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Discussion Paper



**The impact of the welfare
state on the economic status of
indigenous Australian women**

A.E. Daly and A.E. Hawke

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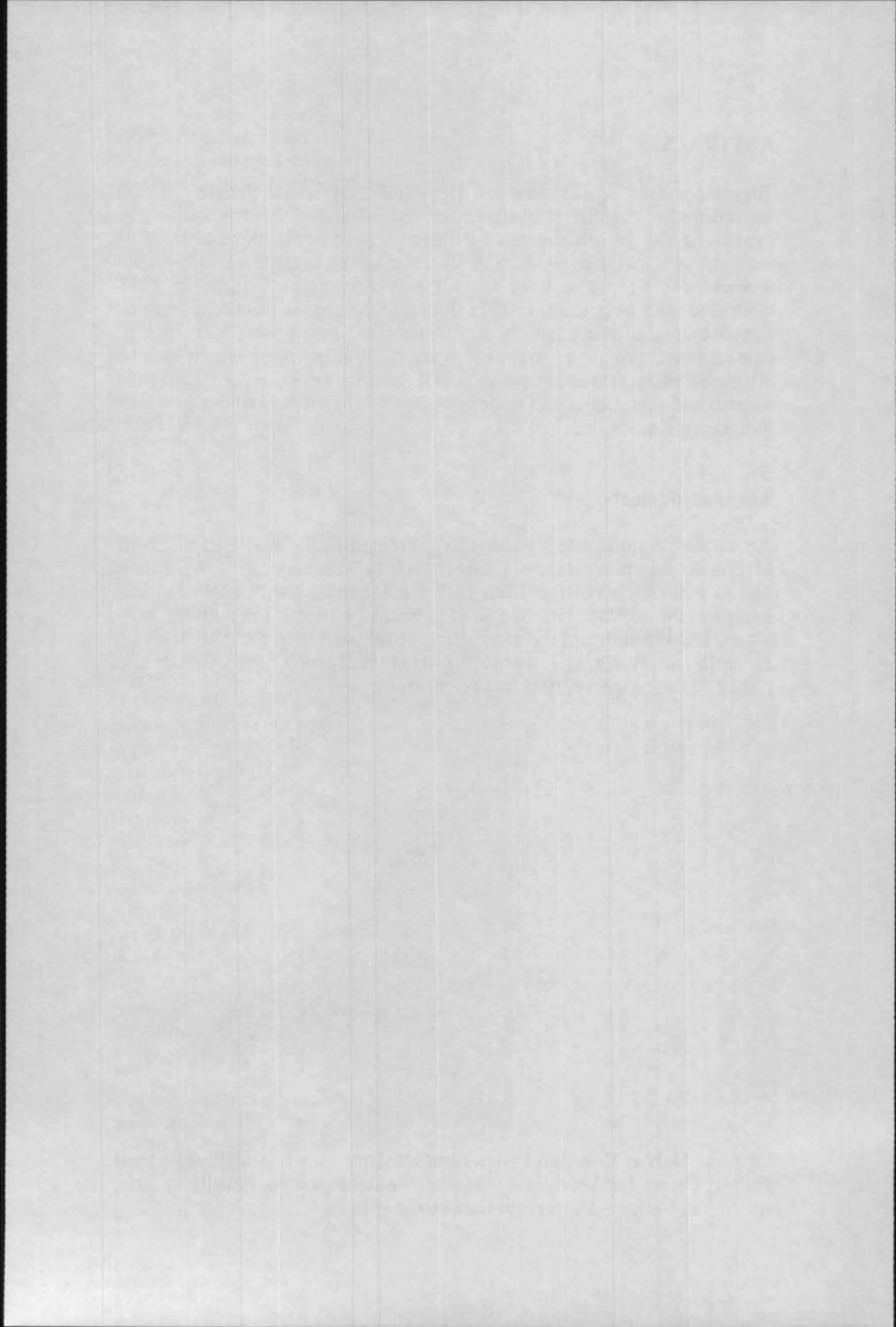
ABSTRACT

This paper uses census data and Department of Social Security (DSS) administrative records to examine the role of social security income in explaining the growth and relative improvement in the income status of indigenous Australian women. The real median income of indigenous women was 81 per cent of that of non-indigenous women in 1991 compared with 74 per cent in 1976. Much of the change has come from an improvement in the position of indigenous women who were not in employment. The paper argues that much of this improvement can be attributed to increased access to social security benefits for indigenous women and therefore needs to be qualified by the circumstances in which indigenous women live.

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As a general principle, individual income levels are closely associated with employment; those in work tend to have higher incomes than those who are not. An alternative source of income is provided by the Australian welfare system of benefits and pensions which offers a minimum income for those not in employment or without family support. This income support remains well below average weekly earnings from employment. Despite the growth in employment among indigenous women, their employment rate remains substantially below that of total Australian women.¹ It might be expected that this would result in relatively low individual incomes for indigenous women compared with non-indigenous Australian women and little change in real income over time. Census data, however, show that indigenous women have not only increased their real median income over the period 1976-91, but have also raised their median income relative to non-indigenous women. These changes have taken place over a period when indigenous men have experienced a decline in their median real income and a worsening of their income status relative to non-indigenous men.

The aim of this paper is to present the evidence relating to the changing economic status of indigenous women and to compare this with the position of non-indigenous women. Although it is difficult to show conclusively, the available data suggest that the fuller incorporation of indigenous people in the social security system over the past twenty years has been a major factor in explaining the improved income status of individual indigenous women. These positive signs of improvement, however, need to be tempered by the following observations. The welfare of individual women and their dependents is related to the economic status of the people with whom they live. Although individual indigenous women may appear to be better off, the median income of indigenous families remains below that of non-indigenous Australian families; according to the 1991 Census, it was 68 per cent of non-indigenous family income. Furthermore, indigenous families were larger than non-indigenous families. The median indigenous family had 2.5 children resident in the household compared with the non-indigenous median of 1.6 children. Taking these differences into account, the ratio of median family income per family member for indigenous compared with non-indigenous families fell to 54 per cent. There was also a larger group of indigenous families for whom the income of the adult female member was of major significance. The proportion of indigenous families who were sole parent families (usually headed by a female) was over twice that of non-indigenous families in 1991; 28.4 per cent compared with 12.3 per cent.

A second issue of concern is the evidence that a relatively high proportion of indigenous women receive social security benefits. This is indicative that the group has limited alternative sources of income, independent of the government, which is a matter of concern for the longer-term prospects of indigenous women.

While case study evidence provides a valuable source of detailed information on particular indigenous communities, comprehensive data relating to the whole of Australia's indigenous population is much more restricted. The major source of aggregate data, the five-yearly population census, will be used here in conjunction with administrative data provided by the Department of Social Security (DSS). As both sources rely on self-identification of Aboriginal and Torres Strait Islander people, they face the problem that they may not accurately reflect the 'true' numbers of indigenous Australians nor may they consistently relate to the same group of people over time. These qualifications should be remembered in the following discussion.

The first section of the paper presents evidence on the changing economic status of indigenous women in comparison with non-indigenous women and indigenous men. In the second section, sources of income will be considered and the paper concludes with a wider discussion of the implications of the findings presented here.

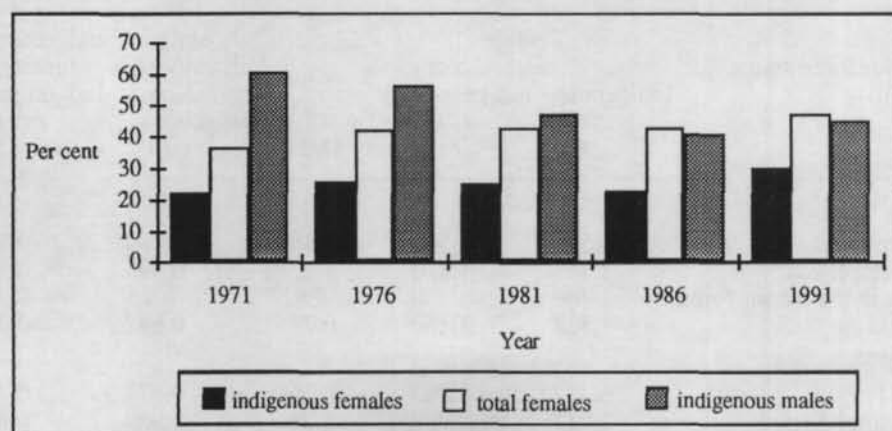
The labour force status and relative income of indigenous Australian women

Figure 1 presents census data on the employment status of indigenous men and women compared with the total for all Australian women for the period 1971-91.² The major features of this Figure for the period up to 1986 have been commented on elsewhere (Tsfaghiorghis and Altman 1991; Daly 1991) and the addition of 1991 data does not change the general trend. Indigenous women were less likely to be in employment than were Australian women in general and were more likely to be unemployed or not in the labour force. Although there was some growth in the proportion of indigenous women in employment, from 21.7 per cent in 1971 to 29.5 per cent in 1991, their share in employment remained substantially below that of Australian women in general. The growth in female indigenous employment, however, was in marked contrast to the declining employment prospects of indigenous males. In 1971, 60.4 per cent of indigenous adult males were in employment. This share fell to 40.4 per cent in 1986 but rose again to 45 per cent in 1991.³

It might be expected that these lower employment rates for indigenous women compared with non-indigenous women would be reflected in substantially lower income. But as Table 1 shows, the median income of individual indigenous women in 1991 was 81 per cent of that of non-indigenous women, a much higher ratio than for males. In 1991, the median income of indigenous males was 45 per cent of that of non-indigenous males of working age.

These figures are based on people's responses to the question 'What is the gross income (including pensions and allowances) that the person usually

Figure 1. The percentage of indigenous males and females aged 15+ years in employment compared with total Australian females, 1971-91.



receives each week from all sources?' (question 29, 1991 Census). A list of income sources was then included. It is important to note, in the context of a discussion of women's income, that this list does not include any income transfers within the family. The phrasing of the question also means that women receiving a pension and having a large number of dependents should report a higher income than similar women with less dependents, as social security payments are a direct function of the number of dependents in the family. Evidence from the 1991 Census shows that indigenous women had more children on average than did non-indigenous women. The fact that indigenous women taken as a whole, do reasonably well compared with non-indigenous women may, in part, reflect a higher proportion receiving income directly from the social security system rather than from transfers within the family and also their larger average number of dependent children.

The figures reported in Table 1 of median income by labour force status show that the median income of indigenous women in both full- and part-time employment rose from 77 per cent of that of non-indigenous women in 1976 to 84 per cent in 1991. The median incomes of indigenous women who were either unemployed or outside the labour force were in fact higher than those of non-indigenous women of working age in each of the four census years reported here. The relatively higher median income of indigenous women who were not in the labour force is consistent with the hypothesis that social security income provides an important source of income for this group rather than income transfers from within the family which would not be recorded as individual income. For the total of all these groups, the ratio of the median incomes of indigenous women to non-indigenous Australian women rose from 74 per cent to 81 per cent between 1976 and 1991.

Table 1. Real median annual incomes by labour force status and sex for indigenous and non-indigenous Australians aged 15-64 years, 1976-91 (1981 dollars).^a

Labour force status	Females		(1/2)	Males	Indigenous females/ Indigenous males (5)
	Indigenous (\$) (1)	Non- indigenous (\$) (2)		Indigenous/ Non- indigenous (4)	
1976					
Employed	6,519	7,542	0.86	0.78	0.77
Unemployed	2,368	1,870	1.27	0.99	0.71
Not in the labour force	709	0	n.a.	n.a.	0.79
Total	2,322	3,130	0.74	0.64	0.36
1981					
Employed	6,332	8,292	0.76	0.67	0.77
Unemployed	2,211	1,788	1.24	1.03	0.82
Not in the labour force	2,162	71	30.45	1.03	0.86
Total	3,006	3,809	0.79	0.45	0.59
1986					
Employed	6,891	7,586	0.91	0.74	0.82
Unemployed	2,758	0 ^b	n.a.	0.98	0.90
Not in the labour force	2,840	0 ^b	n.a.	1.07	1.0
Total	3,444	3,859	0.89	0.49	0.72
1991					
Employed	6,948	8,358	0.83	0.70	0.84
Unemployed	2,925	2,701	1.08	0.92	0.95
Not in the labour force	3,348	2,257	1.48	0.96	1.2
Total	4,134	5,100	0.81	0.45	0.90
1976-91 change in income	78%	63%			

n.a. Not applicable.

- a. The nominal values have been adjusted by changes in the weighted average of the consumer price index in the capital cities of Australia.
- b. The zero values could be explained by the larger income range (\$0-4000 in current dollars) for the non-indigenous data compared with the more narrowly defined income categories of \$0, \$1-2000, \$2001-4000 (in current dollars) for indigenous Australians.

Source: Population Census 1976, 1981, 1986, 1991 full Aboriginal sub-file and 1 per cent Australian Bureau of Statistics (ABS) sample.

Much of the increase in real incomes of indigenous and non-indigenous women can be attributed to the rise in median incomes of those not in the labour force. The real median income of non-indigenous women who were not in the labour force rose from \$0 in 1976 to \$2,257 in 1991 and for indigenous women, there was a 470 per cent increase over the same period.⁴ In comparison, the increase in the real median income of the employed was modest, 6.6 per cent for indigenous women and 10.8 per cent for non-indigenous women. The rise in the real median income of the

unemployed fell between the two other groups, 23.5 per cent growth for indigenous women and 41.1 per cent for non-indigenous women.

The rising relative incomes of indigenous women stand in stark contrast to the changes in the relative incomes of indigenous males. Over the same period, the ratio of median income for indigenous males compared with non-indigenous males fell from 64 per cent to 45 per cent (Table 1, column 4). Within each of the labour force categories there was some decline in the income ratio but a major determinant of this result is the sharp fall in the proportion of indigenous males who were in employment.

The changing relative income status of the sexes is apparent in the final column of Table 1. In 1976 the median income of indigenous females was 36 per cent of that of indigenous males, but in 1991 it was 90 per cent of that of indigenous males. There was an increase in the income ratios of females compared with males in each of the labour force categories. While indigenous women experienced a 78 per cent increase in their real incomes between 1976 and 1991, the real incomes of indigenous men fell by 29 per cent. These changes might possibly be attributed to changes in age structure of the populations over time.⁵

Table 2 considers this issue by calculating mean incomes holding the age structure constant between 1976 and 1991. Results are reported using both the 1976 and 1991 age structures as weights and they show that the rise in the ratio of indigenous to non-indigenous female incomes between 1976 and 1991 cannot be explained by changes in the age structure between these years. The rise in relative incomes of indigenous women was apparent using both sets of weights.

This result raises the further question of whether the increase in the ratio took place equally across age groups. Figure 2 compares the income ratio for females by age category in 1976 and 1991. The results show that the rise in the income ratio was more pronounced among those under 35 years of age than among the middle-aged (the exception being 25-29 year olds). For those aged 50-59 years, there had actually been a decline in the income ratio over the 15 year period.

Changes between 1976 and 1991 in the age structure of indigenous women relative to indigenous men, do not explain the rise in the female/male income ratio (see the second part of Table 2). The ratio of indigenous female to male mean income actually fell slightly if the 1991 age structure were applied to 1976 income data. Figure 3 shows that the rise in this income ratio was apparent for each of the age categories and that in 1991, indigenous women under the age of 30 years had been particularly successful in raising their average income relative to indigenous males in the same age groups.

Table 2. The effect of changes in the age structure on the ratio of mean incomes of indigenous and non-indigenous females and indigenous males and females aged 15-64 years, 1976-91.

	1976 \$(1976)	1991 \$(1991)
Ratio of indigenous to non-indigenous female incomes		
Mean income		
indigenous females	2,181	10,519
non-indigenous females	3,137	14,120
ratio indigenous/non-indigenous	0.70	0.74
Index		
weights	1991 age structure	1976 age structure
indigenous females	2,236	10,122
non-indigenous females	3,181	13,775
ratio indigenous/non-indigenous	0.70	0.73
Ratio of female to male indigenous incomes		
Mean income		
indigenous males	5,487	13,164
ratio indigenous females/males	0.40	0.80
Index		
weights	1991 age structure	1976 age structure
indigenous males	5,720	12,581
ratio indigenous females/males	0.39	0.80

Source: Population Census 1976, 1991, full Aboriginal sub-file and 1 per cent ABS sample.

Rising employment among indigenous women has, no doubt, contributed to the relative improvement in their income status but the incorporation of indigenous people from remote areas into the welfare system has also played an important part. In addition to the general rise in the importance of social security payments in household income in Australia,⁶ there have been specific policy changes affecting indigenous people. In the late 1970s, the DSS increased its effort to reach remote communities and to ensure that all those eligible for benefits and pensions were receiving them. There was also debate during this period over the rights of people in remote locations to receive unemployment benefit, and it was not until the early 1980s that these people were given full access to these benefits.⁷ Although some gaps may remain in the DSS coverage of indigenous people, a recent review of the Labor government's Access and Equity Strategy with respect to indigenous people commented that:

During the Committee's discussions around Australia, one Commonwealth department was almost universally identified as being most responsive to the needs of Aboriginal and Torres Strait Islander people: the Department of Social

Security (DSS). The DSS has instigated a number of measures to ensure that Aboriginal and Torres Strait Islander people have appropriate access to the range of benefits available from the Department (House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs 1993: 91).

A central argument of this paper is that it is the extension of the welfare system to cover all indigenous people that has been a major factor in the rise of the individual incomes of indigenous women. Direct evidence to support this hypothesis is limited, but in the following section, some evidence on sources of income for indigenous women will be presented.

Figure 2. The ratio of mean income of indigenous and non-indigenous females by age, 1976-91.

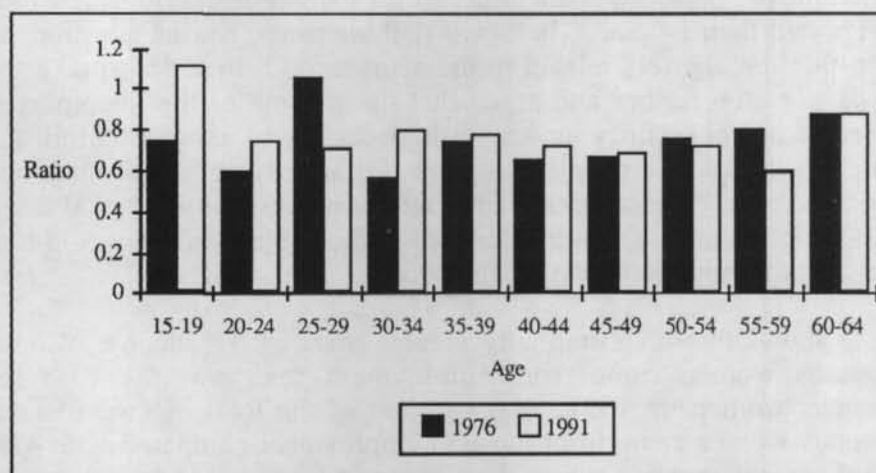
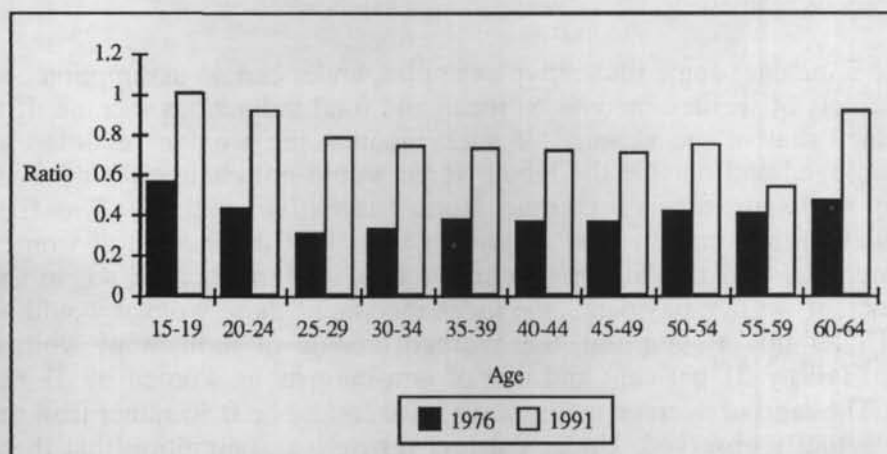


Figure 3. The ratio of mean income of indigenous females to indigenous males by age, 1976-91.



Sources of income for indigenous women

In the absence of direct evidence on sources of income for indigenous people, Altman and Smith (1993) and Daly and Hawke (1993) have used census data as a rough guide to the sources of total individual income for indigenous people. Some strong assumptions are necessary in this exercise and the results should only be taken as an indication of the relative importance of employment income and income from other sources in total individual income.

In the construction of Table 3, it has been necessary to match people's labour force status at the time of the census with their usual income level. For example, in order to classify the income of those unemployed at the time of the census as 'unemployed income', it is necessary to assume that the unemployed person was unemployed for the whole period over which they reported their income. There was nothing in the census questions to require that the answers related to the same period. In order to take the analysis one step further and argue that the income of the unemployed represented social security income, it is necessary to assume that all the income of unemployed people was from welfare payments and none had been earned from other sources such as rent or interest from a capital asset. This assumption of no additional sources of income to welfare would also be required for those not in the labour force.

Table 3 shows that a substantially greater share of the income of non-indigenous women came from employment than was the case for indigenous women. In 1991, 78.6 per cent of the total income of non-indigenous women came from those in employment compared with 47.6 per cent for indigenous women. In contrast, 42.6 per cent of indigenous income came from women who were outside the labour force compared with 27.8 per cent for non-indigenous women. If a large part of the income of this group came from welfare payments, then these payments contributed substantially to raising the total and mean incomes of indigenous women.

Table 3 includes some illustrative examples, under certain assumptions, of the effects of welfare income on mean and total indigenous income. It is assumed that in the absence of such income, the women recorded as unemployed and outside the labour force would not change their labour force status or receive income from alternative sources. The first calculation (assumption 1) also assumes that all of the income of women unemployed and not in the labour force is welfare income so, in the absence of welfare payments, the mean income of these women would be \$0. Under this assumption, the average income of indigenous women would fall by 51 per cent and that of non-indigenous women by 31 per cent. The ratio of average incomes would therefore be 0.50 rather than the 0.70 actually observed. Under the less restrictive assumption that there

were some other sources of income and the mean income of women unemployed and outside the labour force was \$4,000 (assumption 2), the average income of indigenous women would fall by 25 per cent and of non-indigenous women by 12 per cent. The ratio of average incomes would be 0.59.

Table 3. Income shares by labour force status of indigenous and non-indigenous Australian women, 1991.

Labour force status	Number	Mean income (\$)	Total income (\$ million)	Per cent of total
Indigenous females				
Employed	22,226	15,861	352.5	47.6
Unemployed	8,233	7,507	61.8	8.3
Not Stated	1,099	9,061	10.0	1.3
Not in the labour force	39,404	8,008	315.6	42.6
Total	70,980	10,431	740.4	100.0
Assumption 1 ^a	70,980	5,114	363.0	
Assumption 2 ^b	70,980	7,799	553.6	
Non-indigenous Australian females				
Employed	2,871,695	19,232	55,230.2	78.6
Unemployed	299,614	6,593	1,975.3	2.8
Not Stated	23,276	9,170	213.4	0.3
Not in the labour force	2,549,708	7,668	19,551.9	27.8
Total	4,735,293	14,845	70,297.4	100.0
Assumption 1 ^a	4,735,293	10,300	48,773.6	
Assumption 2 ^b	4,735,293	13,124	62,146.1	

Totals subject to rounding and measurement error.

- These figures assume that the mean incomes of the unemployed and those not in the labour force were \$0.
- These figures assume that the mean incomes of the unemployed and those not in the labour force were \$4,000.

Source: ABS (1993) Census of Population and Housing, unpublished data and authors calculations.

These hypothetical calculations present maximum estimates of the effects of welfare income on the average incomes of indigenous women. The effects are greater than for non-indigenous women because a smaller proportion of indigenous women were in employment. These calculations are indicative of the possible short-term effects on the income status of indigenous women if the support of the social security system were to be withdrawn, but in the longer term, women could be expected to change their labour force (or marital) status in response to such dramatic changes in their welfare entitlements.

This issue of the effect of social security income on the willingness of individuals to engage in paid employment remains an important one. One measure of the possible effect of benefit income on the incentives to seek paid employment is the replacement ratio, that is the ratio of benefit to potential employment income. The results of one study that calculates the replacement ratio for indigenous women are reported in Daly (1992). Estimates are presented of the replacement ratio for women eligible for Sole Parent benefit using 1986 census data. The results show replacement ratios in excess of 60 per cent for about a third of indigenous women with dependent children. In contrast, 13 per cent of non-indigenous women had a replacement ratio above 60 per cent. Until a model of the labour supply behaviour of indigenous women has been estimated, the effects of these high replacement ratios on the incentive to seek paid employment remains speculative. However, estimates from the Australian population in general suggest that the labour supply of sole mothers is responsive to changes in the level of income from other sources (Ross and Saunders 1990; Lambert 1991). It therefore seems likely that indigenous women would also change their employment behaviour in the absence of alternative sources of income.

A more direct measure of the effect of welfare income on the income status of indigenous women would be a measure of the actual numbers in receipt of these payments. The 1976 Census included a question on sources of income which unfortunately has not been repeated since. These data have been analysed elsewhere (Daly and Hawke 1993) and show that in 1976, indigenous women over the age of 15 years were more likely to be in receipt of pensions and benefits than were non-indigenous women (33 per cent compared with 26 per cent of non-indigenous women). A smaller proportion of indigenous women received an age pension and a larger proportion received widows and supporting mother's benefit (as it was then called) compared with non-indigenous women.

Table 4 presents more recent estimates of the incidence of pension and benefit receipt for Australian women using DSS administrative data. The data relate to women who received a DSS benefit in their own right and do not include women who received DSS support as a dependent of a spouse in receipt of DSS benefit. In accordance with Commonwealth Government policy, the DSS relies on self-identification of indigenous people. This choice, and the fact that the coding of this information has not always been a priority for DSS officials, means that these data undercount the number of indigenous pension and benefit recipients. The extent of this problem is considered to vary between areas, depending on the relative size of the indigenous population in each location. It also appears to vary by type of pension or benefit.

A major example of under-counting of indigenous pensioners, previously noted by Daly and Hawke (1993), appears among old-age pensioners.

According to the calculations presented in Table 4 and based on DSS records combined with census data, only 23.2 per cent of indigenous Australian women aged 60 years and over were in receipt of this pension compared with 65.9 per cent of non-indigenous Australian women in this age group.⁸ This estimate of indigenous old-age pensioners appears too low, so the following discussion will omit this group from the analysis and focus on other pension and benefit recipients using the 15-59 year old population as the reference group. This assumes that women aged 60 years and over were not in receipt of these other types of welfare payments.

Columns 2 and 5 of Table 4 present evidence on the relative importance of different types of benefits and pensions for indigenous and non-indigenous women. The distributions were fairly similar for the two groups. For both, Sole Parent and Widow's pensions accounted for just over half of pension and benefit recipients. Job Search allowance, for those who had been unemployed for less than a year, accounted for a larger share of non-indigenous recipients than among indigenous recipients. This difference was offset by the larger share of the total indigenous recipients who were on the Newstart allowance.

Table 4. Numbers of pensioners and beneficiaries among indigenous and non-indigenous Australian women, 1991-92.

Pension/benefit	Indigenous			Non-indigenous		
	Total number (1)	Per cent of total (2)	Per 100 women (3)	Total number (4)	Per cent of total (5)	Per 100 women (6)
Carers, disability, wives pensions	2,579	14.2	3.3	86,956	14.2	1.7
Rehabilitation	2	0.0	0.0	1,119	0.2	0.0
Sole Parent and Widow's pensions	9,319	51.1	12.2	316,909	51.9	6.1
Job Search allowance	3,109	17.0	4.1	138,397	22.7	2.7
Newstart	2,601	14.3	3.4	33,514	5.5	0.6
Sickness benefit	211	1.2	0.3	17,875	2.9	0.3
Special benefit	416	2.3	0.5	16,194	2.7	0.1
Total	18,237	100.0	23.9	610,964	100.0	11.7
Total population aged 15-59 years	76,307			5,203,019		
Aged pensions	1,411		23.2	956,055		65.9
Total population aged 60+ years	6,074			1,450,725		

Source: DSS administrative records and the 1991 Census.

Columns 3 and 6 of Table 4 compare the proportion of the relevant population aged 15-59 years who were receiving DSS benefits and pensions. The figures show that 23.9 per cent of indigenous women aged 15-59 years were in receipt of social security income, twice the rate found among non-indigenous women. The largest differences were in the higher proportions of indigenous women receiving Sole Parent and Widow's pensions and Job Search and Newstart allowances for the unemployed. These latter differences would be compounded by the addition of the number of women working under the CDEP scheme, but unfortunately the relevant figures are currently not available for this period from the Aboriginal and Torres Strait Islander Commission (ATSIC). On the basis of an indirect estimate, the number of women employed under the CDEP scheme in 1991 was approximately 3,700. If this number is added to the total number of pension and benefit recipients reported in Table 4, the share of indigenous women aged 15-59 years in receipt of government support would rise to 28.7 per cent.⁹

The estimate that twice the proportion of indigenous women were in receipt of social security payments is therefore a minimum estimate given that there are additional women receiving their welfare entitlements through the CDEP scheme and that there is almost certainly some undercounting of indigenous people in the DSS records.

Summary and conclusions

This paper has used data from the census and from DSS administrative sources to examine the role of social security income in explaining the growth and relative improvement in the income status of indigenous women. Although the employment rate of indigenous women has grown over the last twenty years, it still remains at two-thirds of the non-indigenous rate, so it is surprising that the real median income of individual indigenous women was 81 per cent of that of non-indigenous women in 1991. This improvement in the income status of indigenous women is in stark contrast to the deterioration in the income status of indigenous males over the same period.

The paper argues that the increased access to welfare income is an important source of this improvement in income for indigenous women. Although direct evidence is limited, the growth in the real income of those women not in the labour force and the relatively high incidence of receipt of DSS payments are indicative of the underlying importance of this source of income. Additional evidence from case studies (see for example Ball 1985; Fisk 1985) also supports this hypothesis.

Although the incomes of individual indigenous women have increased, this has been at the cost of increased dependence on income from social

security sources. It is therefore important to consider some of the underlying factors which have created this need for income support. Among the most important of these are the relatively high unemployment rates of indigenous Australians, their poor health status and the large proportion of one-parent families. It has been argued elsewhere that it is necessary to address these underlying sources of indigenous welfare dependence in order to raise the economic status of indigenous people (Daly and Hawke 1993).

A further qualification necessary to any conclusion that the income status of indigenous women has improved, arises from the need to consider the family circumstances in which these women live. The income reported by an adult in the census may in fact be the income not only of that individual but their dependents as well. Indigenous women have, on average, more dependent children than do non-indigenous women and a per capita correction of the income figures would reduce the relative income status of individual indigenous women. A further important issue, and a subject for future research, is the extent to which income is transferred within families. (See Smith (1991) for a survey of the case study evidence for indigenous Australians.) While individuals may have a low personal income, access to collectively held assets and the income of other family members may compensate for this. These alternative sources of economic wellbeing will be constrained by the income generating activities of other family members. If indigenous women live with other low income earners, per capita family income will be low. 1991 Census data show that indigenous families were worse off than other Australian families; the ratio of median family incomes being 0.68. If the figures were further adjusted to take account of family size, the ratio fell to 0.54.

Even though the income status of individual indigenous women has improved, the improvement must be qualified by the circumstances of the families in which they live. Where indigenous women live with indigenous men, the decline in male incomes over the same period will have had adverse effects on the economic status of indigenous women. The general question of the economic status of indigenous families and households is an important area for future research.

Notes

1. The terms indigenous, Aborigines and Aboriginal will be used here to refer to the Aboriginal and Torres Strait Islander populations of Australia.
2. Where possible, comparisons have been made between the indigenous and non-indigenous populations of Australia but at times it has been necessary to compare the indigenous and total Australian populations. As indigenous people accounted for less than 2 per cent of the Australian population, figures relating to the total population should not vary greatly from those relating to the non-indigenous population.

3. This result is rather surprising given the deteriorating macroeconomic conditions between 1986 and 1991, but probably reflects the positive employment impact of the Aboriginal Employment Development Policy (AEDP) and the associated expansion of the Community Development Employment Projects (CDEP) scheme over the period. Under this scheme indigenous people can forego their individual welfare entitlements which are then placed in a common community pool, and work for the community on a part-time basis for the equivalent of their welfare entitlements. A particular effort was made by the Australian Bureau of Statistics to classify the 18,000 participants in the scheme at the time of the 1991 Census to the employment category in the census. The employment rates presented here, which include CDEP scheme participants, therefore overstate the 'real' rate of indigenous employment (Taylor 1993). See Sanders (1988), Altman and Sanders (1991b), and Altman and Daly (1992) for fuller discussion of the CDEP scheme.
4. A median income of \$0 does not imply that all women in this category had an income of \$0 but rather that half the women who were not in the labour force had no independent income.
5. A whole range of factors which effect individual income may have contributed to the change between 1976 and 1991 in the relative income of individual indigenous Australian women. These include changes in the proportion who were married, their average number of dependents and the urban/rural distribution of their location of residence. Quantification of the effects of any such changes is limited by the fact that income data classified by these variables are not published. The discussion is therefore limited to the effect of any changes in the age structure of the populations between 1976 and 1991 on the income ratio.
6. Results from the Household Expenditure Survey show that in 1974-75, 4.8 per cent of total household income came from government benefits. This share rose to 10.1 per cent in 1988-89.
7. See Sanders (1985, 1987) and Altman and Sanders (1991a) for surveys of the issues relating to the incorporation of indigenous Australians in the welfare system.
8. Combining two sources of information introduces the problem that individuals may identify as Aboriginal or Torres Strait Islanders in one instance but not in the other. The small numbers of indigenous age pensioners suggests that other indigenous age pensioners have not been recognised as such. It is only possible to speculate as to the reasons for this under-enumeration but there is probably little incentive for people applying for the age pension to identify as Aboriginal or Torres Strait Islander. In contrast, indigenous Australians are recognised as one of the disadvantaged groups by the Commonwealth Employment Service (CES) and as such there would be a greater incentive to identify when applying to this agency for employment related benefits.
9. The estimates of CDEP scheme employment are based on the following calculation. ATSIIC reported there were 18,636 CDEP scheme participants in 1991 (Commonwealth of Australia 1994). Using Taylor's (1993) assumption that 60 per cent of participants were employed and the 1990 CDEP Working Party's estimate that a third of people working in the CDEP scheme were women, produces an estimate of 3,700 women employed in the CDEP scheme.

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