Reference No. 139

Summarising: Taylor & Scambary (2005), *Indigenous people and the Pilbara mining boom: A baseline for regional participation*
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:
Indigenous people and the Pilbara mining boom: A baseline for regional participation

Research Publication:
CAEPR Research Monograph No. 25 2005

Name of Researcher(s):
J.Taylor and B. Scambary

Time period:
Statistical and qualitative information collected between 2001 and 2005 is presented, with projections through to 2016.

Geographic location:
The Pilbara Region of Western Australia, incorporating the four shires of Ashburton, East Pilbara, Roebourne and Port Hedland.

Methodology:
Statistical information was derived from a variety of published and unpublished sources including the 2001 Census of Population and Housing, and administrative data sets held by Commonwealth and Western Australian government departments, Pilbara Iron, and other regionally-based institutions.

The statistical methodology was complemented by interviews with Indigenous people.

Aims:
The aim of this study was to establish the relative socioeconomic status of Indigenous people in the Pilbara and to consider the likely impact on this from the expansion of Pilbara-based mining activity during the period through to 2016.

Selected findings and insights:
The Indigenous population of the Pilbara was 6514 persons in 2001. This was projected to increase to 7141 by 2006 and 8515 by 2016 — an overall increase of some 30.7% between 2001 and 2016, with an increase of 19.2% between 2006 and 2016. Looking at the projected change from 2006 and 2016, this included a projected increase of:

- 429 school age children (5-14 years), representing an increase of 29.2%;
- 475 working age adults (25-54 years), representing an increase of 17.1%; and
- 244 older persons (55+ years), representing an increase of 39.4%.

The projected increases for infants and those 15-24 years were smaller.

The (mainstream) employment rate among Indigenous adults was well below 50% across all ages and it was only in the 35 – 44 years age group did the employment rate reach 50% if CDEP was included. The study suggests that the trades skill base was concentrated among older age groups and the young were not well equipped for participation in the mainstream labour market.
Indigenous participation in the mining industry until the last decade was quite small – in 1996 only 2% of all workers in the Pilbara mining industry were Indigenous and mining comprised only 10% of all employment among Indigenous people. There has been a concerted effort recently to increase participation, with, for example, Pilbara Iron setting a target of 15% of their workforce being Indigenous by about 2013. Training, work ready and pre-employment programs have been established to increase Indigenous participation. These programs address:

- **Capacity building**: education initiatives, scholarships, pre-employment training, fitness-for-work programs, and health, alcohol and drug programs;
- **Training and direct employment**: traineeships, apprenticeships, earthworks, clerical training, and direct employment strategies.
- **Improving job retention**: support strategies to assist in holding on to workers once employed, including cross-cultural training across the workforce.
- **Business development**: to develop viable business enterprises.

Due to projected increases in the size of the working age population, such mining initiatives and target setting may have a significant but still limited impact on adult employment rates, indicating the need for the development of other employment opportunities if parity with non-Indigenous employment rates is to be approached.

In terms of projected skill needs, the study reported increased demand during the coming years at either end of the skills range, i.e. the need to hold a university degree or not needing to have completed Year 12, the latter limiting the extent to which socio-economic disadvantage can be addressed through active labour market participation.

The study provides detailed school participation and outcome information for the Pilbara region, highlighting the rapid drop-out of Indigenous males from schooling after age 14 years, very low Indigenous retention rates from Year 8 to Year 10 in several parts of the region and a generally low retention rate to Year 12. The study also describes initiatives to increase educational participation among the most talented young Indigenous students:

- trained mentors, access to after school hours support and resource facilities, a comprehensive leadership/study program from Year 8 to 12, family and home support, industry support and access to a tertiary motivational program.

**Participation in VET** was high at 39% of the non-school population, with VET participation peaking at 72% for the 15–19 years age group and 50% or more for those aged between 20–29 years. However the study found that:

- Indigenous VET enrolments were concentrated in Certificate level I and II courses, while non-Indigenous enrolments were far more likely to be in Certificate levels III and IV. In addition, there were proportionately more Indigenous enrolments in short miscellaneous enabling courses with no formal certification attached; and
- some 32% of Indigenous students failed or withdrew before completing their module.
The study found that Indigenous people recognised the limitations on training opportunities due not necessarily to access but rather due to the depth of prevailing disadvantage in basic human capital skills and the circumstances in which many Indigenous youth find themselves.

Health is a further impediment to strong participation in education and training and sustained employment. The study highlights the impact of early mortality (52 years for males and 60 years for females in the East Pilbara) and relatively high morbidity rates commencing in young adulthood and rising throughout adulthood.

Educational implications:

Due to the high need for regional development to address the acutely low employment levels of Indigenous people in the region, improved participation in all sectors of the labour market will be required – it cannot be solely reliant on the mining sector.

As is the case in similar remote regions, there is a need to consider alternative employment options based upon more customary activities and closer to the aspirations of the local Indigenous communities – sea and land resource management, art and tourism. In turn this will require the development of school-based education and training strategies, complementing training providers, directed towards the establishment of these Indigenous industries. This can only be successful if based upon effective local partnerships, including schools, training providers, community organisations and other business interests working together towards community and regional development.

There are several educational and training initiatives identified in this case study which are applicable to other remote localities such as the nature of the training programs developed by the mining company and school-based initiatives to increase participation of the more talented Indigenous youth. The finding however that youth are not well equipped to participate in mainstream employment would be of concern to educational authorities.

The value of making demographic projections is seen in the projected increases of school-age children and those entering the workforce, which raises planning issues surrounding the provision of necessary infrastructure for education and training over the coming decade, particularly if school attendance rates increase in response to government policy initiatives.

The importance of this CAEPR research to government is that it highlights the need to consider social (e.g. health) factors as well as education and training and job creation when developing strategies for economic development across a region. This therefore emphasises the need for a coordinated effort across government agencies if there is to be an improvement in Indigenous socioeconomic circumstances.

Relevance:

Introductory Topic: The Changing Demography of Indigenous Australia

Introductory Topic: The Health of Indigenous Australians

Domain 5: Pathways to training, employment and higher education

The challenge for Pathways to training, employment and higher education

Access to post-compulsory schooling, training, employment and higher education

Participation, retention and achievement in post-compulsory schooling, training and higher education
Education and training content in native title, Indigenous land use and heritage agreements

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