	2 children	2,048	0.2	278	0.7
	3 children	624	0.1	112	0.3
	4 children	177	0.0	50	0.1
	5 children	29	0.0	6	0.0
	more than 5 children	14	0.0	7	0.0
Partnered with:	0 children	160,782	12.9	3,214	8.3
	1 child	64,909	5.2	2,061	5.3
	2 children	69,409	5.6	1,587	4.1
	3 children	35,516	2.9	1,132	2.9
	4 children	12,811	1.0	720	1.9
	5 children	3,654	0.3	284	0.7
	more than 5 children	1,571	0.0	229	0.6
Total customers		1,243,992	100.0	38,699	100.0

**Table 2.7b. Customers with breaches and total customers by income unit/family type and indigenous identification category, 20 March 1998**

		Indigenous identifier				I/N-I Ratio
		Not identified		Indigenous		
		Number	% rate	Number	% rate	
Customers with activity test breaches						
Unpartnered with:	0 children	86,895	10.2	4,079	14.3	1.4
	1 child	785	7.1	134	11.2	1.6
	2 children	109	5.4	15	5.9	1.1
	3 children	30	5.0	4	3.4	0.7
	4 children	5	3.2	2	4.7	1.5
	5 children	5	11.1	1	10.0	0.9
	more than 5 children	3	17.7	0	0.0	0.0
	Partnered with:	0 children	7,097	4.7	330	10.1
1 child		3,963	6.6	207	10.3	1.6
2 children		3,695	5.8	184	11.4	2.0
3 children		1,921	5.8	154	13.5	2.3
4 children		710	5.8	83	11.9	2.1
5 children		204	5.9	40	12.7	2.2
more than 5 children		93	5.9	30	14.3	2.4
Total customers with activity test breaches		105,515	8.9	5,263	13.4	1.5
Customers with administrative breaches						
Unpartnered with:	0 children	105,012	12.3	6,258	22.0	1.8
	1 child	1,195	10.8	232	19.5	1.8
	2 children	140	6.9	36	14.2	2.1
	3 children	45	7.5	17	14.5	1.9
	4 children	10	6.4	8	18.6	2.9
	5 children	5	11.1	2	20.0	1.8
	more than 5 children	1	5.9	0	0.0	0.0
	Partnered with:	0 children	7,784	5.2	459	14.0
1 child		4,311	7.2	258	12.8	1.8
2 children		3,811	5.9	207	12.8	2.2
3 children		1,928	5.8	153	13.5	2.3
4 children		736	6.0	73	10.5	1.7
5 children		223	6.4	21	6.7	1.0
more than 5 children		112	7.1	23	11.0	1.6
Total customers with administrative breaches		125,313	10.5	7,747	19.7	1.9

(continued)

**Table 2.7b. Customers with breaches and total customers by income unit/family type and indigenous identification category, 20 March 1998 (continued)**

		Indigenous identifier			
		Not identified		Indigenous	
		Number	% share	Number	% share
All customers					
Unpartnered with:	0 children	852,396	71.5	28,510	72.4
	1 child	11,051	0.9	1,192	3.0
	2 children	2,023	0.2	254	0.6
	3 children	601	0.1	117	0.3
	4 children	157	0.0	43	0.1
	5 children	45	0.0	10	0.0
	more than 5 children	17	0.0	4	0.0
Partnered with:	0 children	150,983	12.7	3,277	8.3
	1 child	59,969	5.0	2,017	5.1
	2 children	64,164	5.4	1,612	4.1
	3 children	33,033	2.8	1,137	2.9
	4 children	12,193	1.0	696	1.8
	5 children	3,463	0.3	314	0.8
	more than 5 children	1,582	0.1	210	0.5
Total customers		1,191,677	100.0	39,393	100.0

**Table 2.8a. Customers with breaches by income unit/family type as a share of total customers with breaches, 20 June 1997**

		Indigenous identifier			
		Not identified		Indigenous	
		Number	% share	Number	% share
Customers with activity test breaches					
Unpartnered with:	0 children	61,078	82.0	2,795	78.4
	1 child	406	0.6	77	2.2
	2 children	61	0.1	9	0.3
	3 children	21	0.0	8	0.2
	4 children	5	0.0	1	0.0
	5 children	1	0.0		0.0
	more than 5 children		0.0		0.0
Partnered with:	0 children	5,438	7.3	235	6.6
	1 child	2,838	3.8	139	3.9
	2 children	2,682	3.6	131	3.7
	3 children	1,287	1.7	88	2.5
	4 children	469	0.6	39	1.1
	5 children	128	0.2	23	0.6
	more than 5 children	59	0.1	21	0.6
Total customers with activity test breaches		74,473	100.0	3,566	100.0
Customers with administrative breaches					
Unpartnered with:	0 children	56,954	84.8	3,457	81.7
	1 child	509	0.8	111	2.6
	2 children	71	0.1	26	0.6
	3 children	24	0.0	4	0.1
	4 children	7	0.0	2	0.1
	5 children	2	0.0		0.0
	more than 5 children		0.0		0.0
Partnered with:	0 children	4,119	6.1	263	6.2
	1 child	2,178	3.2	134	3.2
	2 children	1,881	2.8	92	2.2
	3 children	926	1.4	75	1.8
	4 children	316	0.5	33	0.8
	5 children	108	0.2	15	0.4
	more than 5 children	53	0.1	20	0.5
Total customers with administrative breaches		67,148	100.0	4,232	100.0

**Table 2.8b. Customers with breaches by income unit/family type as a share of total customers with breaches, 20 March 1998**

		Indigenous identifier			
		Not identified		Indigenous	
		Number	% share	Number	% share
Customers with activity test breaches					
Unpartnered with:	0 children	86,895	82.4	4,079	77.5
	1 child	785	0.7	134	2.6
	2 children	109	0.1	15	0.3
	3 children	30	0.0	4	0.1
	4 children	5	0.0	2	0.0
	5 children	5	0.0	1	0.0
	more than 5 children	3	0.0		0.0
Partnered with:	0 children	7,097	6.7	330	6.3
	1 child	3,963	3.8	207	3.9
	2 children	3,695	3.5	184	3.5
	3 children	1,921	1.8	154	2.9
	4 children	710	0.7	83	1.6
	5 children	204	0.2	40	0.8
	more than 5 children	93	0.1	30	0.6
Total customers with activity test breaches		105,515	100.0	5,263	100.0
Customers with administrative breaches					
Unpartnered with:	0 children	105,012	83.8	6,258	80.8
	1 child	1,195	1.0	232	3.0
	2 children	140	0.1	36	0.5
	3 children	45	0.0	17	0.2
	4 children	10	0.0	8	0.1
	5 children	5	0.0	2	0.0
	more than 5 children	1	0.0		0.0
Partnered with:	0 children	7,784	6.2	459	5.9
	1 child	4,311	3.4	258	3.3
	2 children	3,811	3.0	207	2.7
	3 children	1,928	1.5	153	2.0
	4 children	736	0.6	73	0.9
	5 children	223	0.2	21	0.3
	more than 5 children	112	0.1	23	0.3
Total customers with administrative breaches		125,313	100.0	7,747	100.0

**Table 2.9a. Customers with breaches and total customers by payment duration and indigenous identification category, 20 June 1997**

	Indigenous identifier				I/N-I <sup>a</sup> Ratio
	Not identified		Indigenous		
	Number	% rate	Number	% rate	
Customers with activity test breaches with a payment duration of:					
Up to 3 months	14,332	7.2	529	9.5	1.3
4 to 6 months	14,382	6.0	516	8.4	1.4
7 to 9 months	10,209	6.7	469	10.1	1.5
10 to 12 months	7,154	6.1	322	8.8	1.5
12 to 18 months	9,700	5.4	483	8.9	1.6
19 to 24 months	5,893	5.7	326	9.7	1.7
Over 24 months	12,803	5.1	921	9.4	1.8
Total customers with activity test breaches	74,473	6.0	3,566	9.2	1.5
Customers with administrative breaches with a payment duration of:					
Up to 3 months	10,458	5.3	586	10.5	2.0
4 to 6 months	13,229	5.5	626	10.2	1.9
7 to 9 months	9,128	6.0	504	10.9	1.8
10 to 12 months	6,699	5.7	392	10.7	1.9
12 to 18 months	10,208	5.7	644	11.8	2.1
19 to 24 months	5,934	5.7	416	12.3	2.1
Over 24 months	11,492	4.6	1,064	10.8	2.4
Total customers with administrative breaches	67,148	5.4	4,232	10.9	2.0
Total customers with a payment duration of:	Number	% share	Number	% share	
Up to 3 months	198,330	15.9	5,576	14.4	0.9
4 to 6 months	240,592	19.3	6,122	15.8	0.8
7 to 9 months	152,268	12.2	4,646	12.0	1.0
10 to 12 months	117,985	9.5	3,669	9.5	1.0
12 to 18 months	179,565	14.4	5,457	14.1	1.0
19 to 24 months	103,313	8.3	3,378	8.7	1.1
Over 24 months	251,939	20.3	9,851	25.5	1.3
Total customers	1,243,992	100.0	38,699	100.0	

Note:

a. N-I = indigenous/not identified.

**Table 2.9b. Customers with breaches and total customers by payment duration and indigenous identification category, 20 March 1998**

	Indigenous identifier				I/N-I <sup>a</sup> Ratio
	Not identified		Indigenous		
	Number	% rate	Number	% rate	
Customers with activity test breaches with a payment duration of:					
Up to 3 months	20,975	7.7	947	11.7	1.5
4 to 6 months	13,422	8.7	570	11.9	1.4
7 to 9 months	12,260	9.5	523	14.3	1.5
10 to 12 months	9,607	10.8	365	13.6	1.3
12 to 18 months	14,838	9.6	727	14.2	1.5
19 to 24 months	10,187	9.4	567	14.7	1.6
Over 24 months	24,226	8.5	1,564	14.0	1.6
Total customers with activity test breaches	105,515	8.9	5,263	13.4	1.5
Customers with administrative breaches with a payment duration of:					
Up to 3 months	21,349	7.8	1,263	15.6	2.0
4 to 6 months	14,721	9.6	860	18.0	1.9
7 to 9 months	15,426	12.0	859	23.5	2.0
10 to 12 months	12,136	13.7	592	22.1	1.6
12 to 18 months	20,492	13.3	1,093	21.4	1.6
19 to 24 months	13,599	12.5	936	24.3	2.0
Over 24 months	27,589	9.7	2,144	19.2	2.0
Total customers with administrative breaches	125,312	8.7	7,747	19.7	2.3
Total customers with a payment duration of:	Number	% share	Number	% share	
Up to 3 months	273,073	22.9	8,118	20.6	0.9
4 to 6 months	154,037	12.9	4,782	12.1	0.9
7 to 9 months	128,667	10.8	3,658	9.3	0.9
10 to 12 months	88,820	7.5	2,677	6.8	0.9
12 to 18 months	154,470	13.0	5,115	13.0	1.0
19 to 24 months	108,854	9.1	3,849	9.8	1.1
Over 24 months	283,756	23.8	11,194	28.4	1.2
Total customers	1,191,677	100.0	39,393	100.0	

Note:

a. N-I = indigenous/not identified.

**Table 2.10a. Customers with breaches by type of latest breach and indigenous identification category, 20 June 1997**

Type of latest breach	Indigenous identifier			
	Not identified		Indigenous	
	Number	% share	Number	% share
AT <sup>a</sup> failed activity test	7,014	9.4	504	14.1
AT misconduct at work	8,227	11.1	228	6.4
AT voluntarily unemployed	25,521	34.3	1,126	31.6
No type recorded	33,711	45.3	1,708	47.9
Customers with activity test breaches	74,473	100.0	3,566	100.0
Ad. <sup>b</sup> failed to attend interview	4,098	6.1	498	11.8
Ad. failed to notify circumstances	634	0.9	22	0.5
Ad. failed to reply to correspondence	1,176	1.8	141	3.3
Ad. failed to attend training	62	0.1	4	0.1
No type recorded	61,178	91.1	3,567	84.3
Customers with administrative breaches	67,148	100.0	4,232	100.0

**Table 2.10b. Customers with breaches by type of latest breach and indigenous identification category, 20 March 1998**

Type of latest breach	Indigenous identifier			
	Not identified		Indigenous	
	Number	% share	Number	% share
AT <sup>a</sup> failed activity test	62,365	59.1	3,117	59.2
AT misconduct at work	4,846	4.6	160	3.0
AT voluntarily unemployed	12,449	11.8	656	12.5
AT Work for the Dole	728	0.7	32	0.6
No type recorded	25,127	23.8	1,298	24.7
Customers with activity test breaches	105,515	100.0	5,263	100.0
Ad. <sup>b</sup> failed to attend interview	49,867	39.8	3,567	46.0
Ad. failed to notify circumstances	2,692	2.2	85	1.1
Ad. failed to reply to correspondence	29,304	23.4	1,117	14.4
Ad. failed to attend training	12	0.0	1	0.0
Ad. Work for the Dole	1,159	0.9	57	0.7
No type recorded	42,279	33.7	2,920	37.7
Customers with administrative breaches	125,313	100.0	7,747	100.0

Note:

System changes were introduced in December 1996 to record breach type. These tables show the latest breach type, of those breaches incurred since December 1996. It is a sample to show the mix of breach types likely to occur.

a. AT = activity test breach.

b. Ad. = administrative breach.

**Table 2.11a. Customers by whether issued a jobseeker diary and whether exempt from diary issue by indigenous identification category, 20 June 1997**

	Indigenous identifier			
	Not identified		Indigenous	
	Number	% share	Number	% share
Diary issued				
Yes	339,491	27.3	6,469	16.7
No	904,501	72.7	32,230	83.3
Total customers	1,243,992	100.0	38,699	100.0
Currently exempt from diary issue				
Yes	159,078	12.8	8,976	23.2
No	1,084,914	87.2	29,723	76.8
Total customers	1,243,992	100.0	38,699	100.0

**Table 2.11b. Customers by whether issued a jobseeker diary and whether exempt from diary issue by indigenous identification category, 20 March 1998**

	Indigenous identifier			
	Not identified		Indigenous	
	Number	% share	Number	% share
Diary issued				
Yes	496,292	41.7	8,928	22.7
No	695,385	58.4	30,465	77.3
Total customers	1,191,677	100.0	39,393	100.0
Currently exempt from diary issue				
Yes	339,107	28.5	18,510	47.0
No	852,570	71.5	20,883	53.0
Total customers	1,191,677	100.0	39,393	100.0



### 3. Local/regional statistical analysis

Income support administration is carried out through slightly over 300 Centrelink Customer Service Centres which were formerly, until mid 1997, regional and smaller local satellite offices of DSS. Since there were a little under 40,000 indigenous identifiers in each of the two national administrative data sets, the mean number of indigenous identifying unemployment payment recipients per Centrelink office was around 130. However, many offices have far more indigenous identifiers than this and many far less. A sorting of the data sets by Centrelink offices and numbers of indigenous identifying unemployment payment clients revealed that about 100 offices had more than 100 indigenous identifying clients and almost 50 offices had more than 200.

To avoid small numbers problems, it seemed prudent to focus local/regional statistical analysis of indigenous breach rates on the almost 50 Centrelink offices with more than 200 indigenous identifying unemployment payment recipients. While this is a prudent statistical strategy, it does have some costs, such as the possibility of missing out on issues arising in areas with small numbers (and proportions) of indigenous identifiers in office area populations. As a preliminary precaution, therefore, Tables 3.1a and 3.1b compare breach, activity test exemption and total customer statistics by indigenous identifiers and non-identifiers for Centrelink office locations with more than, and less than, 200 indigenous identifying unemployment payment recipients. Table 3.1c adjusts the March 1998 data by deleting breaches subsequently overturned by original decision makers, thereby producing net rather than gross breach rates.<sup>8</sup>

Tables 3.1a–c are somewhat equivocal on whether there are significant differences in breach rates between Centrelink offices with less than and more than 200 indigenous-identifying unemployment payment recipients. The June 1997 data set seemed to suggest that indigenous breach rates were higher in the offices with more than 200 indigenous-identifying clients compared to those with less than 200. However, by March 1998, the opposite seemed to be the case, both in terms of net and gross breaching measures. This turnaround may be related to changing rates of exemption from the activity test, which had risen sharply between June 1997 and March 1998 among indigenous identifiers in offices with more than 200 such customers (up from 10.0 per cent to 24.6 per cent) and fallen sharply among indigenous identifiers in offices with less than 200 such customers (down from 22.4 per cent to 8.3 per cent). Perhaps, the clearest finding of these tables, then, is that higher activity test exemption rates do seem to significantly lessen breach rates among indigenous identifiers.

What is clearer from Tables 3.1a–c is that indigenous breach rates are significantly higher than non-identifier breach rates across both offices with more than, and less than, 200 indigenous-identifying unemployment payment customers, across both breach types and for both gross and net breaching. The differences between indigenous and non-identifier breach rate figures, given in the far right columns of these tables, are in all cases significantly positive. Another interesting, and perhaps predictable, finding from these tables is that the shares of indigenous identifiers among all unemployment payment

recipients in these two categories of office vary significantly; from around 10–12 per cent in offices with more than 200 indigenous identifiers to around 1.5 per cent in offices with less than 200 (see second column from right).

Tables 3.2a and 3.2b present breach, activity test exemption and total customer statistics for the almost 50 Centrelink offices with over 200 indigenous identifying unemployment payment recipients in the two data sets.<sup>9</sup> Offices are ordered by the size of their 'combined' indigenous breach rate; a statistic derived by adding activity test and administrative breach rates among indigenous identifiers. This ordering reveals a wide range of local/regional indigenous breach rates; from combined figures of 40.1 per cent to 8.5 per cent in June 1997 and from 57.8 to 11.9 per cent in March 1998. However, most offices have combined indigenous breach rates within a much narrower range than this; 29 of the offices had rates in June 1997 of between 17 per cent and 29 per cent and 26 had gross rates in March 1998 of between 30 per cent and 41 per cent.

Table 3.2c adjusts the March 1998 data set by removing breaches subsequently overturned by original decision makers, thereby producing net rather than gross breach rates for local/regional offices. The range of combined indigenous breach rates across offices is still wide, from 51.6 per cent to 8.8 per cent. But again, most offices have breach rates in a much narrower band, with 23 offices in Table 3.2c having combined indigenous breach rates of between 20 and 30 per cent.

Further examination of Tables 3.2a–c reveals some interesting patterns in the ordering of these Centrelink offices by their combined indigenous breach rate. A group of Western Australian offices, covering both rural/remote and urban areas, comes out consistently near the top of the order with the highest indigenous breach rates.<sup>10</sup> A group of Northern Territory offices comes out consistently at the bottom of the order with the lowest indigenous breach rates and with indigenous breach rates which are as low as, or even lower than, their non-identifier breach rates. One Northern Territory office however, Tennant Creek, has high indigenous breach rates. Towards the bottoms of these tables, there also seems to be another cluster of offices in country New South Wales with relatively low indigenous breach rates.<sup>11</sup> These patterns begged explanation and made it imperative that some Western Australian, country New South Wales and Northern Territory offices, including Tennant Creek, were included in locality visits and discussion sessions.

In the middle of Tables 3.2a–c between these Western Australian, country New South Wales and Northern Territory clusters, there are a wide range of Centrelink offices covering urban, rural and remote sparsely settled areas of Australia. Almost all these offices have higher breach rates among indigenous identifiers than non-identifiers, as can be seen from the indigenous minus non-identifier breach rate difference figures in the far right column. However, a few offices have indigenous and non-identifier breach rates that are more nearly equal. This suggested that locality visits and discussion sessions ought to cover urban, rural and sparsely settled remote areas, a range of States and Territories, and some offices where indigenous and non-identifier breach rate were more nearly equal as well as some where they were significantly different. What follows is an analysis of the local/regional statistics, in light of the locality visits. The analysis raises some specific issues canvassed in discussion sessions, though the task of more comprehensively reviewing such issues is deferred until Chapter 5.

## The Northern Territory offices

The low indigenous breach rates of the group of Northern Territory offices at the bottoms of Tables 3.2a–c would appear to be built on a number of things, some of which are evident from the tables and some of which are not. First, it should be noted from the second column from the right in these tables that the proportions of unemployment clientele who identify as indigenous in these Northern Territory offices are high, in some cases over 50 per cent. Issues relating to indigenous people loom large within the Northern Territory social security administration in a way which is not the case in many other areas. The Northern Territory social security administration has a long and proud tradition of promoting issues relating to indigenous people within DSS, often in the process confronting the Department's central office with issues about the workability and appropriateness of rules and procedures in relation to the indigenous portion of the clientele (see DSS 1978; Sanders 1987; DSS 1990). Nowadays, the Northern Territory social security administration also has a strong consciousness of s.1296 of the Social Security Act, which was added at the time of a major legislative re-write in 1991. This section states that in administering the Act, the Secretary is to have regard to, among other things, 'the need to be responsive to Aboriginality and to cultural and linguistic diversity'.<sup>12</sup> The Northern Territory administration sees this provision as both legitimating and as calling for an empathetic approach to issues relating to indigenous people.

The Northern Territory social security administration also has a tradition of developing non-standard procedures in order to cope with indigenous servicing issues. In the 1970s, for example, when unemployment benefit first began to be paid to indigenous people in remote areas (see Sanders 1985), the Northern Territory social security administration devised a separate non-positive-stimulus procedure for reviewing remote area recipients, known as UBNT. Although this procedure has now disappeared, its legacy may well be evident in the second statistic about Northern Territory offices that can be read from the third column from the right in Tables 3.2a–c. This is the much higher than usual exemption rate from the activity test among indigenous identifiers; up to 40 per cent or even 70 per cent compared to generally less than 10 per cent elsewhere.

This rate of exemption is built on provisions of the Social Security Act relating to how the activity test may be satisfied in remote localities where there are no locally accessible labour markets, labour market programs or vocational training courses. S.603(2) states that where a 'person' is 'present' in such an area during the period for which payment is being sought and:

...having regard to all relevant factors, including:

- (i) the location of offices of the Department; and
- (ii) difficulties with transport and communication: and
- (iii) the educational and cultural background of the person;

it would be unreasonable to expect the person to comply with the activity test in order to be qualified for Newstart Allowance for that period...then, unless the

person has been notified of a requirement under subsection 601(2) in relation to the period, then the person is taken to comply with the activity test during that period.

The Northern Territory social security administration appears to use these remote locality provisions far more extensively than elsewhere and effectively exempts from the activity test large numbers of people outside the Northern Territory's main urban centres. Northern Territory offices have separate regional office codes for the remote area portion of their clientele (see far left column of tables) and they issue a different application form for continuation of unemployment payments in these areas; an RA1 rather than an SU19. Unlike the SU19, the RA1 does not ask recipients for the names of two employers that they have contacted seeking employment during the period for which continuation of payment is being claimed.

These higher exemption rates from the activity test granted under 603(2) would seem to underpin the lower indigenous breach rates of the Northern Territory offices. Indeed, the third statistic to note from the far right hand columns of Tables 3.2a–c is that the Northern Territory offices at the bottoms of these tables actually have lower indigenous breach rates than non-identifier breach rates. This occurs only very occasionally outside the Northern Territory (see difference figures for other offices in far right columns).

### **Tennant Creek office and the issue of leaving CDEP**

The Tennant Creek Centrelink office stands out clearly from the other Northern Territory offices as having a much higher indigenous breach rate, being placed towards the tops of Tables 3.2a–c. Investigation of why this might be pointed to the issue of leaving the Community Development Employment Projects (CDEP) scheme as a possible source of activity test breaching.

CDEP is an indigenous-specific employment creation program which was devised in the mid-1970s as an alternative to making large numbers of unemployment payments to Aboriginal people in remote communities where there was very little work available. From the mid 1980s, the scheme was extended to non-remote Aboriginal communities.

Until early 1998, DSS guidelines treated people leaving CDEP and applying for unemployment payments as if they were leaving any other form of employment. This could lead to any one of three eligibility outcomes:

- i. If the cessation of employment was judged to be for 'compelling personal reasons' and the normal unemployment payments eligibility criteria were met, then the person would be eligible.
- ii. If the cessation of employment was not judged to be for 'compelling personal reasons' and suitable work on the CDEP was still available, then the person would be ineligible for unemployment payment. As the guidelines put it, an 'individual is expected to participate in CDEP'.
- iii. If the cessation of employment was not judged to be for 'compelling personal reasons' but suitable work on the CDEP was not still available (perhaps because

someone else in the community had taken up the vacant place on the CDEP or the place had been reassigned to another community), then the person would be judged eligible for unemployment payment, but may have an activity test breach imposed for contributing to their own unemployment.<sup>13</sup>

The one concession that was made to the rather different status of CDEP employment in these guidelines was that where CDEP wages were less than what the participant's unemployment payments entitlement would be, the client could withdraw from the CDEP and claim unemployment payments.<sup>14</sup>

During early 1998, in consultation with the Aboriginal and Torres Strait Commission (ATSIC), these guidelines for DSS's treatment of CDEP participants were changed. A distinction was introduced between participants who left CDEP during, as opposed to at the end of, a quarterly funding period. The latter could become eligible for unemployment payments without having to demonstrate 'compelling personal reasons' for leaving and without an activity test breach being imposed. The former, on the other hand and with some exceptions, would still have to demonstrate compelling personal reasons for leaving CDEP employment in order to gain unemployment payments eligibility and could also still have an activity test breach imposed.<sup>15</sup>

Locality visits for this research covered the time when these new guidelines were introduced. However, even by the last of the locality visits, there seemed little if any awareness within Centrelink offices of the new guidelines and the new distinction within them between those leaving CDEP during and at the end of a quarterly funding period. Assessments of the eligibility for unemployment payments of people leaving CDEP appeared to be continuing as under the old guidelines, and certainly these were the guidelines in place when the breaching recorded in the June 1997 and March 1998 data sets was occurring.

In the Tennant Creek Centrelink office there seemed to be a tendency to treat people leaving CDEP under the third possible course of action outlined above; that is, to grant them eligibility for unemployment payments while imposing an activity test breach for contributing to their own unemployment. The adoption of this course of action as predominant office practice had the effect of pushing up the activity test breach rate among indigenous identifiers, since there was quite a lot of coming and going from CDEP in the Tennant Creek area. Another issue was that CDEPs in the Tennant Creek area were generally under-subscribed and that those running them did not want Centrelink to be too easy on people leaving CDEP. However, Centrelink also recognised that there were reasons why applicants might not want to work on CDEP and might legitimately regard CDEP work as unsuitable, even if places were available.

Elsewhere in the Northern Territory, and in a number of other Centrelink offices, staff had a slightly different approach to people leaving CDEP employment. In these offices, staff were conscious of the fact that CDEP is subject to a multiple entitlement exclusion in relation to Newstart Allowance at s.614A of the Social Security Act, making it appear an alternative form of Commonwealth income support. In light of this, staff were more inclined to find that applicants did, in fact, have 'compelling personal reasons' for leaving

CDEP and hence would grant eligibility without imposing an activity test breach; that is possibility (i), above. The adoption of this course of action as predominant office practice would mean that CDEP leavers were not contributing at all to activity test breach rates among indigenous identifiers. A 1997 review of the CDEP scheme noted and was critical of this regional variation in social security administration in relation to CDEP (Spicer 1997: 8).

Whether all of Tennant Creek's higher indigenous breach rate in comparison to the other Northern Territory offices can be explained by this issue of how it treated those leaving CDEP under the old guidelines must remain an open question. It is possible that other factors also came into play, such as a slightly less empathetic attitude towards indigenous clients among key decision making staff. But, with the issue of leaving CDEP removed, the differential between indigenous breach rates in the Tennant Creek office and other Northern Territory offices would certainly have been greatly reduced. Perhaps of more importance now, is bringing the new guidelines for the treatment of unemployment payment applicants who have left CDEP to the attention of all Centrelink offices affected by the scheme, as they were clearly not being acted on even towards the end of the locality visits.

### **The Western Australian and country New South Wales offices and ordering by non-identifier breach rates**

The Western Australian and New South Wales country clusters of offices at the tops and near the bottoms of Tables 3.2a–c are not so easily understood or explained as the Northern Territory group of offices. They appear to be generally just higher and lower breaching offices than the average, and to be so in relation to both indigenous and non-indigenous recipients. This latter point can be seen from Tables 3.3a–c which reorder the offices in the previous three tables by the combined breach rates of their non-identifier clientele. The country New South Wales offices stay near the bottoms of these tables, while the Western Australian offices stay near the tops. In Table 3.3a, five out of nine Centrelink offices with combined non-identifier breach rates above 20 per cent are in Western Australia,<sup>16</sup> while six out of eight offices with combined non-identifier breach rates below 10 per cent are in country New South Wales. In Table 3.3b, five out of seven offices with combined non-identifier breach rates above 30 per cent are in Western Australia, while eight out of 11 offices with combined non-identifier breach rates below 18 per cent are in country New South Wales. In Table 3.3c, Western Australia accounts for four out of ten offices with combined non-identifier breach rates above 22 per cent, while country New South Wales accounts for eight out of 11 offices with combined non-identifier breach rates below 13 per cent.

The biggest change which is apparent through the reordering by non-identifier breach rates in Tables 3.3a–c is the dispersal of the Northern Territory offices away from the bottoms of the tables up towards the tops. These Northern Territory offices appear to have quite high non-identifier breach rates, combined with low indigenous breach rates. This frequently leads to the difference between indigenous and non-identifier breach

rates in these offices being negative; a pattern which, as already noted, is only rarely the case elsewhere (see far right column of tables). This aspect of Northern Territory office breach rates will be returned to in the next chapter.

### **Small local satellite offices**

Among the almost 50 Centrelink offices with more than 200 indigenous identifying unemployment payment recipients there are a number of small local offices which operate as satellites of larger regional offices. It is notable in Tables 3.2a–c and 3.3a–c that these small satellite offices, designated with a DO, are over-represented at the tops and bottoms of these tables where variations in breach rates from the average are more pronounced.<sup>17</sup> In Table 3.2a, which contains 11 DOs and 39 larger ROs, six of the top seven offices ordered by combined indigenous breach rate are DOs. In Table 3.3a, which reorders these 50 offices by non-identifier breach rates, these same six DOs occur in the top 11 offices. In Table 3.2b, with nine DOs and 40 ROs, five of the top 14 offices with combined indigenous breach rates above 41 per cent are DOs and three of the bottom nine offices with combined indigenous breach rates below 30 per cent are DOs, leaving just one DO in the middle 26 offices. In Table 3.2c, which re-orders these 49 offices by net indigenous breach rates, four of the top five and five of the top nine offices are DOs and three of the bottom 14 offices are DOs, again leaving just one DO in the middle 26 offices. In Tables 3.3b and 3.3c, three of the top four and four of the top ten and 11 offices, respectively, are DOs and two of the bottom seven offices are DOs.

This tendency for small satellite offices to be at the tops and bottoms of tables ordering regional and local offices by breach rates is, to some extent, to be expected simply on mathematical grounds. Small units in any mathematical distribution tend to display greater variation than larger units. In this specific context, small office breach statistics reflect the practices and judgements of just one or two unemployment payment decision makers, whereas the statistics of larger offices average the practices and judgements of perhaps ten or more unemployment payment decision makers. Hence, a degree of individual variation is lost in larger offices' statistics, but not in smaller offices' statistics.

Beyond the simple mathematics of smaller unit size, it also became evident during locality visits that there were at least two different patterns of small office operations within the unemployment payments area. One pattern involved small office staff assessing initial unemployment payment applications and doing basic continuation decision making, but leaving more major compliance and review work to regional office staff. This pattern of operations raised the issue of where precisely, in the administrative processes, breaching was occurring and whether it was in fact the associated regional office which was contributing to, and largely determining, local satellite office breach rates. The other pattern of operations involved local office staff taking fuller responsibility for compliance and review work and hence contributing more fully and more clearly to their own office breach rates. The clearest example of this latter pattern of operations was in Normanton, Queensland, which had a quite unusual breach rate pattern.

The Normanton office administrative breach rate for indigenous identifiers is quite close to the administrative breach rate for non-identifiers. In June 1997, it was 2.9 per cent above and in March 1998, it was 0.1 per cent below the gross non-identifier breach rate and 2.7 per cent above the net non-identifier breach rate. This lack of any great difference seemed explicable in terms of a small office which knew both its indigenous and non-identifying unemployment payments clients fairly closely and was able to keep a track of both equally well. Normanton's activity test breach rates were not, however, so similar between indigenous and non-identifiers. As in Tennant Creek and some other small offices with high activity test breach rates among indigenous identifiers, this may have been related in part to indigenous people leaving CDEP incurring activity test breaches.

### **Local/regional Torres Strait Islander analysis**

Early in Chapter 2, it was noted that Torres Strait Islander and Aboriginal identifier breach rates appeared roughly similar at the national level, although Islanders did appear to have slightly higher breach rates at the single breach level and a significantly lower activity test exemption rate. These findings suggest that it may be useful to do some local/regional analysis of Torres Strait Islander breach rates in areas where Islanders are known to be concentrated.

Tables 3.4a–c give breach, activity test exemption and total customer statistics from the June 1997 and March 1998 data sets for eight Centrelink offices in north Queensland with more than 40 Torres Strait Islander identifying unemployment payment customers. The tables are broken down into Torres Strait Islander identifiers, Aboriginal identifiers and non-identifiers, and are ordered by combined Torres Strait Islander breach rates. Table 3.4a includes 1,333 Torres Strait Islander identifiers from a national total of 2,194 in the June 1997 data set (60.8 per cent), while Tables 3.2b and 3.2c include 1,289 Torres Strait Islander identifiers from a national total of 2,280 in the March 1998 data set (56.6 per cent). The far right columns of the tables give difference figures between Torres Strait Islander and Aboriginal activity test and administrative breach rates, not indigenous minus non-indigenous differences.

It is notable that the Thursday Island office, where Torres Strait Islander identifiers constitute almost two-thirds of the unemployment payments clientele, is consistently the lowest breaching of these eight north Queensland offices for Torres Strait Islander identifiers. It appears at the bottom of all three tables. Many of the other offices, where Torres Strait Islanders constitute much smaller shares of total office customers (see second column from right), have significantly higher Torres Strait Islander breach rates. This is somewhat like the Northern Territory phenomenon in relation to Aboriginal identifiers. The Thursday Island office is conscious that Torres Strait Islanders are a large proportion of its unemployment payment customers and is reasonably understanding of, and sympathetic to, the difficulties they experience in negotiating unemployment payments administration.

This understanding and sympathy does not, however, in the Thursday Island office, extend to granting large-scale exemption from the activity test on grounds of remoteness; despite the fact that the Thursday Island is itself, at one level, remote, and that a significant portion of the unemployment payments clientele live in still more remote island communities. The Thursday Island office appears to have a rather low activity test exemption rate for all its customers. Given that the Thursday Island office accounts for almost one-sixth of all Torres Strait Islander identifiers in the national unemployment payments database, this may well go some way towards explaining the lower national activity test exemption figure for Torres Strait Islander identifiers noted in Tables 2.4a and 2.4b.

The other seven north Queensland areas show a variety of activity test exemption rates for Torres Strait Islander identifiers which do not differ in any consistent way from those for either Aboriginal identifiers or non-identifiers in the same area.

It is also notable, from the far right columns of Tables 3.4a–c, that Torres Strait Islander identifier breach rates in these north Queensland areas do appear generally to be a little bit higher than for Aboriginal identifiers in the same office area. Only three or four of the 16 difference figures in these far right columns of the three tables are negative, rather than positive, and the positive differences tend to be larger than the few negative differences. Given the small numbers of customers involved, however, these figures may not be of any great statistical significance.

## **Summary of major findings**

Major findings of the local/regional statistical analysis of Centrelink offices with more than 200 indigenous identifying unemployment payment customers may be summarised as follows:

- Northern Territory offices, except for Tennant Creek, stand out as having low indigenous breach rates built on high activity test exemption rates. These Northern Territory offices often have lower breach rates among indigenous identifiers than non-identifiers, a pattern which is extremely rare elsewhere.
- Some Western Australian offices stand out as having high breach rates among both indigenous identifiers and non-identifiers, while some country New South Wales offices stand out as having low breach rates among both indigenous identifiers and non-identifiers.
- The Thursday Island office does seem to have fairly low breach rates for Torres Strait Islander identifiers, but also rather low activity test exemption rates. This latter may help explain the low national activity test exemption rate for Torres Strait Islander identifiers.

**Table 3.1a. Breach, activity test exemption and total customer statistics for offices with more than 200 and less than 200 indigenous identifying unemployment payment customers, 20 June 1997**

Indigenous identifier	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers		% difference Indigenous/ Not identified	
	Number	% share	Number	% share	Number	% share	Number	% share	Number	% share	Act. test	Admin.
Offices ≥ 200 indigenous customers	2,385	11.1	2,662	12.4	5,047	23.5	2,144	10.0	21,488	10.1	4.1	6.1
	13,420	7.0	12,004	6.3	25,424	13.3	21,021	11.0	191,041	89.9		
Offices < 200 indigenous customers	1,181	6.9	1,570	9.1	2,751	16.0	3,861	22.4	17,211	1.6	1.1	3.9
	61,053	5.8	55,144	5.2	116,197	11.0	123,631	11.7	1,052,951	98.4		

**Table 3.1b. Breach, activity test exemption and total customer statistics for offices with more than 200 and less than 200 indigenous identifying unemployment payment customers, 20 March 1998**

Indigenous identifier	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers		% difference Indigenous/ Not identified	
	Number	% share	Number	% share	Number	% share	Number	% share	Number	% share	Act. test	Admin.
Offices ≥ 200 indigenous customers	3,326	13.0	4,621	18.1	7,947	31.1	6,296	24.6	25,594	12.0	2.7	6.7
	19,181	10.3	21,236	11.3	40,417	21.6	21,023	11.2	187,105	88.0		
Offices < 200 indigenous customers	1,937	14.0	3,126	22.7	5,063	36.7	1150	8.3	13,799	1.4	5.4	12.3
	86,334	8.6	104,077	10.4	190,411	19.0	117,108	11.7	1,004,572	98.6		

**Table 3.1c. Net breach, activity test and total customer statistics for offices with more than 200 and less than 200 indigenous identifying unemployment payment customers, 20 March 1998**

	Indigenous identifier	Activity test breaches (net)		Administrative breaches (net)		Combined breaches (net)		Exempt from activity test		Total customers		% difference Indigenous/ Not identified	
		Number	% share	Number	% share	Number	% share	Number	% share	Number	% share	Act. test	Admin.
Offices ≥ 200 indigenous customers	Indigenous	3,036	11.9	2,846	11.1	5,882	23.0	6,296	24.6	25,594	12.0	2.8	4.3
	Not identified	17,046	9.1	12,741	6.8	29,787	15.9	21,023	11.2	187,105	88.0		
Offices < 200 indigenous customers	Indigenous	1,716	12.4	1,866	13.5	3,582	26.0	1,150	8.3	13,799	1.4	4.7	7.2
	Not identified	78,108	7.8	63,659	6.3	141,767	14.1	117,108	11.7	1,004,572	98.6		

**Table 3.2a. Breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment payment customers: ordered by combined indigenous breach rate, 20 June 1997**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers	% difference Indigenous/ Non identified	
					Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test Admin.
KTH	Karratha	Area WA	DO	Indigenous	56	18.9	63	21.2	119	40.1	24	8.1	297	31.1	2.3
				Not identified	109	16.6	80	12.2	189	28.8	60	9.1	657	68.9	9.0
BRK	Bourke	SWNSW	DO	Indigenous	74	19.7	69	18.4	143	38.1	24	6.4	375	36.0	5.5
				Not identified	95	14.3	65	9.8	160	24.0	60	9.0	666	64.0	8.6
DER	Derby	Area Nth Aust.	DO	Indigenous	35	17.0	38	18.5	73	35.4	22	10.7	206	65.2	8.8
				Not identified	9	8.2	12	10.9	21	19.1	8	7.3	110	34.8	7.5
NTN	Normanton	North Qld	DO	Indigenous	75	20.4	50	13.6	125	34.1	21	5.7	367	63.1	11.1
				Not identified	20	9.3	23	10.7	43	20.0	13	6.1	215	36.9	2.9
TNT/ TN4	Tennant Creek	Area Nth Aust.	DO	Indigenous	114	21.4	66	12.4	180	33.7	231	43.3	534	70.7	5.5
				Not identified	35	15.8	28	12.7	63	28.5	42	19.0	221	29.3	-0.3
SHD	South Hedland	Area WA	RO	Indigenous	64	11.6	111	20.0	175	31.6	31	5.6	554	38.6	3.6
				Not identified	70	8.0	131	14.9	201	22.8	60	6.8	881	61.4	5.2
CVN	Carnarvon	Area WA	DO	Indigenous	18	8.3	48	22.0	66	30.3	11	5.1	218	19.7	0.8
				Not identified	66	7.4	125	14.1	191	21.5	72	8.1	887	80.3	7.9
GFF	Griffith	SWNSW	RO	Indigenous	36	16.7	29	13.5	65	30.2	22	10.2	215	6.6	7.1
				Not identified	294	9.7	290	9.5	584	19.2	390	12.8	3,047	93.4	4.0
MID	Midland	Area WA	RO	Indigenous	39	12.9	52	17.2	91	30.1	24	8.0	302	4.4	5.0
				Not identified	529	8.0	509	7.7	1,038	15.6	757	11.4	6,644	95.7	9.6
KUN	Kununurra	Area Nth Aust.	RO	Indigenous	69	18.3	43	11.4	112	29.6	56	14.8	378	46.5	5.6
				Not identified	55	12.6	34	7.8	89	20.5	43	9.9	435	53.5	3.6

(continued)

**Table 3.2a.** Breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment payment customers: ordered by combined indigenous breach rate, 20 June 1997 (continued)

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers	% difference		
					Number	% rate	Number	% rate	Number	% rate	Number	% rate		Number % share	Indigenous/ Non identified	Act. test Admin.
VIP	Victoria Park	Area WA	RO	Indigenous	43	16.1	35	13.1	78	29.2	17	6.4	267	3.6	7.9	6.5
				Not identified	585	8.2	467	6.6	1,052	14.8	810	11.4	7,113	96.4		
DBO	Dubbo	SW NSW	RO	Indigenous	115	15.7	93	12.7	208	28.4	55	7.5	733	15.6	3.7	6.7
				Not identified	477	12.0	239	6.0	716	18.0	481	12.1	3,977	84.4		
INA	Inala	Pacific Central	RO	Indigenous	28	12.2	36	15.7	64	27.8	28	12.2	230	4.5	6.9	9.4
				Not identified	260	5.3	305	6.2	565	11.5	731	14.9	4,904	95.5		
BME	Broome	Area Nth Aust.	RO	Indigenous	46	9.0	91	17.9	137	26.9	37	7.3	509	35.5	-0.3	5.7
				Not identified	86	9.3	113	12.2	199	21.5	64	6.9	924	64.5		
WSC	Westcourt	North Qld	RO	Indigenous	76	14.1	68	12.6	144	26.7	41	7.6	540	12.0	5.8	3.2
				Not identified	327	8.2	374	9.4	701	17.7	415	10.5	3,970	88.0		
MDR	Mt Druitt	West NSW	RO	Indigenous	44	12.5	48	13.6	92	26.1	32	9.1	352	5.3	5.3	8.9
				Not identified	453	7.2	298	4.8	751	12.0	878	14.0	6,280	94.7		
IFL	Innisfail	North Qld	DO	Indigenous	31	14.6	24	11.3	55	25.8	17	8.0	213	9.3	7.5	4.0
				Not identified	147	7.0	152	7.3	299	14.3	217	10.4	2,090	90.8		
MRZ	Moree	Pacific Central	RO	Indigenous	69	11.5	83	13.9	152	25.4	31	5.2	598	28.1	3.1	4.0
				Not identified	129	8.4	151	9.9	280	18.3	126	8.3	1,528	71.9		
PUG	Port Augusta	SA	RO	Indigenous	42	11.5	50	13.7	92	25.1	29	7.9	366	17.4	6.3	8.5
				Not identified	91	5.2	90	5.2	181	10.4	182	10.5	1,741	82.6		
ISA	Mt Isa	North Qld	RO	Indigenous	91	11.7	100	12.9	191	24.6	52	6.7	776	34.4	0.0	6.6
				Not identified	174	11.7	94	6.3	268	18.1	137	9.2	1,483	65.7		

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(continued)

**Table 3.2a. Breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment payment customers: ordered by combined indigenous breach rate, 20 June 1997 (continued)**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers		% difference Indigenous/ Non identified	
					Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin.
MRE	Mareeba	North Qld	DO	Indigenous	26	8.2	52	16.3	78	24.5	13	4.1	319	22.7	1.6	8.0
				Not identified	71	6.5	90	8.3	161	14.8	126	11.6	1,086	77.3		
WAL	Walgett	Pacific Central	DO	Indigenous	33	8.8	58	15.5	91	24.3	22	5.9	374	29.7	2.2	10.5
				Not identified	59	6.7	44	5.0	103	11.7	89	10.1	884	70.3		
GOO	Gosnells	Area WA	RO	Indigenous	30	10.8	37	13.4	67	24.2	15	5.4	277	3.2	5.3	7.0
				Not identified	462	5.6	528	6.4	990	11.9	1,036	12.5	8,313	96.8		
AIT	Aitkenvale	North Qld	RO	Indigenous	45	9.2	72	14.7	117	23.9	22	4.5	489	7.0	2.1	7.7
				Not identified	465	7.1	457	7.0	922	14.1	558	8.6	6,520	93.0		
TSV	Townsville	North Qld	RO	Indigenous	124	12.1	121	11.8	245	23.9	51	5.0	1,025	17.3	2.8	2.9
				Not identified	457	9.3	438	9.0	895	18.3	434	8.9	4,895	82.7		
GER	Geraldton	Area WA	RO	Indigenous	49	10.4	61	13.0	110	23.4	17	3.6	471	12.6	4.2	4.2
				Not identified	204	6.2	286	8.7	490	14.9	287	8.7	3,282	87.5		
KGI	Kalgoorlie	Area WA	RO	Indigenous	22	5.0	77	17.5	99	22.5	22	5.0	441	17.2	-2.1	6.5
				Not identified	151	7.1	234	11.0	385	18.1	161	7.6	2,125	82.8		
TWB	Toowoomba	Pacific Central	RO	Indigenous	42	9.6	54	12.4	96	22.0	23	5.3	437	4.2	2.6	7.6
				Not identified	702	7.0	476	4.8	1,178	11.7	1,090	10.9	10,030	95.8		
MIR	Mirrabooka	Area WA	RO	Indigenous	23	9.0	31	12.2	54	21.2	21	8.2	255	2.8	1.2	7.2
				Not identified	695	7.8	445	5.0	1,140	12.8	1,111	12.5	8,884	97.2		
WGA	Wagga	SW NSW	RO	Indigenous	17	7.5	31	13.7	48	21.2	17	7.5	227	3.9	-1.0	8.9
				Not identified	481	8.5	272	4.8	753	13.3	513	9.1	5,659	96.1		

(continued)

**Table 3.2a. Breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment payment customers: ordered by combined indigenous breach rate, 20 June 1997 (continued)**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers	% difference Indigenous/ Non identified	% test Admin.	
					Number	% rate	Number	% rate	Number	% rate	Number	% rate				Number
MMKY	Mackay	North Qld	RO	Indigenous	38	10.7	35	9.9	73	20.6	40	11.3	355	4.5	3.2	4.1
				Not identified	562	7.5	430	5.8	992	13.3	853	11.4	7,466	95.5		
IPS	Ipswich	Pacific Central	RO	Indigenous	31	12.1	21	8.2	52	20.3	30	11.7	256	3.1	6.0	3.5
				Not identified	489	6.1	375	4.7	864	10.8	1,069	13.3	8,027	96.9		
WDR	Woodridge	Pacific Central	RO	Indigenous	27	8.7	36	11.5	63	20.2	25	8.0	312	4.4	3.3	5.6
				Not identified	365	5.4	406	6.0	771	11.3	785	11.5	6,821	95.6		
TMW	Tamworth	Hunter NSW	RO	Indigenous	34	9.9	33	9.6	67	19.4	26	7.5	345	6.4	2.6	2.8
				Not identified	365	7.2	340	6.7	705	14.0	541	10.7	5,048	93.6		
CNS/ CNP/ YSC	Cairns	North Qld	RO	Indigenous	109	10.2	97	9.1	206	19.2	89	8.3	1,072	11.4	-0.2	1.0
				Not identified	866	10.3	677	8.1	1,543	18.4	877	10.5	8,377	88.7		
TSI	Thursday Island	North Qld	DO	Indigenous	14	4.0	52	15.0	66	19.0	28	8.1	347	68.9	-1.1	3.5
				Not identified	8	5.1	18	11.5	26	16.6	11	7.0	157	31.2		
CAS	Casino	Pacific Central	DO	Indigenous	15	7.2	23	11.0	38	18.2	15	7.2	209	11.6	2.3	7.0
				Not identified	78	4.9	64	4.0	142	8.9	176	11.0	1,596	88.4		
MQL	Mildura	North Vic	RO	Indigenous	26	11.1	16	6.8	42	17.9	16	6.8	235	5.2	3.6	1.5
				Not identified	320	7.5	226	5.3	546	12.8	427	10.0	4,272	94.8		
RED	Redfern	SW NSW	RO	Indigenous	15	5.5	32	11.8	47	17.3	30	11.1	271	5.5	-0.4	4.7
				Not identified	274	5.9	330	7.1	604	13.0	829	17.8	4,646	94.5		
ROK	Rockhampton	North Qld	RO	Indigenous	49	6.8	74	10.3	123	17.1	42	5.8	719	7.9	2.3	4.9
				Not identified	379	4.5	450	5.4	829	9.9	938	11.2	8,351	92.1		
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**Table 3.2a. Breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment payment customers: ordered by combined indigenous breach rate, 20 June 1997 (continued)**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers		% difference Indigenous/Non identified	
					Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin.
BDB	Bundaberg	Brisbane	RO	Indigenous	20	8.0	22	8.8	42	16.7	27	10.8	251	2.8	4.7	5.5
				Not identified	280	3.3	284	3.3	564	6.6	859	10.0	8,612	97.2		
KPS	Kempsey	Hunter NSW	RO	Indigenous	14	5.9	24	10.1	38	16.0	32	13.5	238	8.0	2.8	7.0
				Not identified	86	3.1	84	3.1	170	6.2	250	9.1	2,746	92.0		
TAR	Taree	Hunter NSW	RO	Indigenous	10	4.4	23	10.0	33	14.4	14	6.1	230	3.7	-1.4	6.4
				Not identified	342	5.7	214	3.6	556	9.3	537	9.0	5,985	96.3		
ARM	Armidale	Hunter NSW	RO	Indigenous	12	5.8	17	8.3	29	14.1	24	11.7	206	6.2	2.4	3.8
				Not identified	107	3.4	138	4.4	245	7.9	301	9.7	3,119	93.8		
KTN/ KN4	Katherine	Area Nth Aust.	RO	Indigenous	91	6.0	115	7.5	206	13.5	460	30.1	1,526	67.5	-0.4	-2.5
				Not identified	47	6.4	74	10.1	121	16.5	61	8.3	735	32.5		
BKN	Broken Hill	SA	RO	Indigenous	9	4.1	19	8.7	28	12.8	2	0.9	219	9.1	1.4	4.2
				Not identified	59	2.7	97	4.5	156	7.2	174	0.1	2,182	90.9		
NOW	Nowra	SW NSW	RO	Indigenous	18	6.6	17	6.2	35	12.7	22	8.0	275	5.2	1.7	2.7
				Not identified	244	4.9	174	3.5	418	8.3	583	11.6	5,016	94.8		
CAA/ CA4	Casuarina	Area Nth Aust.	RO	Indigenous	101	6.5	83	5.4	184	11.9	280	18.1	1,544	24.8	-2.1	-2.9
				Not identified	407	8.7	390	8.3	797	17.0	462	9.9	4,692	75.2		
PAL/ PA4	Palmerston	Area Nth Aust.	RO	Indigenous	97	5.1	72	3.8	169	8.9	754	39.8	1,896	41.3	-2.8	-5.7
				Not identified	214	7.9	256	9.5	470	17.4	268	9.9	2,700	58.8		
ALI/ AL4	Alice Springs	Area Nth Aust.	RO	Indigenous	79	2.6	175	5.8	254	8.5	1,695	56.5	3,002	69.1	-10.0	-4.4
				Not identified	170	12.7	138	10.3	308	22.9	170	12.7	1,344	30.9		

**Table 3.2b. Breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment payment customers: ordered by combined indigenous breach rate, 20 March 1998**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers		% difference Indigenous/Non identified	
					Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin.
KTH	Karratha	Area WA	DO	Indigenous	65	25.4	83	32.4	148	57.8	11	4.3	256	31.0	2.6	14.5
				Not identified	130	22.8	102	17.9	232	40.7	50	8.8	570	69.0		
GER	Geraldton	Area WA	RO	Indigenous	83	17.8	160	34.3	243	52.2	21	4.5	466	12.1	5.7	15.6
				Not identified	410	12.1	635	18.8	1,045	30.9	267	7.9	3,383	87.9		
MID	Midland	Area WA	RO	Indigenous	44	14.5	112	37.0	156	51.5	19	6.3	303	4.4	1.9	23.7
				Not identified	823	12.6	862	13.2	1,685	25.9	753	11.6	6,517	95.6		
SHD	South Hedland	Area WA	RO	Indigenous	102	18.3	184	32.9	286	51.2	29	5.2	559	39.1	-1.3	12.0
				Not identified	170	19.5	182	20.9	352	40.4	49	5.6	872	60.9		
GOO	Gosnells	Area WA	RO	Indigenous	50	19.9	73	29.1	123	49.0	11	4.4	251	3.2	10.6	18.2
				Not identified	720	9.3	844	10.9	1,564	20.2	958	12.4	7,727	96.9		
VIP	Victoria Park	Area WA	RO	Indigenous	51	19.5	76	29.0	127	48.5	18	6.9	262	3.9	7.6	16.7
				Not identified	761	11.8	791	12.3	1,552	24.2	797	12.4	6,426	96.1		
MIR	Mirrabooka	Area WA	RO	Indigenous	55	18.3	87	28.9	142	47.2	29	9.6	301	3.5	4.4	17.5
				Not identified	1,156	13.9	948	11.4	2,104	25.3	1,185	14.2	8,330	96.5		
BRK	Bourke	SWNSW	DO	Indigenous	64	18.9	94	27.8	158	46.8	18	5.3	338	31.9	4.5	16.9
				Not identified	104	14.4	79	11.0	183	25.4	45	6.2	721	68.1		
INA	Inala	Pacific Central	RO	Indigenous	42	18.3	62	27.1	104	45.4	26	11.4	229	4.5	10.9	12.4
				Not identified	359	7.4	710	14.7	1,069	22.2	683	14.2	4,825	95.5		
NTN	Normanton	North (Qld)	DO	Indigenous	101	27.1	68	18.2	169	45.3	10	2.7	373	68.1	12.2	-0.1
				Not identified	26	14.9	32	18.3	58	33.1	4	2.3	175	31.9		

(continued)

**Table 3.2b. Breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment payment customers: ordered by combined indigenous breach rate, 20 March 1998 (continued)**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers		% difference Indigenous/Non identified	
					Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin.
TNT/TN4	Tennant Ck	Area Nth Aust.	DO	Indigenous	128	26.5	84	17.4	212	43.8	245	50.6	484	68.7	-0.7	4.7
				Not identified	60	27.2	28	12.7	88	39.8	44	19.9	221	31.4		
DBO	Dubbo	SW NSW	RO	Indigenous	173	21.0	182	22.1	355	43.0	49	5.9	825	17.2	6.9	10.0
				Not identified	556	14.0	478	12.1	1,034	26.1	480	12.1	3,960	82.8		
TWB	Toowoomba	Pacific Central	RO	Indigenous	54	15.0	99	27.4	153	42.4	34	9.4	361	4.1	4.9	16.1
				Not identified	860	10.1	964	11.3	1,824	21.4	963	11.3	8,506	95.9		
MRE	Mareeba	North Qld	DO	Indigenous	40	15.3	69	26.4	109	41.8	17	6.5	261	19.6	7.7	12.6
				Not identified	82	7.7	148	13.8	230	21.5	115	10.8	1,069	80.4		
MRZ	Moree	Pacific Central	RO	Indigenous	106	18.1	132	22.6	238	40.7	25	4.3	585	28.2	5.1	6.4
				Not identified	194	13.0	240	16.1	434	29.2	128	8.6	1,488	71.8		
GFF	Griffith	SW NSW	RO	Indigenous	41	19.4	44	20.9	85	40.3	17	8.1	211	8.3	8.5	8.1
				Not identified	253	10.9	296	12.8	549	23.7	288	12.4	2,318	91.7		
MDR	Mt Druitt	West NSW	RO	Indigenous	54	15.0	91	25.3	145	40.3	31	8.6	360	5.7	4.7	13.7
				Not identified	616	10.3	693	11.6	1,309	22.0	793	13.3	5,960	94.3		
PUG	Port Augusta	South Australia	RO	Indigenous	54	14.2	98	25.8	152	40.0	16	4.2	380	19.3	5.7	15.5
				Not identified	135	8.5	164	10.3	299	18.9	121	7.6	1,586	80.7		
ISA	Mt Isa	North Qld	RO	Indigenous	137	18.2	163	21.7	300	40.0	77	10.3	751	37.5	2.4	168.4
				Not identified	198	15.8	171	13.7	369	29.5	136	10.9	1,250	62.5		
WSC	Westcourt	North Qld	RO	Indigenous	106	16.8	144	22.8	250	39.6	49	7.8	631	14.4	4.4	7.1
				Not identified	468	12.4	591	15.7	1,059	28.1	419	11.1	3,767	85.7		

(continued)

**Table 3.2b. Breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment payment customers: ordered by combined indigenous breach rate, 20 March 1998 (continued)**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers	% difference Indigenous/ Non identified	Act. test Admin.
					Number	% rate	Number	% rate	Number	% rate	Number	% rate			
MQL	Mildura	North Vic	RO	Indigenous	49	19.8	47	19.0	96	38.9	18	7.3	247	5.5	6.2
				Not identified	627	14.8	547	12.9	1,174	27.6	367	8.6	4,249	94.5	
AIT	Aitkenvale	North Qld	RO	Indigenous	92	17.2	115	21.5	207	38.7	31	5.8	535	7.9	11.7
				Not identified	644	10.3	615	9.8	1,259	20.1	683	10.9	6,270	92.1	
RED	Redfern	SE NSW	RO	Indigenous	28	10.6	74	27.9	102	38.5	46	17.4	265	5.8	12.6
				Not identified	371	8.7	659	15.4	1,030	24.0	665	15.5	4,290	94.2	
WAL	Walgett	Pacific Central	DO	Indigenous	60	16.4	74	20.3	134	36.7	30	8.2	365	31.5	14.0
				Not identified	61	7.7	50	6.3	111	14.0	74	9.3	794	68.5	
ROK	Rockhampton	North Qld	RO	Indigenous	99	13.8	163	22.6	262	36.4	35	4.9	720	8.2	12.7
				Not identified	597	7.4	800	9.9	1,397	17.4	840	10.4	8,046	91.8	
IPS	Ipswich	Pacific Central	RO	Indigenous	30	12.5	56	2.3	86	35.7	27	11.2	241	3.1	15.1
				Not identified	659	8.6	623	8.1	1,282	16.8	941	12.3	7,649	97.0	
WDR	Woodridge	Pacific Central	RO	Indigenous	44	13.4	73	22.2	117	35.6	26	7.9	329	4.6	11.6
				Not identified	632	9.2	731	10.6	1,363	19.7	802	11.6	6,909	95.5	
BME	Broome	Area Nth Aust.	RO	Indigenous	57	11.2	123	24.3	180	35.5	47	9.3	507	37.9	9.3
				Not identified	108	13.0	124	14.9	232	28.0	63	7.6	830	62.1	
LSY	Lismore	Pacific Central	RO	Indigenous	37	17.6	37	17.6	74	35.2	10	4.8	210	3.5	10.1
				Not identified	355	6.2	436	7.6	791	13.7	571	9.9	5,763	96.5	
TMW	Tamworth	Hunter NSW	RO	Indigenous	40	14.8	55	20.3	95	35.1	20	7.4	271	6.2	7.9
				Not identified	371	9.0	512	12.4	883	21.4	375	9.1	4,131	93.8	
(continued)															

(continued)

**Table 3.2b. Breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment payment customers: ordered by combined indigenous breach rate, 20 March 1998 (continued)**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers		% difference Indigenous/Non identified	
					Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin.
KUN	Kununurra	Area Nth Aust.	RO	Indigenous	94	22.0	54	12.6	148	34.6	64	15.0	428	56.5	1.6	0.8
				Not identified	67	20.4	39	11.9	106	32.2	30	9.1	329	43.5		
TSV	Townsville	North Qld	RO	Indigenous	146	15.5	174	18.5	320	34.0	41	4.4	941	22.0	0.4	5.5
				Not identified	507	15.2	436	13.0	943	28.2	369	11.0	3,345	78.0		
KGI	Kalgoorlie	Area WA	RO	Indigenous	45	9.5	115	24.4	160	33.9	28	5.9	472	18.8	-4.4	6.3
				Not identified	284	14.0	368	18.1	652	32.1	183	9.0	2,033	81.2		
KPS	Kempsey	Hunter NSW	RO	Indigenous	29	10.6	63	22.9	92	33.5	25	9.1	275	9.4	6.0	15.1
				Not identified	120	4.5	208	7.8	328	12.3	213	8.0	2,666	90.7		
NOW	Nowra	SE NSW	RO	Indigenous	42	15.1	51	18.3	93	33.3	28	10.0	279	5.5	5.8	10.2
				Not identified	449	9.3	392	8.1	841	17.4	562	11.6	4,837	94.6		
MKY	Mackay	North Qld	RO	Indigenous	52	14.7	64	18.0	116	32.7	30	8.5	355	4.6	6.3	7.6
				Not identified	616	8.4	766	10.4	1,382	18.8	829	11.3	7,341	95.4		
BDB	Bundaberg	Brisbane	RO	Indigenous	32	11.3	58	20.5	90	31.8	26	9.2	283	3.3	5.1	12.8
				Not identified	522	6.2	646	7.7	1,168	13.9	786	9.4	8,387	96.7		
TAR	Taree	Hunter NSW	RO	Indigenous	28	11.9	47	19.9	75	31.8	32	13.6	236	3.9	2.8	11.5
				Not identified	524	9.1	487	8.5	1,011	17.6	596	10.4	5,758	96.1		
ARM	Armidale	Hunter NSW	RO	Indigenous	21	9.4	50	22.3	71	31.7	19	8.5	224	7.2	4.5	12.1
				Not identified	141	4.9	297	10.2	438	15.1	264	9.1	2,906	92.8		

(continued)

**Table 3.2b. Breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment payment customers: ordered by combined indigenous breach rate, 20 March 1998 (continued)**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches	Administrative breaches	Combined breaches	Exempt from activity test	Total customers	% difference Indigenous/Non identified
Number % rate Number % rate Number % rate Number % rate Number % rate Number % rate Number % rate Number % rate Number % rate										
CNS/ CNR/ YSC	Cairns	North Qld	RO	Indigenous	142 12.6	208 18.4	350 31.0	76 6.7	1,129 12.6	-1.4 5.7
				Not identified	1,099 14.0	998 12.7	2097 26.8	862 11.0	7,838 87.4	
WGA	Wagga	SW NSW	RO	Indigenous	21 8.9	49 20.7	70 29.5	11 4.6	237 4.1	-2.5 11.3
				Not identified	632 11.3	523 9.4	1,155 20.7	529 9.5	5,586 95.9	
CAS	Casino	Pacific Central	DO	Indigenous	20 9.7	40 19.3	60 29.0	9 4.4	207 11.6	3.5 9.2
				Not identified	98 6.2	160 10.1	258 16.3	148 9.4	1,583 88.4	
KDO	Knuckey Street	Area Nth Aust.	DO	Indigenous	45 14.0	45 14.0	90 28.0	61 19.0	321 14.6	0.7 -1.5
				Not identified	250 13.3	293 15.6	543 28.8	186 9.9	1,883 85.4	
TSI	Thursday Island	North Qld	DO	Indigenous	28 8.2	62 18.1	90 26.2	21 6.1	343 69.9	-2.0 9.3
				Not identified	15 10.1	13 8.8	28 18.9	12 8.1	148 30.1	
BKN	Broken Hill	SA	RO	Indigenous	17 7.7	34 15.5	51 23.2	9 4.1	220 9.6	2.6 5.5
				Not identified	106 5.1	205 9.9	311 15.1	167 8.1	2,064 90.4	
CA4/ CAA	Casuarina	Area Nth Aust.	RO	Indigenous	165 11.3	123 8.4	288 19.7	811 55.6	1,459 27.6	-1.8 -6.9
				Not identified	502 13.1	586 15.3	1088 28.5	470 12.3	3,819 72.4	
KTN/ KN4	Katherine	Area Nth Aust.	RO	Indigenous	118 7.7	128 8.4	246 16.1	675 44.3	1,525 67.8	-1.7 -5.1
				Not identified	68 9.4	98 13.5	166 22.9	80 11.1	724 32.2	
PA4/ PAL	Palmerston	Area Nth Aust.	RO	Indigenous	129 6.8	167 8.8	296 15.5	1381 72.4	1,908 42.8	-5.3 -7.1
				Not identified	308 12.1	403 15.8	711 27.9	333 13.1	2,551 57.2	
AL4/ ALI	Alice Springs	Area Nth Aust.	RO	Indigenous	105 3.5	254 8.4	359 11.9	1902 63.2	3,012 71.9	-8.8 -5.7
				Not identified	145 12.3	167 14.2	312 26.5	210 17.8	1,179 28.1	

**Table 3.2c. Net breach, activity test exemption and total customer statistics for offices with more than 200 Indigenous identifying unemployment payment customers: ordered by combined Indigenously breach rate, 20 March 1998**

Office code	Region local office name	Area office	Office type	Indigenously identifier	Activity test breaches (net)		Administrative breaches (net)		Combined breaches (net)		Exempt from activity test		Total customers	% difference Indigenous/ Non identified		
					Number	% rate	Number	% rate	Number	% rate	Number	% rate			Number	% rate
KTH	Karratha	Area WA	DO	Indigenous	62	24.2	70	27.3	132	51.6	11	4.3	256	31.0	2.8	15.2
				Not identified	122	21.4	69	12.1	191	33.5	50	8.8	570	69.0		
NTN	Normanton	North Qld	DO	Indigenous	100	26.8	59	15.8	159	42.6	10	2.7	373	68.1	12.0	2.7
				Not identified	26	14.9	23	13.1	49	28.0	4	2.3	175	31.9		
BRK	Bourke	SW NSW	DO	Indigenous	64	18.9	75	22.2	139	41.1	18	5.3	338	31.9	5.2	14.0
				Not identified	99	13.7	59	8.2	158	21.9	45	6.2	721	68.1		
SHD	South Hedland	Area WA	RO	Indigenous	87	15.6	122	21.8	209	37.4	29	5.2	559	39.1	-2.3	8.2
				Not identified	156	17.9	119	13.7	275	31.5	49	5.6	872	60.9		
TNT/ TN4	Tennant Ck Aust.	Area Nth Aust.	DO	Indigenous	128	26.5	52	10.7	180	37.2	245	50.6	484	68.7	0.7	-0.1
				Not identified	57	25.8	24	10.9	81	36.7	44	19.9	221	31.4		
DBO	Dubbo	SW NSW	RO	Indigenous	161	19.5	133	16.1	294	35.6	49	5.9	825	17.2	6.2	8.2
				Not identified	526	13.3	312	7.9	838	21.2	480	12.1	3,960	82.8		
GFF	Griffith	SW NSW	RO	Indigenous	36	17.1	35	16.6	71	33.7	17	8.1	211	8.3	7.4	8.5
				Not identified	225	9.7	188	8.1	413	17.8	288	12.4	2,318	91.7		
MIR	Mirrabooka	Area WA	RO	Indigenous	47	15.6	54	17.9	101	33.6	29	9.6	301	3.5	3.4	10.6
				Not identified	1,020	12.2	612	7.4	1,632	19.6	1,185	14.2	8,330	96.5		
MRE	Mareeba	North Qld	DO	Indigenous	37	14.2	49	18.8	86	33.0	17	6.5	261	19.6	7.4	10.5
				Not identified	73	6.8	89	8.3	162	15.2	115	10.8	1,069	80.4		
GER	Geraldton	Area WA	RO	Indigenous	73	15.7	79	17.0	152	32.6	21	4.5	466	12.1	4.6	6.1
				Not identified	374	11.1	368	10.9	742	21.9	267	7.9	3,383	87.9		
(continued)																

(continued)

**Table 3.2c. Net breach, activity test exemption and total customer statistics for offices with more than 200 Indigenous identifying unemployment payment customers: ordered by combined Indigenously breach rate, 20 March 1998 (continued)**

Office code	Region local office name	Area office	Office type	Indigenously identifier	Activity test breaches (net)		Administrative breaches (net)		Combined breaches (net)		Exempt from activity test		Total customers	% difference Indigenous/ Non identified		
					Number	% rate	Number	% rate	Number	% rate	Number	% rate			Number	% rate
KUN	Kununurra	Area Nth Aust.	RO	Indigenous	89	20.8	49	11.5	138	32.2	64	15.0	428	56.5	1.7	2.9
				Not identified	63	19.2	28	8.5	91	27.7	30	9.1	329	43.5		
VIP	Victoria Park	Area WA	RO	Indigenous	45	17.2	38	14.5	83	31.7	18	6.9	262	3.9	6.7	7.1
				Not identified	672	10.5	476	7.4	1,148	17.9	797	12.4	6,426	96.1		
WAL	Walgett	Pacific Central	DO	Indigenous	56	15.3	57	15.6	113	31.0	30	8.2	365	31.5	7.9	10.7
				Not identified	59	7.4	39	4.9	98	12.3	74	9.3	794	68.5		
MID	Midland	Area WA	RO	Indigenous	40	13.2	52	17.2	92	30.4	19	6.3	303	4.4	1.9	9.2
				Not identified	735	11.3	521	8.0	1,256	19.3	753	11.6	6,517	95.6		
MRZ	Moree	Pacific Central	RO	Indigenous	88	15.0	85	14.5	173	29.6	25	4.3	585	28.2	3.0	2.8
				Not identified	179	12.0	175	11.8	354	23.8	128	8.6	1,488	71.8		
AIT	Aitkenvale	North Qld	RO	Indigenous	83	15.5	75	14.0	158	29.5	31	5.8	535	7.9	5.9	6.2
				Not identified	605	9.7	489	7.8	1,094	17.5	683	10.9	6,270	92.1		
PUG	Port Augusta	SA	RO	Indigenous	52	13.7	60	15.8	112	29.5	16	4.2	380	19.3	6.2	10.2
				Not identified	119	7.5	88	5.6	207	13.1	121	7.6	1,586	80.7		
ISA	Mt Isa	North Qld	RO	Indigenous	133	17.7	86	11.5	219	29.2	77	10.3	751	37.5	2.2	1.5
				Not identified	194	15.5	124	9.9	318	25.4	136	10.9	1,250	62.5		
MDR	Mt Druitt	West NSW	RO	Indigenous	50	13.9	54	15.0	104	28.9	31	8.6	360	5.7	4.3	7.7
				Not identified	571	9.6	435	7.3	1,006	16.9	793	13.3	5,960	94.3		
TWB	Toowoomba	Pacific Central	RO	Indigenous	53	14.7	50	13.9	103	28.5	34	9.4	361	4.1	5.7	8.0
				Not identified	762	9.0	501	5.9	1,263	14.9	963	11.3	8,506	95.9		
(continued)																

(continued)

**Table 3.2c. Net breach, activity test exemption and total customer statistics for offices with more than 200 Indigenous identifying unemployment payment customers: ordered by combined Indigenously breach rate, 20 March 1998 (continued)**

Office code	Region local office name	Area office	Office type	Indigenously identifier	Activity test breaches (net)		Administrative breaches (net)		Combined breaches (net)		Exempt from activity test		Total customers		% difference Indigenous/ Non identified	
					Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin.
WSC	Westcourt	North Qld	RO	Indigenous	97	15.4	83	13.2	180	28.5	49	7.8	631	14.4	4.3	3.3
				Not identified	418	11.1	370	9.8	788	20.9	419	11.1	3,767	85.7		
TSV	Townsville	North Qld	RO	Indigenous	134	14.2	129	13.7	263	28.0	41	4.4	941	22.0	0.1	5.2
				Not identified	474	14.2	284	8.5	758	22.7	369	11.0	3,345	78.0		
GOO	Gosnells	Area WA	RO	Indigenous	38	15.1	32	12.8	70	27.9	11	4.4	251	3.2	6.9	5.8
				Not identified	637	8.2	541	7.0	1,178	15.3	958	12.4	7,727	96.9		
INA	Inala	Pacific Central	RO	Indigenous	32	14.0	29	12.7	61	26.6	26	11.4	229	4.5	7.7	5.3
				Not identified	305	6.3	355	7.4	660	13.7	683	14.2	4,825	95.5		
BME	Broome	Area Nth Aust.	RO	Indigenous	52	10.3	82	16.2	134	26.4	47	9.3	507	37.9	-1.8	6.4
				Not identified	100	12.1	81	9.8	181	21.8	63	7.6	830	62.1		
LSY	Lismore	Pacific Central	RO	Indigenous	32	15.2	22	10.5	54	25.7	10	4.8	210	3.5	9.8	7.0
				Not identified	312	5.4	201	3.5	513	8.9	571	9.9	5,763	96.5		
IPS	Ipswich	Pacific Central	RO	Indigenous	27	11.2	30	12.5	57	23.7	27	11.2	241	3.1	3.4	7.6
				Not identified	595	7.8	368	4.8	963	12.6	941	12.3	7,649	97.0		
TMW	Tamworth	Hunter NSW	RO	Indigenous	36	13.3	28	10.3	64	23.6	20	7.4	271	6.2	5.1	3.1
				Not identified	337	8.2	301	7.3	638	15.4	375	9.1	4,131	93.8		
ROK	Rockhampton	North Qld	RO	Indigenous	87	12.1	81	11.3	168	23.3	35	4.9	720	8.2	5.4	5.4
				Not identified	538	6.7	469	5.8	1,007	12.5	840	10.4	8,046	91.8		
WDR	Woodridge	Pacific Central	RO	Indigenous	33	10.0	42	12.8	75	22.8	26	7.9	329	4.6	2.0	5.8
				Not identified	554	8.0	479	6.9	1,033	15.0	802	11.6	6,909	95.5		

(continued)

**Table 3.2c. Net breach, activity test exemption and total customer statistics for offices with more than 200 Indigenous identifying unemployment payment customers: ordered by combined Indigenously breach rate, 20 March 1998 (continued)**

Office code	Region local office name	Area office	Office type	Indigenously identifier	Activity test breaches (net)		Administrative breaches (net)		Combined breaches (net)		Exempt from activity test		Total customers	% difference Indigenous/ Non identified		
					Number	% rate	Number	% rate	Number	% rate	Number	% rate		Number	% share	Act. test Admin.
MMQL	Mildura	North Vic	RO	Indigenous	37	15.0	19	7.7	56	22.7	18	7.3	247	5.5	2.4	1.5
				Not identified	536	12.6	262	6.2	798	18.8	367	8.6	4,249	94.5		
KGI	Kalgoorlie	Area WA	RO	Indigenous	31	6.6	75	15.9	106	22.5	28	5.9	472	18.8	-5.9	3.9
				Not identified	254	12.5	243	12.0	497	24.5	183	9.0	2,033	81.2		
CNS/CNR/YSC	Cairns	North Qld	RO	Indigenous	132	11.7	121	10.7	253	22.4	76	6.7	1,129	12.6	-1.1	2.5
				Not identified	1,000	12.8	647	8.3	1,647	21.0	862	11.0	7,838	87.4		
MKY	Mackay	North Qld	RO	Indigenous	46	13.0	31	8.7	77	21.7	30	8.5	355	4.6	5.3	2.2
				Not identified	560	7.6	477	6.5	1,037	14.1	829	11.3	7,341	95.4		
TAR	Taree	Hunter NSW	RO	Indigenous	23	9.8	28	11.9	51	21.6	32	13.6	236	3.9	1.9	7.2
				Not identified	450	7.8	266	4.6	716	12.4	596	10.4	5,758	96.1		
KDO	Knuckey Street	Area Nth Aust.	DO	Indigenous	37	11.5	30	9.4	67	20.9	61	19.0	321	14.6	-0.4	-0.7
				Not identified	225	12.0	189	10.0	414	22.0	186	9.9	1,883	85.4		
NOW	Nowra	SE NSW	RO	Indigenous	34	12.2	24	8.6	58	20.8	28	10.0	279	5.5	4.3	3.5
				Not identified	380	7.9	245	5.1	625	12.9	562	11.6	4,837	94.6		
BDB	Bundaberg	Brisbane	RO	Indigenous	26	9.2	30	10.6	56	19.8	26	9.2	283	3.3	3.4	6.5
				Not identified	484	5.8	343	4.1	827	9.9	786	9.4	8,387	96.7		
CAS	Casino	Pacific Central	DO	Indigenous	18	8.7	22	10.6	40	19.3	9	4.4	207	11.6	3.0	6.3
				Not identified	90	5.7	69	4.4	159	10.0	148	9.4	1,583	88.4		
RED	Redfern	SE NSW	RO	Indigenous	23	8.7	28	10.6	51	19.3	46	17.4	265	5.8	1.2	1.9
				Not identified	323	7.5	371	8.7	694	16.2	665	15.5	4,290	94.2		
(continued)																

(continued)

**Table 3.2c. Net breach, activity test exemption and total customer statistics for offices with more than 200 Indigenous identifying unemployment payment customers: ordered by combined Indigenously breach rate, 20 March 1998 (continued)**

Office code	Region local office name	Area office	Office type	Indigenously identifier	Activity test breaches (net)		Administrative breaches (net)		Combined breaches (net)		Exempt from activity test		Total customers	% difference Indigenous/ Non identified	
					Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test Admin.
WGA	Wagga	SWNSW	RO	Indigenous	16	6.8	28	11.8	44	18.6	11	4.6	237	4.1	-3.6 6.4
				Not identified	578	10.4	303	5.4	881	15.8	529	9.5	5,586	95.9	
KPS	Kempsey	Hunter NSW	RO	Indigenous	27	9.8	24	8.7	51	18.6	25	9.1	275	9.4	6.3 4.6
				Not identified	95	3.6	110	4.1	205	7.7	213	8.0	2,666	90.7	
TSI	Thursday Is	North Qld	DO	Indigenous	27	7.9	36	10.5	63	18.4	21	6.1	343	69.9	-1.6 5.8
				Not identified	14	9.5	7	4.7	21	14.2	12	8.1	148	30.1	
ARM	Armidale	Hunter NSW	RO	Indigenous	17	7.6	20	8.9	37	16.5	19	8.5	224	7.2	3.3 4.1
				Not identified	125	4.3	140	4.8	265	9.1	264	9.1	2,906	92.8	
PA4/ PAL	Palmerston	Area Nth Aust.	RO	Indigenous	122	6.4	89	4.7	211	15.5	1381	72.4	1,908	42.8	-4.7 -5.3
				Not identified	282	11.1	254	10.0	536	27.9	333	13.1	2,551	57.2	
CA4/ CAA	Casuarina	Area Nth Aust.	RO	Indigenous	146	10.0	68	4.7	214	14.7	811	55.6	1,459	27.6	-2.0 -4.5
				Not identified	459	12.0	349	9.1	808	21.2	470	12.3	3,819	72.4	
BKN	Broken Hill	SA	RO	Indigenous	15	6.8	17	7.7	32	100.1	9	4.1	220	9.6	2.3 2.9
				Not identified	94	4.6	100	4.8	194	9.4	167	8.1	2,064	90.4	
KTN/ KN4	Katherine	Area Nth Aust.	RO	Indigenous	106	7.0	100	6.6	206	13.5	675	44.3	1,525	67.8	-1.2 -2.4
				Not identified	59	8.2	65	9.0	124	17.1	80	11.1	724	32.2	
AL4/ ALI	Alice Springs	Area Nth Aust.	RO	Indigenous	101	3.4	164	5.4	265	8.8	1902	63.2	3,012	71.9	-7.8 -4.1
				Not identified	131	11.1	113	9.6	244	20.7	210	17.8	1,179	28.1	

**Table 3.3a. Breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment customers: ordered by combined breach rates of not identified customers, 20 June 1997**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers	% difference Indigenous/Non identified	
					Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test Admin.
KTH	Karratha	Area WA	DO	Indigenous	56	18.9	63	21.2	119	40.1	24	8.1	297	31.13	2.3 9.0
				Not identified	109	16.6	80	12.2	189	28.8	60	9.1	657	68.9	
TNT/ TN4	Tennant Ck	Area Nth Aust.	DO	Indigenous	114	21.4	66	12.4	180	33.7	231	43.3	534	70.7	5.5 -0.3
				Not identified	35	15.8	28	12.7	63	28.5	42	19.0	221	29.3	
BRK	Bourke	SW NSW	DO	Indigenous	74	19.7	69	18.4	143	38.1	24	6.4	375	36.0	5.5 8.6
				Not identified	95	14.3	65	9.8	160	24.0	60	9.0	666	64.0	
AL4/ ALI	Alice Springs	Area Nth Aust.	RO	Indigenous	79	2.6	175	5.8	254	8.5	1,695	56.5	3,002	69.1	-10.0 -4.4
				Not identified	170	12.7	138	10.3	308	22.9	170	12.7	1,344	30.9	
SHD	South Hedland	Area WA	RO	Indigenous	64	11.6	111	20.0	175	31.6	31	5.6	554	38.6	3.6 5.2
				Not identified	70	8.0	131	14.9	201	22.8	60	6.8	881	61.4	
BME	Broome	Area Nth Aust.	RO	Indigenous	46	9.0	91	17.9	137	26.9	37	7.3	509	35.5	-0.3 5.7
				Not identified	86	9.3	113	12.2	199	21.5	64	6.9	924	64.5	
CVN	Carnarvon	Area WA	DO	Indigenous	18	8.3	48	22.0	66	30.3	11	5.1	218	19.7	0.8 7.9
				Not identified	66	7.4	125	14.1	191	21.5	72	8.1	887	80.3	
KUN	Kununurra	Area Nth Aust.	RO	Indigenous	69	18.3	43	11.4	112	29.6	56	14.8	378	46.5	5.6 3.6
				Not identified	55	12.6	34	7.8	89	20.5	43	9.9	435	53.5	
NTN	Normanton	North Qld	DO	Indigenous	75	20.4	50	13.6	125	34.1	21	5.7	367	63.1	11.1 2.9
				Not identified	20	9.3	23	10.7	43	20.0	13	6.1	215	36.9	
GFF	Griffith	SW NSW	RO	Indigenous	36	16.7	29	13.5	65	30.2	22	10.2	215	6.6	7.1 4.0
				Not identified	294	9.7	290	9.5	584	19.2	390	12.8	3,047	93.4	

(continued)

**Table 3.3a. Breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment customers: ordered by combined breach rates of not identified customers, 20 June 1997 (continued)**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers	% difference Indigenous/Non identified	
					Number	% rate	Number	% rate	Number	% rate	Number	% rate		Number % share	Act. test Admin.
DER	Derby	Area Nth Aust.	DO	Indigenous	35	17.0	38	18.5	73	35.4	22	10.7	206	65.2	8.8 7.5
				Not identified	9	8.2	12	10.9	21	19.1	8	7.3	110	34.8	
CNS/	Cairns	North Qld	RO	Indigenous	109	10.2	97	9.1	206	19.2	89	8.3	1,072	11.4	-0.2 1.0
CNR/				Not identified	866	10.3	677	8.1	1,543	18.4	877	10.5	8,377	88.7	
YSC															
MRZ	Moree	Pacific Central	RO	Indigenous	69	11.5	83	13.9	152	25.4	31	5.2	598	28.1	3.1 4.0
				Not identified	129	8.4	151	9.9	280	18.3	126	8.3	1,528	71.9	
TSV	Townsville	North Qld	RO	Indigenous	124	12.1	121	11.8	245	23.9	51	5.0	1,025	17.3	2.8 2.9
				Not identified	457	9.3	438	9.0	895	18.3	434	8.9	4,895	82.7	
KGI	Kalgoorlie	Area WA	RO	Indigenous	22	5.0	77	17.5	99	22.5	22	5.0	441	17.2	-2.1 6.5
				Not identified	151	7.1	234	11.0	385	18.1	161	7.6	2,125	82.8	
ISA	Mt Isa	North Qld	RO	Indigenous	91	11.7	100	12.9	191	24.6	52	6.7	776	34.4	0.0 6.6
				Not identified	174	11.7	94	6.3	268	18.1	137	9.2	1,483	65.7	
DBO	Dubbo	SW NSW	RO	Indigenous	115	15.7	93	12.7	208	28.4	55	7.5	733	15.6	3.7 6.7
				Not identified	477	12.0	239	6.0	716	18.0	481	12.1	3,977	84.4	
WSC	Westcourt	North Qld	RO	Indigenous	76	14.1	68	12.6	144	26.7	41	7.6	540	12.0	5.8 3.2
				Not identified	327	8.2	374	9.4	701	17.7	415	10.5	3,970	88.0	
PA4/	Palmerston	Area Nth Aust.	RO	Indigenous	97	5.1	72	3.8	169	8.9	754	39.8	1,896	41.3	-2.8 -5.7
PAL				Not identified	214	7.9	256	9.5	470	17.4	268	9.9	2,700	58.8	
CA4/	Casuarina	Area Nth Aust.	RO	Indigenous	101	6.5	83	5.4	184	11.9	280	18.1	1,544	24.8	-2.1 -2.9
CAA				Not identified	407	8.7	390	8.3	797	17.0	462	9.9	4,692	75.2	

(continued)

**Table 3.3a. Breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment customers: ordered by combined breach rates of not identified customers, 20 June 1997 (continued)**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches	Administrative breaches	Combined breaches	Exempt from activity test	Total customers	% difference Indigenous/Non identified						
Number    % rate    Number    % rate    Number    % rate    Number    % rate    Number    % share    Act. test Admin.																
TSI	Thursday Island	North Qld	DO	Indigenous	14	4.0	52	15.0	66	19.0	28	8.1	347	68.9	-1.1	3.5
				Not identified	8	5.1	18	11.5	26	16.6	11	7.0	157	31.2		
KTN/ KN4	Katherine	Area Nth Aust.	RO	Indigenous	91	6.0	115	7.5	206	13.5	460	30.1	1,526	67.5	-0.4	-2.5
				Not identified	47	6.4	74	10.1	121	16.5	61	8.3	735	32.5		
MID	Midland	Area WA	RO	Indigenous	39	12.9	52	17.2	91	30.1	24	8.0	302	4.4	5.0	9.6
				Not identified	529	8.0	509	7.7	1,038	15.6	757	11.4	6,644	95.7		
GER	Geraldton	Area WA	RO	Indigenous	49	10.4	61	13.0	110	23.4	17	3.6	471	12.6	4.2	4.2
				Not identified	204	6.2	286	8.7	490	14.9	287	8.7	3,282	87.5		
MRE	Mareeba	North Qld	DO	Indigenous	26	8.2	52	16.3	78	24.5	13	4.1	319	22.7	1.6	8.0
				Not identified	71	6.5	90	8.3	161	14.8	126	11.6	1,086	77.3		
VIP	Victoria Park	Area WA	RO	Indigenous	43	16.1	35	13.1	78	29.2	17	6.4	267	3.6	7.9	6.5
				Not identified	585	8.2	467	6.6	1,052	14.8	810	11.4	7,113	96.4		
IFL	Innisfail	North Qld	DO	Indigenous	31	14.6	24	11.3	55	25.8	17	8.0	213	9.3	7.5	4.0
				Not identified	147	7.0	152	7.3	299	14.3	217	10.4	2,090	90.8		
AIT	Aitkenvale	North Qld	RO	Indigenous	45	9.2	72	14.7	117	23.9	22	4.5	489	7.0	2.1	7.7
				Not identified	465	7.1	457	7.0	922	14.1	558	8.6	6,520	93.0		
TMW	Tamworth	Hunter NSW	RO	Indigenous	34	9.9	33	9.6	67	19.4	26	7.5	345	6.4	2.6	2.8
				Not identified	365	7.2	340	6.7	705	14.0	541	10.7	5,048	93.6		
WGA	Wagga	SW NSW	RO	Indigenous	17	7.5	31	13.7	48	21.2	17	7.5	227	3.9	-1.0	8.9
				Not identified	481	8.5	272	4.8	753	13.3	513	9.1	5,659	96.1		

(continued)

(continued)

**Table 3.3a. Breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment customers: ordered by combined breach rates of not identified customers, 20 June 1997 (continued)**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers		% difference Indigenous/ Non identified	
					Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin.
MKY	Mackay	North Qld	RO	Indigenous	38	10.7	35	9.9	73	20.6	40	11.3	355	4.5	3.2	4.1
				Not identified	562	7.5	430	5.8	992	13.3	853	11.4	7,466	95.5		
RED	Redfern	SE NSW	RO	Indigenous	15	5.5	32	11.8	47	17.3	30	11.1	271	5.5	-0.4	4.7
				Not identified	274	5.9	330	7.1	604	13.0	829	17.8	4,646	94.5		
MIR	Mirrabooka	Area WA	RO	Indigenous	23	9.0	31	12.2	54	21.2	21	8.2	255	2.8	1.2	7.2
				Not identified	695	7.8	445	5.0	1,140	12.8	1,111	12.5	8,884	97.2		
MQL	Mildura	North Vic	RO	Indigenous	26	11.1	16	6.8	42	17.9	16	6.8	235	5.2	3.6	1.5
				Not identified	320	7.5	226	5.3	546	12.8	427	10.0	4,272	94.8		
MDR	Mt Druitt	West NSW	RO	Indigenous	44	12.5	48	13.6	92	26.1	32	9.1	352	5.3	5.3	8.9
				Not identified	453	7.2	298	4.8	751	12.0	878	14.0	6,280	94.7		
GOO	Gosnells	Area WA	RO	Indigenous	30	10.8	37	13.4	67	24.2	15	5.4	277	3.2	5.3	7.0
				Not identified	462	5.6	528	6.4	990	11.9	1,036	12.5	8,313	96.8		
TWB	Toowoomba	Pacific Central	RO	Indigenous	42	9.6	54	12.4	96	22.0	23	5.3	437	4.2	2.6	7.6
				Not identified	702	7.0	476	4.8	1,178	11.7	1,090	10.9	10,030	95.8		
WAL	Walgett	Pacific Central	DO	Indigenous	33	8.8	58	15.5	91	24.3	22	5.9	374	29.7	2.2	10.5
				Not identified	59	6.7	44	5.0	103	11.7	89	10.1	884	70.3		
INA	Inala	Pacific Central	RO	Indigenous	28	12.2	36	15.7	64	27.8	28	12.2	230	4.5	6.9	9.4
				Not identified	260	5.3	305	6.2	565	11.5	731	14.9	4,904	95.5		
WDR	Woodridge	Pacific Central	RO	Indigenous	27	8.7	36	11.5	63	20.2	25	8.0	312	4.4	3.3	5.6
				Not identified	365	5.4	406	6.0	771	11.3	785	11.5	6,821	95.6		

(continued)

**Table 3.3a. Breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment customers: ordered by combined breach rates of not identified customers, 20 June 1997 (continued)**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches	Administrative breaches	Combined breaches	Exempt from activity test	Total customers	% difference Indigenous/ Non identified						
Number      % rate      Number      % rate      Number      % rate      Number      % rate      Number      % share      Act. test Admin.																
IPS	Ipswich	Pacific Central	RO	Indigenous	31	12.1	21	8.2	52	20.3	30	11.7	256	3.1	6.0	3.5
				Not identified	489	6.1	375	4.7	864	10.8	1,069	13.3	8,027	96.9		
PUG	Port Augusta	SA	RO	Indigenous	42	11.5	50	13.7	92	25.1	29	7.9	366	17.4	6.3	8.5
				Not identified	91	5.2	90	5.2	181	10.4	182	10.5	1,741	82.6		
ROK	Rockhampton	North Qld	RO	Indigenous	49	6.8	74	10.3	123	17.1	42	5.8	719	7.9	2.3	4.9
				Not identified	379	4.5	450	5.4	829	9.9	938	11.2	8,351	92.1		
TAR	Taree	Hunter NSW	RO	Indigenous	10	4.4	23	10.0	33	14.4	14	6.1	230	3.7	-1.4	6.4
				Not identified	342	5.7	214	3.6	556	9.3	537	9.0	5,985	96.3		
CAS	Casino	Pacific Central	DO	Indigenous	15	7.2	23	11.0	38	18.2	15	7.2	209	11.6	2.3	7.0
				Not identified	78	4.9	64	4.0	142	8.9	176	11.0	1,596	88.4		
NOW	Nowra	SE NSW	RO	Indigenous	18	6.6	17	6.2	35	12.7	22	8.0	275	5.2	1.7	2.7
				Not identified	244	4.9	174	3.5	418	8.3	583	11.6	5,016	94.8		
ARM	Armidale	Hunter NSW	RO	Indigenous	12	5.8	17	8.3	29	14.1	24	11.7	206	6.2	2.4	3.8
				Not identified	107	3.4	138	4.4	245	7.9	301	9.7	3,119	93.8		
BKN	Broken Hill	SA	RO	Indigenous	9	4.1	19	8.7	28	12.8	2	0.9	219	9.1	1.4	4.2
				Not identified	59	2.7	97	4.5	156	7.2	174	8.0	2,182	90.9		
BDB	Bundaberg	Brisbane	RO	Indigenous	20	8.0	22	8.8	42	16.7	27	10.8	251	2.8	4.7	5.5
				Not identified	280	3.3	284	3.3	564	6.6	859	10.0	8,612	97.2		
KPS	Kempsey	Hunter NSW	RO	Indigenous	14	5.9	24	10.1	38	16.0	32	13.5	238	8.0	2.6	2.8
				Not identified	86	3.1	84	3.1	170	6.2	250	9.1	2,746	92.0		

**Table 3.3b. Breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment customers: ordered by combined breach rates of not identified customers, 20 March 1998**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches	Administrative breaches	Combined breaches	Exempt from activity test	Total customers	% difference Indigenous/ Non identified	Act. test Admin.
Number % rate Number % rate Number % rate Number % rate Number % rate Number % rate Number % rate											
KTH	Karratha	Area WA	DO	Indigenous	65 25.4	83 32.4	148 57.8	11 4.3	256 31.0	2.6	14.5
				Not identified	130 22.8	102 17.9	232 40.7	50 8.8	570 69.0		
SHD	South Hedland	Area WA	RO	Indigenous	102 18.3	184 32.9	286 51.2	29 5.2	559 39.1	-1.3	12.0
				Not identified	170 19.5	182 20.9	352 40.4	49 5.6	872 60.9		
TNT/ TN4	Tennant Ck	Area Nth Aust.	DO	Indigenous	128 26.5	84 17.4	212 43.8	245 50.6	484 68.7	-0.7	4.7
				Not identified	60 27.2	28 12.7	88 39.8	44 19.9	221 31.4		
NTN	Normanton	North (Qld)	DO	Indigenous	101 27.1	68 18.2	169 45.3	10 2.7	373 68.1	12.2	-0.1
				Not identified	26 14.9	32 18.3	58 33.1	4 2.3	175 31.9		
KUN	Kununurra	Area Nth Aust.	RO	Indigenous	94 22.0	54 12.6	148 34.6	64 15.0	428 56.5	1.6	0.8
				Not identified	67 20.4	39 11.9	106 32.2	30 9.1	329 43.5		
KGI	Kalgoorlie	Area WA	RO	Indigenous	45 9.5	115 24.4	160 33.9	28 5.9	472 18.8	-4.4	6.3
				Not identified	284 14.0	368 18.1	652 32.1	183 9.0	2,033 81.2		
GER	Geraldton	Area WA	RO	Indigenous	83 17.8	160 34.3	243 52.2	21 4.5	466 12.1	5.7	15.6
				Not identified	410 12.1	635 18.8	1,045 30.9	267 7.9	3,383 87.9		
ISA	Mt Isa	North Qld	RO	Indigenous	137 18.2	163 21.7	300 40.0	77 10.3	751 37.5	2.4	8.0
				Not identified	198 15.8	171 13.7	369 29.5	136 10.9	1,250 62.5		
MRZ	Moree	Pacific Central	RO	Indigenous	106 18.1	132 22.6	238 40.7	25 4.3	585 28.2	5.1	6.4
				Not identified	194 13.0	240 16.1	434 29.2	128 8.6	1,488 71.8		
KDO	Knuckey Street	Area Nth Aust.	DO	Indigenous	45 14.0	45 14.0	90 28.0	61 19.0	321 14.6	0.7	-1.5
				Not identified	250 13.3	293 15.6	543 28.8	186 9.9	1,883 85.4		

(continued)



**Table 3.3b. Breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment customers: ordered by combined breach rates of not identified customers, 20 March 1998 (continued)**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers		% difference Indigenous/ Non identified	
					Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin.
BRK	Bourke	SW NSW	DO	Indigenous	64	18.9	94	27.8	158	46.8	18	5.3	338	31.9	4.5	16.9
				Not identified	104	14.4	79	11.0	183	25.4	45	6.2	721	68.1		
MIR	Mirrabooba	Area WA	RO	Indigenous	55	18.3	87	28.9	142	47.2	29	9.6	301	3.5	4.4	17.5
				Not identified	1,156	13.9	948	11.4	2,104	25.3	1,185	14.2	8,330	96.5		
VIP	Victoria Park	Area WA	RO	Indigenous	51	19.5	76	29.0	127	48.5	18	6.9	262	3.9	7.6	16.7
				Not identified	761	11.8	791	12.3	1,552	24.2	797	12.4	6,426	96.1		
RED	Redfern	SE NSW	RO	Indigenous	28	10.6	74	27.9	102	38.5	46	17.4	265	5.8	1.9	12.6
				Not identified	371	8.7	659	15.4	1,030	24.0	665	15.5	4,290	94.2		
GFF	Griffith	SW NSW	RO	Indigenous	41	19.4	44	20.9	85	40.3	17	8.1	211	8.3	8.5	8.1
				Not identified	253	10.9	296	12.8	549	23.7	288	12.4	2,318	91.7		
KTN/ KN4	Katherine	Area Nth Aust.	RO	Indigenous	118	7.7	128	8.4	246	16.1	675	44.3	1,525	67.8	-1.7	-5.1
				Not identified	68	9.4	98	13.5	166	22.9	80	11.1	724	32.2		
INA	Inala	Pacific Central	RO	Indigenous	42	18.3	62	27.1	104	45.4	26	11.4	229	4.5	10.9	12.4
				Not identified	359	7.4	710	14.7	1,069	22.2	683	14.2	4,825	95.5		
MDR	Mt Druitt	West NSW	RO	Indigenous	54	15.0	91	25.3	145	40.3	31	8.6	360	5.7	4.7	13.7
				Not identified	616	10.3	693	11.6	1,309	22.0	793	13.3	5,960	94.3		
MRE	Mareeba	North Qld	DO	Indigenous	40	15.3	69	26.4	109	41.8	17	6.5	261	19.6	7.7	12.6
				Not identified	82	7.7	148	13.8	230	21.5	115	10.8	1,069	80.4		
TWB	Toowoomba	Pacific Central	RO	Indigenous	54	15.0	99	27.4	153	42.4	34	9.4	361	4.1	4.9	16.1
				Not identified	860	10.1	964	11.3	1,824	21.4	963	11.3	8,506	95.9		

(continued)

**Table 3.3b. Breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment customers: ordered by combined breach rates of not identified customers, 20 March 1998 (continued)**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches	Administrative breaches	Combined breaches	Exempt from activity test	Total customers	% difference Indigenous/Non identified	% difference Admin.					
Number      % rate      Number      % rate      Number      % rate      Number      % rate      Number      % share      Act. test      Admin.																
TMW	Tamworth	Hunter NSW	RO	Indigenous	40	14.8	55	20.3	95	35.1	20	7.4	271	6.2	5.8	7.9
				Not identified	371	9.0	512	12.4	883	21.4	375	9.1	4,131	93.8		
WGA	Wagga	SW NSW	RO	Indigenous	21	8.9	49	20.7	70	29.5	11	4.6	237	4.1	-2.5	11.3
				Not identified	632	11.3	523	9.4	1,155	20.7	529	9.5	5,586	95.9		
GOO	Gosnells	Area WA	RO	Indigenous	50	19.9	73	29.1	123	49.0	11	4.4	251	3.2	10.6	18.2
				Not identified	720	9.3	844	10.9	1,564	20.2	958	12.4	7,727	96.9		
AIT	Aitkenvale	North Qld	RO	Indigenous	92	17.2	115	21.5	207	38.7	31	5.8	535	7.9	6.9	11.7
				Not identified	644	10.3	615	9.8	1,259	20.1	683	10.9	6,270	92.1		
WDR	Woodridge	Pacific Central	RO	Indigenous	44	13.4	73	22.2	117	35.6	26	7.9	329	4.6	4.2	11.6
				Not identified	632	9.2	731	10.6	1,363	19.7	802	11.6	6,909	95.5		
TSI	Thursday Island	North Qld	DO	Indigenous	28	8.2	62	18.1	90	26.2	21	6.1	343	69.9	-2.0	9.3
				Not identified	15	10.1	13	8.8	28	18.9	12	8.1	148	30.1		
PUG	Port Augusta	SA	RO	Indigenous	54	14.2	98	25.8	152	40.0	16	4.2	380	19.3	5.7	15.5
				Not identified	135	8.5	164	10.3	299	18.9	121	7.6	1,586	80.7		
MKY	Mackay	North Qld	RO	Indigenous	52	14.7	64	18.0	116	32.7	30	8.5	355	4.6	6.3	7.6
				Not identified	616	8.4	766	10.4	1,382	18.8	829	11.3	7,341	95.4		
TAR	Taree	Hunter NSW	RO	Indigenous	28	11.9	47	19.9	75	31.8	32	13.6	236	3.9	2.8	11.5
				Not identified	524	9.1	487	8.5	1,011	17.6	596	10.4	5,758	96.1		
NOW	Nowra	SE NSW	RO	Indigenous	42	15.1	51	18.3	93	33.3	28	10.0	279	5.5	5.8	10.2
				Not identified	449	9.3	392	8.1	841	17.4	562	11.6	4,837	94.6		

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**Table 3.3b. Breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment customers: ordered by combined breach rates of not identified customers, 20 March 1998 (continued)**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers	% difference Indigenous/ Non identified	
					Number	% rate	Number	% rate	Number	% rate	Number	% rate		Number % share	Act. test Admin.
ROK	Rockhampton	North Qld	RO	Indigenous	99	13.8	163	22.6	262	36.4	35	4.9	720	8.2	6.3 12.7
				Not identified	597	7.4	800	9.9	1,397	17.4	840	10.4	8,046	91.8	
IPS	Ipswich	Pacific Central	RO	Indigenous	30	12.5	56	23.2	86	35.7	27	11.2	241	3.1	3.8 15.1
				Not identified	659	8.6	623	8.1	1,282	16.8	941	12.3	7,649	97.0	
CAS	Casino	Pacific Central	DO	Indigenous	20	9.7	40	19.3	60	29.0	9	4.4	207	11.6	3.5 9.2
				Not identified	98	6.2	160	10.1	258	16.3	148	9.4	1,583	88.4	
BKN	Broken Hill	SA	RO	Indigenous	17	7.7	34	15.5	51	23.2	9	4.1	220	9.6	2.6 5.5
				Not identified	106	5.1	205	9.9	311	15.1	167	8.1	2,064	90.4	
ARM	Armidale	Hunter NSW	RO	Indigenous	21	9.4	50	22.3	71	31.7	19	8.5	224	7.2	4.5 12.1
				Not identified	141	4.9	297	10.2	438	15.1	264	9.1	2,906	92.8	
WAL	Walgett	Pacific Central	DO	Indigenous	60	16.4	74	20.3	134	36.7	30	8.2	365	31.5	8.8 14.0
				Not identified	61	7.7	50	6.3	111	14.0	74	9.3	794	68.5	
BDB	Bundaberg	Brisbane	RO	Indigenous	32	11.3	58	20.5	90	31.8	26	9.2	283	3.3	5.1 12.8
				Not identified	522	6.2	646	7.7	1,168	13.9	786	9.4	8,387	96.7	
LSY	Lismore	Pacific Central	RO	Indigenous	37	17.6	37	17.6	74	35.2	10	4.8	210	3.5	11.5 10.1
				Not identified	355	6.2	436	7.6	791	13.7	571	9.9	5,763	96.5	
KPS	Kempsey	Hunter NSW	RO	Indigenous	29	10.6	63	22.9	92	33.5	25	9.1	275	9.4	6.0 15.1
				Not identified	120	4.5	208	7.8	328	12.3	213	8.0	2,666	90.7	

**Table 3.3c. Net breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment customers: ordered by combined breach rates of not identified customers, 20 March 1998**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches (net)		Administrative breaches (net)		Combined breaches (net)		Exempt from activity test		Total customers	% difference Indigenous/Non identified	
					Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test Admin.
TNT/ TN4	Tennant Ck	Area Nth Aust.	DO	Indigenous	128	26.5	52	10.7	180	37.2	245	50.6	484	68.7	0.7 -0.1
				Not identified	57	25.8	24	10.9	81	36.7	44	19.9	221	31.4	
KTH	Karratha	Area WA	DO	Indigenous	62	24.2	70	27.3	132	51.6	11	4.3	256	31.0	2.8 15.2
				Not identified	122	21.4	69	12.1	191	33.5	50	8.8	570	69.0	
SHD	South Hedland	Area WA	RO	Indigenous	87	15.6	122	21.8	209	37.4	29	5.2	559	39.1	-2.3 8.2
				Not identified	156	17.9	119	13.7	275	31.5	49	5.6	872	60.9	
NTN	Normanton	North Qld	DO	Indigenous	100	26.8	59	15.8	159	42.6	10	2.7	373	68.1	12.0 2.7
				Not identified	26	14.9	23	13.1	49	28.0	4	2.3	175	31.9	
PA4/ PAL	Palmerston	Area Nth Aust.	RO	Indigenous	122	6.4	89	4.7	211	11.1	1,381	72.4	1,908	42.8	-4.7 -5.3
				Not identified	282	11.1	254	10.0	536	21.0	333	13.1	2,551	57.2	
KUN	Kununurra	Area Nth Aust.	RO	Indigenous	89	20.8	49	11.5	138	32.2	64	15.0	428	56.5	1.7 2.9
				Not identified	63	19.2	28	8.5	91	27.7	30	9.1	329	43.5	
ISA	Mt Isa	North Qld	RO	Indigenous	133	17.7	86	11.5	219	29.2	77	10.3	751	37.5	2.2 1.5
				Not identified	194	15.5	124	9.9	318	25.4	136	10.9	1,250	62.5	
KGI	Kalgoorlie	Area WA	RO	Indigenous	31	6.6	75	15.9	106	22.5	28	5.9	472	18.8	-5.9 3.9
				Not identified	254	12.5	243	12.0	497	24.5	183	9.0	2,033	81.2	
MRZ	Moree	Pacific Central	RO	Indigenous	88	15.0	85	14.5	173	29.6	25	4.3	585	28.2	3.0 2.8
				Not identified	179	12.0	175	11.8	354	23.8	128	8.6	1,488	71.8	
TSV	Townsville	North Qld	RO	Indigenous	134	14.2	129	13.7	263	28.0	41	4.4	941	22.0	0.1 5.2
				Not identified	474	14.2	284	8.5	758	22.7	369	11.0	3,345	78.0	

(continued)

**Table 3.3c. Net breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment customers: ordered by combined breach rates of not identified customers, 20 March 1998 (continued)**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches (net)		Administrative breaches (net)		Combined breaches (net)		Exempt from activity test		Total customers		% difference Indigenous/Non identified	
					Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin.
KDO	Knuckey Street	Area Nth Aust.	DO	Indigenous	37	11.5	30	9.4	67	20.9	61	19.0	321	14.6	-0.4	-0.7
				Not identified	225	12.0	189	10.0	414	22.0	186	9.9	1,883	85.4		
GER	Geraldton	Area WA	RO	Indigenous	73	15.7	79	17.0	152	32.6	21	4.5	466	12.1	4.6	6.1
				Not identified	374	11.1	368	10.9	742	21.9	267	7.9	3,383	87.9		
BRK	Bourke	SWNSW	DO	Indigenous	64	18.9	75	22.2	139	41.1	18	5.3	338	31.9	5.2	14.0
				Not identified	99	13.7	59	8.2	158	21.9	45	6.2	721	68.1		
BME	Broome	Area Nth Aust.	RO	Indigenous	52	10.3	82	16.2	134	26.4	47	9.3	507	37.9	-1.8	6.4
				Not identified	100	12.1	81	9.8	181	21.8	63	7.6	830	62.1		
CA4/CAA	Casuarina	Area Nth Aust.	RO	Indigenous	146	10.0	68	4.7	214	14.7	811	55.6	1,459	27.6	-2.0	-4.5
				Not identified	459	12.0	349	9.1	808	21.2	470	12.3	3,819	72.4		
DBO	Dubbo	SWNSW	RO	Indigenous	161	19.5	133	16.1	294	35.6	49	5.9	825	17.2	6.2	8.2
				Not identified	526	13.3	312	7.9	838	21.2	480	12.1	3,960	82.8		
CNS/CNR/YS	Cairns	North Qld	RO	Indigenous	132	11.7	121	10.7	253	22.4	76	6.7	1,129	12.6	-1.1	2.5
				Not identified	1,000	12.8	647	8.3	1,647	21.0	862	11.0	7,838	87.4		
WSC	Westcourt	North Qld	RO	Indigenous	97	15.4	83	13.2	180	28.5	49	7.8	631	14.4	4.3	3.3
				Not identified	418	11.1	370	9.8	788	20.9	419	11.1	3,767	85.7		
AL4/ALI	Alice Springs	Area Nth Aust.	RO	Indigenous	101	3.4	164	5.4	265	8.8	1,902	63.2	3,012	71.9	-7.8	-4.1
				Not identified	131	11.1	113	9.6	244	20.7	210	17.8	1,179	28.1		
MIR	Mirrabeeka	Area WA	RO	Indigenous	47	15.6	54	17.9	101	33.6	29	9.6	301	3.5	3.4	10.6
				Not identified	1,020	12.2	612	7.4	1,632	19.6	1,185	14.2	8,330	96.5		

(continued)

**Table 3.3c. Net breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment customers: ordered by combined breach rates of not identified customers, 20 March 1998 (continued)**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches (net)		Administrative breaches (net)		Combined breaches (net)		Exempt from activity test		Total customers	% difference Indigenous/Non identified		
					Number	% rate	Number	% rate	Number	% rate	Number	% rate		Number	% rate	Number % share
MID	Midland	Area WA	RO	Indigenous	40	13.2	52	17.2	92	30.4	19	6.3	303	4.4	1.9	9.2
				Not identified	735	11.3	521	8.0	1,256	19.3	753	11.6	6,517	95.6		
MQL	Mildura	North Vic	RO	Indigenous	37	15.0	19	7.7	56	22.7	18	7.3	247	5.5	2.4	1.5
				Not identified	536	12.6	262	6.2	798	18.8	367	8.6	4,249	94.5		
VIP	Victoria Park	Area WA	RO	Indigenous	45	17.2	38	14.5	83	31.7	18	6.9	262	3.9	6.7	7.1
				Not identified	672	10.5	476	7.4	1,148	17.9	797	12.4	6,426	96.1		
GFF	Griffith	SW NSW	RO	Indigenous	36	17.1	35	16.6	71	33.7	17	8.1	211	8.3	7.4	8.5
				Not identified	225	9.7	188	8.1	413	17.8	288	12.4	2,318	91.7		
AIT	Aitkenvale	North Qld	RO	Indigenous	83	15.5	75	14.0	158	29.5	31	5.8	535	7.9	5.9	6.2
				Not identified	605	9.7	489	7.8	1,094	17.5	683	10.9	6,270	92.1		
KTN/ KN4	Katherine	Area Nth Aust.	RO	Indigenous	106	7.0	100	6.6	206	13.5	675	44.3	1,525	67.8	-1.2	-2.4
				Not identified	59	8.2	65	9.0	124	17.1	80	11.1	724	32.2		
MDR	Mt Druitt	West NSW	RO	Indigenous	50	13.9	54	15.0	104	28.9	31	8.6	360	5.7	4.3	7.7
				Not identified	571	9.6	435	7.3	1,006	16.9	793	13.3	5,960	94.3		
RED	Redfern	SE NSW	RO	Indigenous	23	8.7	28	10.6	51	19.3	46	17.4	265	5.8	1.2	1.9
				Not identified	323	7.5	371	8.7	694	16.2	665	15.5	4,290	94.2		
WGA	Wagga	SW NSW	RO	Indigenous	16	6.8	28	11.8	44	18.6	11	4.6	237	4.1	-3.6	6.4
				Not identified	578	10.4	303	5.4	881	15.8	529	9.5	5,586	95.9		
TMW	Tamworth	Hunter NSW	RO	Indigenous	36	13.3	28	10.3	64	23.6	20	7.4	271	6.2	5.1	3.1
				Not identified	337	8.2	301	7.3	638	15.4	375	9.1	4,131	93.8		
(continued)																

(continued)

**Table 3.3c. Net breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment customers: ordered by combined breach rates of not identified customers, 20 March 1998 (continued)**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches (net)		Administrative breaches (net)		Combined breaches (net)		Exempt from activity test		Total customers		% difference Indigenous/Non identified	
					Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin.
GOO	Gosnells	Area WA	RO	Indigenous	38	15.1	32	12.8	70	27.9	11	4.4	251	3.2	6.9	5.8
				Not identified	637	8.2	541	7.0	1,178	15.3	958	12.4	7,727	96.9		
MRE	Mareeba	North Qld	DO	Indigenous	37	14.2	49	18.8	86	33.0	17	6.5	261	19.6	7.4	10.5
				Not identified	73	6.8	89	8.3	162	15.2	115	10.8	1,069	80.4		
WDR	Woodridge	Pacific Central	RO	Indigenous	33	10.0	42	12.8	75	22.8	26	7.9	329	4.6	2.0	5.8
				Not identified	554	8.0	479	6.9	1,033	15.0	802	11.6	6,909	95.5		
TWB	Toowoomba	Pacific Central	RO	Indigenous	53	14.7	50	13.9	103	28.5	34	9.4	361	4.1	5.7	8.0
				Not identified	762	9.0	501	5.9	1,263	14.9	963	11.3	8,506	95.9		
TSI	Thursday Island	North Qld	DO	Indigenous	27	7.9	36	10.5	63	18.4	21	6.1	343	69.9	-1.6	5.8
				Not identified	14	9.5	7	4.7	21	14.2	12	8.1	148	30.1		
MKY	Mackay	North Qld	RO	Indigenous	46	13.0	31	8.7	77	21.7	30	8.5	355	4.6	5.3	2.2
				Not identified	560	7.6	477	6.5	1,037	14.1	829	11.3	7,341	95.4		
MRE	Mareeba	North Qld	RO	Indigenous	32	14.0	29	12.7	61	26.6	26	11.4	229	4.5	7.7	5.3
				Not identified	305	6.3	355	7.4	660	13.7	683	14.2	4,825	95.5		
PUG	Port Augusta	SA	RO	Indigenous	52	13.7	60	15.8	112	29.5	16	4.2	380	19.3	6.2	10.2
				Not identified	119	7.5	88	5.6	207	13.1	121	7.6	1,586	80.7		
NOW	Nowra	SE NSW	RO	Indigenous	34	12.2	24	8.6	58	20.8	28	10.0	279	5.5	4.3	3.5
				Not identified	380	7.9	245	5.1	625	12.9	562	11.6	4,837	94.6		
IPS	Ipswich	Pacific Central	RO	Indigenous	27	11.2	30	12.5	57	23.7	27	11.2	241	3.1	3.4	7.6
				Not identified	595	7.8	368	4.8	963	12.6	941	12.3	7,649	97.0		

(continued)

**Table 3.3c. Net breach, activity test exemption and total customer statistics for offices with more than 200 indigenous identifying unemployment customers: ordered by combined breach rates of not identified customers, 20 March 1998 (continued)**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches (net)		Administrative breaches (net)		Combined breaches (net)		Exempt from activity test		Total customers	% difference		
					Number	% rate	Number	% rate	Number	% rate	Number	% rate		Number	% share	Indigenous/ Non identified
ROK	Rockhampton	North Qld	RO	Indigenous	87	12.1	81	11.3	168	23.3	35	4.9	720	8.2	5.4	5.4
				Not identified	538	6.7	469	5.8	1,007	12.5	840	10.4	8,046	91.8		
TAR	Taree	Hunter NSW	RO	Indigenous	23	9.8	28	11.9	51	21.6	32	13.6	236	3.9	1.9	7.2
				Not identified	450	7.8	266	4.6	716	12.4	596	10.4	5,758	96.1		
WAL	Walgett	Pacific Central	DO	Indigenous	56	15.3	57	15.6	113	31.0	30	8.2	365	31.5	7.9	10.7
				Not identified	59	7.4	39	4.9	98	12.3	74	9.3	794	68.5		
CAS	Casino	Pacific Central	DO	Indigenous	18	8.7	22	10.6	40	19.3	9	4.4	207	11.6	3.0	6.3
				Not identified	90	5.7	69	4.4	159	10.0	148	9.4	1,583	88.4		
BDB	Bundaberg	Brisbane	RO	Indigenous	26	9.2	30	10.6	56	19.8	26	9.2	283	3.3	3.4	6.5
				Not identified	484	5.8	343	4.1	827	9.9	786	9.4	8,387	96.7		
BKN	Broken Hill	SA	RO	Indigenous	15	6.8	17	7.7	32	14.6	9	4.1	220	9.6	2.3	2.9
				Not identified	94	4.6	100	4.8	194	9.4	167	8.1	2,064	90.4		
ARM	Armidale	Hunter NSW	RO	Indigenous	17	7.6	20	8.9	37	16.5	19	8.5	224	7.2	3.3	4.1
				Not identified	125	4.3	140	4.8	265	9.1	264	9.1	2,906	92.8		
LSY	Lismore	Pacific Central	RO	Indigenous	32	15.2	22	10.5	54	25.7	10	4.8	210	3.5	9.8	7.0
				Not identified	312	5.4	201	3.5	513	8.9	571	9.9	5,763	96.5		
KPS	Kempsey	Hunter NSW	RO	Indigenous	27	9.8	24	8.7	51	18.6	25	9.1	275	9.4	6.3	4.6
				Not identified	95	3.6	110	4.1	205	7.7	213	8.0	2,666	90.7		

**Table 3.4a. Breach, activity test exemption and total customer statistics for north Queensland offices with more than 40 Torres Strait Islander unemployment payment customers: ordered by combined Torres Strait Islander breach rate, 20 June 1997**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches (net)		Administrative breaches (net)		Combined breaches (net)		Exempt from activity test		Total customers		% difference TSI/Aboriginal	
					Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% rate	Act. test	Admin
IFL	Innisfail	North Qld	DO	TSI	9	18.0	7	14.0	16	32.0	6	12.0	50	2.2	4.5	3.6
					22	13.5	17	10.4	39	23.9	11	6.8	163	7.1		
				Aboriginal	147	7.0	152	7.3	299	14.3	217	10.4	2,090	90.8		
WSC	Westcourt	North Qld	RO	TSI	39	17.7	31	14.0	70	31.7	14	6.3	221	4.9	6.1	2.4
					37	11.6	37	11.6	74	23.2	27	8.5	319	7.1		
				Aboriginal	327	8.2	374	9.4	701	17.7	415	10.5	3,970	88.0		
CNS/ CNR/ YSC	Cairns	North Qld	RO	TSI	35	13.1	34	12.7	69	25.8	25	9.4	267	2.8	3.9	4.9
					74	9.2	63	7.8	137	17.0	64	8.0	805	8.5		
				Aboriginal	866	10.3	677	8.1	1,543	18.4	877	10.5	8,377	88.7		
TSV	Townsville	North Qld	RO	TSI	17	15.0	11	9.7	28	24.8	5	4.4	113	1.9	3.3	-2.3
					107	11.7	110	12.1	217	23.8	46	5.0	912	15.4		
				Aboriginal	457	9.3	438	9.0	895	18.3	434	8.9	4,895	82.7		
MKY	Mackay	North Qld	RO	TSI	24	14.3	16	9.5	40	23.8	20	11.9	168	2.2	6.8	-0.6
					14	7.5	19	10.2	33	17.7	20	10.7	187	2.4		
				Aboriginal	562	7.5	430	5.8	992	13.3	853	11.4	7,466	95.5		
AIT	Aitkenvale	North Qld	RO	TSI	9	6.1	24	16.3	33	22.5	2	1.4	147	2.1	-4.4	2.3
					36	10.5	48	14.0	84	24.6	20	5.9	342	4.9		
				Aboriginal	465	7.1	457	7.0	922	14.1	558	8.6	6,520	93.0		
ROK	Rockhampton	North Qld	RO	TSI	4	9.1	5	11.4	9	20.5	3	6.8	44	0.5	2.4	1.1
					45	6.7	69	10.2	114	16.9	39	5.8	675	7.4		
				Aboriginal	379	4.5	450	5.4	829	9.9	938	11.2	8,351	92.1		
TSI	Thursday Island	North Qld	DO	TSI	14	4.3	49	15.2	63	19.5	27	8.4	323	64.1	4.3	2.7
					0	0.0	3	12.5	3	12.5	1	4.2	24	4.8		
				Aboriginal	8	5.1	18	11.5	26	16.6	11	7.0	157	31.2		

**Table 3.4b. Breach, activity test exemption and total customer statistics for north Queensland offices with more than 40 Torres Strait Islander unemployment payment customers: ordered by combined Torres Strait Islander breach rate, 20 March 1998**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches (net)		Administrative breaches (net)		Combined breaches (net)		Exempt from activity test		Total customers		% difference TSI/Aboriginal	
					Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin
ROK	Rockhampton	North Qld	RO	TSI	6	13.6	14	31.8	20	45.5	4	9.1	44	0.5	-0.1	9.8
				Aboriginal	93	13.8	149	22.0	242	35.8	31	4.6	676	7.7		
				NI	597	7.4	800	9.9	1,397	17.4	840	10.4	8,046	91.8		
TSV	Townsville	North Qld	RO	TSI	24	24.7	19	19.6	43	44.3	8	8.3	97	2.3	10.3	1.2
				Aboriginal	122	14.5	155	18.4	277	32.8	33	3.9	844	19.7		
				NI	507	15.2	436	13.0	943	28.2	369	11.0	3,345	78.0		
WSC	Westcourt	North Qld	RO	TSI	45	18.7	61	25.3	106	44.0	20	8.3	241	5.5	3.0	4.0
				Aboriginal	61	15.6	83	21.3	144	36.9	29	7.4	390	8.9		
				NI	468	12.4	591	15.7	1,059	28.1	419	11.1	3,767	85.7		
CNS/ CNR/ YSC	Cairns	North Qld	RO	TSI	47	17.7	60	22.6	107	40.2	18	6.8	266	3.0	6.7	5.4
				Aboriginal	95	11.0	148	17.2	243	28.2	58	6.7	863	9.6		
				NI	1099	14.0	998	12.7	2,097	26.8	862	11.0	7,838	87.4		
AIT	Aitkenvale	North Qld	RO	TSI	22	15.2	33	22.8	55	37.9	4	2.8	145	2.1	-2.8	1.7
				Aboriginal	70	18.0	82	21.0	152	39.0	27	6.9	390	5.7		
				NI	644	10.3	615	9.8	1,259	20.1	683	10.9	6,270	92.1		
IFL	Innisfail	North Qld	DO	TSI	8	16.7	10	20.8	18	37.5	4	8.3	48	2.3	1.4	0.7
				Aboriginal	22	15.3	29	20.1	51	35.4	8	5.6	144	6.9		
				NI	204	10.8	227	12.0	431	22.8	184	9.7	1,894	90.8		
MKY	Mackay	North Qld	RO	TSI	28	18.0	24	15.4	52	33.3	12	7.7	156	2.0	5.9	-4.7
				Aboriginal	24	12.1	40	20.1	64	32.2	18	9.1	199	2.6		
				NI	616	8.4	766	10.4	1,382	18.8	829	11.3	7,341	95.4		
TSI	Thursday Island	North Qld	DO	TSI	25	8.0	57	18.3	82	26.3	18	5.8	312	63.5	-1.7	2.1
				Aboriginal	3	9.7	5	16.1	8	25.8	3	9.7	31	6.3		
				NI	15	10.1	13	8.8	28	18.9	12	8.1	148	30.1		

**Table 3.4c. Net breach, activity test exemption and total customer statistics for north Queensland offices with more than 40 Torres Strait Islander unemployment payment customers: ordered by combined Torres Strait Islander breach rate, 20 March 1998**

Office code	Region local office name	Area office	Office type	Indigenous identifier	Activity test breaches (net)		Administrative breaches (net)		Combined breaches (net)		Exempt from activity test		Total customers		% difference TSI/Aboriginal	
					Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin
TSV	Townsville	North Qld	RO	TSI	23	23.7	15	15.5	38	39.2	8	8.3	97	2.3	10.6	2.0
				Aboriginal	111	13.2	114	13.5	225	26.7	33	3.9	844	19.7		
				NI	474	14.2	284	8.5	758	22.7	369	11.0	3,345	78.0		
ROK	Rockhampton	North Qld	RO	TSI	7	15.9	8	18.2	15	34.1	4	9.1	44	0.5	3.8	7.4
				Aboriginal	82	12.1	73	10.8	155	22.9	31	4.6	676	7.7		
				NI	538	6.7	469	5.8	1,007	12.5	840	10.4	8,046	91.8		
IFL	Innisfail	North Qld	DO	TSI	8	16.7	7	14.6	15	31.3	4	8.3	48	2.3	2.1	2.1
				Aboriginal	21	14.6	18	12.5	39	27.1	8	5.6	144	6.9		
				NI	179	9.5	151	8.0	330	17.4	184	9.7	1,894	90.8		
WSC	Westcourt	North Qld	RO	TSI	42	17.4	32	13.3	74	30.7	20	8.3	241	5.5	3.3	0.2
				Aboriginal	55	14.1	51	13.1	106	27.2	29	7.4	390	8.9		
				NI	418	11.1	370	9.8	788	20.9	419	11.1	3,767	85.7		
CNS/ CNR/ YSC	Cairns	North Qld	RO	TSI	43	16.2	36	13.5	79	29.7	18	6.8	266	3.0	5.9	3.7
				Aboriginal	89	10.3	85	9.9	174	20.2	58	6.7	863	9.6		
				NI	1000	12.8	647	8.3	1,647	21.0	862	11.0	7,838	87.4		
AIT	Aitkenvale	North Qld	RO	TSI	13	9.0	26	17.9	39	26.9	4	2.8	145	2.1	-7.7	5.4
				Aboriginal	65	16.7	49	12.6	114	29.2	27	6.9	390	5.7		
				NI	640	10.2	489	7.8	1,129	18.0	683	10.9	6,270	92.1		
MKY	Mackay	North Qld	RO	TSI	28	18.0	13	8.3	41	26.3	12	7.7	156	2.0	8.9	-0.7
				Aboriginal	18	9.1	18	9.1	36	18.1	18	9.1	199	2.6		
				NI	560	7.6	477	6.5	1,037	14.1	829	11.3	7,341	95.4		
TSI	Thursday Island	North Qld	DO	TSI	24	7.7	35	11.2	59	18.9	18	5.8	312	63.5	-2.0	8.0
				Aboriginal	3	9.7	1	3.2	4	12.9	3	9.7	31	6.3		
				NI	14	9.5	7	4.7	21	14.2	12	8.1	148	30.1		

## 4. State/Territory and urban/rural statistical analysis

Given the rather different findings of the national statistical analysis in Chapter 2 and the local/regional statistical analysis in Chapter 3, it seemed advisable to also carry out some intermediate State/Territory and urban/rural statistical analysis. Would State/Territory breach rates and activity test exemption rates be close to the national average, or would they reflect the greater diversity of statistics evident among the clusters of offices identified in the local/regional analysis? Do breach rates in urban and rural areas differ? These are the questions that this chapter seeks to address by engaging in some analysis of the data sets broken down by State/Territory and by urban/rural areas.

### National averages, local/regional office clusters and State/Territory analysis

Tables 4.1a–c present breach, activity test exemption and total customer statistics by State/Territory, along with the Australian total. Some significant variations from the national averages are evident, particularly for the Northern Territory but also for other States/Territories. In some instances these variations can be related to the office clusters observed in the local/regional analysis, but in other instances they cannot.

The Northern Territory statistics in Tables 4.1a–c are clearly very different from the national averages. The Northern Territory stands out as being the only State or Territory where indigenous breach rates are significantly lower, rather than higher, than non-identifier breach rates (see difference figures in far right column). It also stands out as having a much higher than national average activity test exemption rate among its indigenous identifying unemployment payments clientele; 39.6 per cent compared to 15.1 per cent in June 1997 and 58.3 per cent compared to 18.9 per cent in March 1998 (see third column from right). However, this is not the case among its non-identifying clientele, which had an activity test exemption rate of 10.0 per cent compared to 11.6 per cent national average in June 1997 and 12.7 per cent compared to 11.6 per cent in March 1998 (again see third column from right). Finally, The Northern Territory stands out as having up towards half of its unemployment payments clientele identifying as indigenous, whereas no other State or Territory has above 5 per cent (see customer share figures in second column from right).

This degree of difference in Northern Territory statistics from the national averages could, to some extent, have been anticipated from the cluster of Northern Territory offices at the bottoms of the tables in the local/regional analysis. What was not evident from the local/regional analysis was that the Northern Territory would come out as having the highest non-identifier breach rates of any State or Territory, together with the lowest indigenous identifier breach rates. This unanticipated finding of the State/Territory analysis can, like the greater variability of small local satellite office statistics discussed in Chapter 3, to some extent be explained mathematically. The Northern

Territory is a very small unit within the national unemployment payments distribution, accounting for less than 2 per cent of the total clientele, and can as such vary much more from the national average than larger units.

However, the Northern Territory's high non-identifier breach rates are more than just a mathematical artefact and do raise some important substantive issues. One Centrelink officer in a Northern Territory discussion session expressed concern that, by effectively exempting large numbers of mainly indigenous people in remote areas from the activity test and by attempting to apply the activity test appropriately to indigenous people in urban areas, the Northern Territory offices may be coming down hard on the non-identifying half of their clientele in order to meet certain compliance and review targets. This, they argued, may be contributing to the Northern Territory's high non-identifier breach rates. This raises issues about how targets for compliance and review work are set nationally and whether they can, or should, be adjusted in the light of specific, known local/regional or State/Territory conditions.

One other unanticipated finding of the State/Territory analysis is that the supposed national pattern of higher activity test exemption rates among indigenous identifiers, compared to non-identifiers, is not in fact a pattern at all outside the Northern Territory. None of the other States or Territories have higher activity test exemption rates among indigenous identifiers than non-identifiers and indeed by March 1998 some seemed to be developing considerably lower activity test exemption rates among indigenous identifiers than non-identifiers (compare third column from right in Table 4.1a with that in Tables 4.1b and 4.1c). The Northern Territory's activity test exemption practices for remote areas drive up the national average activity test exemption rate for indigenous identifiers and make comparison with national non-identifier activity test exemption rates quite misleading.

The Western Australian cluster of offices evident in the local/regional statistical analysis, with high indigenous and non-identifier breach rates in comparison to offices elsewhere, seems to be reinforced as a discernable pattern in the State/Territory analysis. Western Australia consistently has the highest indigenous identifier breach rates of any State or Territory in Tables 4.1a–c and, behind the Northern Territory, consistently has the second highest non-identifier breach rates. What is perhaps most striking within these generally high Western Australian breach rates is the very high administrative breach rates among the indigenous clientele in comparison to the non-identifier clientele. The Western Australian administrative breach rate difference figures of 9.5 per cent, 15.4 per cent and 9.0 per cent in the far right columns of Tables 4.1a–c respectively, are clearly and consistently the highest figures in these columns. It is in administrative breaching, rather than activity test breaching, that Western Australia stands out from the other States and Territories as a higher breacher of indigenous identifiers; though South Australia is not far behind.

The pattern evident in the local/regional statistical analysis of some country New South Wales offices having relatively low indigenous and non-identifier breach rates in comparison to offices elsewhere, is not at all borne out by this State/Territory analysis. As a State, New South Wales sits fairly consistently in the middle of the State/Territory

breach rate ranges, close to the national average. To some extent, again, this can be explained mathematically. New South Wales is a large unit within the national unemployment payments distribution, contributing about one-third of the total clientele. As such, New South Wales contributes very significantly to the national average and, unlike smaller units, cannot logically diverge too far from that average.

There may, however, be more to the New South Wales State statistics not reflecting the findings of the local/regional analysis in the previous chapter than just mathematics. If we return to Tables 3.2a–c and Tables 3.3a–c, it is evident that as well as there being a cluster of country New South Wales offices towards the bottoms of these tables with relatively low indigenous and non-identifier breach rates, there are also a number of both country and city New South Wales offices further up the tables with higher indigenous and non-identifier breach rates. Four New South Wales offices, Bourke, Dubbo, Moree and Mt Druitt, are consistently in the top one-third to one-half of those local/regional office tables. The country New South Wales pattern is not, therefore, so clear and indeed there may be an argument to be made that it is more a coastal New South Wales pattern. The low breaching New South Wales offices towards the bottoms of these local/regional tables are predominantly coastal country areas, such as Nowra, Kempsey, Taree and Casino. They are sometimes joined near the bottoms of these tables by some more inland New South Wales country offices, such as Armidale, Wagga, Walgett, and in particular Broken Hill.<sup>18</sup> They are also sometimes joined by the inner urban Redfern office. But there are, as we have now noted, other New South Wales inland country and urban offices further up these tables which effect the State average. What is notable is that there are no coastal country New South Wales offices in the tops of these tables. The New South Wales local/regional pattern would seem, therefore, to be more precisely specified as a tendency towards lower indigenous and non-identifier breach rates in coastal country areas. Inland country offices and urban offices in New South Wales would seem, by contrast, to spread across the range of both indigenous and non-identifier breach rates.

It can also be noted, in passing, that in these lower breaching New South Wales coastal areas, indigenous identifiers are consistently a small proportion of the total local/regional unemployment clientele (see second column from right in Tables 3.2a–c and 3.3a–c). In higher breaching inland New South Wales areas, like Dubbo and Bourke, the proportion of the unemployment payments clientele identifying as indigenous is somewhat higher.

### **Urban/rural State/Territory analysis**

Using postcode and address information, DSS has some capacity to divide its clientele into urban and rural categories of residence as defined by the Australian Bureau of Statistics. Tables 4.2a–c give breach, activity test exemption and total customer statistics for this urban/rural breakdown, Australia wide. The process divides the non-identifying unemployment payment recipients in the two data sets into roughly 700,000 urban dwellers and 500,000 rural dwellers. Among indigenous identifiers, however, the proportions of the split are markedly different, with roughly 9,000 in urban areas and 30,000 in rural areas (see second column from right in Tables 4.2a–c).

These tables seem to suggest that urban breach rates may be slightly higher than rural breach rates, both among indigenous identifiers and non-identifiers, and that activity test exemption rates may be higher among indigenous identifying rural residents. They also seem to suggest that indigenous breach rates are significantly higher than non-identifier breach rates across both urban and rural areas; all the indigenous minus non-identifier difference figures in the far right columns of the tables are positive. However, given what has already been revealed about diversity of statistics among local/regional offices and among States and Territories in both activity test exemption rates and breach rates, it may be prudent to break down these urban/rural figures by State and Territory before attempting any further analysis.

Tables 4.3a–c give breach rates and activity test exemption rates by urban and rural categories within each State/Territory. It is evident from all three tables that indigenous identifier breach rates are significantly and consistently higher than non-identifier breach rates across urban and rural categories in all State and Territories, except the Northern Territory (see indigenous minus non-identifier difference figures in far right columns).<sup>19</sup> In Northern Territory rural areas, the reverse is the case; non-identifier breach rates are significantly and consistently higher than indigenous breach rates. While in Northern Territory urban areas, indigenous and non-identifier breach rates are close to equal.

It is also evident from the Tables 4.3a–c that the urban/rural differences in breach and activity test exemption rates, which seemed to be suggested at the national level in Tables 4.2a–c, are not in fact national patterns at all. Rather, there are State and Territory specific patterns. New South Wales is the only State, which shows any evidence of consistently higher urban than rural breach rates among both its indigenous and non-identifying clienteles. Other States have generally similar urban and rural breach rates among indigenous and non-identifying clienteles, with some variability away from similarity evident in both directions. The Northern Territory has higher urban than rural breach rates among indigenous identifiers. This is driven, to some extent, by large-scale exemption from the activity test of indigenous people in remote Northern Territory localities; 44.2 per cent in June 1997 and 63.9 per cent in March 1998. However, even in the Northern Territory's urban areas, activity test exemption rates among indigenous people were becoming well above the national average by March 1998; 24.3 per cent compared to 11.3 per cent (see Tables 4.3b and 4.3c for the first and Tables 4.2b and 4.2c for the second of these figures). The Northern Territory's urban and rural breach rates among the non-identifying clientele are close to equal.

### **State/Territory urban/rural Torres Strait Islander analysis**

Tables 4.4a–c give breach, activity test exemption and total customer statistics broken down into Torres Strait Islander identifiers, Aboriginal identifiers and non-identifiers by Queensland and other States and Territories combined and by area of residence.

It is notable that by far the majority of Torres Strait Islander identifying customers are in Queensland; 1,739 compared to 455 in the combined other States and Territories in June 1997 (79.3 per cent) and 1,775 compared to 505 in March 1998 (77.9 per cent). It is

also notable that around 1,500 of these Torres Strait Islander unemployment payment customers in Queensland are categorised as resident in rural areas, leaving only about 230 categorised as in urban areas. This is quite different from the rural/urban division of Torres Strait Islander identifying unemployment payment customers in the other States and Territories combined, which is closer to half/half, albeit on the basis of much smaller numbers.

In relation to breach rates and activity test exemption rates, the Queensland figures reinforce the findings of the local/regional analysis involving individual north Queensland offices. Torres Strait Islander breach rates across Queensland do seem to be just slightly higher than Aboriginal identifier breach rates. This can be read from the far right columns of Tables 4.4a–c, which again give Torres Strait Islander minus Aboriginal identifier breach rate difference figures, rather than indigenous minus non-identifier. Sixteen of these 18 difference figures for urban, rural and all residential areas in Queensland are positive and only one is negative. Also Aboriginal and Torres Strait Islander activity test exemption rates across Queensland urban and rural areas of residence do not seem to differ in any consistent way. This again reinforces the local/regional North Queensland analysis, which suggested that one reason for a low activity test exemption rate among Torres Strait Islanders nationally may be the contribution of the Thursday Island office as a relatively low area for activity test exemptions. Another reason Torres Strait Islander identifiers may have low activity test exemption rates in comparison to Aboriginal identifiers in the national statistics given in Chapter 2 is that they are under-represented compared to Aboriginal identifiers in the high activity test exemption jurisdiction of the Northern Territory.

Outside Queensland, among the relatively small numbers of Torres Strait Islander identifying unemployment payment customers in other States and Territories, breach and activity test exemption rates in comparison to those of Aboriginal identifiers look somewhat different. Breach rates seem, if anything, to be slightly lower among Torres Strait Islander identifiers than Aboriginal identifiers (see breach rate difference figures far right column, all 18 of which are negative). Activity test exemption rates seem to be slightly higher among Torres Strait Islanders than among Aboriginal identifiers for urban areas in the other States and Territories, though perhaps not significantly; 14.0 per cent compared to 10.1 per cent in June 1997 and 13.5 per cent compared to 11.9 per cent in March 1998. In rural areas in these other States and Territories combined, activity test exemption rates among Torres Strait Islanders are significantly lower than among Aboriginal identifiers; 9.2 per cent compared to 21.1 per cent in June 1997 and 12.6 per cent compared to 27.5 per cent in March 1998. This last probably again reflects the under-representation of Torres Strait Islander identifiers in Northern Territory rural areas, which contribute so significantly to the higher national Aboriginal identifier activity test exemption rates.

## Summary of major findings

The major findings of this State/Territory and urban/rural statistical analysis can be summarised as follows:

- A Northern Territory pattern of low indigenous breach rates, built on high activity test exemption rates, and high non-indigenous breach rates is discerned.
- A Western Australian pattern of high indigenous and non-indigenous breach rates is confirmed.
- The New South Wales pattern of low indigenous and non-indigenous breach rates for some country offices suggested in the local/regional analysis is not confirmed. It is refined to be seen more as a coastal country area pattern.
- Through urban/rural analysis, the Northern Territory's pattern is refined to be seen as one of lower breach rates and higher activity test exemption rates among indigenous identifiers compared to non-identifiers in rural areas, but of roughly equal breach rates among indigenous identifiers and non-identifiers in urban areas.
- New South Wales is the only State or Territory which displays any evidence of significantly higher urban than rural breach rates.
- All jurisdictions outside the Northern Territory have significantly higher breach rates among indigenous identifiers compared to non-identifiers across both urban and rural residential areas.
- Torres Strait Islander identifiers in Queensland seem to have slightly higher breach rates than Aboriginal identifiers, but this is not related to any significant difference in activity test exemption rates.

**Table 4.1a. Breach, activity test exemption and total customer statistics by State/Territory and indigenous identification category, 20 June 1997**

State/ Territory	Indigenous identifier	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers		% difference Indigenous/ Not identified	
		Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin.
NSW	Indigenous	918	9.9	1,091	11.8	2,009	21.7	827	8.9	9,262	2.4	3.6	5.9
	Not identified	24,262	6.3	22,449	5.9	46,711	12.2	49,117	12.8	382,893	97.6		
ACT	Indigenous	20	10.9	13	7.1	33	17.9	21	11.4	184	1.0	6.1	2.7
	Not identified	874	4.8	809	4.4	1,683	9.2	2,266	12.3	18,377	99.0		
Vic	Indigenous	129	8.6	158	10.5	287	19.1	153	10.2	1,505	0.5	3.6	5.7
	Not identified	15,307	5.0	14,855	4.8	30,162	9.8	34,964	11.4	307,238	99.5		
Qld	Indigenous	1,159	10.7	1,263	11.7	2,422	22.4	810	7.5	10,836	4.0	4.0	6.3
	Not identified	17,497	6.7	13,934	5.3	31,431	12.1	29,604	11.4	260,683	96.0		
NT	Indigenous	499	5.7	528	6.1	1,027	11.8	3,440	39.6	8,691	44.0	-3.5	-3.1
	Not identified	1,025	9.3	1,017	9.2	2,042	18.5	1,101	10.0	11,051	56.0		
SA	Indigenous	187	9.3	241	12.0	428	21.3	147	7.3	2,009	1.8	3.8	7.4
	Not identified	6,190	5.5	5,186	4.6	11,376	10.1	11,673	10.4	112,598	98.2		
WA	Indigenous	620	11.2	891	16.1	1,511	27.3	401	7.2	5,544	4.7	4.2	9.5
	Not identified	7,745	6.9	7,307	6.5	15,052	13.5	12,565	11.3	111,567	95.3		
Tas	Indigenous	34	5.1	46	6.9	80	12.0	57	8.5	667	1.7	1.1	2.9
	Not identified	1,571	4.0	1,585	4.0	3,156	8.0	3,358	8.5	39,539	98.3		
Australia: total	Indigenous	3,566	9.2	4,232	10.9	7,798	20.2	5,856	15.1	38,699	3.0	3.2	5.5
	Not identified	74,473	6.0	67,148	5.4	141,621	11.4	144,652	11.6	1,243,992	97.0		

Note:

The difference between Australia: total and the sum of the States/Territories can be explained by customers recorded against office codes that cannot be classified as any State/Territory.

**Table 4.1b. Breach, activity test exemption and total customer statistics by State/Territory and indigenous identification category, 20 March 1998**

State/ Territory	Indigenous identifier	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers		% difference Indigenous/ Not identified	
		Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin.
NSW	Indigenous	1,377	14.5	2,110	22.2	3,487	36.6	817	8.6	9,519	2.5	5.8	11.1
	Not identified	31,767	8.7	40,637	11.1	72,404	19.7	45,143	12.3	366,783	97.5		
ACT	Indigenous	23	12.5	28	15.2	51	27.7	18	9.8	184	1.1	5.9	6.9
	Not identified	1,054	6.6	1,335	8.3	2,389	14.9	1,829	11.4	16,048	98.9		
Vic	Indigenous	225	14.5	343	22.1	568	36.5	133	8.6	1,555	0.5	6.9	12.2
	Not identified	22,224	7.6	29,026	9.9	51,250	17.4	33,396	11.4	293,809	99.5		
Qld	Indigenous	1,723	15.7	2,304	21.0	4,027	36.7	819	7.5	10,984	4.2	5.5	10.9
	Not identified	25,832	10.2	25,408	10.1	51,240	20.3	30,181	11.9	252,627	95.8		
NT	Indigenous	690	7.9	801	9.2	1,491	17.1	5,075	58.3	8,711	45.6	-5.0	-6.0
	Not identified	1,339	12.9	1,580	15.2	2,919	28.1	1,323	12.7	10,390	54.4		
SA	Indigenous	280	13.0	499	23.2	779	36.1	140	6.5	2,155	2.0	4.3	13.0
	Not identified	9,290	8.7	10,807	10.1	20,097	18.8	10,525	9.9	106,759	98.0		
WA	Indigenous	880	16.0	1,544	28.1	2,424	44.1	389	7.1	5,491	4.9	4.8	15.4
	Not identified	11,866	11.2	13,437	12.7	25,303	24.0	12,462	11.8	105,592	95.1		
Tas	Indigenous	65	8.2	118	14.9	183	23.0	55	6.9	794	2.0	2.8	7.1
	Not identified	2,143	5.4	3,083	7.8	5,226	13.2	3,272	8.2	39,669	98.0		
Australia: total	Indigenous	5,263	13.4	7,747	19.7	13,010	33.0	7,446	18.9	39,393	3.2	4.5	9.2
	Not identified	105,515	8.9	125,313	10.5	230,828	19.4	138,131	11.6	1,191,677	96.8		

Note:

The difference between Australia: total and the sum of the States/Territories can be explained by customers recorded against office codes that cannot be classified as any State/Territory.

**Table 4.1c. Net breach, activity test exemption and total customer statistics by State/Territory and indigenous identification category, 20 March 1998**

State/ Territory	Indigenous identifier	Activity test breaches (net)		Administrative breaches (net)		Combined breaches (net)		Exempt from activity test		Total customers		% difference Indigenous/ Not identified	
		Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin.
NSW	Indigenous	1,208	12.7	1,197	12.6	2,405	25.3	817	8.6	9,519	2.5	5.0	5.8
	Not identified	28,183	7.7	24,684	6.7	52,867	14.4	45,143	12.3	366,783	97.5		
ACT	Indigenous	19	10.3	14	7.6	33	17.9	18	9.8	184	1.1	4.6	2.9
	Not identified	921	5.7	756	4.7	1,677	10.4	1,829	11.4	16,048	98.9		
Vic	Indigenous	184	11.8	179	11.5	363	23.3	133	8.6	1,555	0.5	5.2	6.0
	Not identified	19,579	6.7	16,270	5.5	35,849	12.2	33,396	11.4	293,809	99.5		
Qld	Indigenous	1,577	14.4	1,377	12.5	2,954	26.9	819	7.5	10,984	4.2	5.1	6.4
	Not identified	23,452	9.3	15,587	6.2	39,039	15.5	30,181	11.9	252,627	95.8		
NT	Indigenous	640	7.3	503	5.8	1,143	13.1	5,075	58.3	8,711	45.6	-4.4	-3.8
	Not identified	1,218	11.7	996	9.6	2,214	21.3	1,323	12.7	10,390	54.4		
SA	Indigenous	249	11.6	291	13.5	540	25.1	140	6.5	2,155	2.0	3.6	7.9
	Not identified	8,447	7.9	5,983	5.6	14,430	13.5	10,525	9.9	106,759	98.0		
WA	Indigenous	778	14.2	919	16.7	1,697	30.9	389	7.1	5,491	4.9	4.2	9.0
	Not identified	10,546	10.0	8,209	7.8	18,755	17.8	12,462	11.8	105,592	95.1		
Tas	Indigenous	56	7.1	53	6.7	109	13.7	55	6.9	794	2.0	2.3	2.5
	Not identified	1,898	4.8	1,638	4.1	3,536	8.9	3,272	8.2	39,669	98.0		
Australia: total	Indigenous	4,752	12.1	4,712	12.0	9,464	24.0	7,446	18.9	39,393	3.2	4.1	5.6
	Not identified	95,154	8.0	76,400	6.4	171,554	14.4	138,131	11.6	1,191,677	96.8		

Note:

The difference between Australia: total and the sum of the States/Territories can be explained by customers recorded against office codes that cannot be classified as any State/Territory.

**Table 4.2a. Breach, activity test exemption and total customer statistics by indigenous identification category and urban/rural area, 20 June 1997**

State/ Territory	Urban/ rural	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers		% difference Indigenous/ Not identified	
		Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin.
Indigenous	Urban	834	9.7	1,030	12.0	1,864	21.7	872	10.2	8,576	0.7	3.5	6.2
	Rural	2,635	9.1	3,115	10.7	5,750	19.8	4,871	16.7	29,113	2.3	3.3	5.8
	All areas	2,566	6.6	4,232	10.9	7,798	20.2	5,856	15.1	38,699	3.0	0.6	5.5
Not identified	Urban	43,842	6.2	40,777	5.8	84,619	12.0	89,596	12.7	706,680	55.1		
	Rural	28,262	5.7	24,149	4.9	52,411	10.6	50,016	10.1	493,353	38.5		
	All areas	74,473	6.0	67,148	5.4	141,693	11.4	144,652	11.6	1,243,992	97.0		

Note:

The difference between all areas and the sum of rural and urban can be explained by the customers recorded against postcodes that cannot be classified as either rural or urban.

**Table 4.2b. Breach, activity test exemption and total customer statistics by indigenous identification category and urban/rural area, 20 March 1998**

State/ Territory	Urban/ rural	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers		% difference Indigenous/ Not identified	
		Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin.
Indigenous	Urban	1,257	14.3	2,111	24.0	3,368	38.3	993	11.3	8,799	0.7	5.2	12.7
	Rural	3,888	13.1	5,452	18.4	9,340	31.5	6,322	21.3	29,681	2.4	4.6	8.9
	All areas	5,263	13.4	7,747	19.7	13,010	33.0	7,446	18.9	39,393	3.2	4.5	9.2
Not identified	Urban	60,914	9.1	75,346	11.3	136,260	20.4	84,760	12.7	668,893	54.3		
	Rural	41,024	8.5	45,534	9.5	86,558	18.0	48,339	10.1	480,167	39.0		
	All areas	105,515	8.9	125,313	10.5	230,828	19.4	138,131	11.6	1,191,677	96.8		

Note:

The difference between all areas and the sum of rural and urban can be explained by the customers recorded against postcodes that cannot be classified as either rural or urban.

**Table 4.2c. Net breach, activity test exemption and total customer statistics by indigenous identification category and urban/rural area, 20 March 1998**

State/ Territory	Urban/ rural	Activity test breaches (net)		Administrative breaches (net)		Combined breaches (net)		Exempt from activity test		Total customers		% difference Indigenous/ Not identified	
		Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin.
Indigenous	Urban	1,063	12.1	1,139	12.9	2,202	25.0	993	11.3	8,799	0.7	4.0	6.2
	Rural	3,543	11.9	3,290	11.1	6,833	23.0	6,322	21.3	29,681	2.4	4.2	5.6
	All areas	4,711	12.0	4,533	11.5	9,244	23.5	7,446	18.9	39,393	3.2	4.1	5.3
Not identified	Urban	54,031	8.1	45,108	6.7	99,139	14.8	84,760	12.7	668,893	54.3		
	Rural	36,992	7.7	26,446	5.5	63,438	13.2	48,339	10.1	480,167	39.0		
	All areas	94,244	7.9	74,123	6.2	168,367	14.1	138,131	11.6	1,191,677	96.8		

Note:

The difference between all areas and the sum of rural and urban can be explained by the customers recorded against postcodes that cannot be classified as either rural or urban.

**Table 4.3a. Breach, activity test exemption and total customer statistics by State/Territory, urban/rural area and indigenous identification category, 20 June 1997**

State/ Territory	Indigenous identifier	Urban/ rural	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers		% difference Indigenous/ Not identified	
			Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin.
NSW	Indigenous	Urban	257	10.5	302	12.3	559	22.8	277	11.3	2,455	0.6	3.1	5.1
		Rural	653	9.8	773	11.6	1,426	21.3	537	8.0	6,683	1.7	4.6	7.3
	Not ident.	Urban	15,311	7.4	14,918	7.2	30,229	14.6	30,304	14.6	207,724	54.0		
		Rural	8,624	5.1	7,141	4.3	15,765	9.4	17,863	10.6	168,049	43.7		
ACT	Indigenous	Urban	17	10.8	13	8.3	30	19.1	16	10.2	157	0.9	6.2	4.0
		Rural	3	13.0	0	0.0	3	13.0	3	13.0	23	0.1	7.4	-5.3
	Not ident.	Urban	754	4.6	693	4.3	1,447	8.9	2,061	12.7	16,255	88.9		
		Rural	105	5.7	97	5.3	202	11.0	165	9.0	1,844	10.1		
Vic	Indigenous	Urban	39	8.4	52	11.2	91	19.5	58	12.5	466	0.2	3.3	6.1
		Rural	88	8.8	104	10.4	192	19.3	86	8.6	996	0.3	4.0	6.3
	Not ident.	Urban	10,483	5.1	10,609	5.1	21,092	10.2	25,042	12.1	207,780	69.6		
		Rural	4,334	4.9	3,715	4.2	8,049	9.0	8,842	9.9	89,446	29.9		
Qld	Indigenous	Urban	186	9.9	217	11.6	403	21.5	190	10.1	1,876	0.7	3.5	6.4
		Rural	927	10.7	1,018	11.8	1,945	22.5	586	6.8	8,640	3.3	3.8	6.3
	Not ident.	Urban	6,145	6.4	4,942	5.1	11,087	11.5	12,281	12.8	96,201	37.2		
		Rural	10,554	7.0	8,327	5.5	18,881	12.5	15,628	10.3	151,630	58.7		
NT	Indigenous	Urban	74	8.0	83	9.0	157	17.0	96	10.4	923	5.1	-1.2	0.4
		Rural	399	5.3	420	5.6	819	11.0	3,298	44.2	7,469	41.2	-4.1	
	Not ident.	Urban	526	9.2	495	8.6	1,021	17.8	522	9.1	5,726	31.6		
		Rural	382	9.5	390	9.7	772	19.2	480	11.9	4,029	22.2		

(continued)

**Table 4.3a. Breach, activity test exemption and total customer statistics by State/Territory, urban/rural area and indigenous identification category, 20 June 1997 (continued)**

State/ Territory	Indigenous identifier	Urban/ rural	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers		% difference Indigenous/ Not identified	
			Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin.
SA	Indigenous	Urban	60	7.6	93	11.8	153	19.4	72	9.1	788	0.7	2.0	7.2
		Rural	124	10.4	143	12.0	267	22.4	73	6.1	1,190	1.1	5.1	7.3
	Not ident.	Urban	4,440	5.6	3,686	4.6	8,126	10.2	8,658	10.9	79,717	72.2		
		Rural	1,519	5.3	1,342	4.7	2,861	10.0	2,583	9.0	28,700	26.0		
WA	Indigenous	Urban	194	11.0	262	14.9	456	25.9	141	8.0	1,764	1.5	4.2	8.7
		Rural	420	11.3	624	16.8	1,044	28.1	255	6.9	3,722	3.2	3.9	9.1
	Not ident.	Urban	5,615	6.8	5,117	6.2	10,732	13.0	9,802	11.9	82,689	71.5		
		Rural	2,018	7.4	2,092	7.6	4,110	15.0	2,566	9.4	27,421	23.7		
Tas	Indigenous	Urban	7	4.8	8	5.4	15	10.2	22	15.0	147	0.4	-0.6	2.5
		Rural	21	5.4	32	8.2	53	13.6	33	8.5	389	1.2	2.1	3.5
	Not ident.	Urban	566	5.4	311	3.0	877	8.3	922	8.7	10,547	31.7		
		Rural	726	3.3	1,045	4.7	1,771	8.0	1,889	8.5	22,231	66.7		

Note:

The difference between the sum of rural and urban and the State/Territory totals in Table 4.1a can be explained by the customers recorded against postcodes that cannot be classified as either rural or urban.

**Table 4.3b. Breach, activity test exemption and total customer statistics by State/Territory, urban/rural area and indigenous identification category, 20 March 1998**

State/ Territory	Indigenous identifier	Urban/ rural	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers		% difference Indigenous/ Not identified	
			Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin.
NSW	Indigenous	Urban	358	14.6	637	25.9	995	40.5	308	12.5	2,456	0.7	4.6	13.0
		Rural	1,006	14.5	1,445	20.9	2,451	35.4	497	7.2	6,926	1.9	7.3	12.0
	Not identified	Urban	19,394	10.0	25,299	13.0	44,693	22.9	27,563	14.1	194,961	52.8		
		Rural	11,896	7.2	14,626	8.9	26,522	16.1	16,655	10.1	164,898	44.7		
ACT	Indigenous	Urban	22	13.0	25	14.8	47	27.8	17	10.1	169	1.1	6.5	6.5
		Rural	1	7.1	3	21.4	4	28.6	1	7.1	14	0.1	-1.0	13.8
	Not identified	Urban	1,004	6.5	1,275	8.3	2,279	14.8	1,741	11.3	15,364	95.9		
		Rural	38	8.1	36	7.7	74	15.8	58	12.4	469	2.9		
Vic	Indigenous	Urban	66	13.6	119	24.4	185	38.0	47	9.7	487	0.2	5.9	14.0
		Rural	156	15.2	221	21.5	377	36.7	82	8.0	1,028	0.4	7.8	13.2
	Not identified	Urban	15,019	7.6	20,632	10.5	35,651	18.1	24,119	12.3	196,811	68.9		
		Rural	6,415	7.4	7,223	8.3	13,638	15.6	8,172	9.4	87,260	30.6		
Qld	Indigenous	Urban	282	14.8	450	23.7	732	38.5	171	9.0	1,900	0.8	4.9	13.3
		Rural	1,398	15.8	1,791	20.3	3,189	36.1	620	7.0	8,832	3.5	5.4	10.5
	Not identified	Urban	9,248	9.9	9,703	10.4	18,951	20.4	12,459	13.4	93,139	37.1		
		Rural	15,356	10.4	14,419	9.8	29,775	20.2	16,075	10.9	147,142	58.6		
NT	Indigenous	Urban	126	12.8	140	14.3	266	27.1	238	24.3	981	5.6	-0.5	-1.2
		Rural	530	7.1	607	8.1	1,137	15.3	4,766	63.9	7,454	42.5	-5.1	-6.2
	Not identified	Urban	715	13.3	827	15.4	1,542	28.8	537	10.0	5,358	30.6		
		Rural	457	12.2	535	14.3	992	26.5	657	17.6	3,738	21.3		

(continued)

**Table 4.3b. Breach, activity test exemption and total customer statistics by State/Territory, urban/rural area and indigenous identification category, 20 March 1998 (continued)**

State/ Territory	Indigenous identifier	Urban/ rural	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers		% difference Indigenous/ Not identified	
			Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin.
SA	Indigenous	Urban	108	12.5	191	22.1	299	34.6	70	8.1	865	0.8	3.8	11.8
		Rural	164	13.1	295	23.5	459	36.6	69	5.5	1,254	1.2	4.3	13.9
	Not identified	Urban	6,537	8.7	7,770	10.3	14,307	19.0	7,707	10.2	75,343	71.8		
		Rural	2,404	8.8	2,647	9.6	5,051	18.4	2,408	8.8	27,447	26.2		
WA	Indigenous	Urban	282	16.0	527	29.9	809	45.9	130	7.4	1,761	1.6	5.3	18.1
		Rural	590	16.0	1,009	27.4	1,599	43.4	255	6.9	3,682	3.4	3.4	12.1
	Not identified	Urban	8,316	10.8	9,158	11.8	17,474	22.6	9,711	12.6	77,391	70.6		
		Rural	3,384	12.6	4,109	15.3	7,493	28.0	2,557	9.5	26,794	24.4		
Tas	Indigenous	Urban	13	7.2	22	12.2	35	19.4	12	6.7	180	0.5	0.8	5.7
		Rural	43	8.8	81	16.5	124	25.3	32	6.5	491	1.5	4.0	7.9
	Not identified	Urban	681	6.5	682	6.5	1,363	13.0	923	8.8	10,526	31.3		
		Rural	1,074	4.8	1,939	8.7	3,013	13.4	1,757	7.8	22,419	66.7		

Note:

The difference between the sum of rural and urban and State/Territory totals in Table 4.1b can be explained by the customers recorded against postcodes that cannot be classified as either rural or urban.

**Table 4.3c. Net breach, activity test exemption and total customer statistics by State/Territory, urban/rural area and indigenous identification category, 20 March 1998**

State/ Territory	Indigenous identifier	Urban/ rural	Activity test breaches (net)		Administrative breaches (net)		Combined breaches (net)		Exempt from activity test		Total customers		% difference Indigenous/ Not identified	
			Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin.
NSW	Indigenous	Urban	302	12.3	343	14.0	645	26.3	308	12.5	2,456	0.7	3.5	5.7
		Rural	895	12.9	839	12.1	1,734	25.0	497	7.2	6,926	1.9	6.5	7.2
	Not identified	Urban	17,161	8.8	16,101	8.3	33,262	17.1	27,563	14.1	194,961	52.8		
		Rural	10,610	6.4	8,160	4.9	18,770	11.4	16,655	10.1	164,898	44.7		
ACT	Indigenous	Urban	19	11.2	12	7.1	31	18.3	17	10.1	169	1.1	5.5	2.4
		Rural	0	0.0	2	14.3	2	14.3	1	7.1	14	0.1	-7.2	9.4
	Not identified	Urban	876	5.7	718	4.7	1,594	10.4	1,741	11.3	15,364	95.9		
		Rural	34	7.2	23	4.9	57	12.2	58	12.4	469	2.9		
Vic	Indigenous	Urban	54	11.1	61	12.5	115	23.6	47	9.7	487	0.2	4.4	6.6
		Rural	127	12.4	116	11.3	243	23.6	82	8.0	1,028	0.4	5.8	6.7
	Not identified	Urban	13,140	6.7	11,606	5.9	24,746	12.6	24,119	12.3	196,811	68.9		
		Rural	5,753	6.6	4,039	4.6	9,792	11.2	8,172	9.4	87,260	30.6		
Qld	Indigenous	Urban	240	12.6	255	13.4	495	26.1	171	9.0	1,900	0.8	3.7	7.1
		Rural	1,297	14.7	1,082	12.3	2,379	26.9	620	7.0	8,832	3.5	5.2	6.2
	Not identified	Urban	8,323	8.9	5,906	6.3	14,229	15.3	12,459	13.4	93,139	37.1		
		Rural	13,997	9.5	8,882	6.0	22,879	15.5	16,075	1.1	147,142	58.6		
NT	Indigenous	Urban	105	10.7	76	7.7	181	18.5	238	24.3	981	5.6	-1.4	-1.8
		Rural	503	6.7	396	5.3	899	12.1	4,766	63.9	7,454	42.5	-4.3	-4.1
	Not identified	Urban	650	12.1	512	9.6	1,162	21.7	537	10.0	5,358	30.6		
		Rural	412	11.0	353	9.4	765	20.5	657	17.6	3,738	21.3		

(continued)

**Table 4.3c. Net breach, activity test exemption and total customer statistics by State/Territory, urban/rural area and indigenous identification category, 20 March 1998 (continued)**

State/ Territory	Indigenous identifier	Urban/ rural	Activity test breaches (net)		Administrative breaches (net)		Combined breaches (net)		Exempt from activity test		Total customers		% difference Indigenous/ Not identified	
			Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin.
SA	Indigenous	Urban	91	10.5	103	11.9	194	22.4	70	8.1	865	0.8	2.6	6.2
		Rural	153	12.2	180	14.4	333	26.6	69	5.5	1,254	1.2	4.3	8.9
	Not identified	Urban	5,942	7.9	4,282	5.7	10,224	13.6	7,707	10.2	75,343	71.8		
		Rural	2,181	7.9	1,490	5.4	3,671	13.4	2,408	8.8	27,447	26.2		
WA	Indigenous	Urban	241	13.7	281	16.0	522	29.6	130	7.4	1,761	1.6	4.2	8.6
		Rural	531	14.4	635	17.2	1,166	31.7	255	6.9	3,682	3.4	3.1	8.2
	Not identified	Urban	7,350	9.5	5,675	7.3	13,025	16.8	9,711	12.6	77,391	70.6		
		Rural	3,042	11.4	2,436	9.1	5,478	20.4	2,557	9.5	26,794	24.4		
Tas	Indigenous	Urban	11	6.1	8	4.4	19	10.6	12	6.7	180	0.5	0.5	1.5
		Rural	37	7.5	40	8.1	77	15.7	32	6.5	491	1.5	3.2	3.4
	Not identified	Urban	589	5.6	308	2.9	897	8.5	923	8.8	10,526	31.3		
		Rural	963	4.3	1,063	4.7	2,026	9.0	1,757	7.8	22,419	66.7		

Note:

The difference between the sum of rural and urban and State/Territory totals in Table 4.1c can be explained by the customers recorded against postcodes that cannot be classified as either rural or urban.

**Table 4.4a. Breach, activity test exemption and total customer statistics by Queensland and other States and Territories, urban/rural area and Torres Strait Islander, 20 June 1997**

State/ Territory	Indigenous identifier	Urban/ rural	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers		% difference TSI/Aboriginal	
			Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin
Qld	TSI	Urban	26	11.3	30	13.0	56	24.2	17	7.4	231	0.1	1.5	1.6
		Rural	163	10.9	188	12.6	351	23.6	114	7.7	1,490	0.5	0.3	1.0
		All areas	193	11.1	220	12.7	413	23.8	132	7.6	1,739	0.6	0.5	1.2
	Aboriginal	Urban	160	9.7	187	11.4	347	21.1	173	10.5	1,645	0.6		
		Rural	764	10.7	830	11.6	1,594	22.3	472	6.6	7,150	2.6		
	Not identified	All areas	966	10.6	1,043	11.5	2,009	22.1	678	7.5	9,097	3.4		
		Urban	6,145	6.4	4,942	5.1	11,087	11.5	12,281	12.8	96,201	35.4		
		Rural	10,554	7.0	8,327	5.5	18,881	12.5	15,628	10.3	151,630	55.8		
	All areas		17,497	6.7	13,934	5.4	31,431	12.1	29,604	11.4	260,683	96.0		
Other States and Territories	TSI	Urban	17	8.8	17	8.8	34	17.6	27	14.0	193	0.02	-0.9	-3.4
		Rural	16	6.7	18	7.6	34	14.3	22	9.2	238	0.02	-1.6	-2.7
		All areas	34	7.5	37	8.1	71	15.6	49	10.8	455	0.04	-1.2	-2.6
	Aboriginal	Urban	631	9.7	796	12.2	1,427	21.9	655	10.1	6,507	0.6		
		Rural	1,692	8.4	2,079	10.3	3,771	18.6	4,263	21.1	20,235	2.0		
	Not identified	All areas	2,373	8.7	2,932	10.7	5,305	19.4	4,997	18.2	27,408	2.7		
		Urban	37,697	6.2	35,835	5.9	73,532	12.0	77,315	12.7	610,479	60.4		
		Rural	17,708	5.2	15,822	4.6	33,530	9.8	34,388	10.1	341,723	33.8		
	All areas		56,976	5.8	53,214	5.4	110,190	11.2	115,048	11.7	983,309	97.2		

Note:

The difference between all areas and the sum of rural and urban can be explained by the customers recorded against postcodes that cannot be classified as either rural or urban.

**Table 4.4b. Breach, activity test exemption and total customer statistics by Queensland and other States and Territories, urban/rural area and Torres Strait Islander, 20 March 1998**

State/ Territory	Indigenous identifier	Urban/ rural	Activity test breaches		Administrative breaches		Combined breaches		Exempt from activity test		Total customers		% difference TSI/Aboriginal	
			Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin
Qld	TSI	Urban	40	17.0	59	25.0	99	42.0	22	9.3	236	0.1	2.4	1.5
		Rural	240	15.8	320	21.1	560	36.9	103	6.8	1,518	0.6	0.0	1.0
		All areas	286	16.1	382	21.5	668	37.6	129	7.3	1,775	0.7	0.5	0.6
	Aboriginal	Urban	242	14.5	391	23.5	633	38.0	149	9.0	1,664	0.6		
		Rural	1,158	15.8	1,471	20.1	2,629	35.9	517	7.1	7,314	2.8		
		All areas	1,437	15.6	1,922	20.9	3,359	36.5	690	7.5	9,209	3.5		
	Not identified	Urban	9,248	9.9	9,703	10.4	18,951	20.4	12,459	13.4	93,139	35.3		
		Rural	15,356	10.4	14,419	9.8	29,775	20.2	16,075	10.9	147,142	55.8		
		All areas	25,832	10.2	25,408	10.1	51,240	20.3	30,181	12.0	252,627	95.8		
	TSI	Urban	32	13.5	41	17.3	73	30.8	32	13.5	237	0.02	-0.6	-7.0
		Rural	28	11.7	40	16.7	68	28.5	30	12.6	239	0.02	-0.2	-0.8
		All areas	62	12.3	86	17.0	148	29.3	65	12.9	505	0.05	-0.2	-2.2
	Aboriginal	Urban	943	14.2	1,620	24.3	2,563	38.5	790	11.9	6,662	0.7		
		Rural	2,462	12.0	3,621	17.6	6,083	29.5	5,672	27.5	20,610	2.1		
		All areas	3,478	12.5	5,357	19.2	8,835	31.7	6,562	23.5	27,904	2.9		
	Not identified	Urban	51,666	9.0	65,643	11.4	117,309	20.4	72,301	12.6	575,754	59.5		
		Rural	25,668	7.7	31,115	9.3	56,783	17.1	32,264	9.7	333,025	34.4		
		All areas	79,683	8.5	99,905	10.6	179,588	19.1	107,950	11.5	939,050	97.1		

Note:

The difference between all areas and the sum of rural and urban can be explained by the customers recorded against postcodes that cannot be classified as either rural or urban.

**Table 4.4c. Net breach, activity test exemption and total customer statistics by Queensland and other States and Territories, urban/rural area and Torres Strait Islander, 20 March 1998**

State/ Territory	Indigenous identifier	Urban/ rural	Activity test breaches (net)		Administrative breaches (net)		Combined breaches (net)		Exempt from activity test		Total customers		% difference TSI/Aboriginal	
			Number	% rate	Number	% rate	Number	% rate	Number	% rate	Number	% share	Act. test	Admin
Qld	TSI	Urban	33	14.0	36	15.3	69	29.2	22	9.3	236	0.1	1.5	2.1
		Rural	222	14.6	193	12.7	415	27.3	103	6.8	1,518	0.6	-0.1	0.6
		All areas	255	14.4	229	12.9	484	27.3	129	7.3	1,775	0.7	0.5	0.9
	Aboriginal	Urban	207	12.4	219	13.2	426	25.6	149	9.0	1,664	0.6		
		Rural	1,075	14.7	889	12.2	1,964	26.9	517	7.1	7,314	2.8		
		All areas	1,282	13.9	1,108	12.0	2,390	26.0	690	7.5	9,209	3.5		
	Not identified	Urban	8,323	8.9	5,906	6.3	14,229	15.3	12,459	13.4	93,139	35.3		
		Rural	13,997	9.5	8,882	6.0	22,879	15.6	16,075	10.9	147,142	55.8		
		All areas	22,320	8.8	14,788	5.9	37,108	14.7	30,181	12.0	252,627	95.8		
Other States and Territories	TSI	Urban	28	11.8	28	11.8	56	17.6	32	13.5	237	0.02	-0.1	-1.0
		Rural	25	10.5	17	7.1	42	23.6	30	12.6	239	0.02	-0.3	-3.5
		All areas	55	10.9	47	9.3	102	20.2	65	12.9	505	0.05	-0.1	-1.8
	Aboriginal	Urban	795	11.9	856	12.9	1,651	21.4	790	11.9	6,662	0.7		
		Rural	2,221	10.8	2,191	10.6	4,412	24.8	5,672	27.5	20,610	2.1		
		All areas	3,079	11.0	3,109	11.1	6,188	22.2	6,562	23.5	27,904	2.9		
	Not identified	Urban	45,708	7.9	39,202	6.8	84,910	12.2	72,301	12.6	575,754	59.5		
		Rural	22,995	6.9	17,564	5.3	40,559	14.8	32,264	9.7	333,025	34.4		
		All areas	70,792	7.5	58,536	6.2	129,328	13.8	107,950	11.5	939,050	97.1		

Note:

The difference between all areas and the sum of rural and urban can be explained by the customers recorded against postcodes that cannot be classified as either rural or urban.

## 5. Issues raised in discussion sessions

Some basic statistical analysis of indigenous and non-identifier breach rates at national and local/regional levels was used during locality visits as a way of introducing the research and beginning discussion sessions. Issues raised in discussion sessions covered a broad range of topics and provided useful contextualisation of statistics. Many issues raised sought to explain higher breach rates among indigenous identifiers. Some, however, also pointed to adaptations that already existed within income support administration to the circumstances of indigenous people. The implication, from these issues, was that breach rate differentials between indigenous identifiers and non-identifiers could be far greater were it not for such existing adaptations. This chapter elaborates on issues raised in discussion sessions.

### Literacy and mobility

The two issues most commonly raised in discussion sessions as explanations of higher breach rates among indigenous identifiers were literacy and mobility.

Low literacy among the indigenous clientele, it was suggested, led to difficulties in understanding and responding to Centrelink letters, or 'advices' as they are technically known. Advices do, without doubt, demand quite high literacy skills. They often not only inform clients of decisions made regarding their payments, but also, because of administrative law requirements, advise of client's rights in relation to those decisions, such as rights to seek review. This introduces a complexity and ambiguity into social security correspondence. On the one hand clients are being informed of often adverse decisions already made, while on the other they are being provided with information relating to the possibility of having those decisions reviewed. Some Centrelink offices dealing with low literacy indigenous clients had developed ways of coping with these issues, such as more verbal contact and simple advices which just ask clients to make contact with a particular officer in order to have some matter clarified. But these were generally seen as resource intensive adaptations which could not always anticipate or pre-empt standard advices generated automatically, which might not in the particular circumstance be very appropriate.

It was frequently noted in discussion sessions that there is a literacy indicator in the social security administrative database, but that it does not show up on the computer work screens more commonly used in daily decision making and that it seems little used in any way to modify correspondence procedures or contents. It was also suggested, however, that the quality of information in the administrative record relating to client literacy, and particularly indigenous client literacy, may not be very good or useful. Clients were seen as often less than fully forthcoming on literacy issues, for a variety of reasons.

High levels of mobility among the indigenous clientele were also seen as contributing to higher breach rates, through correspondence not reaching people, being held by third parties awaiting a person's return or being returned to sender. Mobility was seen as

occurring between residences within local areas and on several larger geographic scales as well. All these forms of mobility were seen as contributing in various ways to higher indigenous breach rates and, ironically, were often seen as stimulated by tensions in residential arrangements arising, in part, from lack of income.

As with literacy, some Centrelink offices were conscious of adaptations that had been made to try and cope with high levels of mobility among indigenous clients, such as utilising community information networks to keep in contact with people. However, again, these were seen as resource intensive adaptations which could not always anticipate how client mobility might affect standard, automatic, computer-generated payment and review procedures. One particular problem for clients with high levels of mobility was seen to be the unanticipated letter or review. Whereas regular reviews, such as SU19s, could be anticipated and managed by mobile clients, unanticipated reviews could not.

One indicator of mobility that many offices noted, was the level of duplicate SU19s lodged by clients, rather than those mailed out to them. In some areas this level was reported to be very high. Though not necessarily a problem in itself, this was seen as indicating the likelihood of other correspondence also not getting through to clients.

### **Confidence in and with government bureaucracies**

Another related issue frequently raised was indigenous people's lack of confidence in government bureaucracies. This was seen as having historical roots, when government 'welfare' bureaucracies were something that indigenous people often avoided or feared. Even today, it was suggested, indigenous people often have little confidence in the ability of government bureaucracies to deal with them fairly and appropriately in ways which are sympathetic and responsive to their cultural and social circumstances.

It was frequently also suggested in discussion sessions that dealing with income support administration requires a certain level of confidence and assertiveness, without which clients might not receive the best available entitlements for their circumstances. Many indigenous people were seen as lacking such confidence and assertiveness and not, therefore, making claims for payment in the best manner. Not all relevant information may be revealed by indigenous people and not all information that is revealed may be relevant. Where indigenous clients do try to be more assertive in their dealings with income support administrators, particularly among indigenous males, this was often seen as being interpreted as inappropriate aggressiveness.

Hence, confidence in government bureaucracies and confidence in dealing with government bureaucracies were both seen as something which indigenous clients did not share equally with non-identifying clients. This was seen as potentially pushing up indigenous identifiers' breach rates.

## **Propensity to appeal or seek review**

The propensity to appeal or seek review of adverse income support decisions was commonly seen as much lower among indigenous clients than among the non-identifying clientele and this too was seen as possibly driving up breach rates. Explanations for this low propensity to appeal or seek review related back to indigenous people's relative lack of confidence in government bureaucracies and their processes. Why would anyone, it was suggested, return to an official who had just made an adverse decision in an attempt to have that decision reviewed and overturned? Being knocked back once was seen as being quite enough of an affront to bear. It was also suggested that, in the case of breach decisions which incur a rate reduction penalty, indigenous clients may simply decide to put up with or 'wear' the reduction in income in order to avoid further bureaucratic contact, or may even in some instances think that the reduced rate was their full entitlement for the period. 'Appealing' was also sometimes seen as 'something like going to court', which was to be avoided if at all possible.

In the course of interviews and discussion sessions, several instances were referred to in which indigenous-identified Centrelink officers, or other Centrelink staff, had encouraged indigenous clients to seek review of decisions. In virtually every instance, the story ended with the indigenous client not wanting the hassle and not proceeding, even with the encouragement of a Centrelink officer.

Welfare Rights Centre staff in Sydney asserted that they have a fairly high rate of success in getting adverse breach and other decisions overturned. The implication of this was that a lower propensity to seek review or appeal among indigenous clients would have an impact on rates of breaching and other adverse decisions. If few appeals and reviews were successful, a lack of propensity to appeal or seek review would not be so significant. But if significant numbers of decisions are being overturned on review or appeal, then a lack of propensity to appeal or seek review is significant.

It was also suggested by one departmental officer that the lack of any apparent difference between indigenous identifiers and non-identifiers in the rate of having breaches overturned by original decision makers (see Table 2.5) may also relate to the lack of propensity to appeal or seek review among indigenous identifiers: that is, if indigenous identifiers did appeal or seek review with the same propensity as non-identifiers then the rate at which breach decisions were overturned among indigenous identifiers would be higher.

There is clearly room for a whole other research project on indigenous people's utilisation of appeals and review mechanisms within social security administration.

## **Family and community support networks and underpayment**

One common further suggestion in discussion sessions was that many indigenous unemployment payment recipients who incurred an adverse breach decision and had their payment terminated, would then turn to family and community support networks for an extended period of time, rather than returning quickly to the social security system for income support; even though it is possible to once again become eligible for

unemployment payments as soon as the day after a breach event. This tendency was seen as possibly leading to quite large underpayments among the breached indigenous clientele and to strains on family and community income. It was further suggested that as family and community support networks became strained by people without income, crime may also become a means of survival, particularly in urban areas. Finally, on eventual re-application, it was suggested that periods during which applicants could not point to a clear means of financial support could lead to suspicion and unsympathetic treatment in assessment processes. A suspicion was that applicants may be lying about those recent past periods, perhaps concealing some means of financial support such as employment, which led to questioning about what they were saying about their current position.

The possibility of underpayment of social security entitlements among the indigenous clientele is a much broader, and more long standing issue than activity testing and breach rates. In 1995, allegations of underpayment in Alice Springs town camps led to a Commonwealth Ombudsman's report on the issue (Ombudsman 1997). This found that allegations of underpayment raised by the Financial Controller of the Tangentyere Council, who assisted town camp residents with tax returns, probably did have some substance and did reflect adversely on DSS service delivery mechanisms.

Substantial changes in social security delivery mechanisms have occurred in Alice Springs since the Ombudsman's report, such as opening an on-line counter of the Centrelink office within the Tangentyere community services complex. However, during the locality visit to Alice Springs, evidence of underpayment noted by Tangentyere's Financial Controller was once again referred to. The issue of underpayment remains, and may to some extent be related to the issue of the length of time it takes indigenous people to return to the social security system after they have had a payment cancelled because of a breach. Although, technically, people may re-establish an entitlement as soon as the next day, it is perhaps unrealistic to suggest that they will. Probably very few people would return immediately to a service organisation which has just delivered them an adverse decision. Thus the relevant questions become: how long are people likely to leave it after breaching before they re-apply for a social security payment? is this leading to underpayment? and, are there differences in this time period between indigenous and non-identifier clients, perhaps reflecting other issues such as confidence in and in dealing with government bureaucracies? As with the appeals issue, here again there is room for further research, possibly utilising other cuts of social security databases.

### **Severity of breach penalties**

Irrespective of the issue of underpayments due to the time taken to return to Centrelink after breaching, the severity of breach penalties was also sometimes raised as an issue. It was generally acknowledged that penalties had been mollified by the shift from non-payment periods to mainly rate reduction penalties in July 1997. However, as noted in Chapter 2, some actions which were previously not regarded as breaches became so at that time. The new activity test breach which occasioned most comment was failure to correctly declare additional 'remunerative' income, derived primarily from casual employment. Previously this had led, on detection of the undeclared income, to an over-

payment becoming recoverable and possibly also to an administrative breach for failure to notify change of circumstance. From July 1997, however, failure to correctly declare 'remunerative' income became an activity test breach resulting in termination of payment and imposition of more substantial penalties on successful re-application for payment.

Perceptions did exist that the pre-July 1997 rules for failure to correctly declare remunerative income were somewhat too lenient. However the imposition of an activity test breach was now seen by some as being too harsh. This was seen as being particularly so for people who had declared that they had done some work and derived some remunerative income, but had failed to correctly declare that income due to issues such as the differences between gross and net pay, and difference in time periods between earning the income, being paid the income and unemployment eligibility periods. These were seen as complex administrative demands which indigenous people with low levels of literacy and education, often engaged in very casual occasional work, may have more trouble meeting than those with higher literacy and education levels engaged in more formal, regular casual employment.

Those pointing to the harshness of the post-July 1997 treatment, particularly in relation to people who had declared that they had some casual employment and declared some, but not correct, remunerative income, may not have been fully aware of the latitude not to impose an activity test breach in cases where incorrect declaration was not made 'knowingly and recklessly'.<sup>20</sup> However, they were raising a substantial concern about the breach rate penalties and how in particular circumstances relating to particular people, such as indigenous people with low education and literacy levels declaring casual employment but getting the precise amount for the relevant time period wrong, these penalties may be inappropriately severe. Clearly the severity of breach rate penalties and their impact on particular types of clients in particular types of circumstances needs to be constantly under review.

## **Postal services**

Another issue raised in discussion sessions as a possible source of higher indigenous breach rates was inadequate postal services to areas in which many indigenous people live. This was not seen as just a remote area phenomenon, but rather as one which also sometimes effected indigenous people in urban areas. Sometimes inadequacy was related to client mobility, but at other times it was not. For example, in Bourke, New South Wales, it was felt that postal services to the west end of town, with a reasonably stable predominantly Aboriginal residential population, were not as good or as reliable as to the east end of town. The predominantly Aboriginal west end of town had few letter boxes and numerous unrestrained dogs, so was serviced by the post office primarily by people coming in and picking up mail. This created the problem of the unanticipated review letter, which unemployment payment recipients might never, or only belatedly, pick up, leading to them being breached. The issue of similar names and initials among local indigenous populations who were having to pick up mail was also seen as causing potential problems, being exacerbated by a lack of concern over these issues among post office staff.

In remote areas, the postal service issues raised related more to infrequency or timing of delivery and collection schedules and how these may have an impact on review cycles and time-specific administrative requirements within the social security system, which were increasingly nationally standardised and beyond local office adaptation and control. This too was seen as leading to disproportionate possibilities for breaching among the indigenous portion of the clientele.

### **Indigenous-identified staff and third-party intermediaries**

Issues identified thus far have been primarily concerned to suggest why it is that breach rates among the indigenous identifying clientele may be considerably higher than among the non-identifying clientele. However, there was also considerable awareness in discussion sessions of ways in which social security administration had already been adapted to the circumstances and local situations of the indigenous clientele. Foremost among these adaptations are the appointment of indigenous-identified staff and the use of third-party intermediaries in service delivery processes. Both adaptations were clearly seen as very significant. But both were also seen as raising further significant issues.

Indigenous-identified staff were clearly seen as making a very significant difference to the servicing of indigenous customers, including reducing what might otherwise be even higher breach rates. Their knowledge of the local indigenous clientele was frequently acknowledged as of great assistance both in avoiding breaching and in sorting out many differing but related potential administrative problems. However, relations between indigenous-identified staff and other Centrelink officers were not always easy or well worked out. On the one hand, there were suggestions that other staff sometimes directed indigenous clients to indigenous-identified staff without trying to sort out even simple matters themselves first. On the other hand, there were suggestions that other staff did not frequently enough refer to indigenous-identified staff for advice and information on clients and their circumstances. This led to alternate perceptions of indigenous-identified staff being both under- or over-utilised.

The role of indigenous-identified staff is sometimes affected by the fact that they have been recruited and have worked in 'liaison' positions within the old DSS, prior to Centrelink's formation. These positions did not always involve formal decision making training or accreditation and officers in them were restricted in their organisational roles to being adjuncts to other staff, sitting outside the essential decision making processes of income support administration. Often such officers are cast by others and, to some extent, by themselves as essentially internal advocates for indigenous clients. Other indigenous-identified staff have been trained and accredited in decision making and do take on a fuller role in organisational processes. For them, the issue sometimes raised was how they could avoid becoming 'bulk processing' decision makers and maintain a sense of being an identified resource for the indigenous clientele. The issue was occasionally raised of whether it was appropriate for indigenous people to be making eligibility decisions about members of their own cultural community, but the same was not said about non-identifying clients and members of their cultural communities.

These tensions and ambiguities around the roles of indigenous-identified staff were perhaps captured in the variety of terms used to refer to these staff in different areas. Having once been known fairly universally as Aboriginal Liaison Officers (ALOs) or Aboriginal and Islander Liaison Officers (AILOs), the range of terms now used covers Indigenous Customer Liaison Officer (ICLO), Indigenous Customer Service Office (ICSO) and Indigenous Network Officer (INO). The second of these terms, ICSO, may be generally seen as an attempt to place indigenous-identified staff on a par with other Centrelink decision making staff, now referred to as Customer Service Offices. This term encourages indigenous-identified staff to become full decision makers and designates them as being so. ICLO can be seen as either just a historical continuation of ALO/AILO or as a more conscious attempt to hold back from full integration into decision making. INO, the term used in New South Wales area South West, can be seen as a conscious attempt to hold indigenous-identified staff at some distance from extensive, individual case decision making. It is part of a push within that area, with which not all indigenous-identified staff agree, to make them more 'community-based' operatives, rather than focused on individual cases.

These issues relating to the roles of indigenous-identified staff will be returned to in subsequent chapters. At this stage, it is sufficient to note that indigenous-identified staff are universally acknowledged as making a major contribution to the servicing of indigenous clientele and keeping down what might otherwise be higher indigenous breach rates, but that there are tensions and ambiguities in relations between indigenous-identified staff and general Centrelink decision makers.

The other very obvious adaptation within the social security system to the circumstances of indigenous people is the use of third-party intermediaries to assist in client servicing. These can be formal paid community agents or more informal contacts with other primary roles. The use of intermediaries tends to be greatest in rural and remote areas, where distance creates an additional barrier between Centrelink and indigenous people, and where levels of English literacy among the indigenous clientele are probably at their lowest (see DSS 1986). However, intermediaries are also utilised, to some extent, in urban areas where access to social security for indigenous identifiers can still be difficult and problematic (see DSS 1985).

The Alice Springs region claims to utilise over 70 formal and informal community agents in the servicing of its 3,000 indigenous unemployment payment clients. Almost all of these intermediaries in this region have received some training from Centrelink in social security matters, but only about one-third of them are formal paid community agents.

The use of third-party intermediaries raises significant privacy issues in social security service delivery. The Commonwealth Privacy Commissioner has recently developed a privacy protocol for Commonwealth agencies handling personal information of Aboriginal and Torres Strait Islander people in the Northern Territory. This contains specific guidelines on disclosure of personal information to a third party, emphasising consent as the basis for disclosure. It notes:

Consent to disclose does not have to be in writing. Nor does it have to be given directly by the person concerned, if it can be implied from their actions. Subject to verification as outlined below, if a person asks for someone to make enquiries for them, their action in asking them to make the enquiry will generally imply their consent for the agency to disclose their information (Privacy Commissioner 1998: 8).

The verification procedures then outlined cover obtaining direct consent if possible, confirming the legitimacy of the intermediary, confirming the relationship of the intermediary with the person or client and implying consent from any or all of the above. This seems a practical and realistic approach. The protocol could perhaps be more widely distributed and used than just in the Northern Territory. Centrelink offices elsewhere who deal constantly with intermediaries in servicing indigenous clients sometimes expressed concern about privacy considerations and were looking for such practical, realistic guidance on how precisely to proceed.

Privacy considerations aside, there can be no doubt that third-party intermediaries external to Centrelink make an enormous contribution to servicing indigenous clients, particularly in remote areas. Without this assistance, breach rates among indigenous people could be considerably higher and indeed the service delivery system could break down entirely. For that reason, thought could perhaps be given to extending arrangements such as the paid community agents scheme or expanding the numbers of small satellite Centrelink offices. Again, these ideas will be returned to later.

### **Procedural adaptations**

Another way in which it was frequently seen that the social security system was already accommodating indigenous customers, and hence possibly also keeping down their breach rates, was through procedural adaptations. The Northern Territory's separate remote area office codes and RA1 application for continuation of payment procedures are the most obvious and formalised instances of such adaptation. Their effect on breach rate statistics has already been suggested in the local/regional and State/Territory statistical analysis. However, other procedural adaptations also exist and are worth noting.

The Cairns office also makes use of separate office codes to designate different types of unemployment payment clientele in different circumstances and to modify procedures. Other local/regional offices do similar things more informally. Major periodic review forms which would normally be mailed out to clients are sometimes intercepted and taken out physically to clients in conjunction with field visits. Correspondence that is not replied to is sometimes referred to indigenous servicing staff to see if they know where the person might be, rather than just generating a second letter or immediately imposing a breach. Cases for intensive labour market reviews may be chosen in ways which do not select indigenous clients known to be living in particular locations with few employment prospects. While more ad hoc and less systematic than the Northern Territory adaptations, these procedural modifications can make a difference and would seem also to be already lessening rates of indigenous breaching.

## **Compliance/review units as a source of breaching**

Another major issue raised in discussion sessions was that of compliance/review units as a source of breaching. To understand this issue, it is necessary first to understand that Centrelink offices are predominantly 'process-oriented' workplaces. Tasks, rather than clients, are generally what is assigned to officers and groups of officers, known as units. One unit will do the new claims for unemployment payment and perhaps also the verification of the regular SU19 reviews. Another unit will do the more intensive, more occasional labour market and compliance reviews. A common suggestion in discussion sessions was that much of the breaching of indigenous people may be coming from these units and officers carrying out more occasional, more intensive labour market and compliance reviews. These are the ones which generate unanticipated correspondence and in which clients' claims to being unemployed and meeting the activity test are more closely scrutinised, with a view to getting incorrectly eligible clients off payment. It was sometimes suggested that some compliance/review units had developed a 'police culture' which was chronically distrustful and suspicious of clients, including indigenous clients.

Beyond local/regional offices, attached to area Centrelink offices, there are also mobile review teams, who travel the country doing even more occasional, more intensive reviews. It was often suggested that visits from these teams would push up local/regional office breach rates quite markedly and cause some 'destabilisation' in the working environment.

The statistical analysis undertaken at local/regional office and other geographic levels did not attempt to differentiate between breaches in terms of where they were originating among the various types of Centrelink units and teams of officers. This is something which probably could be looked at further. Given Centrelink's process-oriented organisation, it would seem only to be expected that much breaching would be coming from regional office compliance/review units and from area office mobile review teams, as these are the points in the administrative process at which clients' claims to eligibility are subject to greatest scrutiny.

## **Employment service providers as a source of breaching**

Another frequent suggestion in discussion sessions was that much breaching may be coming from employment service providers who are external to Centrelink but have some links into the social security administrative system. These included both the old Commonwealth Employment Service (CES), which has now been reduced to Employment National, and new private and community sector employment service providers.

The CES had a long-standing significant role to play in the administration of unemployment payments. Most unemployment payment applicants were obliged to register with the CES as part of demonstrating that they were willing to undertake and actively seeking suitable paid work. CES officers then had the power to impose breaches on social security clients if, for example, they refused offers of work, did not turn up for interviews, did not take up training opportunities, or did not reply to correspondence such as job vacancy advices. In some local/regional offices, it was suggested that within the two-year period covered by these administrative databases, CES officers had been

very active among indigenous people in their areas and that this may have contributed to breach rates; partly simply because of the level of CES activity and partly also because that activity was sometimes expenditure-driven, or somewhat inappropriate to client circumstances. It was also noted in some offices that as the CES gradually scaled down its operation during 1997, in preparation for its closure and transformation to Employment National in May 1998, this level of breaching sometimes decreased.

Private and community sector employment service providers who have gradually taken over the role of the CES in the last couple of years were also noted as potential sources of breaching within the social security system. Such private and community sector providers do not have the power to make decisions in quite the same ways as CES officers once had. However, they can still recommend that breaches be imposed on clients for not meeting employment service related requirements and can therefore still contribute to rates of breaching. It was also noted that very few of the new private and community sector employment providers are indigenous organisations and that they may not be very interested in, or good at, servicing indigenous clients.

### **Labour market discrimination and expectations**

Another issue raised by clients and intermediaries was that of labour market discrimination and expectations. It was often suggested that both employment service providers and Centrelink unemployment payment decision making staff had little appreciation of the difficulties involved for indigenous people in securing employment. These difficulties related to matters such as discrimination and unrealistic expectations among non-indigenous employers, sometimes based in lack of cultural sensitivity. Some private sector employment service providers in particular were seen as not understanding these issues and as recommending breaches accordingly.

It was often also noted that indigenous unemployment payment recipients frequently use indigenous community organisations as the employers they have contacted to show that they have been actively seeking work. Attitudes to this practice among decision makers ranged from empathetic acknowledgment that these might be the only places many indigenous people would feel comfortable working and would have any realistic chance of getting a job, to a more critical view that job search needed to be wider than this. This more critical view could again lead to higher breaching.

### **Variable reporting**

One development within unemployment payment administration which was seen as of considerable relevance to indigenous clients and breach rates was the introduction of variable reporting; the move away from all unemployment recipients having to re-establish their eligibility for payment every two weeks to only having to do so every four, six or 12 weeks, depending on client circumstances. This option has been available for some time, but was expanded considerably in 1997.

Since 1997, variable reporting has generally been embraced by local/regional offices as allowing them to get rid of a work item which, in relation to the long-term unemployed, including many indigenous identifiers, was regarded as serving little if any purpose. One office described the old two-week review cycle as 'simply unnecessary churning', while others noted the freeing up of staff to work on other matters as a result of the decrease in numbers of SU19 forms being lodged.

Some offices were somewhat more sceptical or critical of the potential of variable reporting. They argued that indigenous clients were used to and understood the old SU19 two-weekly review cycle and that, although there was a degree of unnecessary churning involved, this was not where indigenous people's problems with unemployment payment administration primarily lay. Some also noted the potential for clients to receive larger overpayments through changes of circumstance going unnoticed for more extended periods of time. These were, however, concerns which those offices which had embraced variable reporting thought could be handled by better targeting of clients to be placed on longer reporting cycles and, by experience working with the new arrangements. Overall, the reaction to the introduction of variable reporting in relation to indigenous clients was positive, though no great direct impact on indigenous breach rates was generally anticipated.

## **Teleservices**

Another issue raised in discussion sessions was indigenous people's reactions to increasing reliance on centralised telephone servicing facilities within Centrelink, utilising generic phone numbers such as 13 24 68. It was generally suggested that indigenous people do not like this form of servicing and do not cope very well with it. It was suggested that indigenous people had difficulty communicating with officers who had no knowledge of or familiarity with them or their local circumstances and that they would much prefer to talk to someone they knew and had previously dealt with. Higher breach rates were suggested as a result of this, but equally concerns were about under servicing of clients who had difficulties and were uncomfortable with teleservices.

Interestingly, some adaptations of the teleservice idea, with indigenous people in mind, were already evident within social security administration. Cairns and Westcourt Centrelink offices had established an indigenous teleservice unit from among indigenous employees. This took calls from outlying areas with predominantly indigenous clientele. Area West in New South Wales had brought together indigenous-identified service staff as a unit attached to the Mount Druitt regional office and provided them with a 1800 telephone number which indigenous clients from across the area, not just the region, could access. Alternatively indigenous-identified staff were sometimes giving out their own direct numbers, if not to individual clients then at least to prominent intermediaries and organisations within the indigenous community. All these mechanisms and adaptations were intended to lessen the need for indigenous people to use national, impersonal teleservices and to provide them instead with greater access to familiar voices and officers.

## **CDEP administrative arrangements as a source of breaching**

CDEP was raised as a possible source of breaching for indigenous clients, not only because of the issue of leaving CDEP, as already discussed, but also because of administrative arrangements between ATSIC and Centrelink regarding CDEP participant schedules. The general problem was that ATSIC CDEP participant schedules are adjusted in advance of CDEP grants for the quarter being made, whereas Centrelink unemployment payments are paid two-weekly in arrears. People listed on ATSIC-provided CDEP participant schedules may in fact have left CDEP during the funding period for which the schedule operates. Equally, others may have joined the CDEP scheme during that period, despite the fact that their names do not appear on the funding schedule. Hence, the quarterly schedule was not seen by Centrelink offices as adequate to the task of determining whether applicants for unemployment payments were ineligible because of participation in CDEP, as prescribed in s.614A of the Social Security Act.

Many offices had informal mechanisms operating to supplement the ATSIC-provided quarterly CDEP participant schedules. These generally took the form of individual CDEP administrators advising Centrelink directly of interim 'ons' and 'offs' for the scheme. However, this advice was not always easily fed into the social security system and it was seen as both resource intensive and reliant on individual personalised understandings. There was still always the potential for people to be on both payments at once for a period, and possibly to be breached when this was revealed, or not to receive either payment even though listed on a current CDEP participant schedule. These possibilities do not arise for non-identifying unemployment payments clients, to whom CDEP participation is not applicable.

## **Abstudy administration as a source of breaching**

A similar issue to the CDEP schedules problem was also perceived to exist in relation to applicants for Abstudy who would often remain on unemployment payments after lodging an Abstudy application and awaiting its determination. If the application was approved and Abstudy back pay received, unemployment payments already received for the period would become an overpayment for which the applicant was not eligible and which Centrelink would normally wish to recover. However, no coordination between Abstudy and unemployment payments administration was in place to adjust Abstudy back payments in the light of unemployment payments already received for the relevant period. This lack of coordination created an unnecessary overpayment and put indigenous clients in the invidious position of having to pay back entitlements which would have been better adjusted for directly between Abstudy and unemployment payments administration.

At the time when the social security database was examined and when discussion sessions took place, Austudy also still existed and was somewhat separate from Centrelink's unemployment payments administration. Hence a somewhat similar issue could have arisen for non-identifying people moving between unemployment payments and Austudy. However, this was not generally seen as anything like as prevalent a problem

as the transition from unemployment payments to Abstudy. Also, since mid 1998, Austudy has become more integrated with social security administration, partly disappearing into Youth Allowance and being integrated onto the common computing platform for Newstart and other payments. Abstudy, however, has not. Hence the potential for breaching which can arise through lack of administrative coordination in the transition from unemployment payments to education payments has probably become more skewed towards indigenous identifiers in recent months.

## **Access to disability support pension**

In several discussion sessions it was suggested that indigenous breach rates may be high because some indigenous people who were on unemployment payments would be more appropriately on Disability Support Pension, but were not because of difficulties accessing that payment. Difficulties related to issues such as not having treating doctors who knew them well enough to report on their condition, or once again the issue of the confidence of the clients in dealing with bureaucratic forms and procedures. Indigenous clients with disabilities of various sorts who were, somewhat inappropriately, on unemployment payments were seen as far more likely to breach administrative and activity test requirements than other unemployment payment recipients.

In other discussion sessions, it became evident that some Centrelink officers had made conscious efforts to move people, including indigenous people, off unemployment payments onto Disability Support Pension, if this was seen as possible and more appropriate for their circumstances. Officers often said that they emphasised to clients that this should not necessarily be seen as a permanent move. This was in order to attempt to avoid the idea of disability and being outside the workforce as a permanent state, rather than just part of a client's circumstances for the time being.

## **Identification**

One final issue raised in discussion sessions was that of indigenous identification itself. Many officers felt that the numbers of indigenous identifiers in the unemployment payments database for their office areas were low compared with the number interacted with day to day. This raised issues about whether staff were always asking the indigenous identification question, whether indigenous people were being encouraged to identify and whether indigenous identification was then being coded into the computerised database. There were some suggestions that staff might not be asking the indigenous identification question and that indigenous clients might not be being encouraged to identify because identification does not affect eligibility for unemployment payments in any way. There was also the suggestion that even when asked and responded to positively, indigenous identification might not find its way onto the computer record because it was not a 'compulsory' coding field: that is, the computer system did not require a code to be entered for that field before decision making could proceed.

It was generally felt that indigenous identification should become a compulsory coding field within the computing system and that staff should be encouraged to always ask the identification question, even though it did not directly affect unemployment payment

eligibility. It was generally recognised that indigenous identification is, and should remain, voluntary for clients, who may not wish to so identify even though possibly identifying as indigenous in other contexts. However, indigenous-identified staff in particular felt that indigenous people should be encouraged to identify in order to demonstrate more clearly the magnitude of the indigenous servicing task. Just occasionally it was suggested that indigenous identification could be used against indigenous clients. However, on balance, indigenous identification within the social security system was seen as important, of benefit and to be encouraged.

### **Summary of major findings**

Large numbers of reasons why breach rates among indigenous identifiers are higher than among non-identifiers were suggested in discussion sessions. These ranged from issues relating to literacy and mobility, confidence, appeals and review, the roles of compliance/review units and employment service providers, labour market discrimination and expectations, to CDEP and Abstudy administrative issues.

It was also generally recognised that significant adaptations already exist within income support administration to the circumstances and servicing needs of indigenous clients. These include indigenous-identified staff, the use of third party intermediaries and non-standard procedures. Without these adaptations, differentials in breach rates between the indigenous identifying clientele and non-identifiers would probably be significantly greater.

## 6. Analytic schema of unemployment payments administration

The analysis, thus far, has done two things. First, it has examined, from a number of perspectives, statistics on unemployment payment breaching and activity test exemption among indigenous identifiers and non-identifiers. Second, it has identified issues which Centrelink officers, indigenous clients and intermediaries involved in discussion sessions raised as possible explanations of, and contextualisations for, differences in these statistics between indigenous identifiers and non-identifiers. What is now needed is a more comprehensive analytic view, a means of integrating the statistical findings and the more contextual discussion session findings. This chapter aims to develop an analytic schema, or framework, of the nature of unemployment payments administration which can provide that integration. The schema has several elements, which are dealt with under separate subheadings. But these elements are also inter-related and the final section of the chapter explicitly combines them in a way which emphasises the inevitable scope for discretion and judgment in unemployment payments administration.

### **Tensions and ambiguities in income support administration**

The first element of this analytic schema, or framework, is to recognise that there are very significant tensions and ambiguities in unemployment payments administration, and in income support administration more generally. Income support administration attempts to meet the needs of individuals and families for income. But it also attempts to protect the public purse, only making payments when the need for income is substantial and substantiated. This attempt to balance the meeting of income needs with the protection of the public purse is a major source of tension and ambiguity within income support administration.

There is also considerable tension and ambiguity in common understandings of the social security system, as to whether it should be regarded as guaranteeing a minimum income for all in need, or being somewhat more selective in the provision of income only to those who 'deserve' it. The former would seem to be implied by the common use of the metaphor of a safety net to describe the social security system and by the existence within the legislation of a 'Special Benefit' which can be paid to people who do not qualify for other payments and who, for whatever reason, cannot 'earn a sufficient livelihood' for themselves or their dependents.<sup>21</sup> Some people also openly worry about leaving people with no income when the rules don't seem to include their situation. That cannot be right, they suggest, as the purpose of the system is to provide people with a minimum income.

But the current social security system is sometimes distinguished from a guaranteed minimum income system, implying that the current approach does not guarantee income without conditions. Also some officers are quite matter of fact about leaving people without income when their circumstances don't seem to fit the rules. If they don't meet the rules, they don't get paid-and what they then do for income is not 'our' concern. People who miss out on other payments may apply for Special Benefit-but there is a clear

reluctance within the system to use this payment widely as a residual, catch all category. Special benefit is in fact used very sparingly. So tensions and ambiguities abound about the purposes of social security and are clearly evident both in discussion of the system and in its day-to-day administration.

If we focus specifically on unemployment payments, the potential for tension and ambiguity is even greater. These payments are required to meet the income needs of the unemployed while simultaneously encouraging people of workforce age to seek and gain employment. This, of course, is the reason for the existence of the activity test, as an additional eligibility criteria above and beyond that of being unemployed. In this payment area, perhaps more than others, the idea of providing a minimum income is in direct tension with another idea altogether; that of encouraging people to seek employment in order to derive income.

Another source of tension and ambiguity within social security administration is whether to accept what applicants say about their circumstances or to attempt to ascertain and verify circumstances independently. At one level clients are, and have to be, trusted. Most of what they say about their circumstances is, and has, to be accepted. But where opportunities for checking information are readily available, through third parties such as employers or other government agencies, then income support administration will tend to utilise such sources. Clients, therefore, are both trusted and mistrusted in their dealings with the administrators, which again is a source of both tension and ambiguity.

## **Office cultures and roles**

A second element of this analytic schema, or framework, is to recognise that there are a number of different office cultures and roles within income support administration, which vary considerably in their perspectives and work practices.

In local/regional offices, client processing is the focus of office activity. Large numbers of clients have to be dealt with daily. The aim, at least implicitly, is to stabilise the flow of clients; get them processed in an orderly fashion and in a way which will be sustainable over time given existing resources and procedures. Formal legislative rules and associated administrative guidelines do not loom particularly large in day-to-day office practices. They are sometimes referred to in order to handle difficult or unusual cases. But they are largely just 'known' from past practice, as a set of constraints or boundaries within which local/regional administrators know they have to work.

In central office, which nowadays includes most of DSS as policy provider and service delivery purchaser and Centrelink National Support Office as service delivery provider, client processing is a minor almost non-existent activity. Clients themselves are never seen and only the most difficult and indeterminate of cases get referred here. But legislative rules and their associated administrative guidelines loom much larger. These are the means by which central office acts in its relations with those lower down the administrative hierarchy. Rules and administrative guidelines are the tools of the central office's trade. Writing rules and devising administrative procedures which are clear, relevant and can be fairly applied across a large range of individual cases is something of an ideal in central office administrative culture.

Between the central and local/regional levels of income support administration is another mediating office culture, attached to area and, to some extent, State offices. This brings together some of the concerns of both client processing and rule and procedure making, but in many ways acts more as a two-way site for transmission and filtering. One central administration cannot deal intelligently and comprehensively with over 300 separate local/regional offices. Thus, small local offices are attached to larger regional offices, and regional offices are grouped into areas, which articulate with State offices as well as central office. These groupings of offices share experiences and develop networks of understanding based on proximity and similarity of working environments.

Cross-cutting this hierarchy of office cultures are a variety of office roles, sometimes themselves given the status of office sub-cultures. One of these, mentioned previously, is the role of compliance/review units. The task of these units is to selectively and more intensively review clients who are already on a payment, to see if they are still eligible. It is, by its very nature, an investigative or 'control-oriented' task. From the client's point of view, it will probably be experienced as mistrustful intrusion, a checking up. Apart from being left on payment at the existing level, the most worrying and likely outcome for the client is that they will be cut off payment, or have their payment reduced. There are, of course, instances of clients payments being adjusted upwards as a result of intensive reviews, but this does not greatly change general client perceptions of the control-oriented, cost saving nature of the intensive review process. When it is alleged that such compliance/review units have developed a sub-culture of their own, it is often being suggested that they have taken this control-oriented aspect of their work too far, that they are chronically suspicious of clients and have lost all feeling for their underlying needs and circumstances.

Those making these sorts of allegations about compliance/review units are not just clients, but can themselves be from within income support administration. They represent more 'client-oriented' roles or sub-cultures within the administration, which can draw on people as diverse as initial grant officers, social workers and, in relation to indigenous-identified clients, indigenous-identified staff. These roles are more concerned with getting people onto payments, than getting them off. So it is understandable that they come to see and understand things more from a client perspective than do those involved in compliance/review work.

Officers can and do move between these more 'control-oriented' and more 'client-oriented' roles and sub-cultures within income support administration. Not all income support administrators can be clearly cast into one sub-culture or the other, and indeed it would be fair to say that most officers combine elements of both. But there is some degree of role differentiation and sub-culture development which needs to be acknowledged as part of income support administration. In many ways this role differentiation simply reflects the tensions and ambiguities in the social security system, discussed in the previous section. However, it also derives in part from the process specialisation inherent in current income support administrative structures.

## Cultural and social content of rules and procedures

A third aspect of the analytic schema is to recognise that rules and procedures, no matter how simple and apparently unexceptional, are not universal. Rather, they are imbued with the cultural and social content of the dominant circumstances from which, and for which, they were derived. No rule or procedure comes from nowhere, and every rule or procedure reflects in many subtle and complex ways the cultural and social circumstances in which it arose.

Take, for example, the rule that clients will be corresponded with when decisions are made about their payments. At one level, this seems unexceptional, good administrative practice derived from a legislative requirement. But is it in fact a legislative requirement and is it always good administrative practice? What does it assume about the clients, are these assumptions valid and are they really relevant to the payments being made?

Corresponding with clients assumes a number of different things: that they have a reasonably stable and sure address, that they have reasonable access to postal services, that they are literate enough to deal with social security letters,<sup>22</sup> or alternatively, have access to someone helpful who is, and that they are confident enough with social security administration to then make contact with Centrelink and have the matter progressed.

While these assumptions may seem reasonable and unexceptional in relation to most non-indigenous clients, they may not be so reasonable or unexceptional in relation to many indigenous clients. This is evident from the analysis of issues raised in discussion sessions detailed in Chapter 5. Many of these issues call into question just the sorts of assumptions that are being made in sending out a piece of correspondence and expecting it to be received, comprehended and responded to. These are all assumptions which come from the dominant non-indigenous context around which the Australian social security system has been conceived and designed. They reflect that context very strongly and cannot be simply transposed without adjustment or adaptation to other cultural or social circumstances, such as those of many indigenous Australians.

Corresponding with clients may be as much an assumed procedure of social security administration as a definitive legislative rule.<sup>23</sup> But definitive legislative rules are also derived from specific social and cultural contexts and are also not always easily transposed to other contexts. Take, for example, the central eligibility criteria of unemployment payments, those of being unemployed and being willing to undertake and actively seeking suitable paid employment. What does it mean to be unemployed? And what does it mean to be willing to undertake and actively seeking suitable paid work? The answers to these questions are not self-evident. They are derived from the context and norms of dominant labour market and industry structures in Australian society.

Being unemployed, for example, is not necessarily taken within the social security system as meaning having no work at all. S.595 of the Social Security Act empowers social security administrators to disregard some paid work undertaken by an applicant, because of its 'nature', 'duration' or for other reasons, and to treat the person as unemployed. But there are limits imposed. Being unemployed is taken as meaning only having fairly short, casual

hours of work and having large amounts of additional time free to take up other work. One cannot, for example, be a full-time student or the proprietor of a time-consuming self-employed business, no matter how unprofitable, and also be unemployed.

Being willing to undertake and actively seeking suitable paid work is a similarly complex issue derived from the norms of Australian society. How willing and active must one be? What is a reasonable level of actively seeking work? Is one, two, five or six employer contacts per week reasonable? What other sorts of activities, such as training or community work, might also be taken as indicating willingness? How should numbers of employer contacts be adjusted in light of these other activities?

Finally, there is the equally complex and equally socially constructed issue of what constitutes suitable work. S.601(2A) of the Social Security Act attempts to delineate types of work that may be unsuitable—such as work for which the person lacks skills, experience or qualifications, work that would aggravate a disability or injury or constitute a risk to health, work that is offered at less than award rates of remuneration or work that would involve unreasonable commuting. All of these provisions emphasise the socially constructed nature of the concept of unsuitable work – and even the addition of a provision which allows work to be regarded as unsuitable for any other reason still does not overcome the need for social construction in order for the rules to make sense.

Even in the dominant Australian industrial and labour market context then, these central eligibility rules for unemployment payments may be somewhat contentious and indeterminate. And this is the context for which these rules were designed and from which they were derived. How much more contentious and indeterminate might these same rules be in the industry and labour market structures in which indigenous people are involved and which differ significantly from these dominant industry and labour market norms?

Take, for example, the remote area pastoral industry and, in particular, the recently growing sector within that industry of Aboriginal-owned pastoral properties. Whereas a pastoral property in non-indigenous ownership may have provided employment and income for perhaps one non-indigenous family and some seasonal contractors, on acquisition by Aboriginal interests it may be expected to support a somewhat larger ownership group, often referred to as the Aboriginal ‘community’. What will happen to the pastoral property’s commercial and labour market structure in this new circumstance? The answer is probably that both the commercial viability and the labour market structure will be somewhat diluted. Work will be spread more widely among the larger ownership group and be done more in line with indigenous people’s social norms. Cattle will be used for larger amounts of ‘owner-consumption’ and lesser amounts for commercial sale. The enterprise will probably become more commercially marginal, though also, from an indigenous perspective, more socially useful. It will become part of a different, more commercially marginal industry and labour market structure.

The question which arises for social security administration is what does employment and unemployment mean in this different, more commercially marginal industry and labour market structure. If people living on such a pastoral property apply for

unemployment payments and say that they are doing a bit of work on the property, and occasionally getting paid something for it, are they unemployed? If they say they only really want to work on that pastoral property because they are members of its ownership group, then are they available for and willing to undertake suitable paid work? If the answer to both these questions is yes, then what should such people do to show that they are actively seeking suitable paid work? Would working voluntarily or engaging in training with the pastoral enterprise be taken as an appropriate activity. If again the answer is yes, then the person appears to have met the eligibility criteria for unemployment payments. But if the answer given to any of these three questions by the local Centrelink office is no, then unemployment payments will not be payable. The person will be seen as either not unemployed, not available for work, or not actively seeking and willing to undertake suitable paid work.

During locality visits, it became evident that numerous circumstances like the above existed in pastoral areas of Australia. In most instances unemployment payments were being paid and were effectively providing some wage subsidy for these marginal Aboriginal-owned pastoral enterprises/communities. In some instances, however, unemployment payments were not being paid, since those involved were seen as failing in some way to meet one of the three eligibility criteria. In yet other instances, the questions were elided because the Aboriginal-owned pastoral enterprise had a CDEP. But if the enterprise lost that CDEP support, as at least one recently had, what then was the employment/unemployment status of their residents/workers/owners?

These issues about employment, unemployment and eligibility or ineligibility for unemployment payments on Aboriginal-owned pastoral properties are not new. Writing on unemployment payments to Aboriginal people in 1985, a similar example was used drawn from 1981–82 (Sanders 1985: 159–60). What was notable about cases which were identified during locality visits in 1998 was their essential similarity to this earlier one. The number of cases had grown, with the further development of the Aboriginal-owned sector of the pastoral industry and its somewhat different commercial and labour market structure from the non-indigenous-owned sector of the industry. But the essential elements of the cases had not greatly changed.

This new indigenous-owned pastoral industry sector provides a very clear illustration of the cultural and social content of unemployment payment rules, and the scope for indeterminacy in social security decision making when rules are applied to unanticipated and different industrial and labour market contexts from the ones from which and for which they were derived. Other examples of relevance to indigenous people are various forms of fishing and diving for sea foods, or mutton birding, which lead to some income. At what level does commitment to such activities become self-employment and affect basic eligibility for unemployment payments?

## Diversity of the unemployed

The fourth aspect of the analytic schema of unemployment payments administration is the diversity of the unemployed. Unemployed people are, for many social security purposes, categorised together. They are dealt with by the same teams/units of administrative officers, placed in the same administrative databases and granted the same types of payments. But they are, in reality, a very diverse group. This diversity needs to be recognised and understood if we are to comprehend and analyse the dynamics of unemployment payments administration, including breach rate patterns and related issues.

In Chapter 2, it was noted that the dominant income unit type among unemployment payment recipients is the unpartnered person with no dependent children, accounting for slightly over 70 per cent of unemployment payment income units among both indigenous identifiers and non-identifiers (see Tables 2.7a and 2.7b). Although dominant, this income unit type is itself internally diverse, divided into young and old, male and female, skilled and less skilled, experienced and less experienced, long-term and short-term unemployed, residents of urban, rural and remote areas. Once these dimensions of diversity are acknowledged and the partnered income units types are included as well, the supposedly unified body of unemployment payment recipients starts to look like a large number of smaller categories of payment recipients, with significantly different characteristics and likely propensities to find employment.

A young, inexperienced, single, unemployed person is very different from the skilled, experienced 45 year-old casualty of industrial restructuring with a dependent spouse and children. And they are even more different if the former is an indigenous person living in a rural or remote area. These unemployed people are all, in turn, very different from the single parent in their late thirties or forties, whether indigenous or non-indigenous, attempting to enter or re-enter the workforce after some years of full-time childcare responsibilities. Even this group will be internally diverse, ranging from those with good pre-child-rearing education and skills on which to build, to those with few or no such skills and education. These again will be different from the long-term unemployed person with drug, alcohol or other health problems trying to re-establish themselves in the workforce, or the person in their late 50s with a grown-up family retrenched from an industry which is contracting its employee numbers.

These images of the diversity of the unemployed and the different challenges and circumstances they face could be elaborated considerably. Their purpose here is merely illustrative and suggestive. What they suggest most strongly is that a 'one size fits all' approach to unemployment payments administration is unlikely to work particularly well. Standard procedures applied to all unemployment payment recipients are unlikely to have an equal impact on all or to be equally appropriate for all. This, arguably, was the case in the past, when all unemployment payment recipients were required to lodge an SU19 every two weeks giving names and addresses of two employers they had approached for work during the period. For those among the unemployed who had little prospect of finding work in their current circumstances and local labour market, this

requirement was often met in a most cursory fashion. It was seen as unrealistic in their circumstances and so virtually any answer to the question was generally accepted. In a sense, this procedure taught these types of unemployed people to lie in their dealings with the social security system.

What is needed in unemployment payments administration is a more diversified approach, which imposes different procedural activity test requirements on individual applicants depending on their circumstances. To a large extent existing legislative provisions and administrative law principles allow and support such an approach. However, the tendency in administration is often to standardise and routinise such open-ended individualised procedures in order to reduce variability and to cope with large case loads. This issue of the diversity of the unemployed, and the need for further development of appropriate individualised activity test procedures and requirements is crucial and will be returned to in the final chapter of this monograph.

### **Combining elements: indeterminacy, discretion and judgement in unemployment payments administration**

Four elements of an analytic schema, or framework, for understanding unemployment payments administration have now been outlined: general tensions and ambiguities in income support administration, different office cultures and roles, the cultural and social content of rules and procedures and the diversity of the unemployed. If all these elements of the analytic schema are combined, they lead to the suggestion that levels of indeterminacy, discretion and judgement involved in unemployment payments administration are very substantial and significant. Applying rules and procedures to the circumstances of applicants for unemployment payments is no easy, automatic or uncontested task. The potential is high for different interpretations of rules and procedures to emerge in different social and cultural contexts, different industry and labour market structures and different Centrelink offices. Different adaptations of rules and procedures to make them workable in diverse real life contexts are also likely to emerge. Discretion and judgement, in the broadest senses of those terms, are both ever present and inevitable in unemployment payments administration and can be used very differently in different settings.

This combining of elements of the analytic schema and recognition of the inevitably high levels of discretion, judgment and indeterminacy in unemployment payments administration leads back to where this study began: to concerns about difference and equality between indigenous identifiers and non-identifiers in unemployment payments administration, as reflected in social security databases. It is to these issues of difference and equality that the study now returns, before focusing finally on ideas for further action in better managing indigenous identifier breach rates and related issues.

## 7. Issues of difference and equality

When the Activity Test Section within DSS national administration approached CAEPR to undertake this study, it was concerned about the differences that were showing up in national unemployment payment breach rate statistics between indigenous identifiers and non-identifiers. The Activity Test Section staff seem to have expected, and hoped for, an equality or close similarity of statistics across the identification categories. This would have been taken as a significant indicator of fairness within unemployment payments administration between indigenous and non-indigenous people. Alternatively, the Activity Test Section staff wanted to be able to understand the differences in statistics that were evident in order to ensure that these differences were appropriate and justifiable.

Was this expectation of statistical equality or similarity a reasonable one? Was the implied equation of equal statistics with fairness also reasonable? Were differences in statistics appropriate and justifiable, or were they indicating some unfairness in the system? These are all questions about issues of difference and equality between indigenous and non-indigenous people and how we should react to these key concepts in the context of unemployment payments administration.

The relationship between issues of difference and equality in government policy and administration relating to indigenous Australians is by no means simple or straightforward. The concepts are often somewhat in tension with one another and need to be reconciled, or balanced, for the particular context in which they are being applied (see, for example, Sanders 1998).

During the course of this study, two other dimensions of statistical difference emerged, besides that between indigenous identifiers and non-identifiers, which were also of some concern to central office administrators within DSS and Centrelink. These were differences among Centrelink offices and differences over time. From the cultural perspective of income support central office administrators, differences in statistics are inevitably matters of concern. The possibility that they may represent organisational failings, such as unnecessary variations in rank and file practice or unjustified treatment of indigenous identifiers in comparison to non-identifiers, is immediately recognised. However, organisational failings need not be the necessary conclusion of any observation of statistical difference. Differences need to be interpreted and understood, and the idea of equality of statistics as a standard of organisational fairness needs to be adjudged and contextualised.

This chapter argues that, in the light of the analytic schema of the previous chapter, the extent of difference observed in unemployment payments breach and activity test exemption statistics between indigenous-identifiers and non-identifiers, between various Centrelink offices and over time, is not all that great. The statistics drawn from the two databases may, in fact, be more notable for their restricted variability than for their acute differences. The chapter also argues that there are already very significant adaptations within the social security system which take considerable account of indigenous identifiers circumstances and that without these adaptations statistical differences,

between different offices and between indigenous identifiers and non-identifiers, could well be far greater. Finally the chapter argues that the ideal of equality of breach rate statistics as a indicator of fairness is a reasonable one, if suitably qualified and contextualised. Arriving at these three evaluative positions in relation to issues of difference and equality requires some further elaboration.

## **Interpreting difference**

Differences in statistics, like unemployment breach rates and activity test exemption rates, do not speak for themselves. They need to be interpreted. The analytic schema of the previous chapter would seem to suggest that there is very considerable potential for differences in unemployment payments administration statistics both between indigenous identifiers and non-identifiers, between offices and over time. All four elements of the schema point in various ways to the indeterminacy of unemployment payments administration and the high levels of discretion and judgment necessarily involved. Discretion and judgment may be used very differently in different offices and over time to resolve the many tensions and ambiguities that are inherent in unemployment payments administration. The indeterminacy of rules and procedures will be particularly high when applied to indigenous people's circumstances which are significantly different from the cultural and social circumstances from which, and for which, those rules and procedures were originally derived. The diversity of the unemployed can also contribute to differences in statistics since, however that diversity is conceptualised and defined, it is bound to be the case that indigenous people served by particular offices will not be a representative cross-section of unemployment payments recipients. Differences between the indigenous clientele and the non-identifying clientele should be expected, to some extent, to be reflected in differences in indigenous-identifier and non-identifier breach and activity test exemption statistics, whether at the national, local/regional or other geographic levels.

There is a strong argument to be made, therefore that, in the light of the analytic schema of the previous chapter, the extent of differences in breach and activity test exemption statistics between indigenous identifiers and non-identifiers, between Centrelink offices and over time, are not that surprising. The statistics may indeed be more notable for their relative lack of variability than for the acuteness of differences. The one exception to this would seem to be the Northern Territory, which does seem to have some quite distinctive unemployment breach and activity test exemption statistics.

The Northern Territory social security administration does clearly have a quite distinctive geographically based office culture which is highly aware of servicing, workability and appropriateness issues in relation to indigenous identifiers. This is unsurprising. The proportion of indigenous unemployment payment clients in the Northern Territory is up towards a half, unlike anywhere else. As a result of this awareness, Northern Territory breach and activity test exemption statistics are unlike anywhere else. Indigenous identifier breach rates are roughly equal to those of non-identifiers in Northern Territory urban areas, while in remote areas they are actually

lower than non-identifier breach rates, built on higher activity test exemption rates (see Chapter 4). These Northern Territory patterns of statistics are quite exceptional, but also quite understandable.

Being both exceptional and understandable, these Northern Territory statistics point to the lack of variability in statistical patterns elsewhere. Outside the Northern Territory, the statistics are notable for their consistency. In almost all other geographic areas, no matter how locally defined, indigenous-identifier breach rates are higher than non-identifier breach rates. Nationally, in almost every age and gender group, every income unit type and both time series, indigenous-identifier breach rates are higher than non-identifier breach rates by about the usual factors of one-and-a-half times for activity test breaches and twice for administrative breaches.

## **Observing adaptations**

This consistency in breach and activity test exemption statistics outside the Northern Territory suggests that there are already very substantial adaptations that have been made in social security administration to the circumstances of local indigenous populations. The most significant of these adaptations, as noted in Chapter 5, is the appointment of indigenous-identified service/liaison officers and the use in service delivery of both formal and informal external intermediaries. Without these two major adaptations, differences in breach rate statistics would almost certainly be much greater than they are, both between indigenous identifiers and non-identifiers and between local/regional offices. In remote areas, where reliance on external intermediaries and indigenous-identified staff is greatest, breach rates among the indigenous identifying clientele would almost certainly increase dramatically without these existing adaptations. But indigenous breach rates in other areas could also increase significantly, were these adaptations not present.

The Northern Territory income support administration's distinctive procedures for remote area unemployment payment clients can also be seen as a major adaptation of the system to the circumstances of a significant element of the indigenous clientele. This adaptation has been so successful that it has in fact led to breach rates among indigenous people in remote areas of the Northern Territory being lower than among non-identifiers, unlike anywhere else. However, it has also driven up activity test exemption rates to unusual levels, so that the image of statistical difference between indigenous identifiers and non-identifiers is at one level lessened and at another level reinforced.

The Northern Territory administration's approach is, in many ways, very open and honest. It confronts the standardising tendencies of general rules and procedures and insists that rules and procedures need to be developed and interpreted differently for different working environments. This is an approach which is to be lauded and monitored, rather than criticised or censored. It openly confronts the cultural and social content of rules and procedures in unemployment payments administration and the diversity of the unemployed, including among indigenous people. The current Northern Territory approach may, however, have a down side, in that it relegates virtually all

people in remote localities to the status of having few employment prospects. Even in these localities there may be some individuals among the indigenous unemployed who do have some chances of gaining employment.

Many significant adaptations to the circumstances of indigenous people do, clearly, already exist within income support administration and need to be understood and analysed. Generally these adaptations can be seen as lessening what might otherwise be starker statistical differences between indigenous identifiers and non-identifiers in social security administrative data sets. However in some cases, such as in Northern Territory remote area unemployment payment procedures and activity test exemption rates, adaptations may, in fact, show up as even starker differences in statistics.

### **Equality and fairness: outcomes and processes**

Implicit in the DSS Activity Test Section's original concern about national breach rate statistics was some sense that equality of statistics may be an indicator of system fairness. If breach rates were the same for indigenous identifiers and non-identifiers, then the social security system could be argued to be working justly between the two groups. As an ideal, there is nothing wrong with this approach. However, equality of statistics may need to be modified somewhat in practice, even as a goal towards which social security administration should be working.

The pursuit of statistical equality can, in some instances, involve an oppressive and inappropriate insistence on sameness. Dealing with the difference and diversity of the indigenous unemployed should not become a matter of insisting on sameness at the cost of distinctive indigenous ways. Insisting on equal employment and unemployment outcomes among indigenous identifiers and non-identifiers may be an instance of imposing such inappropriate sameness and of denying indigenous people their right to self-determination in relation to employment and economic status (see, for example, Sanders 1991). However, this is not so much of a concern here, since what is being projected as the ideal towards which social security administration should be working is more a matter of equality of process.

Breach rate statistics identify what is happening to indigenous identifiers and non-identifiers once they enter the unemployment payments system. The ideal of achieving procedural equality within that system is quite a good one. It does not insist on substantive sameness, but it does monitor administrative processes to see if they are having unequal impacts on particular categories of clients. In the light of the cultural and social content of rules and procedures and the diversity of the unemployed, unequal impacts of unemployment payments administration are to be expected, and indeed are likely to prove reasonably intractable. However, some movement towards procedural equality over time might be taken as indicating some success in coming to grips with both the diversity of the unemployed and the cultural and social content of rules and procedures. It may indicate that more appropriate rules and procedures for particular unemployed people's circumstances have indeed been devised.

It should, perhaps, be noted in closing that it is the Northern Territory social security administration which comes closest to achieving the implicit ideal of procedural equality between indigenous identifiers and non-identifiers. There, in urban areas, indigenous identifier and non-identifier breach rates are close to equal. In remote areas, however, the Northern Territory social security administration appears to have somewhat overreached the procedural equality standard. Through exempting large numbers of remote area clients from any job search aspects of the activity test, the Northern Territory administration has driven down indigenous identifier breach rates in these areas to well below those of non-identifiers.

This return to the Northern Territory situation serves to reinforce the point that even procedural equality within unemployment payments administration is an ideal which needs to be monitored and contextualised. It is a good ideal towards which to be working, but even as it is approached or achieved in certain areas, the reasons for this need to be analysed and the ideal itself re-assessed. Applying the activity test appropriately and reasonably to the diverse individual circumstances of unemployment payment applicants may well always generate different statistics for indigenous identifiers and non-identifiers, and this needs to be acknowledged and accepted.



## 8. Ideas for further action

This final chapter suggests some ideas for further action which may help to better manage the involvement of indigenous identifying people in unemployment payments administration and reduce statistical differences between indigenous identifier and non-identifier breach rates. It does so from the basis of the perspective established in the last two chapters: that is that some differences in breach rates statistics between indigenous and other Australians are to be expected as a result of the diversity of the unemployed, the cultural and social content of unemployment payment rules and procedures, different office cultures and roles, and tensions and ambiguities in social security administration; that these differences in statistics are likely to prove fairly intractable, but that the ideal of achieving procedural equality within unemployment payments administration between indigenous identifiers and non-identifiers is a good goal still worth pursuing. This perspective also acknowledges that substantial adaptations to indigenous people's circumstances are already built in to income support administration. The ideas in this chapter, therefore, would be contributing to further adaptive action within the social security system, rather than beginning anything new or unprecedented. Indeed, some of the ideas for further action suggested here have already been progressed further during the course of the research.

These ideas for further action are discussed under a number of sub-headings, as discrete topics. However, their greatest effect would be through interaction and mutual reinforcement. They need, therefore, to be considered together, as well as separately.

### **Further recognising diversity of the unemployed (or not teaching applicants to lie)**

The first idea for further action relates to the end point of the analysis arrived at in Chapter 6; recognising the diversity of the unemployed. This is not a new theme in discussions of unemployment payments administration. The Social Security Review of the late 1980s identified the diversity of unemployment payment recipients as a major issue and suggested very strongly that different approaches were required for different types of unemployed people (Cass 1988). That Review noted some movements in the mid 1980s in this direction, such as the introduction of Job Search Allowance for 16 and 17 year-olds in January 1988, and the 1986/87 budget's relaxation of the frequency of reporting requirements for unemployment payment recipients over age 55 with payment durations over 12 months (Cass 1988: 199, 219). Since then, much more has been done to recognise the diversity of the unemployed within unemployment payments administration. The activity test has been broadened beyond job search, a distinct youth allowance has been introduced, variable frequency reporting has been introduced for all age groups of unemployment payment recipients depending on other characteristics such as the extent of other earnings and duration of unemployment payments, a job seeker classification index has been introduced and so too have different categories of employment service providers.

These reforms do not yet go far enough in recognising the diversity of the unemployed. There are still unemployment payment recipients being asked to meet job search requirements which are not particularly realistic, given the state of their local labour markets and their own skill and experience levels. It is still common to observe people with few immediate employment prospects filling in forms asking for substantial numbers of employer contacts. Contacts listed by such people are likely to have been made fairly cursorily, and in some instances are unlikely to have occurred at all. The lists seem to be only minimally scrutinised by customer service officers and to serve little if any purpose in unemployment payments administration in relation to these people. The only thing these unrealistic job search requirements may achieve, as suggested in Chapter 6, is to teach applicants to lie in their dealings with unemployment payments administrators. This is not a good outcome, as it may have implications for the other aspects of information gathering and scrutiny involved in income support administration.

The choice for unemployment payments administration seems clear. Either it must make activity test requirements imposed on diverse individual unemployment payment recipients a realistic reflection of their particular labour market position, experience and skills, or it will continue to teach applicants to lie in their dealings with income support administrators. Standard procedures which impose unrealistic job search requirements on particular unemployed individuals will end up undermining respect for and truthful dealing with the social security system as a whole. This is a fairly stark characterisation and prognosis. But it is one that can be addressed and rectified through mechanisms already in place, such as individualised activity test agreements. These have the potential not only to tailor activity test requirements to individual circumstances and local labour market conditions, but also to engender trust in the officer/client relationship. Clients would be making an agreement with Centrelink on realistic activity test requirements for their own particular circumstances and skills and would then be judged against their own agreed requirements. This gives clients an active role in the administrative process. They are involved in identifying activity test requirements that are realistic and appropriate for them, and then also in the enforcement of those requirements. This may be fairer, more efficient and more trust-building than applying standard procedures which may not be very appropriate to particular applicants' circumstances. The facility for individualised activity test agreements already exists within social security legislation and administration, but has perhaps not yet been used widely and innovatively enough to reflect the full range of diversity of the unemployed and to build reciprocal trust with clients.

### **A No Correspondence Client facility**

A second idea for further action is the development of a No Correspondence Client facility. This is intended to address a range of issues which arise in relation to indigenous identifiers and their higher breach rates, such as low levels of literacy, high levels of residential mobility and poor access to postal services. Such a facility could, however, be applied to some non-identifiers as well.

The No Correspondence Client facility would require customers to 'check in' with Centrelink administrators at regular intervals. But in between times no unanticipated changes would be made to their unemployment payments and no correspondence would be sent out. At check in, review procedures would be carried out and agreement reached for a payment and activity test regime until the next check in/review.

This No Correspondence Client facility may be seen as offending requirements in the Social Security Act that clients be advised in writing of decisions being made about their payments (see Social Security Act s.1302). However, such an interpretation need not prevail. Clients could be advised in writing at the time of their check-in/review in order for this formal requirement to be met. What is being avoided by the No Correspondence Client facility is the cycle of unanticipated letters to unstable addresses evoking no, or uncertain, responses.

During interviews and discussion sessions, it emerged that Centrelink's National Indigenous Consultative Group was exploring a similar idea to the No Correspondence Client facility, referring to it as a 'Physical Lodgment/Review Client' facility. The idea clearly has some merit and needs to be explored more fully. If implemented, these ideas would be a major service delivery innovation in income support administration. New arrangements may take some getting used to, both for clients and for local/regional office administrators. But they may also have very significant potential to address some of the issues raised in discussion sessions as driving up indigenous identifier breach rates, particularly the administrative breach rates. Such a facility could be seen as a major step towards making the procedures of income support administration more sympathetic and appropriate to the cultural and social circumstances of indigenous people, rather than simply imposing on indigenous people procedures and norms drawn from very different non-indigenous circumstances.

No correspondence clients would still be able to be breached, either administratively for not turning up for their regular check in/review or more substantially for not meeting their activity test requirements. But if check-in/review arrangements and activity test requirements are both organised with client consultation and agreement, Centrelink will at least be in the defensible position of having attempted to service clients in a manner of their choosing which is appropriate to their circumstances. Breaching may in fact decrease simply as a result of clients feeling that they have been part of the process of designing an administrative regime which is appropriate for them.

The No Correspondence Client idea generally attracted positive reactions when raised in discussion sessions. It was seen by some officers as also having potential for saving Centrelink considerable time and money. Less correspondence could be sent out and much less would be returned. There would also be less potential for clients to claim that they hadn't received advices sent to them.

## **Tying correspondence to reporting**

Another innovation, which would not be quite as large a change in servicing approach as the No Correspondence Client facility, would be the tying of all correspondence to pre-arranged and anticipated reporting cycles. This avoids the unanticipated letter or review, by coordinating it with the anticipated letter or review. This could be used, alongside the No Correspondence Client facility, for clients for whom low literacy, high residential mobility or poor postal services were not such acute problems, but who still found unanticipated advices difficult to cope with.

## **More of a case officer approach**

All of the above suggestions, require more understanding to be built up between clients and administrators about the particularities of individual client situations and how these can be realistically accommodated in unemployment payments administration. Such a build up of understanding would probably require more of a case officer approach, and less of a process approach, than is currently adopted within income support administration. Particular officers would have to take on responsibility for particular clients and see those clients through most stages of the administrative process. Clients often express the desire to deal with officers they have dealt with previously, and in this way both trust and better understanding of client circumstances can perhaps be built up.

Adopting more of a case officer approach and less of a process approach to administrative organisation should not detract from Centrelink's ability to service clients when officers are absent, nor to engage from time to time in selective, more stringent, more detached client reviews. A process approach and a case officer approach are not mutually exclusive, but rather are matters of relative emphasis. Hence, the framing of this idea in terms of adopting more of case officer approach, rather than in absolute terms. Some considerable process elements of administrative organisation will inevitably remain.

One effect of adopting more of a case officer approach within unemployment payments administration may be a lessening of separate 'control oriented' and 'client oriented' roles and subcultures which are presently identified with different process oriented units, such as the initial assessment and compliance/review units. All officers would have to 'walk the tight-rope' of unemployment payments administration between the client and control orientations, using their discretion and judgement openly, fairly, and in a balanced manner in relation to their clients. This may be good for organisational morale and unity, as well as for building trust with clients and for more informed decision making.

## **More small satellite offices**

In conjunction with more of a case officer approach, more individualised tailoring of activity test procedures to the diversity of the unemployed and a No Correspondence Client facility, a related further action could be the development of more satellite local officers. At present, offices with almost 100 Centrelink employees dominate the customer service network, with smaller satellite offices being relatively few in number. Most large

Centrelink offices have no small satellite offices attached to them and those that do usually have only one or two. This places some social and geographical distance between income support administrators and clients living outside the urban centres in which these large Centrelink offices are located. The knowledge and understanding that Centrelink officers have of the local labour market and other circumstances of these clients is not always that great.

Were more income support administrators to be located in small satellite Centrelink offices and to adopt a more case officer approach to their clientele, their knowledge of the local labour market and other circumstances of clients would increase considerably. Increased knowledge of clients and local circumstances should, arguably, lead to more appropriate use and development of procedures, better, more informed decision making, better judgements about whether people are being truthful in their dealings with Centrelink and better use of discretion.

The Normanton Centrelink office, in Queensland's Gulf country, is a useful example of a small satellite office which already tends towards a case officer approach. With only three Centrelink officers and doing its own compliance and review work, it cannot but effectively adopt a case officer approach. The Normanton office's indigenous and non-identifier breach rates were, it will be recalled from Chapter 3, quite unusual. Its administrative breach rates for indigenous identifiers and non-identifiers were very close to equal, suggesting an office which knew and could keep track of its local indigenous and non-identifier clienteles equally well. Normanton's activity test breach rate was considerably higher among indigenous identifiers than non-identifiers but, as suggested in Chapter 3, this could probably be explained primarily by the issue of leaving CDEP, which is specific to indigenous people. This issue aside, Normanton may provide some indication of what can be achieved through more small satellite officers and more of a case officer approach.

The approach within income support administration to small satellite local offices appears to have been somewhat ambivalent over recent years. Not many have been added to the network and those that do exist, through various historical episodes, have sometimes felt threatened with closure. Clearly there are problems with small offices, relating to issues such as levels of staff knowledge and training, staff turnover and continuity, etc. Many of these problems can, however, be lessened by maintaining strong relations with larger overseeing offices. Further development of large regional office/small local offices relations would clearly be necessary were a clear commitment to more small satellite local offices to be put in place. Some regional offices visited, like Dubbo in New South Wales, seemed keen on this idea and saw themselves potentially becoming managers of a quite extensive 'hub and spoke' multi-office network.

### **Upgrading and further recognising community agents**

Some additional small satellite Centrelink offices could be created by upgrading community agent's positions that have proven successful and have shown a demand for their services. This has already occurred at Tangentyere in Alice Springs and is being

explored by regional office managers elsewhere as well. It is also possible that paid community agents could be upgraded, through more training and payment for longer hours, without becoming Centrelink officers/offices. There are, however, limits to what paid community agents can do without becoming Centrelink officers.

At the other end of the scale of community agents are the many unpaid informal intermediaries. Some of these already receive training and there is clearly considerable scope to expand the number of external intermediaries formally paid and recognised as Centrelink community agents. Such people already play a very important role in linking Centrelink with its indigenous clientele and the quality of that role can only improve through more formal training, payment and recognition.

### **Self-serve kiosks and regional/area teleservices**

Some Centrelink offices have begun to experiment with self-serve kiosks through which clients in small communities can have direct telephone access to the regional Centrelink office, while also making forms and information pamphlets available on site. The potential for this form of servicing in small communities with predominantly indigenous populations is at this stage unknown. They may provide useful adjuncts or alternatives to community agents, where these are not available or feasible, and to national teleservices, which are clearly not always liked by clients. Experiments with kiosks in small communities with significant indigenous populations, such as those being conducted by the Mount Isa Centrelink office, should be monitored and their potential for further development and application elsewhere carefully evaluated.

Regional or area, rather than national, teleservices are another model of servicing which is being tried. The Cairns/Westcourt combined regional teleservice for predominantly indigenous outlying areas, using indigenous staff, could be looked to as a model with potential wider applications, as too could the New South Wales area west indigenous unit and 1800 telephone access service based at the Mount Druitt Centrelink office.

### **Encouraging indigenous identified staff to be decision makers**

Another idea for further action relates to the role of indigenous identified staff within Centrelink. Chapter 5 noted the important contribution these staff already make in servicing indigenous clients and keeping down what could otherwise be even higher indigenous breach rates. However, it also noted tensions between indigenous identified staff and other staff over their respective roles in relation to indigenous clients. These tensions may never be fully resolved, but they may be alleviated, to some extent, by indigenous identified staff being encouraged to become fully accredited income support decision makers. Making decisions about applicants' entitlements is the core business of income support administration and any officer within Centrelink who is not accredited to make and does not make those decisions is inevitably regarded as somewhat marginal to the organisational enterprise. Such officers will not be fully respected by their peers as full participants in organisational processes.

Because of the diverse ways in which indigenous identified staff have been recruited into and deployed within income support administration, some are currently accredited decision makers, while others are not. It is those who are not accredited decision makers, and who, hence, can only play an adjunct role to others in the organisation, who seem to express the greatest degrees of tension over respective roles. Those who are accredited decision makers still worry about being swamped with work through indigenous clients being directed to them unnecessarily, or through becoming bulk decision makers for all clients and losing any sense of being a dedicated resource for indigenous people. But these are lesser tensions and concerns than being unable to make decisions at all and having always to explain one's understandings of client circumstances to others who are the decision makers.

A recent review of Centrelink's recruitment and career development of indigenous staff noted that, of the organisation's 24,000 employees, some 1,000, or 4.2 per cent identified as indigenous. Of these 1,000, only 170 occupied indigenous identified social security positions and 100 occupied Abstudy positions newly transferred from the Department of Employment, Education, Training and Youth Affairs. The remaining 730 indigenous identifying staff were spread across the agency in general positions (Lewis 1998). This pool of indigenous staff is a major organisational resource and should be considered in its entirety, rather than just focusing on indigenous identified positions. Indigenous staff can be usefully moved between general and indigenous identified positions as a way of providing them with broader training and experience, better integrating them into the organisation and relieving stresses on them which may be built up when they are in dedicated indigenous service positions. Recruiting indigenous identified officers from outside the organisation and then leaving them in identified positions over extended periods of time, unaccredited as formal Centrelink decision makers, is not a useful model and should be a thing of the past. Indigenous identified officers should be fully trained and accredited, broadly experienced Centrelink decision makers moving on a career path through various positions in the organisation; though not so quickly as to leave indigenous clients with an ever changing array of local or regional indigenous identified staff.

### **Encouraging and monitoring area/regional/local office adaptation and experimentation**

Another issue which needs to be raised in the context of ideas on which to base further action is the attitude of central office to area, regional and local office adaptation and experimentation with procedures and servicing arrangements. Generally this should be encouraged and monitored, rather than either discouraged or ignored. Adaptation and experimentation at the 'client processing' level of the organisation reveals much about the day to day realities of income support administration and should be regarded as a primary source of knowledge for further development of procedures and service delivery arrangements. Such adaptation and experimentation will, if attended to, reveal much about the diversity of the unemployed and the cultural and social content of existing

rules and procedures. To deny or disapprove of adaptation and experimentation would be to deny the complex discretionary and judgmental reality of unemployment payments administration and to cut central level administrators off from the social reality they need to understand in order to develop workable and appropriate rules and procedures covering diverse social and labour market circumstances.

In this context, it may be worth returning once more to the instance of the Northern Territory. With almost half of its unemployment payment clients identifying as indigenous and the vast majority of these being resident in rural/remote areas with very rudimentary, almost non-existent labour markets beyond CDEP, and with few vocational training facilities, the Northern Territory social security administration clearly faces a starkly different social and labour market reality to that experienced in southern metropolitan or even rural areas. It would be surprising, therefore, if the Northern Territory social security administration did not feel the need to adapt standard procedures developed in southern contexts in order to make them more relevant and realistic to its social and cultural circumstances. Arguably, the current social security legislation together with administrative law principles not only allows, but also requires, service deliverers to adapt procedures to their working environment.

Other milder forms of adaptation and experimentation are present elsewhere within the social security system outside the Northern Territory, but do not show up so clearly in breach rate and activity test exemption statistics. These other milder forms of adaptation and experimentation also need to be recognised and encouraged. Monitoring and learning from these adaptations and experiments is a far more constructive and realistic approach for central administrators to adopt than either denial or discouragement of their existence.

### **A suspension and re-instatement facility**

During the early phases of this research it was sometimes noted that to overturn a breach and restore a client to unemployment payments required a full new application procedure. It was often suggested that a suspension and re-instatement facility which did not require full new application procedures may be useful and appropriate, particularly in the case of minor administrative breaches which had a reasonably high probability of being overturned by original decision makers when the client made contact.

By the end of the research period, with the introduction of a new common computing platform for unemployment payments, youth allowance and Austudy administration, such a suspension and re-instatement facility did then exist. Awareness of it was slowly spreading and so too, presumably, was the use of it to avoid full re-application procedures after breaches had been overturned. Further monitoring of this facility to see if it is meeting the requirements of original decision makers overturning breaches may be worthwhile.

## **Integration of CDEP participant schedule administration**

The potential for breaching due to administrative mismatch between unemployment payments administration, carried out by Centrelink, and CDEP participant schedule administration, carried out by ATSIC, could be reduced considerably by the integration of CDEP participant schedule administration into Centrelink's computer-based administrative system and program delivery workload. This may begin to occur through the payment by Centrelink, from March 1999, of a CDEP participant supplement, similar to the work-for-the-dole supplement, as announced in the 1998 budget. However, irrespective of the implementation of the 1998 budget decision, there is still a clear need for ongoing efforts to better integrate CDEP participant schedule administration and the Centrelink unemployment payment administrative database. A multiple entitlement exclusion applies between the two, yet no adequate administrative mechanism for maintaining that exclusion currently exists. This is not good administrative practice and it may be leading to both underpayment and overpayment, as well as unnecessary breaching among the indigenous clientele.

## **Integration of Abstudy administration**

The current lack of integration between Abstudy administration and unemployment payment administration may also be leading to unnecessary overpayment, debt recovery and breaching. As Centrelink now administers Abstudy, this should be able to be overcome by better integrating Abstudy administration with the common computing platform for unemployment and other related payments. Time periods for eligibility assessment and payment should be able to be commonly identified and adjustments appropriately made when switching from one type of payment to the other.

## **Further statistical monitoring and research**

Indigenous identifier and non-identifier statistics derived from the social security administrative system provided the starting point for this research. This is, to our knowledge, the first time such statistics have been used as a research tool. Together with contextualising locality-based discussion sessions and interviews, these statistics have proven to be a useful and insightful way of opening up issues about the different ways in which indigenous identifying and non-identifying clients may experience income support administration and ways in which those experiences may be made more fair and equal. Further statistical monitoring, similar to that undertaken here, will clearly be necessary in the future in order to assess the impact of further actions taken within income support administration. As a first step, it may be useful to carry out a similar statistical exercise at July 1999, when a full two-year history of breaching under the new penalty regime of July 1997 will be in place, or at May 2000, when a two-year history of breaching on the new common computing platform for unemployment and related payments will be in place.

It should not be anticipated that these further statistical monitoring exercises will show dramatic change from the present situation. Differential breach rates between indigenous identifiers and non-identifiers are likely to prove fairly intractable and difficult to change. However, some changes in statistics may become evident, particularly at more detailed levels of analysis, and these may point to changes occurring in administrative practice. Some further discussion sessions and interview research may also be required, though probably not to the extent necessary in 1998. The general range of issues that relate to indigenous breach rates are now reasonably well known and should be able to be monitored on an ongoing basis largely within Centrelink and DSS.

There are, however, some other types of research on related topics which could also be undertaken as a way of further exploring indigenous people's experience of unemployment payments administration. One criticism made of this research was that it did not look in detail at particular cases of indigenous people's experience, examining the quality of decisions made. This could certainly be usefully done. It has also been suggested in passing, that there is scope for further research on indigenous people's use of review and appeals mechanisms and on issues such as underpayment through lack of willingness to return to Centrelink after adverse decisions. There is also further scope for research on the articulation of CDEP and unemployment payments administration, and the implication of each in emerging indigenous labour market and industry contexts, such as Aboriginal-owned pastoral enterprises, the indigenous art and craft industry or indigenous fishing and wildlife harvesting. In all these contexts, examination of the social security database by indigenous identifiers and non-identifiers for different geographic areas, ages, genders, income unit/family types, breaches and breach types may contribute information. Having opened its administrative database to research purposes, while not in any way compromising the confidentiality of its records, we would encourage the DSS to take this process further.

### **Prioritising action**

This final chapter began by suggesting that these ideas for future action, while discussed separately, would have their greatest impact through interaction and mutual reinforcement. To conclude, however, it may be useful to indicate some order of priority among these various ideas for further action. Perhaps the two most important ideas in relation to indigenous unemployment payment recipients are those discussed first in this chapter: further recognising diversity among the unemployed and the No Correspondence Client facility.

Further recognising diversity among the unemployed provides a broad philosophical base from which to build greater realism and trust into unemployment payments administration. From this philosophical base, unemployment payments administration can work to develop procedures and activity test requirements which are appropriate to the diverse circumstances of the unemployed, including the indigenous unemployed. Unemployment payment recipients are a very diverse group of people with vastly differing prospects for finding working and hence vastly differing requirements for

activity testing. Procedures and activity test requirements should reflect this diversity far more than they yet do, and this may in turn build a more trusted, fairer and more legitimate unemployment payments system.

The No Correspondence Client facility attacks another range of issues relating to the social and cultural content of current mail out procedures; such as indigenous people's low levels of literacy, high levels of mobility, poor access to postal service and relative lack of confidence in, and in dealing with, government bureaucracies. Together with further recognition of the diversity of the unemployed, and perhaps also moves towards a more case officer approach within unemployment payment administration, the No Correspondence Client facility would seem to have considerable potential for working towards a more culturally appropriate, trusting and locally informed approach to unemployment payment administration for indigenous Australians.

Not all differences between indigenous identifiers and non-identifiers within unemployment payments administration processes and statistics will be removed by measures such as these. But at least their implementation would represent some recognition of the differential cultural and social impacts of unemployment payment rules and procedures, and some concerted attempt to appropriately adapt these rules and procedures to the circumstances of indigenous Australians.



# Appendix

## **Locations visited for interviews and discussion sessions**

Alice Springs (Northern Territory)

Broken Hill (New South Wales)

Broome (Western Australia)

Bourke (New South Wales)

Cairns (Queensland)

Derby (Western Australia)

Dubbo (New South Wales)

Fortitude Valley, Brisbane (Queensland)

Karratha (Western Australia)

Launceston (Tasmania)

Mt Druitt, Sydney (New South Wales)

Mt Isa (Queensland)

Normanton (Queensland)

Nowra (New South Wales)

Port Augusta (South Australia)

Redfern, Sydney (New South Wales)

South Hedland (Western Australia)

Tennant Creek (Northern Territory)

Thursday Island, Torres Strait (Queensland)

Victoria Park, Perth (Western Australia)



## Notes

1. In the administrative reorganisation following the October 1998 Federal election, DSS ceased to exist as a separate administrative entity, becoming instead part of a larger Department of Family and Community Services. As this research was undertaken before that change, the pre-October 1998 terminology has been retained.
2. The format adopted throughout this paper is that 'a' tables refer to the June 1997 data set and 'b' tables refer to the March 1998 data set. Where for some reason there is only one set of figures available, 'a' and 'b' are not used.
3. The distinction between breach rates and breach penalties is added here because as at July 1997 when new rate reduction penalties were introduced (replacing non-payment period penalties), a 'clean slate' policy was also introduced. Under this policy, pre-July 1997 breaches do not count towards penalties, although they do remain on the administrative record. Hence, breach penalties imposed will not reflect a full two-year history of activity test breach rates until July 1999.
4. Legislatively these people are generally deemed as being 'taken to satisfy' the activity test, rather than formally being exempt from it. In administrative practice, however, as reflected in these data sets, they are classified as 'exempt' from the activity test, and this is in many ways a reasonable common sense characterisation.
5. Since the vast majority only have one breach on their record, the addition of 'latest' here is fairly insubstantial.
6. Work-for-the-dole pilots commenced progressively from October 1997.
7. Jobseeker diaries were introduced as a new administrative measure in July 1996.
8. In the remainder of this report, wherever the March 1998 data set is adjusted from gross to net breach rates by deleting breaches subsequently overturned by original decision makers, the resulting new table maintains its number but changes its letter from 'b' to 'c'.
9. Table 3.2a contains 50 offices, whereas Tables 3.2b and 3.2c contain 49. Three offices fell below the 200 threshold between June 1997 and March 1998, Derby, Innisfail and Carnarvon, and hence appear in Table 3.2a, but not Tables 3.2b and 3.2c. Two offices, however, Lismore and Knuckey Street, rose above the 200 threshold during this time and hence appear in Tables 3.2b and 3.2c but not Table 3.2a.
10. This sometimes includes three offices in northern Western Australia, Kununurra, Derby and Broome, which are part of Centrelink's area north Australia administration.
11. This cluster includes Broken Hill which, although it is in New South Wales, is part of Centrelink's area South Australia administration.
12. See Social Security Act s.1296c.

13. See 1997 and earlier versions of the *Guide to the Administration of the Social Security Act s.12.301–s.12.303*.
14. See 1997 and earlier versions of the *Guide to the Administration of the Social Security Act s.12.307*. See Sanders (1997) for a fuller discussion of DSS's treatment of CDEP participants up to 1997.
15. Exceptions included 'where a person or couple would be financially worse off by remaining on CDEP than they would be on NSA [Newstart Allowance]', where 'the person's CDEP place is taken by another CDEP participant' and 'there is no work available on the CDEP' and where 'the person is leaving to take up other paid work'.
16. This figure includes two of the offices in northern Western Australia which are part of Centrelink's area north Australia administration.
17. The designation DO stands for District Office and RO for Regional Office. These terms are no longer officially used, with all offices now being referred to as Centrelink Customer Service Centres. The designations are, however, still in the administrative record and are a good indicator of whether an office is a small satellite or a larger stand-alone operation.
18. As noted above, the Broken Hill office is part of Centrelink's South Australian area administration. This can be seen by its area office designation in Tables 3.2a–c and 3.3a–c.
19. There are a few other negative figures outside the Northern Territory in these columns. Most relate to Australian Capital Territory rural areas, where numbers are small, and hence the figures are not statistically significant. The only negative figure of any statistical worth relates to activity test breaching in Tasmanian urban areas in Table 4.3a and this is only negative by 0.6 per cent.
20. See Social Security Act 1991 s.630AA (1)(b).
21. See Social Security Act 1991 s.729 (2) (e). Other parts of s.729 of the Act limit the payment of Special Benefit in various ways.
22. It has already been noted in Chapter 5 that social security letters can, because of administrative law requirements, be quite complex and somewhat ambiguous in their tone.
23. The legal/administrative status of corresponding with clients will be returned to in Chapter 8.

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National level statistics indicate that unemployment payment recipients who identify as indigenous are 'breached' more frequently than other recipients for not complying with the 'activity test' or other administrative requirements. This monograph attempts to understand why this is so and what can be done about it. It does so by further interrogating the administrative statistics, by age, gender and sub-national geographic levels and by drawing on discussion sessions convened in 20 localities across Australia.

The research observes consistently higher indigenous breach rates across age groups and genders, but some degree of regional and State/Territory variation. It argues that this geographic variation is to be expected given the different operating environments and economies of various areas. It argues that there are inevitable tensions and ambiguities, as well as different office cultures and roles within income support administration, and that there is a cultural and social content to all social security rules and procedures, plus a great diversity of unemployed people; all of which may contribute to differences in breach rates.

The analysis identifies a number of issues raised by participants in discussion sessions which may be contributing to higher indigenous breach rates, such as literacy and mobility, confidence in and with government bureaucracies and CDEP scheme administrative arrangements. It also identifies adaptations to the circumstances of indigenous people which have already been made within social security administration, in particular the appointment of indigenous-identified staff and the use of third-party intermediaries in service delivery. The research makes a number of suggestions for further adaptations which may help lower indigenous breach rates, including a 'no correspondence client' facility, more of a case officer approach, more small satellite offices and greater use of more individually-tailored activity test agreements.