

5. Indigenous Job Seekers

Background

Indigenous job seekers are people receiving Newstart Allowance (NSA) or Youth Allowance (other) who self identify as being an Aboriginal or Torres Strait Islander.

- Under AWT, from July 2002, Indigenous job seekers were provided with additional help to look for work through immediate access to a range of Job Network services such as Job Search Training.
- Additional support was also provided through Training Accounts which were designed to help Indigenous job seekers who were linked to the Job Network, Fee For Service provider or participated in Indigenous Employment Centres to improve their employment prospects through the provision of training.
- From September 2002, Indigenous job seekers were required to attend an interview with a Personal Adviser to improve their chances of getting paid work.
- In remote areas, the service delivery system was enhanced through Remote Area Service Centres to ensure all received their correct entitlements. Where labour market opportunities existed, greater interaction between Community Development Employment Projects (CDEPs) and mainstream Job Network services was supported.¹⁰

Since the introduction of AWT, significant changes have taken place to the way the Government is working with all Indigenous

Australians. In this regard AWT is only a modest part of a broader reform agenda relating to Indigenous Australians. The new initiatives for all Indigenous Australians include:

- Shared Responsibility Agreements (SRAs) and Indigenous Coordination Centres (ICCs). Through SRAs, government agencies are forming agreements with Indigenous communities which involve participation on a range of measures designed to make positive changes in the community. Similarly, establishment of ICCs provides Indigenous communities with improved access to a range of services either through referral to appropriate service providers or by working across government agencies to draw in new or improved services.
- CDEP reforms around targets for employment, business and community activities. Initiatives such as contracting out municipal services provided by CDEP and supporting viable CDEP businesses to become stand alone businesses will affect the transition of participants into work away from CDEP.
- Lifting of remote area exemptions (RAE) from participation, centred on providing suitable activities for people to participate in remote areas.

The following information focuses on Indigenous job seekers who are in receipt of the Newstart allowance. Similar information was not available at the time of preparation of this report for those participating in CDEPs.

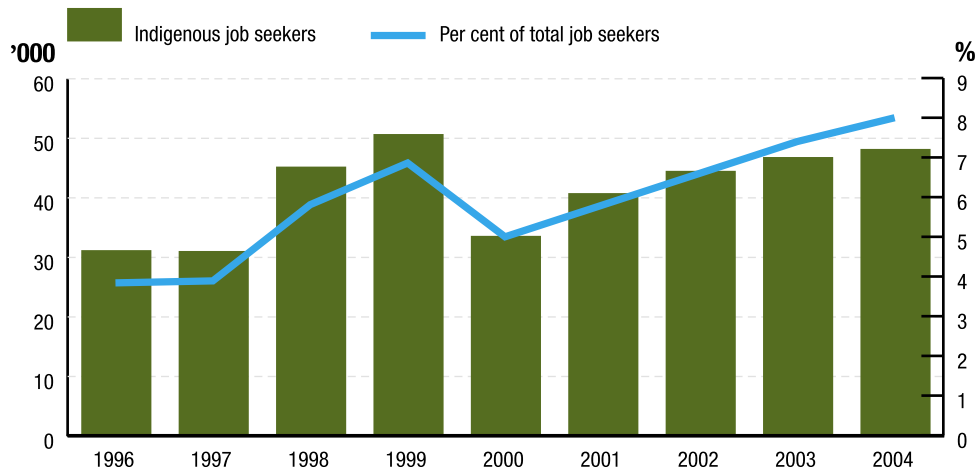
¹⁰ Indigenous Employment Centres were set up in CDEPs in labour markets with better employment opportunities.

Income Support Reliance

The proportion of Indigenous people receiving income support continued to grow from 2002 to 2004, reaching 48 000 in 2004 and comprising

8 per cent of the total job seeker population (Chart 23).¹¹ This may reflect a range of factors including the younger demographic profile of the Indigenous population and increased self identification as Indigenous.

Chart 23: Indigenous job seekers — population, June 1996 to June 2004

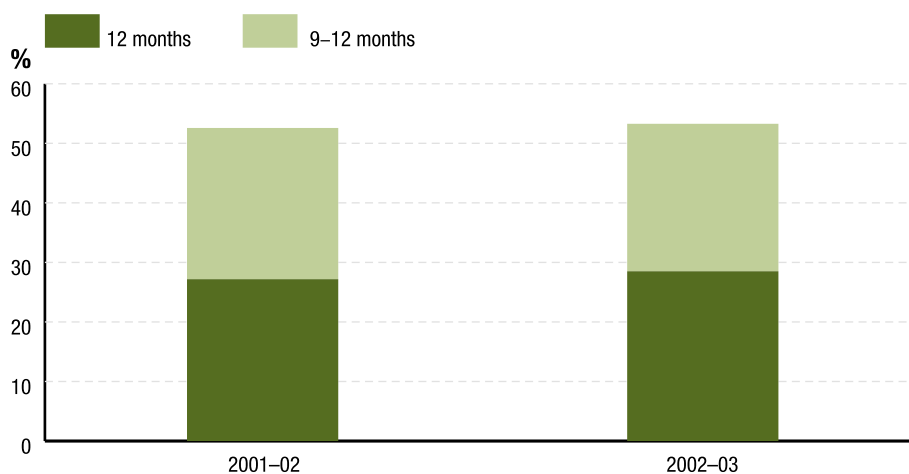


Source: Centrelink administrative data

Since the introduction of AWT, income support reliance among Indigenous job seekers who were not participating in CDEP has remained steady.

Around 50 per cent spent nine months or more of the year receiving income support. This is higher than the job seeker population as a whole (Chart 24).

Chart 24: Indigenous job seekers — income support receipt, 2001–02 and 2002–03



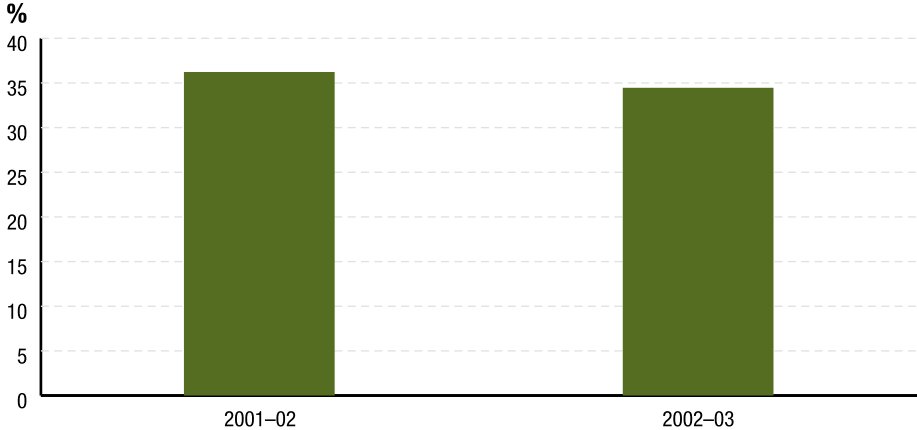
Source: Working Age Longitudinal Extract (WALE) — sample of Centrelink administrative data

Note: WALE data was not available beyond 2003 for analysis.

¹¹ Indigenous jobseeker numbers include those with Remote Area Exemptions from the Activity Test.

The proportion of Indigenous job seekers not in CDEP who exited income support over the year remained at one third (Chart 25).

Chart 25: Indigenous job seekers — exits from income support, 2001–02 and 2002–03



Source: Working Age Longitudinal Extract — sample of Centrelink administrative data
Note: Exits do not include recipients who exited due to death or reaching Age Pension age.

Participation

Participation in paid work among Indigenous job seekers not in CDEP decreased marginally from 25 per cent in 2001–02 to 23 per cent in 2002–03 (Table 6).

Table 6 Indigenous job seekers — paid work while on income support, 2001–02 and 2002–03

% reporting	2001–02	2002–03
Fortnightly earnings from paid work	25	23
Of those with earnings:		
Distribution of fortnightly earnings ^(a):		
Less than \$100	15	15
\$100 to \$399	50	48
\$400 and over	35	37

Source: Working Age Longitudinal Extract — sample of Centrelink administrative data

(a) Not indexed for inflation

Although income support reliance and participation in paid work among Indigenous job seekers is largely unchanged, some positive outcomes were reported. Total job placements through the Job Network for Indigenous job seekers increased after the introduction of AWT, from 20 395 in 2001–02 to 23 154 in 2003–04. Positive results were also evident for Indigenous jobseekers who received training using the AWT Training Account. Between April 2003 and March 2004, there were 6 900 recorded expenditures on Training Accounts for Indigenous job seekers who had commenced Job Network assistance. Post Program Monitoring data shows that, of those who received training using the Training Account,

27 per cent were employed and 13 per cent were undertaking education or training within 3 months after leaving assistance.

In addition, qualitative studies of remote areas indicated that Indigenous income support recipients gained a better understanding of Centrelink payments and services and were more aware of employment and training opportunities post AWT.

Findings from the Personal Adviser evaluation found that while some Indigenous job seekers valued the personalised assistance they received from PAs, others felt the initiative had not been successful in identifying their needs and providing access to appropriate services.

Conclusion

Measures of income support reliance and participation in paid work for Indigenous job seekers were broadly unchanged after the introduction of AWT. However, the

significant policy initiatives introduced for Indigenous Australians since 2002 means that no accurate assessment of the effectiveness of AWT can be made.