Indigenous Job Search Behaviour

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Abstract

There have been a number of labour market programs that have attempted to increase rates of employment of Indigenous Australians by influencing job search behaviour. This paper provides the first ever baseline of data on the job search behaviour of Indigenous job seekers and how it compares to the job search of non-Indigenous job seekers. Clear differences between the job search behaviours of Indigenous and non-Indigenous Australians are apparent. Indigenous Australians rely disproportionately on friends and relatives as a source of information about jobs, although their networks tend to have less employed members, and therefore are less effective than non-Indigenous networks in securing employment. Non-Indigenous job seekers are also more likely to use more proactive search methods than are Indigenous job seekers.

1. Introduction

One possible explanation for the very high rates of unemployment of Indigenous Australians is that their job search behaviour differs to that of non-Indigenous job seekers. However, remarkably little is known about

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the job search behaviour of Indigenous job seekers or how this compares with the job search behaviour of other job seekers.

This paper begins to fill this gap in our knowledge by providing a detailed description of the job search behaviour of Indigenous job seekers. Two dimensions of job search behaviour are analysed, search methods used and search intensity. Job search behaviour is described using data from the first wave of the Indigenous Job Seeker Survey (IJSS), a longitudinal survey of Indigenous people who were registered with the Commonwealth Employment Service (CES) as seeking employment in early to mid 1995.[1] Three waves of interviews were conducted during 1996-97 with data collected over an 18-month period. Some comparisons of Indigenous job search behaviour with that of other Australians are also made.

Describing the job search methods is important as government policy explicitly attempts to reduce Indigenous unemployment by attempting to improve the effectiveness of job search behaviour and increasing the intensity of job search.

The next section introduces the relevant institutional background for Indigenous job search activity. The data used in the paper are then described, and the job search literature is briefly summarised. The paper also provides a comprehensive description of Indigenous job search behaviour, which is benchmarked in broad terms against non-Indigenous behaviour. The last section relates the findings to important aspects of the Indigenous Employment Policy (IEP), and Indigenous Employment Centres.

2. Institutional background

In order to receive an unemployment payment in Australia, an unemployed person must demonstrate that they are available for and actively seeking paid work. The second of these criteria is referred to as the 'activity test' which requires the recipient must apply for jobs.

In practice, the 'activity test' is not always enforced. The unemployed can be granted an exemption from the activity test in areas where there are no locally accessible job markets, labour market programs or vocational training courses (Sanders 1999). However, in the areas in which respondents to the IJSS lived there was no general remote area exemption from the activity test.

Working Nation: Labour market assistance in the mid 1990s

In response to a rapid increase in the unemployment rates and relatively high rates of long-term unemployment during the first half of the 1990s, government spending on labour market programs was substantially

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increased. Of particular significance was the *Working Nation* initiative introduced in May 1994. Under *Working Nation*, expenditure on active labour market programs (per person unemployed) more than doubled (Martin 1998). In addition to the overall increase in spending on labour market programs, the composition of expenditure shifted towards training based programs.

The *Working Nation* initiative included more individualised assistance for the unemployed through case management, a youth training initiative, training wages for all trainees and direct job creations programs. The increased funding resulted in a large number of additional program placements, particularly among disadvantaged job seekers—including many Indigenous unemployed (Taylor & Hunter 1996). A key part of the initiative was the use of case management, which was designed to improve service delivery to job seekers by tailoring employment related program assistance to the needs of individuals. An element of competition was introduced through the use of contract providers from the private and community sectors.

A program that was important for Indigenous job seekers was SkillShare, the Commonwealth Government's principal community based labour market program in the mid 1990s, with almost 400 individual projects operating at any point in time (Department of Employment Education and Training (DEET) 1993). SkillShare aimed to assist the most disadvantaged job seekers to obtain employment, or to proceed to further education and training. Projects were tailored to 'fit' the capabilities of their clients and the specific needs of employers in the local labour market.

Indigenous-specific labour market programs came under the auspices of the Training for Aboriginal and Torres Strait Islanders Program (TAP). TAP consisted of two key elements: Network Delivery and Employment Strategies. The Employment Strategies element of TAP enabled employers or organisations to develop medium to long-term strategies for Aboriginal and Torres Strait Islander employment, recruitment and career development programs. Employment strategies were targeted at major employers in the private and public sectors, and at organisations with a capacity to secure placements in targeted regions or industries.

The Job Network: Labour market assistance from 1998

From May 1998 the Federal government introduced the Job Network, a national network of employment service providers (i.e. private and community organisations) contracted by the Commonwealth government to provide services to eligible unemployed people. As part of the shift to the Job Network, CES offices were closed and most of the functions

previously undertaken by the CES were privatised. While most of the established wage and training subsidy and job creation projects were abolished after 1998, the same generic programs may re-appear because employment service providers in the Job Network have the discretion to offer whatever assistance they deem necessary for their clients.

The Job Network may not be the radical break that it may first appear. The 1980s and 1990s were distinguished by diversification in the delivery mechanisms of programs, a reduced reliance on public training infrastructure and public sector employment, and a broad mix of private sector and local government employment, self-employment, community sector, Technical and Further Education (TAFE) and private provider training and counselling, and referral and placement services (Jarvie & McKay 1993). That is, the Job Network can be seen as part of an ongoing trend towards public funding of programs delivered by the non-government sector. Notwithstanding some continuity, the Job Network is the most 'hands off' method of delivering employment services in Australian policy history. Under the Job Network there have now been three rounds of contracts with employment service providers.

Indigenous-specific program funding continued to rise after 1996 despite an overall decline in expenditure on labour market programs. One important contemporary feature is the IEP, a significant component of which is the Wage Assistance Program.[2] Under this program, employers are given a subsidy if they employ an Indigenous person in a permanent job for more than 26 weeks.[3]

3. The literature on job search behaviour

Theory of choice of search method

One of the major tasks of the labour market is to coordinate information or signals between employers and their potential workforce. The process of finding the appropriate worker–employer match is facilitated by the job search behaviour of workers, the recruitment procedures of employers, and the institutional systems in place to coordinate the signals of the respective parties.

Holzer (1988) has developed a job search model that relates the choice about job search method and intensity to the expected cost and effectiveness of the search methods. Holzer posits that unemployed individuals maximise their utility by choosing a reservation wage, search method and intensity. The relevance of Holzer's (1988) model is that it allows individuals to choose from a set of search methods that vary in both cost and

effectiveness.[4] For example, Indigenous job seekers who may have few employed friends or relatives and who live far from job opportunities may find direct contact with employers relatively costly and the use of friends and relatives less productive than will other individuals. While Holzer (1988:4) frames his model in terms of unemployed job search activity, similar factors will be relevant for choices about job search method by employed job seekers.

Within this stylised model, a job seeker will use a job search method if expected benefits exceed expected cost of using the method. Of course, non-pecuniary aspects of employment are also important for many job seekers. For example, if the source of income matters to an individual, then they may actively seek work irrespective of the expected financial gains.

As suggested by Holzer (1988:4), an important factor in determining job search behaviour among those who wish to find employment (or change jobs) is the financial gain if a new job is secured. Many Indigenous job seekers have relatively weak financial incentives to seek paid employment Daly and Hunter (1999). It is likely, therefore, that some are only undertaking job search in order to qualify for unemployment related government benefits, and thus choose search methods that have the minimum cost and search only to a degree that will satisfy the activity requirement. From the employer's perspective, finding suitable employees can be expensive. The recruitment strategy used is likely to vary according to the type of job, the costs of making a poor hiring choice and local labour market conditions.

It is customary to divide the channels through which information about job opportunities is obtained into two categories—formal and informal (Norris 1996). Formal information networks include the former CES, private employment agencies, newspapers, journal advertisements, and increasingly the internet. Informal information channels include job noticeboards posted on the business premises, and information gathered from friends and relatives. Job search behaviour can also be described in terms of the intensity of search. This has variously been measured as the number of contacts made (Blau & Robins 1990; Holzer 1988), the time spent using search methods (Holzer 1988), and the number of search methods used.

Studies have consistently found that informal networks are an important means of finding employment (Granovetter 1995). An influential hypothesis concerns the 'strength of weak ties', in which it is argued that having ties with persons in networks distant from oneself enables one to access the resources of that network for personal gain (Granovetter 1973, 1995).

The burgeoning field of social capital theory has important implications for the analysis of Indigenous job search behaviour—especially in the

networks view of social capital which stresses the 'importance of vertical as well as horizontal associations between people and of relations within and among such organisational entities as community groups and firms (Woolcock & Narayan 2000: 230). Indigenous Australians are less likely than other Australians to have access to networks in which a high proportion of members are in paid employment or who are in a position to assist with finding employment. This will almost certainly reduce the effectiveness of friends and relatives of Indigenous Australians as a conduit for finding employment.

The empirical literature

Job seekers report using a wide range of search methods and most report using multiple search methods. According to the data from the 2003 *Labour Force Survey* (ABS 2003), the most commonly reported steps taken to find work by unemployed persons were: 'wrote, phoned or applied in person to an employer for work' and 'looked at advertisements for jobs in a newspaper' (both 84%). Other steps included: 'answered an advertisement for a job in a newspaper' (66%), and 'registered with Centrelink as a jobseeker' (59%). Around 53 per cent of unemployed persons stated they had 'registered with a Job Network employment agency'.

There appear to be occupational differences in the relative importance of different types of networks (Norris 1996). The CES tended to offer vacancies in jobs that do not require many qualifications. Highly qualified people are more likely to be recruited through advertisements in national newspapers, specialist journals and private employment agencies.

Although this paper has a focus on describing the job behaviour of Indigenous Australians, when interpreting the results it is important to keep in mind which job search methods are most effective. The economics literature has paid relatively little attention to the *effectiveness* of different patterns of job search, with several notable exceptions (see Addison & Portugal 2002; Blau & Robins 1990; Böheim & Taylor 2002; Holzer 1987; Holzer 1988; Jones 1989).

Within sociology (and to a lesser extent economics) there has been considerable interest in the role that social networks play in job search (Granovetter 1973; Granovetter 1995; Lin 1999). Using data on unemployed US youth for 1981, Holzer (1988) finds that 'friends and relatives' are the most heavily used job search methods, followed closely by direct application. These methods are also the most effective at generating job offers. While informal methods of job search are clearly important, an earlier study by Holzer (1987) finds that informal methods may not work for everyone. Virtually all of the difference in employment probabilities between black

and white young Americans can be explained by differences in the number of job offers produced by each search method rather than differences in search methods used or the rates at which job offers are accepted.

McGregor (1983) suggests that the job-information network provided by friends and relatives is local in nature. This suggests that the Indigenous unemployed, who often live in depressed local labour market regions, may find friends and relatives of less use in finding employment. Blau and Robins (1990) find that individuals who search for a new job while working are, on average, more successful at finding a job than otherwise similar unemployed searchers.

On the demand side of the labour market, Holzer (1988) suggests that employers regard referrals from employees as more informative and reliable than direct applications and use them as a relatively cheap screening and signalling mechanism. There are models in which employers use informal information recruitment methods (e.g. friends and relatives) as a way of screening potential employees to ensure that they are highly productive, and suited to the job and workplace culture (Montgomery 1991).

4. Data: the Indigenous Job Seeker Survey (IJSS)

In order to document job search behaviour by Indigenous job seekers we use the IJSS. The IJSS tracked the labour market experiences of Indigenous Australians over an 18 month period. The sample consists of 1,580 Indigenous Australian job seekers who were registered with the CES at the time of sample extraction (approximately 12 months prior to the survey). Information was collected in three waves, with the first wave interviews being conducted between March and June 1996 and the last wave between June and September 1997. The interviews were conducted face-to-face, predominantly involving Indigenous interviewers. For further details of the survey methodology see Roy Morgan Research (1998) and Hunter, Gray and Jones (2000).

The sample includes job seekers living in major urban (Sydney, Brisbane–Ipswich, Hobart, Cairns), regional centres (Dubbo, Shepparton, Launceston, Port Augusta) and remote urban areas (Broome–Derby and Alice Springs). These areas were selected because of the existence of a mainstream labour market in them.

While the IJSS is a unique and valuable source of data on Indigenous job search behaviour it has several limitations. First, the survey is not representative of Indigenous job seekers as a whole since the CES disproportionately registered the long-term unemployed.[5] Second, the proportion of the initial sample selected from the administrative data who

were successfully interviewed was 35 per cent (Roy Morgan Research 1998). Although the proportion of initial sample interviewed is a little lower than on some other surveys of samples drawn from administrative data, it is not exceptionally low, particularly given the higher rates of geographic mobility of Indigenous Australians.[6] There was a relatively high rate of attrition of the sample between the survey waves (61% of those interviewed at wave 1 were interviewed again at wave 3). However, this paper only uses data from the first wave and therefore the results are not affected by attrition.[7]

5. Benchmarking Indigenous job search behaviour

In this section, the job search methods used by Indigenous job seekers are compared with those used by non-Indigenous job seekers. Differences in the categories used in the IJSS and other sources of information on job search behaviour, such as the ABS's Labour Force Survey, limits the extent to which Indigenous and non-Indigenous job search patterns can be compared.

The Survey of Employment and Unemployment Patterns (SEUP), collected by the ABS, provides information on job search by the general Australian population which is to some degree comparable with the IJSS and the surveys were conducted at similar times. There are however some differences between the surveys which should be kept in mind when interpreting our results. First, the IJSS is representative of job seekers living in 11 areas in urban and regional areas of Australia whereas the SEUP is designed to be representative of job seekers across all areas of regional Australia. The public release SEUP data do not contain detailed enough geographic information to 'match' geographic areas according to labour market characteristics such as the regional unemployment rate (see Gray, Heath and Hunter 2002).

Second, the IJSS is representative of Indigenous job seekers who were registered with the CES approximately twelve-months prior to the interview (at the time of sample extraction), whereas the SEUP data are representative of job seekers irrespective of whether they had registered with the CES.[8] Indigenous Australians are more likely to be long-term unemployed than are other Australians (ABS 1994) and to the extent to which search behaviour changes with unemployment duration, differences in unemployment duration may explain part of the differences in search behaviour. Unfortunately it is not possible to construct a reliable measure of unemployment duration for the Indigenous job seekers using the IJSS.[9] Although we interpret differences in search methods between Indigenous

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and non-Indigenous Australians as being a result of 'Indigenous status', it is possible that the differences are explained by differences in other characteristics such as unemployment history and geographic location.

While the categories of job search methods from the SEUP survey are not directly comparable with those in the IJSS, some broad comparisons are possible. Table 1 shows the job search methods used by Indigenous and non-Indigenous job seekers by employment status.[10]

For Indigenous job seekers, the most common method of job search was to look at job advertisements in newspapers, with 79.2 and 84.1 per cent of the employed and unemployed respectively using this search method. For the employed the next most common search method was to ask a friend or relative about jobs, with 67.4 per cent reporting doing this. Among the unemployed, the second most common method was checking a CES job board (78.5%). Asking friends or relatives about jobs was also important for unemployed Indigenous job seekers (71.1%). Other important methods of job searching include checking noticeboards or signs at employer's premises and contacting employers to find out if there was a job.

Amongst non-Indigenous job seekers the most common search method was to directly contact employers; over 90 per cent of employed and unemployed job seekers used this method. This is much higher than the incidence of employed and unemployed Indigenous job seekers who directly contacted employers (55.1% and 54.3% respectively). The proportion of Indigenous and non-Indigenous job seekers who answered a newspaper job advertisement is similar.

The most striking difference between the Indigenous and non-Indigenous job seekers is that the Indigenous were much more likely than the non-Indigenous to report having asked friends or relatives about a job. For example, 71.1 per cent of the unemployed Indigenous people reported asking friends or relatives as compared to only 46.6 per cent of unemployed non-Indigenous job seekers. For both Indigenous and non-Indigenous job seekers the search methods used by the employed and unemployed are broadly similar.

In summary, the usage of job search methods differs between Indigenous and non-Indigenous job seekers. Non-Indigenous job seekers were more likely to use the more proactive search method of directly contacting employers than were Indigenous job seekers. Indigenous job seekers were more likely to report having asked friends or relatives about jobs.

It is also important to consider which search methods are most commonly used to successfully find employment. Table 2 shows the methods by which successful job seekers found out about the job they eventually got. The single most common way in which successful job seekers found the job

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Table 1. Job search method for Indigenous and non-Indigenous job seekers by employment status, 1996

	Employed %	Unemployed %
Non-Indigenous job seekers		
Answered a newspaper advertisement for a job	41.0	41.7
Checked factory or CES noticeboard/Registered with the CES	80.8	87.5
Wrote, phoned or applied in person to an employer	91.3	90.4
Contacted relatives/friends	50.5	46.6
Checked or registered with other employment agency/Advertised or tendered for work/Other	20.3	15.4
Number of respondents	620	2,672
Indigenous job seekers		
Looked at the job advertisements in newspapers	79.2	84.1
Answered a newspaper job advertisement	43.2	40.1
Checked CES job board	61	78.5
Attended a Skillshare or a Job Club	13.6	14.4
Checked noticeboards or signs at employer's premises	46.6	40.5
Contacted employers to find out if there was a job	55.1	54.3
Asked friends or relatives about jobs	67.4	71.1
Contacted any other organisation that helps people find work	32.6	24.5
Advertised or tendered for work	7.2	4.6
Started a business or became self-employed	4.2	0.8
None of these search methods	4.7	2.6
Number of respondents	236	971

Note:The estimates for the non-Indigenous job seekers are from the SEUP survey for March 1996. The estimates for the Indigenous population are from the IJSS and are for wave 1 (March to June 1996). Respondents could report using more than one job search method. Job search is for the four weeks prior to the survey.

Source: Gray and Hunter (2000, Table 32) and unpublished cross-tabulations from the SEUP, 1996.

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Table 2. Method of job attainment, Australia 2000

	Method of job attainment (per cent)
Job Seeker approached employer	
Tendered or advertised for work	1.6
Contacted likely employers	15.5
Friends, relatives or company contacts	24.4
Registered with or used Centrelink services	2.8
Employment agency	3.3
School programs	0.4
Newspaper advertisements, internet sites	17.2
Sign or notice on employer's premises	1.6
Other	10.7
Employer approached job seeker	22.6

Note: Figures are for persons who successfully sought employment in the 12 months to July 2000.

Source: Labour Force Survey; adapted from (ABS 2000: Table 3)

they got was through friends, relatives or company contacts (24.4%), followed closely by the employer approaching the job seeker (22.6%). Other common sources include newspaper advertisements or internet sites (17.2%), and contacting likely employers (15.5%).

Although the categories used to describe successful job search methods differ from the categories used to describe job search methods in Table 1, some broad points can be made. Indigenous job seekers are much less likely than other job seekers to have directly contacted employers when searching for a job, even though Table 2 indicates that is a relatively common way of finding employment in Australia as a whole.

Indigenous job seekers are more likely than non-Indigenous job seekers report using the most common method of finding employment—contacting friends or relatives. However, as discussed, Indigenous people's social networks are likely to be less effective in helping them to find employment than is the case for non-Indigenous people.

The ABS (2000) statistics also show that where a person had knowledge that a job was available before contacting the employer, among 42 per

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cent of respondents this information was obtained from a friend, relative or company contact. However, where the job seeker approached an employer without having prior knowledge that a job was available, only 16 per cent of respondents found work by contacting friends or relations. Given that Indigenous networks are less likely to include people with paid employment, Indigenous people are much more likely to fall into the category of not having prior knowledge of available jobs.

6. Characterising Indigenous job search behaviour

Job search methods

In this section the job search behaviour of Indigenous Australians is described in more detail using the IJSS. Table 3 shows the job search method used by Indigenous job seekers by region of residence and sex. There are large differences in job search methods used across major urban, regional centres and remote urban areas. Jobseekers in regional centres and remote urban areas have substantially lower usage of most search methods than job seekers in major urban areas. The largest difference is that job seekers in regional centres and remote urban areas were one-half and one-third as likely, respectively, to have answered a newspaper advertisement as job seekers living in a major urban area.

One explanation for this pattern is that the relatively low level of labour demand in regional centres and remote urban areas means that in these areas fewer jobs are advertised in newspapers. The lack of job opportunities outside the major cities is illustrated by the fact that in regional centres 82.9 per cent of jobseekers checked newspapers whereas only 24.2 per cent answered a job advertisement. There was a similar disparity for remote urban areas.

Information on the number of job search methods used is provided in the average number of search methods used in the various areas. In major cities an average of 4.4 different methods were used as compared to only 3.7 and 3.4 methods in regional centres and remote urban areas respectively. This regional variation in the intensity of job search may reflect differences in the demand for labour between areas, a lack of access to facilities and some administrative arrangements in place in some areas. It may also reflect a more relaxed application of the activity test in remote Australia (Sanders 1999).

While there are few major differences in the search methods used by sex, males tend to use more search methods than do females. On average, males used 4.2 methods and females used 3.9 methods. The largest gender

Table 3. Job search method by region and sex, 1996

	Region			Sex	
	Major urban	Regional centres	Remote urban areas	Female	Male
	(%)	(%)	(%)	(%)	(%
Job search method					
Looked at the job ads in newspapers	87.7	82.9	47.1	82.5	83.5
Answered a newspaper job ad	51.8	24.2	16.5	42.9	39.6
Checked CES job board	75.7	78.3	62.4	69.7	77.6
Attended a Skillshare or a Job Club	15.9	13.1	8.2	14.9	13.9
Checked noticeboards or signs at employer's premises	42.6	39.3	47.1	39.1	42.9
Contacted employers to find out if there was a job	59.5	44.7	43.5	44.0	59.4
Asked friends or relatives about jobs	74.0	63.0	71.8	67.4	71.8
Contacted any other organisation that helps people find work	26.9	24.5	32.9	24.9	26.7
Advertised or tendered for work	6.3	2.0	4.7	3.9	5.7
Started a business or became self-employed	1.5	1.1	1.2	0.8	1.8
None of these search methods	2.6	3.1	4.7	3.1	2.9
Average number of search methods used	4.4	3.7	3.4	3.9	4.2
Number of respondents	741	351	85	389	818

Notes: The table population refers to all job seekers in wave 1. The respondents are grouped into three broad geographic classifications according to where they lived at the time of the wave 1 interview: major urban (Sydney, Brisbane, Ipswich, Hobart, Cairns), regional centres (Dubbo, Shepparton, Launceston and Port Augusta) and remote urban areas (Alice Springs, Derby and Broome). Figures are for job search methods used in the four weeks prior to the survey.

Source: Gray and Hunter (2000, Tables 4 and 5).

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difference in search method arose for those contacting employers to find out if there was a job available. Males were 15.4 percentage points more likely to have directly contacted employers. Males were also more likely to have checked the CES job board. The only job search methods which females used more often were answering a newspaper advertisement and attending a Skillshare or Job Club program. However, the gender differences for these two methods are not significant. Gray and Hunter (2000: 16) also show there appears to be little or no difference in the search methods used by Indigenous respondents by broad age group or by whether or not the job seeker was case managed.

Search methods used may vary according to an individual's employment history. Employment history is measured by the proportion of the time

Table 4. Number of jobs applied for in the last 4 weeks by employment status and region, 1996

	Employed	Unemployed	Major urban	Region-al centres	Remote urban areas
No. of jobs applied for	(%)	(%)	(%)	(%)	(%)
0	40.9	34.0	26.8	49.9	46.8
1	15.6	10.2	10.4	11.3	17.7
2	9.3	12.8	12.2	11.0	16.5
3	11.6	11.1	13.6	7.7	5.1
4	4.9	11.5	11.0	9.6	6.3
5	4.0	5.4	6.7	2.8	1.3
6+	13.8	15.0	19.2	7.7	6.3
Average number jobs applied for in last four weeks	1.9	2.3	2.7	1.6	1.4
Number of respondents	225	945	728	363	79

Notes: Average number of jobs applied for includes respondents who applied for no jobs. Those who applied for six or more jobs were assumed to have applied for six jobs.

Source: Gray and Hunter (2000, Tables 10 and 12).

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spent employed since leaving school. Job seekers who have spent a larger amount of their working lives employed search more intensely and use more active search methods. Those with a history of employment are more likely to use job search methods that involve direct contact with an employer. Having a history of employment is also associated with the use of other relatively proactive methods (contacted any other organisation that help people find work, advertised or tendered for work, started a business or became self-employed).[11]

Intensity of job search

Table 4 shows the number of jobs applied for in the previous four weeks. Of employed job seekers, 40.9 per cent did not apply for any jobs in the previous four weeks. This is somewhat higher than the analogous statistic for unemployed job seekers (34.0 per cent). At the other end of the search intensity spectrum, unemployed job seekers are more likely to have applied for four or more jobs. This result is not surprising given that a condition of the receipt of unemployment benefits is proof of applying for a number of jobs. The unemployed job seekers may also be more 'desperate' for work than the employed job seekers and therefore apply for almost any job irrespective of the likelihood of being successful in the application.

The regional variation in number of jobs applied for probably reflects systematic variations in both labour demand and the application of the activity test (Table 4). As noted above, the greater tendency to grant exemptions to the activity test in regional and remote Australia means that there is less pressure on unemployed job seekers in such areas to demonstrate that they are actively looking for work. For employed job seekers, there is also perhaps less incentive to apply for jobs because there are fewer better jobs available. Whatever the reasons for the regional variation in the number of job applications, Table 4 illustrates that the job seekers in major urban areas apply for about twice as many jobs as those in remote urban areas.

7. Job offers in the previous four weeks

One measure of the effectiveness of job search activity is the number of job offers received. In this section the link between search behaviour and the number of job offers received is explored. Around 27 per cent of employed job seekers had received one or more job offers in the previous four weeks, which is much higher than the 13 per cent of unemployed job seekers who received a job offer (Table 5).[12] Given that there is little

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difference in the types of search methods used by employment status (Table 1), and that unemployed job seekers are looking for work more intensely than are employed job seekers, the difference in the efficacy of job search efforts must be explained by other factors. One possibility is that, on average, the employed have personal characteristics that make them more attractive to employers than the unemployed. Another possibility is that the search techniques used by the employed and the unemployed are qualitatively different. For example, the employed may have informal networks that have better access to information about jobs or are more likely to be able to assist with finding employment than do the unemployed.

There are few differences in the patterns of job offers received between unemployed male and female job seekers. While unemployed males are slightly more likely than females to have received job offers, the gender differences are relatively minor. However, young unemployed are twice as likely to have received two or more job offers in the previous four weeks than their older counterparts. Given that there is little difference in search methods and intensity across the broad age groups, this may provide some evidence that employers are more likely to want to employ younger workers.

Table 5 contrasts the number of job offers received for both employed and unemployed by intensity and method of search. It shows that employed job seekers receive more job offers at each level of search intensity than the unemployed. For example, employed job seekers are 18.7 percentage points more likely to receive at least one job offer if they applied for three or more jobs in previous four weeks. Table 5 also shows that the employed receive more job offers than do the unemployed for all search methods with the exception of advertising, tendering for work, starting a business or becoming self-employed. For example, employed job seekers who checked noticeboards or signs on an employers premises were 24.9 percentage points more likely to get a job offer than the unemployed who used this search method. This differential could reflect access to employer's premises.

Asking friends and relatives about jobs is more likely to result in a job offer for the employed than for the unemployed. However, the differential in the offer rate for this method of job search is only slightly higher than that of the average differential between employed and unemployed job seekers. This pattern is consistent with previous research findings that access to information about jobs is better among employed job seekers than unemployed job seekers.

While there are some differences in the likelihood of having received a job offer amongst job seekers using the various job search methods the

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Table 5. Proportion receiving job offers by search intensity and search method, employed and unemployed job seekers 1996

	Employed (%)	Unemployed (%)
All job seekers	27.2	13.2
Search intensity (number of jobs applied for in previous four weeks)		
0	7.6	4.6
1	44.2	15.2
2	42.8	20.0
3+	36.4	17.7
Search Method		
Looked at the job ads in newspapers	28.3	12.3
Answered a newspaper job ad	24.7	16.0
Checked CES job board	28.8	14.0
Attended Skillshare or a Job Club	21.9	18.9
Checked noticeboards or signs on an employer's premises	37.1	12.1
Contacted employers to find out if there was a job going	32.6	16.7
Asked friends or relatives about jobs	30.0	13.6
Contacted any other organisation that helps people find work	36.8	18.9
Advertised or tendered for work, started a business or became self-employed	30.8	27.5
None of these	0.0	0.0

Source: Gray and Hunter (2000, Table 16).

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differences are in general quite small. This is probably a consequence of the fact that job seekers use multiple search methods.

8. Willingness to move to take up employment

Ability and willingness to move in order to take up employment is sometimes argued to be an important factor underlying success in finding employment. This is particularly true for people living in geographic areas where there are few labour market opportunities. An unwillingness or inability to move is sometimes associated with the strong social, cultural and spiritual links that Indigenous Australians have with their land and the complex social bonds which link Indigenous families and communities.

A larger number of unemployed job seekers were not prepared to move to take up employment as compared to employed job seekers (Table 6). This provides some support for the hypothesis that a reason for poor employment outcomes amongst the Indigenous population is lack of willingness to move. In addition, a higher proportion of employed job seekers gave an unqualified 'yes' when asked whether they would have been prepared to move to take up employment. Amongst those who said that their preparedness to move depended on a range of factors, there was little difference in the factors nominated between the employed and unemployed job seekers. The main factors nominated were, in order of importance, job conditions, personal reasons, and locational disadvantage.

There were substantial differences between males and females and younger and older job seekers (Table 6). Females were much more likely than males to be unwilling to move, and males more likely to be definitely prepared to move. Amongst those who responded that their preparedness

Table 6. Preparedness to move in order to take up employment by employment status, sex and age, 1996

	Employed	Unemployed	Female	Male	15-24	25+
	(%)	(%)	(%)	(%)	(%)	(%)
Yes	48.3	40.6	37.0	44.5	47.7	38.2
No	34.3	39.5	48.1	34.0	29.8	44.6
Depends	17.4	19.1	14.9	21.5	22.5	17.2

Source: Gray and Hunter (2000, Table 18).

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to move was conditional, males were more likely than females to nominate that it depended upon the job conditions. Females were more likely to indicate that it depended on personal and family reasons.

Younger job seekers were less likely to say that they would not move. The fact that youth expressed a greater willingness to move and placed fewer conditions on moving is also consistent with youth having fewer family and social commitments than older job seekers. A disproportionate number of unemployed job seekers were not prepared to move as compared to employed job seekers. The main factors nominated were, in order of importance, job conditions, family or personal reasons and location in a particular community, town or city.

9. Concluding comments and policy implications

Government policies that seek to increase the effectiveness or the intensity of job search behaviour are key instruments for reducing unemployment. Understanding the methods job seekers to search for employment is important for the developing of effective labour market programs. While there have been several studies of the search methods used by job seekers in Australia virtually nothing is known about the job search behaviour of Indigenous Australians. This paper seeks to redress this omission in the literature by providing the first description of job search behaviour of Indigenous Australian job seekers.

Who you know is important

Non-Indigenous job seekers are more likely to use proactive search methods, such as directly contacting employers to find out is jobs are available. Indigenous job seekers are more likely to report having asked friends or relatives about jobs. Given this pattern, Indigenous social networks are likely to be a major factor determining the success of job search

Although asking friends or relatives about jobs is the single most common method by which employment is actually found, for Indigenous job seekers relying on friends or relatives is less likely to result in employment than for non-Indigenous job seekers. This is simply because the Indigenous networks have a disproportionate number of interactions with other Indigenous people, who themselves have much lower employment rates than the non-Indigenous population. Even when Indigenous people are working they generally have low-paid and low-status jobs and hence are of less use to job seekers, at least in terms of finding work.

Where you live is important

There are large differences in job search behaviour across major urban, regional centres and remote urban areas. Job seekers in regional and remote urban areas have lower rates of use of most search methods and apply for fewer jobs than those in major urban areas. There are few differences in the rate of usage of search methods between males and females, although males tend to use more job search methods on average than do females.

There is only a weak overall relationship between search activity and labour market success (as defined by job offers) with employed job seekers tending to use search methods more effectively than unemployed job seekers. One explanation for the differences in outcomes between employed and unemployed job seekers is that the quality of information about job opportunities received is likely to be better when one is working. In addition, the proximity to the workplace means that employers are more aware of the personal qualities of particular workers, and may therefore be less resistant to hiring that person rather than an unknown person.

Given that for Indigenous job seekers their friends and relatives are less likely to be able to assist them in finding employment, labour market programs which provide job search assistance are may be particularly important for Indigenous Australians. The introduction of the Job Network in 1998 changed the way in which employment assistance is delivered in Australia (described in more detail in Section 2). There is some evidence that initially Indigenous clients had difficulties effectively accessing the Job Network, especially outside urban areas; this was raised as an issue by Indigenous job seekers, Centrelink staff and Job Network Members (DEWR 2001). These concerns led to changes to the Job Network, which included providing a number of specialist service providers for Indigenous job seekers. While DEWR (2001: 38-41) presents some evidence about the services provided by Job Network members to Indigenous job seekers, it remains to be seen how successful recent institutional developments have been in improving the access of Indigenous job seekers. Given the likely importance of well designed and effective job search assistance programs for Indigenous Australians it is important that job search assistance be provided in an effective manner to Indigenous Australians.

An interesting recent policy has been the provisions of increased job search assistance to CDEP participants through Indigenous Employment Centres which were introduced in 2001.[13] This paper demonstrates that the circumstances facing Indigenous job seekers are so different from those of other job seekers that the evolution of Indigenous-specific institutions, such as IECs, is a constructive development.

Other factors underlying the effectiveness of Indigenous job search

The differences in the job search behaviour of Indigenous and non-Indigenous job seekers may not be the only factor perpetrating the disparity in job outcomes. Hunter (2004) argues that the scope for labour market discrimination to explain ongoing Indigenous employment disadvantage is greater than previously thought. Therefore irrespective of any differential access to useful social networks, employer discrimination may mean that Indigenous employment outcomes will continue to be low for the foreseeable future. That is, even if Indigenous people could be 'taught' to look for employment just like non-Indigenous job seekers, there would be little or no improvement in Indigenous employment rates.

While the provision of job search assistance may increase the rates of employment of Indigenous Australians, in the end it will only be effective to the extent to which Indigenous job seekers are employable and are prepared to live in regions in which there are mainstream employment opportunities. Addressing the low level of demand for Indigenous labour and ensuring that sound macroeconomic policies are in place are probably more effective instruments in improving employment outcomes. It is also necessary to ensure that safeguards are in place to minimise discrimination against Indigenous workers using public education, industrial relations, and related policies.

Notwithstanding, one should not be too dismissive of the study of job search behaviour because a thick or qualitative description of behaviour may yield insights into the mechanisms of racial discrimination. For example, if Indigenous people cannot access particular types of information or networks because of fears or attitudes of employers or fellow workers, then the analysis of job search activity may be able to demonstrate one potential, but hitherto hidden, process underlying racial discrimination.

Notes

1. The survey was commissioned by the then Department of Employment, Workplace Relations and Small Business.
2. However, overall, wage subsidies under the Job Network are now a much smaller feature of mainstream employment assistance than they were under Working Nation.
3. The value of the subsidy is $4,400 over 26 weeks for an ongoing full-time job or $2,200 for ongoing part-time work of a minimum of 15 hours per week
4. Effectiveness is related both to the probability of finding employment and the quality of employment found.

5.A detailed discussion of the representativeness of the IJSS is provided by Hunter, Gray and Jones (2000).

6.The relatively low rate of obtaining interviews from the initial sample may in part be the result of the relatively long period of time (up to 12 months) between sample extraction and the interviews being conducted. This is likely to have been exacerbated by the relatively high geographic mobility rate of Indigenous Australians. Evidence for this explanation is provided by the fact that of those not interviewed, in almost one-third of cases this was because the person had moved and the new address was not available.

7.Major changes were made to the questions about job search behaviour between the survey waves. This severely limits the extent to which the data on job search is comparable between waves.

8.Although the SEUP survey does contain information on whether unemployed job seekers had taken active steps to find employment and had registered with the CES as part of their job search strategy, information is not available on registration with the CES in the recent past—data that would be required to make the sample more comparable with the IJSS sample. There is no information on previous registration with the CES for employed job seekers.

9. Although the survey does contain a question on unemployment duration, this is asked in reference to a particular date but interviews were conducted over a range of at least three months.

10.The definition of unemployment used in this paper does not include the active search criteria which is used in the conventional ABS definition.

11. Detailed results can be found in Gray and Hunter (2000).

12. According to the SEUP data, for the Australian population as whole, employed job seekers receive more job offers than the unemployed.

13. IECs can also provide some support for other Indigenous job seekers who are not in a CDEP scheme. The main source of support for these (mostly unemployed) Indigenous job seekers continues to be through Centrelink and Job Network.

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