





I B NOV 1977

REPORT

OF THE

INTERDEPARTMENTAL WORKING PARTY

ON

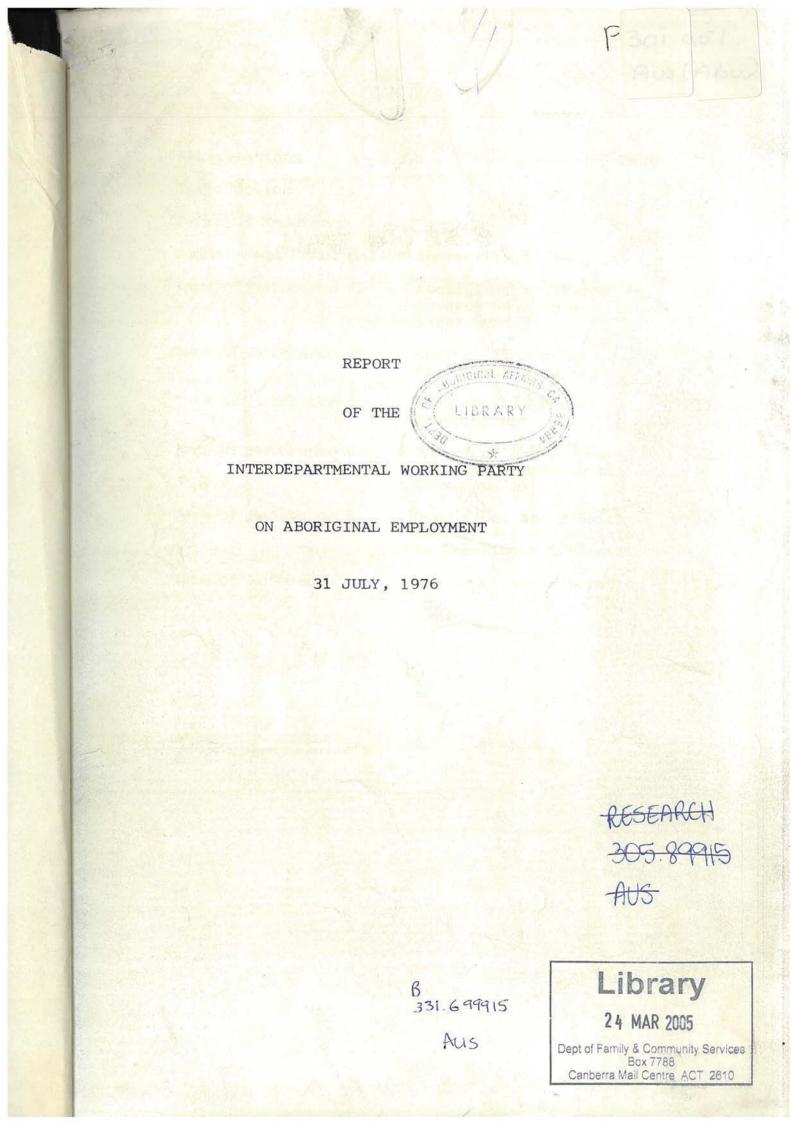
ABORIGINAL EMPLOYMENT

Canberra

31 July 1976

331. 699915 AUS B





CONTENTS

~ '

Abbreviations	Page i
Introduction	ii
Terms of Reference	v
Summary and Principal Recommendations 1	
tow	original attitudes 6 wards Gaining a velihood
	rent Aboriginal 8 bloyment Situation
; 	asures to Reduce 11 employment
Ber	bact of Unemployment 22 Defits on Aboriginal Mmunities
Abc	nditions under which 28 priginals are entitled Unemployment Benefit
Term of Reference 6 Rev	view of Administration 29

i

ABBREVIA'TIONS

ABSEG Aboriginal Secondary Grants Scheme Department of Aboriginal Affairs DAA DCC Darwin Community College DEIR Department of Employment and Industrial Relations ETSA Employment Training Scheme for Aboriginals NEATS National Employment and Training System Regional Employment Development Scheme REDS Special Works Project SWP NSW Department of Technical and Further Education TAFE

ii

INTRODUCTION

On 23 March 1976, the Minister for Aboriginal Affairs, the Hon. R.I. Viner, met with the Minister for Social Security, Senator the Hon. Margaret Guilfoyle, and with the Minister for Employment and Industrial Relations, the Hon. A.A. Street, to discuss the social problems arising from the current policy on payment of Social Service benefits and Unemployment Benefits to Aboriginals, and to review Departmental approaches to fostering Aboriginal employment. The Ministers resolved that a Working Party of officers from their respective Departments should be formed and that the brief for this Interdepartmental Working Party should be wide enough to allow exploration of all aspects of Aboriginal employment, vocational training, employment-creating activities, method of payment of Social Service benefits, as well as consider how a co-ordinated policy of the Departments could be achieved. The Minister for Education was subsequently requested to nominate an officer of his Department to participate in the deliberations of the Working Party, because of the important role of education in vocational and occupational achievements.

The Working Party comprised the following officers:

Mr K. Burnett	Director Policy (Review) Section, Policy Benefits & Review Division, Department of Social Security
Mr T. Gibson	Executive Officer, Aboriginal Employment Section, Manpower Development and Operations Division No. 1, Department of Employment and Industrial Relations
Mr K. Kocken (Convenor)	Director, Co-ordination Section, Planning Division, Department of Aboriginal Affairs
Mr B. Thomas	Director, Employment, Welfare and Commerce Section, Program Division, Department of Aboriginal Affairs
Mr P. Williams	Senior Project Officer, Employment, Welfare and Commerce Section, Program Division, Department of Aboriginal Affairs
Mr E. Wilmott	Senior Education Officer, Research and Special Programs Division, Department of Education.

Conscious that the problem was entrenched and complex, and that the time available to them was very limited, the Working Party made a number of visits to Aboriginal communities to gain, at least, an impression of the true situation and of Aboriginal opinion on the matters raised by the Ministers. Communities visited included Amata (S.A.); Mowanjum, Oombulgurri Turkey Creek (all in W.A.); and Maningrida, Papunya, Yuendumu, Bamyili (in the N.T.). In addition to these field investigations it should be pointed out that all members of the Working Party already had extensive first-hand experience of these problems as part of their regular duties. Several members had previously worked in Aboriginal communities.

In the preparation of its report the Interdepartmental Working Party also sought the assistance of specialist officers of relevant Departments and particularly the enthusiastic cooperation of Ms F. Roberts and Messrs T. Griffiths, M. Capelle, P. Houghton and P. Carrigy-Ryan, is gratefully acknowledged.

Aboriginal Employment/Welfare Working Party

Terms of Reference

1.

2.

3.

4.

5.

6.

To examine Aboriginal attitudes towards gaining a livelihood.

To examine the present state of Aboriginal unemployment levels and to ascertain the causes of such unemployment.

To recommend measures for reducing the magnitude of Aboriginal unemployment, both in the short and long term, with particular reference to:

- (a) the extent to which education, pre-employment and vocational training programs need to be varied to meet such needs; and
- (b) the extent to which existing schemes for promoting Aboriginal employment (National Employment and Training System and Special Work Projects) need to be modified and/or new schemes initiated.

To consider the impact of the payment of unemployment benefits to Aboriginals living as communities; the extent to which payment of these benefits has created unsatisfactory social problems within those communities; and to recommend ways by which these situations can be remedied, including recommendations as to any necessary changes.

To examine the effect on Aboriginal employment of the payment of unemployment benefits to Aboriginals not living in communities where Aboriginals receive such benefits under less stringent conditions than those which apply to the general community; and to recommend any necessary changes to the prerequisites for entitlement for unemployment benefits to such Aboriginals.

To consider and report on the most appropriate form of administration for the Government's programs of assistance to Aboriginal employment.

The Working Party is to prepare a report for consideration by the Minister for Aboriginal Affairs, the Minister for Employment and Industrial Relations and the Minister for Social Security, which is to be submitted to the Ministers by 31 July 1976.

v

SUMMARY AND PRINCIPAL RECOMMENDATIONS

1.

The Aboriginal workforce is currently estimated at 35,000 people of which 50% (or 17,500) is currently unemployed. Faced with a similar situation occurring amongst the American Indians in 1968, the President of the United States sent the first and only Presidential message on American Indians to Congress and established a National Council on Indian Opportunity chaired by the Vice-President with membership including members of the United States Cabinet. Emergency programs were immediately implemented.

The Working Party found that the unemployment situation faced by Aboriginal people in Australia is even worse than that faced by the American Indians and hence recognises the need for immediate measures which embody an approach different in nature to that applied for the general Australian community to alleviate current unemployment. No simple relationship was observed to exist between the social and economic conditions associated with the unemployment situation among Aboriginal people and factors such as unemployment benefits, education and employment opportunities. This is also true of a relationship with the current Australian economic situation.

The Working Party believes that many of the adverse effects which have been attributed to the introduction of welfare schemes such as unemployment benefit do not, in fact, derive from inherent deficiencies in the schemes themselves or their inappropriateness to Aboriginal needs. Rather, the suddenness, lack of planning and consultation and insensitivity to the cultural implications which characterised the introduction to Aboriginal society of many elements of western society, are equally features of unemployment benefits in the Aboriginal context. In the absence of accompanying educative programs at the outset, it can be assumed that the purpose of unemployment benefit as a stop-gap during interrupted employment, has never been adequately understood by some sections of the Aboriginal community. Moreover its adverse effects, compounded by other problems such as alcohol and lack of meaningful employment opportunities, only highlight the need to administer unemployment benefit, in the future, as an integrated component of the total Aboriginal employment strategy advocated in this report.

The Working Party particularly recognises that panacea approaches, based on only a limited understanding and knowledge of Aboriginal culture and social problems, are unlikely to meet with success in alleviating the problems of Aboriginal unemployment and under-employment.

Based on this view, the Working Party proposes the development of a comprehensive and flexible strategy, aimed initially at gaining only limited Aboriginal involvement but designed in such a way that the total problem will be subsumed and overcome as the social development and education level of Clients improves. The Working Party concludes that 60% (10,500) of unemployed Aboriginals would respond readily to employment progra which can be immediately implemented and, on the previously discussed basis, the approach recommended in this report aims to involve some 5,300 of this group as an immediate first step. It expects that the reduction in the numbers of Aboriginals unemployed by 15% would bring this problem to a level whereby other Government programs such as housing, health, education and land rights would begin to take effect.

Whilst a number of existing schemes aim to meet some of the related problems faced by Aboriginals, there are no contain and integrated programs designed to cover all aspects of the problems which have been identified. The Working Party stresses that the employment problem is so great and so complex that an integrated approach is vital to the success of any attempt to alter the employment pattern experienced by the Aboriginal community.

STRATEGIES

The recommendations contained in this report propose two basic schemes aimed at introducing:-

- Short term measures designed to alleviate, immediately, part of Aboriginal unemployment;
- A long term program to overcome both Aboriginal unemployment and under-employment.

This is supported by proposed administrative changes to ensure maximum effectiveness of these programs.

Finally, the Working Party stresses the need for Government commitment and private sector involvement in this integrated approach.

PROGRAMS

Short Term Employment Projects

The Working Party recommends that:

- The Special Work Projects scheme be expanded to provide employment opportunities for approximately 9% of the Aboriginal workforce, which represents approximately 18% of the Aboriginal unemployed. To enable administration to commence in 1976-77 an amount of \$15m be made available from the Treasurer's Advance.
- 2. Lump-sum funding from the S.W.P. scheme be made available to identifiable communities thereby making work obtainable, and consequently creating work-testing conditions in relation to unemployment benefits.

- 3. These grants to communities should be seen as separate to Town Management funds already provided by the Department of Aboriginal Affairs. Such S.W.P. funds should not normally be used for Town Management type projects.
- 4. The Department of Aboriginal Affairs, in conjunction with the Department of Employment and Industrial Relations and appropriate Aboriginal representatives, carry out an investigation into the needs and aspirations of individual remote communities with a view to establishing the possibilities for future development.

Relocation

That the relocation program now operating in New South Wales be expanded to other areas of Australia.

Long Term Projects

The Working Party recommends:

- 1. that to meet the specific and unique training needs of Aboriginals a <u>National Aboriginal</u> <u>Training Scheme</u> be established which would include provisions for both on-the-job training and formal courses;
- 2. that officers of Department of Aboriginal Affairs, Department of Employment and Industrial Relations and Department of Education immediately draw up for Ministerial approval the specific Terms and Conditions of a National Aboriginal Training Scheme;
- 3. that immediate provision be made for the extension to all other States and the Northern Territory of the successful Vocational Training Program for Aboriginals operating in New South Wales;
- 4. that specific attention be given to the development of Vocational Training in the Northern Territory.

Employment Motivation Development

The Working Party recommends:

- the expansion of the program to raise the motivation level towards employment, including career visits and work experience;
- 2. that an overall program of work motivation should be planned between Education Departments

and the Department of Employment and Industrial Relations to be implemented in primary schools (by the relevant Education Authorities) and to be carried through to the school leaving stage where vocational officers from the Department of Employment and Industrial Relations will continue the program;

3. that for the more traditional communities, it is essential that counselling and experience programs not be confined to school-leavers but be expanded to provide a wide section of the community with the opportunity to participate

The Northern Territory

The Working Party recommends, in the long term, implementation of a New South Wales styled program which would require the establishment of a technical and further education authority which would run courses through TAFE institutions in the Northern Territory involving the Department of Employment and Industrial Relations, the Department of Aboriginal Affairs, the Department of Education and Aboriginal Hostels Limited, in the same manner as in New South Wales. Meanwhile, in the short term, machinery exists in the Northern Territory for the immediate implementation of the following program:

- (a) The D.C.C. should immediately appoint a Co-ordinator of Aboriginal Courses and should become the prime source of formal vocational training for Aboriginals, both within and outside Aboriginal committees.
- (b) The Department of Education should act in an advisory capacity to the D.C.C. and should hand over its Adult Educator establishment to form the nucleus of the D.C.C.'s in-community training establishment.
- (c) The Department of Employment and Industrial Relations should significan maise the level its Aboriginal Employment Section to include a senior officer to develop Aboriginal vocational training in conjunction with Department of Aboriginal Affairs, Department of Education and the D.C.C. It should also increase the number of field officers on its establishment to ensure the success of the vocational training program.

ADMINISTRATIVE STRUCTURES

The Working Party recommends:

1. That the Department of Employment and Industrial Relations administer the proposed National Aboriginal Training Scheme and the Special Work Projects Scheme.

- 2. That the Vocational Officer and Assistant Vocational Officer service provided by the Department of Employment and Industrial Relations be expanded to provide a more adequate service; a total of 163 occupied positions are suggested (35 New South Wales, 7 Victoria, 35 Queensland, 15 South Australia, 35 Western Australia, 35 Northern Territory, 1 Tasmania).
- 3. That the Aboriginal Employment Section in the Department of Employment and Industrial Relations be upgraded to Branch status and headed by an Assistant Secretary, and a corresponding upgrading in Regional Offices.
- 4. That an adequate training scheme for both Aboriginal and non-Aboriginal community advisers be developed by the Department of Aboriginal Affairs.
- 5. That the Department of Aboriginal Affairs maintain an overall policy "watching brief" on Aboriginal employment to ensure Aboriginal employment programs are interwoven with other programs of Aboriginal assistance.
- 6. That formalised consultative machinery be set up between Departments of Aboriginal Affairs, Employment and Industrial Relations and Education at officer level.
- 7. That the Ministers for Aboriginal Affairs, Employment and Industrial Relations, Education and Social Security, meet at least three times a year as convened by the Minister for Aboriginal Affairs to monitor progress in Aboriginal employment.

FURTHER INVESTIGATION

Education

This area is beyond the scope of its brief and the Working Party confines itself to <u>recommending</u>:

> that a further Working Party on Aboriginal vocational education be immediately established to investigate the need, and recommend provision for, additional vocational programs for Aboriginals.

Employment Policy

The Working Party recommends that the Ministers for Aboriginal Affairs, National Resources, Employment and Industrial Relations and Industry and Commerce establish a Working Party of officers of their Departments and appropriate Aboriginal representatives to:

- investigate whether it is viable for the Government to have an employment policy for Aboriginals employed by industry; and
- obtain industry views on such policies.

TERM OF REFERENCE NO. 4

"To consider the impact of the payment of unemployment benefits to Aboriginals living as communities; the extent to which payment of these benefits has created unsatisfactory social problems within these communities; and to recommend ways by which these situations can be remedied, including recommendations to any necessary changes."

4.1 <u>Background to the Payment of Social Security</u> Benefits to Aboriginals

1.1.

.1.2.

.1.3.

.1.4.

The original Invalid and Old Age Pensions Act of 1908 specifically excluded from pensions Aboriginal natives of Australia, Africa and the islands of the Pacific or New Zealand. This situation continued until 1942 when the Act was amended to provide that a pension could be paid to an Aboriginal native of Australia who was exempt for the time being from the provisions of the law of the State in which he resided relating to the control of Aboriginal natives.

- At that time most States provided for the granting of Certificates of Exemption to those Aboriginals who had reached a certain standard of character, intelligence and social development.
- Certificates of Exemption were, however, not generally granted to Aboriginals who resided on Church missions or Government reserves set apart exclusively for the use of Aboriginals.
 - The Act (now the Social Services Act) was further amended in 1959 and all disqualifications were removed except for those Aboriginals who were regarded as nomadic or primitive. In practice an Aboriginal was not regarded as nomadic or primitive if he was in contact with a white a munity notwithstanding that he continued to follow his tribal laws and customs.
- At the time, the then Department of Social Services was aware that there would be problems associated with the injection of comparatively large sums of money into Aboriginal communities and, in particular, in the payment of pensions to individual Aboriginals, who up to that time, had had little or no experience in handling money.
- 1.5. The Department, accordingly, found itself in somewhat of a dilemma. If it did not pay the pensions and benefits which were now freely available to Aboriginals it would leave itself open to charges of discrimination. On the other hand if it did pay there could be some serious social implications for which the Department would be criticised. In the

event the view was taken that these problems would have to be faced by the State Governments which were then responsible for Aboriginal welfare and which had for some years been pressing the Australian Government to remove from the Social Services Act the provisions which discriminated against Aboriginals.

It was mainly because of the awareness of the social problems and acting on the advice of the State Departments responsible for Aboriginal welfare and Missions authorities that, as an interim measure, Aboriginal pensioners were paid only a small portion of their pension and the balance was paid to the Mission authorities, State Departments and owners or managers of cattle stations willing to co-operate, to be applied to the general welfare of the Aboriginal pensioners.

This procedure had overtones of the old policy of paternalism and discrimination which the then Government was anxious to dispel and it was made clear at the time that as the Aboriginals became more accustomes to handling money the portion of the pension which they would receive would be increased until the stage was reached when they would receive a full pension paid to them direct as in the case of other members of the community.

Progress towards full direct payment was well on the way when Mr Wentworth became Minister for Social Services in 1968. He then directed that this policy be speeded up. The stage has now been reached when all Aboriginals who desire to receive their social security payments direct do so, and this applies generally except in the case of the Torres Strait Islanders the majority of whom, after having been granted direct payment, asked to revert to the former procedure whereby a bulk cheque is forwarded to the Deputy Director of Fland Affairs on Thursday Island and he radios the amount of the credit due to each pensioner to the store on the outlying islands. It was found that under the direct payment method, there were long delays in the cheques reaching the recipients on the outlying islands mainly due to delays in the postal services especially in the cyclone season.

The policy of apportioning the payments between the recipients and some other person or authority on his behalf was not applied to unemployment benefit. In fact prior to May 1973 unemployment benefit was rarely paid to Aboriginals on Church missions or Government settlements and then only if they were willing to accept work outside the mission or settlement and were taking active steps to obtain such work. In the Northern Territory Aboriginals who were capable and willing to undertake work were in receipt of a training allowance paid by the Department of Aboriginal Affairs.

6.

7.

.8.

.9.

4.1.10.

The provision restricting the payment of pension to Aboriginals who were considered to be nomadic or primitive was finally removed from the Social Services Act in 1966 and the Act now contains no reference to Aboriginals. Their entitlement to all pensions and benefits is on the same basis as other persons in the community.

4.1.11.

While the specific exclusion of Aboriginals was contained in the Act it was important to note who was and who was not an Aboriginal. The Department adopted the legal definition of Aboriginal native of Australia laid down in the early years of Federation by the Attorney-General's Department. This defined an Aboriginal native of Australia as a person with a preponderance of Aboriginal blood. Consequently half-castes and lesser castes were not Aboriginal natives of Australia and the exclusion from pensions did not apply to them. However by an administrative rule a half-caste or lesser caste who chose to live on a reserve set apart exclusively for the use of Aboriginals was not granted a pension.

4.1.12.

With the removal of all references to all Aboriginal natives of Australia from the Social Services Act the Department has adopted the definition now applied by the Department of Aboriginal Affairs, i.e. any person of Aboriginal descent who claims to be an Aboriginal and is accepted as such by the community with which he is associated. The definition now has no relevance so far as eligibility for social service pensions and benefits are concerned.

4.2.

Recent Developments

Since May 1973 Aboriginals residing on missions or settlements have not been required to leave the mission or settlement to seek employment in order to qualify for unemployment benefit. Unemployment benefit is payable to these Aboriginals provided they are willing and able to work on the mission or settlement and there is no work available for them. The same policy applies in relation to Torres Strait Islanders while on their home islands. In the Northern Territory it has been customary to pay unemployment benefit to Aboriginal stockmen on pastoral properties over the annual stand-down period during the wet season. However, there have been other Aboriginals on some of these properties who have no income support, and who have been supplied with food and clothing by the station In turn these station managements have managements. been re-imbursed the cost of these provisions in the form of a maintenance payment from the Department of Aboriginal Affairs, payable in respect of each family group being maintained. In November 1973 the Department of Aboriginal Affairs started to phase out these maintenance payments but some are still current.

Impact of Payment of Unemployment Benefits to Aboriginals

The Department of Social Security is not equipped to deal with Aboriginal welfare, nor has that been its function; it does not have first hand knowledge of the impact of the payment of unemployment benefit on Aboriginals living as communities. Generally speaking it is the right of a person to spend his unemployment benefit entitlement as he sees fit. In considering the question of the impact of the payment of unemployment benefit on Aboriginal communities it must be kept in mind that not all the income available within a community is derived from unemployment benefit. In many instances the community's income is made up of wages and other social security payments (e.g. age, invalid and widows' pensions, supporting mothers' benefits, wives' pensions and family allowances) in addition to unemployment benefit.

In the previous paragraph mention is made of the fact that, generally speaking, a beneficiary is completely free to spend his unemployment benefit as he sees fit. However, the Director-General of the Department of Social Security does have a power under the Social Services Act whereby payment can be made to a person other than the beneficiary. In practice if the Department receives a complaint to the effect that the unemployment benefit (which because of the nature of the payment is invariably paid to the husband) is being misspent to the detriment of the wife and children in a family arrangements are made for the payment to be split - that part of the benefit which is paid for the wife and children is paid directly to the wife.

The Working Party is aware that since the introduction of unemployment benefits there have been frequent expressions of disquiet from anthropologists, sociologists, and welfare workers, particularly those in touch with Aboriginals in remote areas, about the economic and cultural problems caused by this payment. More recently evidence put to the House of Representatives Standing Committee enquiring into the problems of alcohol among Aboriginals has voiced the same concern.

One of the main problems with the payment to Aboriginal communities of unemployment benefit is that the payment itself is not understood. Legislation enabling the payment of unemployment benefit came into force on 1 July 1945 and the payment itself was designed principally for commercial and industrial employees who are temporarily out of work. Aboriginals tend to treat unemployment benefit as a permanent payment, such as a pension, and once having been granted benefit do not see the necessity to be seeking work.

01.

1.2.

1.3.

While members of the Working Party could gain little more than an impression about the effect the payment of unemployment benefit has had on the few Aboriginal communities it visited, there is little doubt that the payment of unemployment benefit has been associated with the incidence of undesirable social behaviour and conditions. Some of the adverse effects which some people have directly attributed to the payment of unemployment benefit are:

> likely to rove extremely hazardous to mental health and sound personality development of Aboriginals because reward by way of unemployment benefit is given without effort. (Medical Study Group to Arnhem Land.);

detrimental effect on Aboriginal children due to unemployment benefit money being used to purchase alcohol instead of food and clothing for the children;

plays a part in breaking down the tribal structure by giving influence, through the possession of buying power, to younger men (the minimum qualifying age for unemployment benefit is sixteen years);

the money sharing habit of the Aboriginal people results in some men being drunk most of the time as unemployment benefit cheques arrive in some communities every day of the week;

considerable disruption to community life caused by drunken brawls;

some mothers are becoming despondent and are turning to drink;

has adverse effects on attitude of Aboriginal men to work (the Working Party was told by the Council of the Oombulgurri community in Western Australia that the men receiving unemployment benefit proved difficult to get out of bed although there was plenty of work to be done the fact that eligibility for unemployment benefit depends upon the beneficiary being unemployed was just not understood and highlights the inappropriateness of the payment in these circumstances).

The Working Party cautions that unemployment benefits are only a contributing factor to the above effects. Other factors include the erosion of Aboriginal culture caused by the inroads of western society.

Conclusions

The Department of Social Security is in a situation where it cannot refuse unemployment benefit to people who are qualified to receive it but when these people are Aboriginals, residing as communities in remote areas and for whom significant work may never become available, the payment of unemployment benefit to them represents welfare of the worst kind a handout which increases their dependency on others and undermines the application of the Government's policy of self-management.

The Working Party's considered opinion is that the only real long term solution to the present problem is the creation of useful employment against which is a realistic application of the "work test"* can be applied to Aboriginal applicants for unemployment benefit. This would provide the long overdue education necessary for some Aboriginals to understand the true purpose of unemployment benefits.

As mentioned earlier the policy of the Department of Social Security is to treat Aboriginal clients in exactly the same way as its other clients and there are, therefore, no separate data available to enable an accurate assessment to be made of the current expenditure on unemployment benefits to individual Aboriginal communities - expenditure which might otherwise be considered as an offset against the cost of funding work projects for those communities.

One suggestion which has been put forward at various times is that the unemployment benefit should be paid, not to the individual beneficiary but to the Community Council to be used to fund work projects, etc. within the community. Under such an arrangement the Community Council would, no doubt, adopt the principle of no reward without effort but this kind of arrangement has two major drawbacks:

- (a) charges of discrimination would be made against the Department of Social Security if an attempt were made to redirect payment of the unemployment benefit to the Community Council without the approval of individual beneficiaries within the community; and
- te: Before an unemployed person is entitled to unemployment benefit he must satisfy the requirements of the work test which is applied by officers of DEIR. The normal requirements include willingness and capability to work and if unmarried a willingness to move to take up available employment.

(b)

employment funded by using unemployment benefit would disqualify the beneficiaries for further unemployment benefit in that they would no longer be unemployed.

4.4.4.

If the recommendations of the Working Party to provide employment for Aboriginals living in a traditional way in communities are implemented the payment of unemployment benefit to those communities will be substantially reduced and many of the undesirable social conditions attributed to this payment will diminish. (Refer 3.3.4.)

TERM OF REFERENCE NO. 5

<u>b</u> examine the effect on Aboriginal employment of the payment unemployment benefits to Aboriginals not living in communities ere Aboriginals receive such benefits under less stringent nditions than those which apply to the general community; <u>d</u> to recommend any necessary changes to the prerequisites for titlement for unemployment benefits to such Aboriginals."

1.

The Working Party could find no evidence to suggest that Aboriginals not living in communities are currently receiving unemployment benefits under less stringent conditions than those which apply to the community in general. (Refer 4.1.12.)