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**A Pastoral Letter for the
Feast of St Joseph the Worker**

1 May 2011

**Indigenous employment:
the most basic form of social justice**

On this Feast Day of St Joseph the Worker I would like to acknowledge the Aboriginal and Torres Strait Islander peoples of Australia and their Elders past and present. Each day, Indigenous leaders witness how high unemployment undermines living conditions, drains communities of basic services and robs future generations of opportunities the majority of us take for granted.

Consider what it would be like to live in an overcrowded house where power and water go off regularly and repairs can take weeks. Imagine not having regular rubbish removal, no building maintenance or public transport. There is only one store selling a limited range of food at high prices. Imagine having no banking services except an ATM that charges transactions fees as high as \$10. Fuel is more than twice city prices and unsealed roads in need of repair make driving dangerous. There is no local ambulance or fire service and it can take many hours for police or health workers to respond to an emergency.

These basic difficulties highlight deeper poverty and hardship that has been experienced by remote Indigenous communities over generations.

The unemployment rate among Indigenous workers is 18 per cent – three times the non-Indigenous rate.¹ The situation is worse in remote communities where unemployment would skyrocket without subsidised community service jobs that have been available through the Community Development Employment Program ('CDEP scheme'). In the remote Northern Territory community of Wadeye, for example, the unemployment rate could jump from 44 to as high as 75 per cent.²

How can we respond to communities enduring third-world conditions in this prosperous nation?

Closing the Gap

In his National Apology to the Stolen Generations, then Prime Minister Kevin Rudd committed the government to 'Closing the Gap'. One of the targets was to halve the gap in employment between Indigenous and non-Indigenous Australians by 2018. Prime Minister Julia Gillard has reaffirmed this commitment, emphasising the need to address decades of underinvestment in services and infrastructure and encouraging 'personal responsibility' as a key to improving family and community life.³

A broad range of initiatives related to the Closing the Gap strategy is being pursued by the Commonwealth, Northern Territory and Council of Australian Governments. However, the following strategies highlight the current approach to reducing Indigenous unemployment.

In December 2008, the Commonwealth announced that it would dismantle the CDEP scheme and require participants to 'transition' into 'properly paid jobs'. Those remaining on CDEP would receive only income support and be subject to compulsory income management whereby Centrelink quarantines half of the payment for the purchase of essential food and household items.⁴

Apart from its commitment to preserving 2,000 jobs in government service delivery and funding for 1,500 jobs that were created under the CDEP scheme, the Government's service-delivery focus is limited to job placement and training.

The great hope for job creation rests with the private sector. In October 2008 the Government launched the Australian Employment Covenant with the ambitious target of securing 50,000 private sector jobs for Indigenous Australians by 2010. While the Covenant received an impressive 26,000 job pledges from employers, only around 2,800 jobs had materialised by the two year deadline and very few advertised positions were based in remote communities of the Northern Territory and Western Australia.⁵

While it is encouraging to hear the Commonwealth is committed to increasing the conversion of job pledges into real job outcomes, perhaps it is time for a greater focus on the creation of jobs by the Commonwealth and State and Territory Governments.

Three challenges

At the launch of the Australian Employment Covenant, Prime Minister Rudd stated 'the most basic form of social justice to any person and in any place: that is the right to a job.'⁶

There are three significant challenges to achieving this basic level of justice.

First, the Government's position is that 'welfare should not be a destination or a way of life'.⁷ But it is hard to imagine any alternative to long-term welfare dependence without direct job creation in remote communities where sometimes almost half of those employed have been in subsidised work. Subjecting these workers and welfare recipients to compulsory income management will not of itself address the underlying causes of poverty and disadvantage. Nor will an emphasis on job search and work-for-the-dole improve the skills of the workforce or the demand for workers.

Secondly, it is unlikely that the private sector alone will be able to supply the jobs that are needed, particularly in remote communities. It has been estimated that to meet the Government's target of halving the gap in employment over 70,000 jobs will be needed,

requiring 'a level of non-CDEP employment growth of a scale unseen in contemporary labour markets.'⁸

This relates to the third challenge – the need for all levels of government to work together to create jobs and address years of underinvestment in remote communities. Where private sector demand is low or absent, governments must take the lead in creating real jobs and providing just wages and conditions. A strategy is needed to provide essential community services through the employment of locals.

The political will is needed to address the loss of employment, skills, wealth and the most valuable asset, young people, from already vulnerable communities. Councils should not be in the position of having to outsource work to overseas call centres in order to balance the budget and remain solvent.⁹ There should not be the need to import building contractors on salaries of \$450,000 per annum because of skills shortages.¹⁰ Young people should not be forced to leave their communities because there are no jobs.¹¹

People in the cities and regional centres of Australia see it as their right to have reliable supplies of water, power and community services. How can we possibly say that those in more remote communities do not have the same rights? Looking at the actual need of remote communities, it becomes clear that there is a multitude of employment opportunities and there are people currently on welfare support who could be employed to fill them. What is lacking is the funding and infrastructure required to establish and maintain the basic services we expect as a right of citizenship.

Social Progress and Social Justice

Fifty years ago this May, Pope John XXIII issued the social encyclical *Mater et Magistra*, in which he called for concerted action to address the growing gap between the rich and poor.

*It often happens that in one and the same country citizens enjoy different degrees of wealth and social advancement. ... Where such is the case, justice and equity demand that the government make efforts to either remove or to minimise imbalances of this sort.*¹²

Pope John called on governments to guarantee essential public services in vulnerable communities, to raise their standard of living to the national average and to promote employment and local enterprise. He said that governments have a vital role to ensure vulnerable communities are empowered to drive their own progress.¹³

This call resonates with the challenges facing Indigenous Australians today. It also highlights the pressing need for Government to adopt a different approach to the one it has taken under the Northern Territory Emergency Response.

Indigenous communities want proper consultation about the services they are lacking and the jobs that will be created. This requires less bureaucracy, more enduring partnerships and better understanding that effective community development takes time. The process of job creation needs to be respectful of Indigenous culture and flexible to meet the diverse needs and customary practices of communities.

Seven Elders of the Northern Territory recently sent out a call to the people of Australia:

*We demand the return of our rights, our freedom to live our traditional lives, support to develop our economic enterprises to develop jobs and to work towards a better future for our peoples.*¹⁴

These leaders know, more than most, the real community-building value of work beyond the generation of personal wealth. For the life of their communities and the God-given dignity of their people, let us consider how we can help our Indigenous brothers and sisters achieve the most basic form of social justice: the right to a job.

Most Rev. Christopher Saunders, DD
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Chairman, Australian Catholic Social Justice Council

Notes

- 1 Australian Bureau of Statistics, 2010, '2009 Labour Force Characteristics of Aboriginal and Torres Strait Islander Australians', 6287.0, ABS, Canberra.
- 2 J Taylor, 2010, 'Demography as Destiny: Schooling, Work and Aboriginal Population Change at Wadeye', Working paper No.64, Centre for Aboriginal Economic Policy Research, Australian National University, p.35.
- 3 Prime Minister Julia Gillard, 2011, 'Closing the Gap – Prime Minister's Report 2011', Commonwealth of Australia, p.1.
- 4 Ibid., p.45; Ministers Jenny Macklin & Brendan O'Connor, 2008, 'Strengthening Indigenous employment opportunities', Media Release, 19/12/2008.
- 5 K Jordan & D Mavec, 2010, 'Corporate initiatives in Indigenous employment: The Australian Employment Covenant two years on', Working paper No.74, CAEPR, Australian National University, pp.13–18.
- 6 Prime Minister Kevin Rudd, 2008, 'Remarks at the launch of the Australian Employment Covenant', 30/10/2008, Kirribilli House, Sydney.
- 7 Minister Jenny Macklin, 2009, Social Security and Other Legislation Amendment (Welfare Reform and Reinstatement of the Racial Discrimination Act) Bill 2009, Second Reading Speech.
- 8 N Biddle, J Taylor & M Yap, 2008, 'Indigenous Participation in Regional Labour Markets, 2001-06', Discussion Paper 288, CAEPR, Australian National University, pp.35–38.
- 9 ABC News, 28/3/2011, 'Shire rejects critics of outsourcing jobs to India'.
- 10 ABC News, 25/2/2011, 'Indigenous housing contractors on \$450k: Senator'.
- 11 Rosalie Kunoth-Monks cited in: Concerned Australians, 2010, 'Loss of Rights – The despair of Aboriginal communities in the Northern Territory', Submission to the UN Committee on the Elimination of Racial Discrimination, p.48.
- 12 *Mater et Magistra* ('Christianity and Social Progress'), 1961, Encyclical Letter of Pope John XXIII, St. Paul Editions, n.150.
- 13 Ibid., n.151.
- 14 Message of Rosalie Kunoth-Monks of Utopia, Rev Dr Djiniyini Gondarra of Galiwin'ku, Harry Nelson of Yuendumu, Miriam Rose Ungunmerr-Baumann of Nauiyu, Djapirri Mununggirritj & Dhanggal Gurruwiwi of Yirrkala, & George Gaymarani Pascoe of Milingimbi, 7/2/2011, 'To the People of Australia'.