Reference No. 70

Summarising: Hunter, Kinfu & Taylor (2003), *The future of Indigenous work: Forecasts of labour force status to 2011*
Responsibility for the preparation of this research summary rests with the authors of the MCEETYA report *Education, Training and Indigenous Futures: CAEPR Policy Research 1990–2007* and not the original author(s) of the summarised material.

Title of Research:
The future of Indigenous work: Forecasts of labour force status to 2011

Research Publication:

Name of Researcher(s):
B.H. Hunter, Y. Kinfu and J. Taylor

Time period:
The paper mainly covers the period 2001-2011

Geographic location:
Forecasts are presented at the national level only.

Methodology:
This paper draws upon information from the 1991, 1996 and 2001 Censuses to establish recent trends in population growth, labour force participation and employment growth. Projected estimates of Indigenous employment, labour force and working age population for the 2001-2011 period are then made.

Aims:
This paper aims to calculate for the period 2001-2011:

- the number of jobs required for Indigenous people either to maintain their current employment status or to achieve an equivalent rate of employment to the non-Indigenous population; and
- estimated costs to government of not achieving equality in labour market outcomes for Indigenous Australians.

Selected findings and insights:
Overall, the Indigenous population is projected to be more than 550,000 by the end of the present decade. Due to its youthful base, the Indigenous working-age population aged 15 and over will increase markedly both in number and as a proportion of the total population, despite high adult mortality rates.

- By 2011, an extra 84,000 Indigenous people are expected to be of working age—almost as many again as are now employed. The working-age share of the Indigenous population will rise from 61 per cent in 2001 to 65 per cent by 2011.

The study projects that on existing trends and excluding CDEP from being counted as employment, unemployment rates for 2001 would be 43.4% and would reach 50.4% by 2011. If all those who wanted to work were included, unemployment would reach 61.3% by 2011.
The study found that, using 2001 as the baseline and including CDEP jobs:

- an additional 33,903 jobs will be required by the year 2011 to maintain the rate of Indigenous employment at 2001 levels. This represents an increase of about one-third of the size of the Indigenous workforce and is due to projected growth in the working age population of Indigenous Australians. Allowing for employment growth, there would still be a deficit of some 16,000 jobs available for Indigenous Australians.

- an additional 101,164 jobs, or a doubling of the Indigenous workforce, will be required if equality of labour market outcomes with non-Indigenous Australians are to be achieved. However, after allowing for employment growth, the projected deficit in number of jobs available is about 83,000.

The study found that, using 2001 as the baseline and excluding CDEP jobs:

- an additional 25,000 jobs will be required by the year 2011 to maintain the rate of Indigenous employment at 2001 levels, after deducting some 30,000 CDEP jobs from the 2001 baseline. Allowing for employment growth, the projected deficit in the number of mainstream jobs available is about 13,000.

- The impact of removing CDEP jobs from the calculations is most evident in estimating the shortfall in the number of additional jobs required to achieve equality with non-Indigenous Australians of labour market outcomes. The projected deficit is some 120,300 jobs.

The study also provides estimates for required numbers of additional full-time jobs as well as private sector jobs to either maintain current levels or achieve equality of labour market outcomes. A similar pattern as above applies to full-time employment and private sector employment for achieving equality of labour market outcomes. However the study does note the significant growth of private sector jobs for Indigenous Australians which, if continued, should result in at least maintenance of private sector employment at 2001 levels.

Estimated costs to government of not achieving equality in labour market outcomes for Indigenous Australians are also presented in the paper. The study estimates that for 2011, the potential reduction in welfare payments if equality was achieved would be of the order of $450m and the potential increase in taxation revenues would be some $290m.

Educational implications:

The major implication for education is that it raises the question as to the capacity of educational authorities to meet the challenge of developing a sufficiently skilled Indigenous workforce that will be able to compete effectively for future jobs in order to approach parity with non-Indigenous working age people. If the levels of educational attainment and skill levels do not increase significantly, then the Indigenous workforce will become even more marginalised and concentrated in low paid occupations and vulnerable industries. [policy]

Relevance:

Domain 5: Pathways to training, employment and higher education

The challenge for pathways to training, employment and higher education

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