9. Implications, dilemmas, and the way ahead

The purpose of this analysis has been to portray the social and economic status of the population resident within the Northern East Kimberley at a point in time prior to either the winding down and ultimate cessation of mining activities at Argyle Diamond Mine, or the commencement of new operations and extension of the life of the mine to around 2020. To this extent, the baseline provided sits at a crossroads with options for future social and economic outcomes still the subject of negotiation between traditional owners, mine management and the State government. The value of such a profile is twofold. First, it assists by providing a quantum to discussions of need, aspirations, and regional development capacities. Second, it provides a benchmark against which the impact of any developmental decisions and future actions associated with them may be measured. Thus, the content of this report does not constitute a social impact assessment; rather it lays a foundation for identifying key requirements of regional development planning. With this in mind, the implications of the findings for each of these areas are summarised below.

**Demography**

It is difficult to portray the demography of the East Kimberley region as a consolidated whole. In effect there are two, even three, demographic profiles required on the basis of different population histories, composition and dynamics—one for the Aboriginal population, one for the usually resident non-Indigenous population, and one for a transitory population whose usual residence is elsewhere.

Of course, it is the Aboriginal population that has by far the longest and most enduring association with the region. From the time of their first contact with outsiders in the late nineteenth century, the Aboriginal peoples of the East Kimberley have experienced major demographic upheaval involving initial depopulation, a prolonged period of consolidation characterised by low growth, and in more recent times (since the 1970s) an expansion in numbers with high rates of growth. This recent phase of high population growth coincides with the integration of Aboriginal people into the provisions of the welfare state, and a related expansion of service provision in the region, notably in areas of health, housing and education.

As for the non-Indigenous population, usual resident numbers have also increased since the 1970s following the commencement of mining at Argyle alongside an expansion of jobs in agriculture, tourism, and related service industries, together with enhanced provision of State and local government infrastructure. This is typically a migrant population, located overwhelmingly in the region’s three urban centres, and focused on working-age groups with net migration loss in the teen and older age groups.

A further by-product of the expansion of economic activity in recent years has been a growth in visitation to the region of individuals whose usual residence is elsewhere. This group includes tourists, as well as temporary workers on short-term contracts, or FI/FO
arrangements. While the individuals involved might change rapidly, temporary visitors nonetheless constitute a permanent presence in the region, especially in urban centres, and particularly in the dry season.

The background to the contemporary evolution of Aboriginal settlement in the region is well documented and is not repeated here (Coombs et al. 1989: 21-50; Ross 1989; Williams and Kirkby 1989). Suffice to point out that mining activities at Argyle commenced at a time when Aboriginal people were still regrouping geographically, having been evicted from long association with pastoral properties across the region and resettling on Aboriginal reserves and pockets of Crown land in and around Kununurra, Halls Creek and Wyndham, and at Turkey Creek (later the site for Warmun community). Subsequent decades have witnessed sustained growth of the Aboriginal population and its increased dispersion throughout the region contingent on the acquisition of legally recognised tenure to traditional lands—either through the buyback of cattle stations (such as at Doon Doon and Bow River), or via reserves being handed over to Aboriginal control (such as at Turkey Creek and Violet Valley). This ‘return to country’ and associated development of widespread dispersed settlement has greatly extended the residential circumstances of Aboriginal people within the region. This now ranges from suburban dwellings in town alongside non-Indigenous residents and visitors, to remote camping places for small family groups.

Thus, for Aboriginal people in the region, the overriding demographic characteristic today is sustained rapid population growth and a burgeoning youthful age profile. While natural increase constitutes the primary share of this growth, some indication of net in-migration is also present. Despite social networks that create a diaspora of East Kimberley Aboriginal people across the Kimberley as a whole and into the Northern Territory, and notwithstanding frequent population mobility beyond the immediate region, for the most part individuals born within the vicinity of Argyle mine conduct their affairs and pass through life in the same area. This demographic stability reflects, in part, the strength of cultural continuity and a growing capacity to sustain chosen lifestyles. But an untested and important question is the extent to which this perceived stability also reflects an incapacity to engage wider social and economic structures, for want of adequate human capital. Such issues are likely to loom larger in the years ahead as the pressures to provide sustenance and life chances for a growing population increase.

**Jobs and economic status**

Against the stated aims of key Commonwealth and State policy initiatives, it is clear that economic outcomes for Aboriginal people in the Northern East Kimberley are less than optimal. Over the past 20 years, Aboriginal employment in the mainstream labour market has fallen, the Aboriginal share of total regional income has declined, and the gap between Aboriginal and non-Aboriginal residents of the region in terms of personal income levels has widened. Aboriginal people are less likely now to be participating in the workforce than before, and their levels of dependence on welfare have increased accordingly.
This conclusion has significance in light of the potential benefits and concerns expressed in regard to mine impacts in the original Ashton Joint Venture Environmental Review and Management Program (ERMP):

The project has the potential to enhance and widen opportunities for those groups who are now regarded as disadvantaged, as well as other groups. Distributional effects of benefits will need to be considered carefully in terms of their wider social implications and not only in financial terms. (ERMP 1982: 228)

…and if community fortunes wane, even temporarily, and stresses grow in the community as a result, there is danger that the Project will be seen as partly or wholly responsible for the change in well-being, whether it caused the changes or not. (ERMP 1982: 246)

The pity is that a measure of these costs and benefits to the regional population is only now available some 20 years on, and that they were not the subject of continuous tracking over the life of the project.

If social and economic conditions for Aboriginal people remain the same as currently experienced, then the cost to government of providing income support and other welfare payments, as well as program support in areas of health, housing and CDEP in particular, will escalate over time in line with the growth in working age population. On the other hand, if Aboriginal people had more jobs at higher occupational levels, then, from their own incomes, they would be able to meet many of the basic needs that governments now provide for. Some estimate of the opportunity cost to government of simply continuing business as usual is provided here in the form of welfare dependency rates and associated estimates of dollar amounts. What is not costed, though, is the potentially greater public impost of excess disease burden, infrastructure replacement, and foregone educational outcomes due to the continued and growing marginalisation of Aboriginal people within the regional economy. It is important to recognise that the policy options for addressing this situation are not cost neutral—expenditure will grow either in response to declining economic status, or in order to enhance it. Whatever the case, a fiscal response is unavoidable.

Alongside the consideration of options to open up areas of the regional labour market to Aboriginal employment in the same manner as is underway at Argyle mine (Argyle Diamonds 2002), there is a parallel need to tackle much deeper structural hurdles if Aboriginal people are to successfully compete for skilled mainstream jobs with other residents (and potential in-migrants, both Aboriginal and non-Aboriginal). Aside from the fact that one-quarter of the adult population was arrested in 2001, these include poor literacy and numeracy levels, which in part reflect low school participation and attendance levels—only 73% of the regional school age population is enrolled, and average retention to year 12 amounts to only 10 individuals; only 25 Aboriginal students each year achieve benchmark competencies in Year 7 reading and writing; only 132 adults have post-secondary qualifications. Also for noting is the continuing high adult morbidity.
and mortality—if a 15 year old Indigenous male in the region has only a 60% chance of reaching age 60, then the physical limitations on prolonged and full participation in the workforce become all too apparent, especially if we add to this the high rates of morbidity and disability that are prevalent throughout the prime working ages.

With some residual residential access to Aboriginal lands in the region, and the possibility of more in the future via native title determinations, the extent to which real lifestyle choices are being made by the local population has also to be factored into any policy response. Clearly, the existence of continuing ties to country, and the customary economic activities that stem from this, means that opportunities for economic activity should be exploited wherever they emerge. In considering such options, one issue is the extent to which the full range of existing economic activities is adequately reflected in the official census statistics presented here. For example, it would appear that many locally significant tasks are either subsumed in the census under the label of ‘CDEP’ or ‘labouring’, or overlooked altogether due to their lack of fit with mainstream labour force categories. Examples of such activity abound in the literature and are associated with aspects of customary economy (hunting, fishing and gathering), art and craft manufacture, land management and ceremonial business (Altman 2002; Altman and Whitehead 2003; Bomford and Caughley 1996), often with fledgling or well-established employment potential.

Of interest here is the fact that census records for the region identify no Aboriginal artists, actors or dancers in its official occupational classification of those employed, and yet one of the mainstream employment success stories of the region is the manner in which private sector interests have combined with traditional culture to engage numerous individuals in meaningful and gainful employment. Noteworthy examples include the Warmun Arts Centre which has an annual turnover of $1m, has 88 artists registered, and employs 18 of these full-time with earnings well above the regional average. The Warmun-based Neminuwarlum Dance group is another. It is interesting to note that such synergies, and the general importance of art and art centres in generating local employment and income, has recently been acknowledged by the Northern Territory government with their launch of a $3.2 million Indigenous Arts Strategy (Northern Territory Government 2003).

Given their labour intensive nature and widespread occurrence, it is important to consider ways of strengthening such elements of customary economic activity as part of the broad strategy of raising employment levels. To date, the primary focus for future employment growth appears to have been on mining, and not surprisingly so given ADM’s targeted goals and the spread of exploration and mining activity more generally in the region such as at Sally Malay. However, set against the background of an expanding working age population, the additional work generated by such activities will be insufficient to keep up with extra demand leading to potential further deterioration of gross regional employment indicators, all other things being equal.

In the meantime, employment generation in most remote communities, and to some extent in towns as well, is most likely to occur via an import substitution model embracing activities such as the construction and maintenance of physical infrastructure, education, health services, retailing, public administration, transport, media, land restoration, land management and tourism. As argued, some of this diversity in economic activity
is already in place via CDEP schemes, although it is rarely recognised as such, often being seen amorphously as 'just CDEP’ work. As for community-based jobs that are currently occupied by imported non-Aboriginal workers, these tend to be managerial and professional positions with a requisite need for skills. In any case, as with mining jobs, they are insufficient in number to satisfy the growing demand for employment, even if all positions were filled by Aboriginal people.

**Education and training**

The polarisation of employment between Aboriginal and non-Aboriginal people that is observed in the regional labour market is mirrored, and has many of its antecedents, in terms of relative educational status. While the historic reality is that many older Aboriginal adults in the region have never attended school, it remains the case that not all of those in the current school age group are enrolled. It is estimated here that this might involve up to 25% of the regional population of compulsory school age. Among those who do enrol, their retention to year 10 is consistent with the level observed for Aboriginal students generally in Western Australia, which means that only some 15% fall away. However, retention to year 12 is a rarity and falls far below state averages. In effect, the average annual Aboriginal enrolment in year 10 in the region comprises some 60 students; in year 12 it is only ten. Not surprisingly, in 2001, the estimated number of Aboriginal adults in the region who claimed to have completed year 12 amounted to only 220, while an estimated 750 claimed year 10 level.

While the appropriate cross-tabulation has not been established, it seems reasonable to assume that these individuals would comprise a sizeable share, if not all, of the 428 Aboriginal adults estimated to be employed in the region outside of the CDEP scheme in 2001. In effect, all those with a basic competitive educational background would appear to be already in gainful mainstream employment, with as many again who are not. Any expansion of Aboriginal participation in mainstream employment would no doubt be readily taken up by the estimated 550 or so local adults who have at least year 10 level education but who were not gainfully employed in 2001. In terms of the potential for an educated Aboriginal labour supply to be sourced locally, this finding is encouraging. However, three other observations sound a note of caution.

First, it is noted that age at leaving school, and even highest year of schooling completed, does not necessarily equate with grade level achievement. To the extent that data are available to assess this, it is significant to note that only 21% of Aboriginal students in year 7 meet the benchmark in numeracy and 22% in reading, compared to figures of 81% and 85% of all students in the state. Again, in terms of actual numbers, these Aboriginal performance levels convert into an estimate of barely 25 students with benchmark competencies coming through the system each year—hardly an indication of substantial output from the local education system to feed the post-secondary training programs and future employment opportunities.

Second, somewhat similar calculations can be made in regard to VET sector output, although here the indications are more promising. While module load completion rates do not provide a direct measure of successful final outcomes in terms of producing qualified
individuals, if the Aboriginal rate observed for the region is applied to Aboriginal enrolments, then this suggests a potential future output of around 300 individuals emerging from the VET system, mostly at certificate levels I to III. While this would convert to an increase in the current estimate of 130 Aboriginal adults in the region with post-secondary qualifications, many of these may well be the same people. Also, it is not known how many of those engaged in training already form part of the regional workforce, either with jobs in the mainstream or via CDEP.

Finally, the data on education and training participation and outcomes mean that local demand for Aboriginal labour as envisaged and targeted by ADM and other regional employers is likely to be matched by suitably qualified local supply. This is not least because of the efforts made by ADM itself in the area of training provision (Argyle Diamonds 2002, 2003). However, the extent of underperformance in both education and training means that the vast majority of Aboriginal adults in the region, both present and future, will be left uneducated, unqualified, unemployed, or underemployed on CDEP and effectively marginalised in the face of any competition for jobs from more qualified countrymen or outsiders. Thus, the key regional development challenge is going to be in ensuring equitable, not just partial, participation.

**Health status**

Aboriginal people in the East Kimberley region suffer the worst health status in Western Australia as measured by standard indicators of morbidity and mortality. This is true whether comparison is made with Aboriginal people in other parts of the State, or with non-Aboriginal people locally, although differentials are obviously greater when compared with the latter. Given the links that exist between employment status and ill health (Bartley 1994), it is to be expected that the poor employment outcomes observed for East Kimberley Aboriginal people are in no small measure related to their high rates of morbidity and mortality.

With reference to just one statistic—mean age at death (which currently stands at 47 years for Aboriginal people in the East Kimberley)—the physical limitations on prolonged and full participation in the workforce become all too apparent. If we add to this the fact of relatively high Aboriginal morbidity rates commencing in young adulthood and rising throughout the prime working ages, then a pattern emerges of severe physical constraints on the ability of many in the community to engage in meaningful and sustained economic activity. From a labour market perspective, it is likely that these negative effects of poor health status commence long before individuals are eligible to join the workforce as suggested by relationships, long-established, between the poor health status of Aboriginal people and below average school performance. There is also the likelihood of less direct impacts on workforce participation such as the prospect that many individuals do not seek work due to responsibilities in caring for sick relatives.

The barriers and potential solutions to improved health status for East Kimberley residents are spelt out in the Kimberley Regional Aboriginal Health Plan (Atkinson, Bridge and Gray 1999). Among the issues underlying health status, this report emphasises the significance...
of on-going backlogs in achieving adequate environmental health infrastructure, of the need for improved outcomes from education and training, of the difficulties of achieving better nutritional status in the population as a result of the high cost of food and low incomes, and finally the on-going debilitating effects and social disruption caused by excessive alcohol consumption. All of these issues reflect on social and economic conditions in the region that are the focus of policy intervention. Notwithstanding this, Aboriginal health outcomes in the East Kimberley remain notably behind the rest of the State and undermine the capacity for participation in regional economic development.

Crime

Research on the factors underlying high arrest rates among Aboriginal people and the effect of these on employment prospects indicates that if governments are concerned about Aboriginal social and economic wellbeing then a priority should be to ensure that they stay out of the criminal justice system (Hunter 2001; Hunter and Borland 1999). Unfortunately, in the East Kimberley, this has not occurred to date as statistics from the police and Department of Justice indicate high levels of recorded contact with police and subsequent conviction via the courts system.

While precise levels of Aboriginal recidivism are difficult to establish owing to data quality issues, the indication from the statistics available is that almost 650 Aboriginal persons in the Northern East Kimberley were arrested in 2001. Since arrest rates are higher at younger adult ages, this implies that almost one-third of the regional population between 20 and 34 years have been arrested. As for convictions, it is estimated that 75 Aboriginal people from the region would have been committed into custody by the adult lower courts in 2001, and 337 would have received a non-custodial sentence. If these orders were handed to distinct persons (an assumption only, as the actual number is unavailable) then they would be directed at 17% of the regional adult population, while the equivalent proportion for juveniles based on the same assumption would be 15%. In addition to this, an estimated total of 623 monetary fines were handed down to Aboriginal defendants from the region, though again on behalf of how many distinct persons is actually unknown.

Among the factors that contribute to high arrest rates for Aboriginal people, high unemployment (or lack of meaningful work) and poor educational achievement have been identified as the most prominent (Hunter 2001). As we have seen, both of these pre-requisites for high arrest rates are prominent in the region, indeed more so than in most other parts of Western Australia. What is especially pernicious, though, is the existence of feedback mechanisms between arrest and socioeconomic conditions whereby the fact of arrest tends to reinforce disadvantage in the very factors that contribute to it. Clearly, there is a cycle here that links recidivism and reduced levels of social and economic participation, but in a fairly complex web. Admittedly, some of these threads are more implicit than explicit in the data.

For example, from the hospital separations data it is apparent that excess use of alcohol is prevalent, so it is not surprising that 62% of respondents to the NATSIS in Wunan region identified alcohol as the main local health problem (ABS 1996: 19). At the same
time, high rates of injury reported in hospitalisation data are consistent with levels of assault reported to police, as is the fact that 71% of NATSIS respondents considered family violence to be a major problem (ABS 1996: 57). Such observations point to a cycle of social dysfunction at the family and community level that is reflected in the level of interaction with the criminal justice system. In turn, individual-level efforts to break into the regional labour market may be hampered by the fact that employers (such as ADM) are keen to screen out and review the employability of individuals who have a criminal record that might suggest some risk to their business and duty of care to other workers. Indeed, some perception exists (at the Warmun CDEP, for example) that just having a police record may deter some people from even looking for work. Whether this is so or not, it can certainly be stated that high levels of interaction with the criminal justice system, especially in young adult years, are less than conducive to the steady and progressive acquisition of work skills and experience that are so necessary for successful engagement with the regional economy.

**Prognosis**

All of the above highlights the fact that the Northern East Kimberley has a serious economic development problem: around one half of its resident adult population, representing the majority of its Aboriginal population, remains overly dependent on welfare, structurally detached from the labour market, and ill-equipped to engage it. More disconcerting, perhaps, is a prognosis that these indicators will worsen as a consequence of rapid population growth if recent trends in the rate of Aboriginal job acquisition continue, even assuming that ADM targets for local employment are met. From a policy perspective, ‘business as usual’ is simply insufficient to meet the expanding needs of the regional population.

Clearly, mines such as ADM can play an important part in regional development by providing a local employment base, by developing local skills, by stimulating local Indigenous business activity, by adding to the stock of regional infrastructure, and more generally by generating regional economic multipliers. However, the net impact of these inputs will be insufficient in themselves to redress the legacy of past neglect and they will not alter regional social indicators. Deficits in labour force status, income share, educational status, housing, and health among Aboriginal people in the region are of a scale that only a partnership approach to regional development involving both industry and government could hope to redress. Furthermore, the need for wider investment in regional human capital is immediate as the impost on government of sustaining the status quo in terms of welfare spending, lost tax revenue, foregone education outcomes, maintaining the criminal justice system (to say nothing of the actual costs of crime), public housing provision, and health care are high, and can only increase given the growing weight of population numbers.