

# "Measures for inclusive and anti-discriminatory labour markets in Australia"

PAPER TO THE

*IQ SYMPOSIUM: LABOUR MARKET INTEGRATION OF IMMIGRANTS IN GERMANY AND EUROPE: CHALLENGES | PERSPECTIVES | OPPORTUNITIES*

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# Outline of Paper

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The Migrant Presence in Australia

Immigrant Labour Market Inequality in Australia

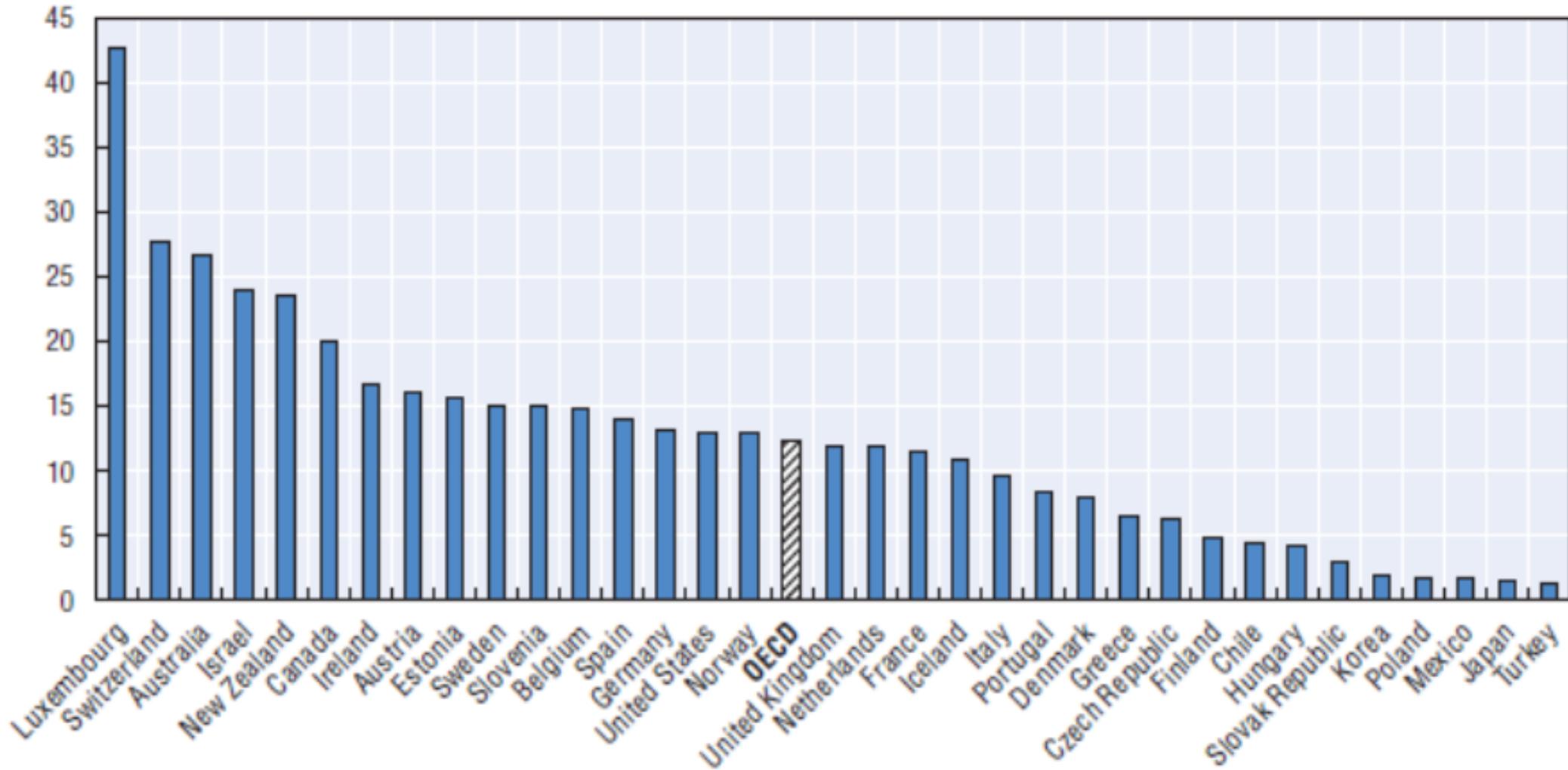
Evidence on Racial Discrimination in the Australian Labour Market

The many dimensions of discrimination in Australian labour markets

Responses to discrimination in Australian labour markets

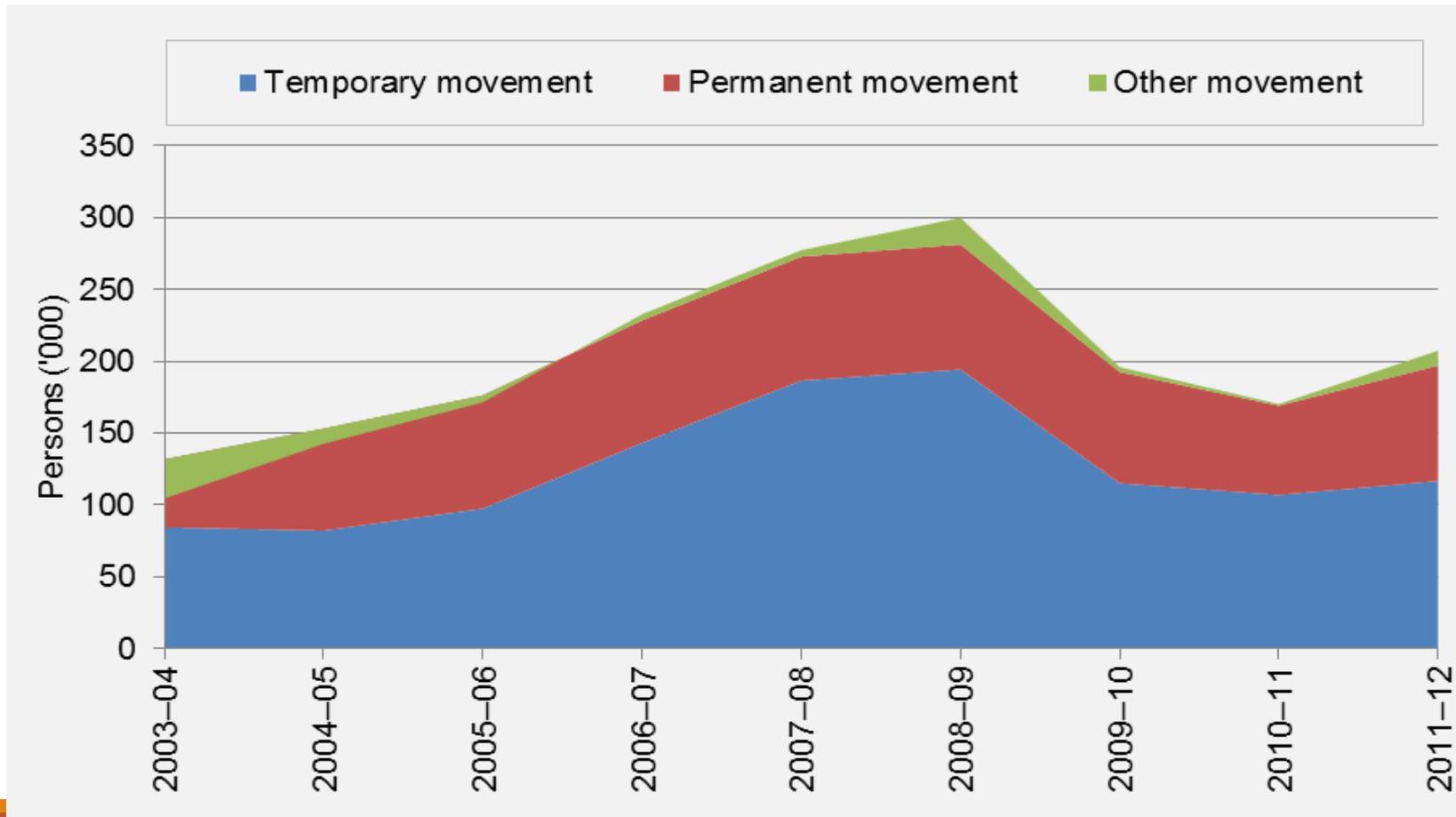
# Australia: One of the worlds greatest Immigration Nations

Source: OECD 2014: 48



# The changing composition of Net Overseas Migration, 2003–04 to 2011–12.

Source: DIAC 2013: 106



# Australian Immigration Programme 2013-14.

Source: DIBP (2014e) Australia's Migration Trends 2013-14. p.7.

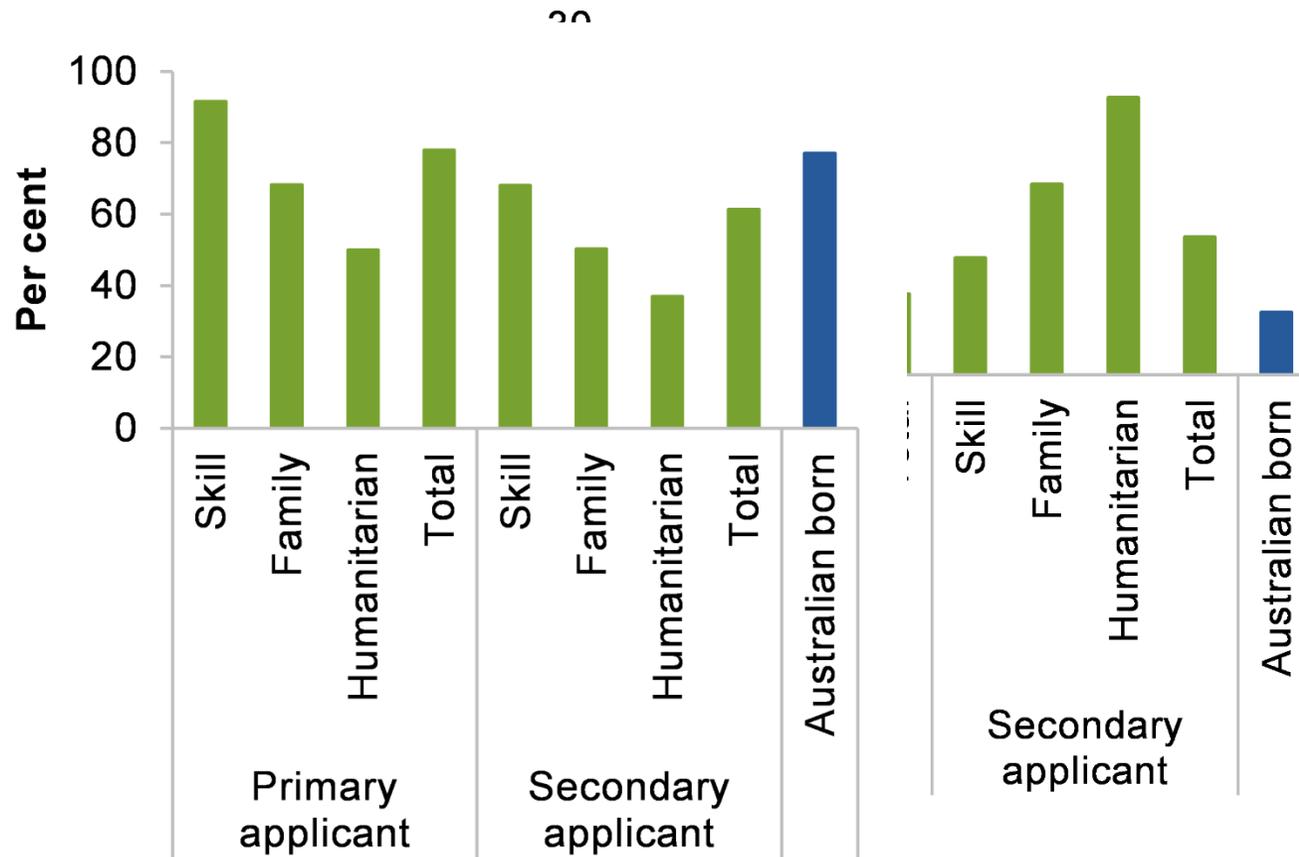
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	NUMBERS	% OF TEMPORARY INTAKE
Working Holiday Makers	239,592	32.5 %
Students	292,060	39.7 %
Temporary Work (Skilled)	98,571	13.4 %
Other temporary visas*	105,901	14.4 %
<b>TOTAL TEMPORARY</b>	<b>736,124</b>	<b>100 %</b>
<b>TOTAL PERMANENT</b>	<b>207,947</b>	
Humanitarian Programme	13,768	

# Migrant Unemployment Rates (RHS) and Labor Force Participation Rates (LHS) by Category of Entry 2011

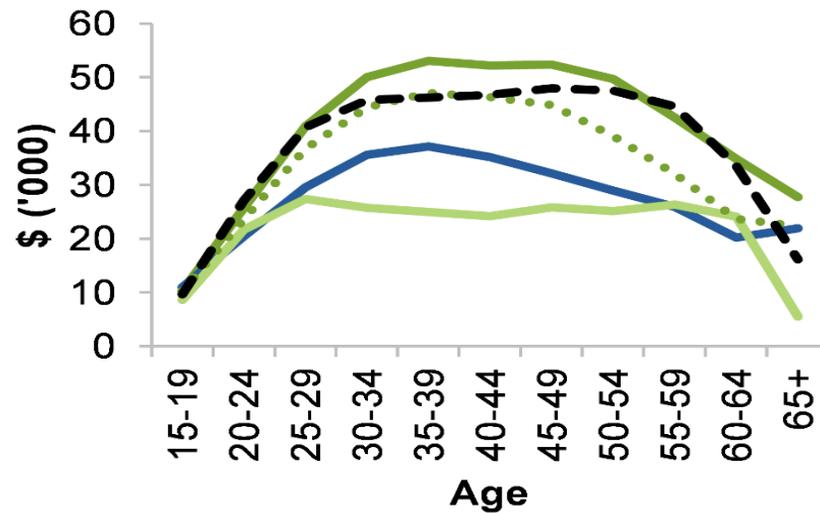
Source:

Productivity Commission (2015) *Migrant Intake Into Australia: Draft Report* page 9

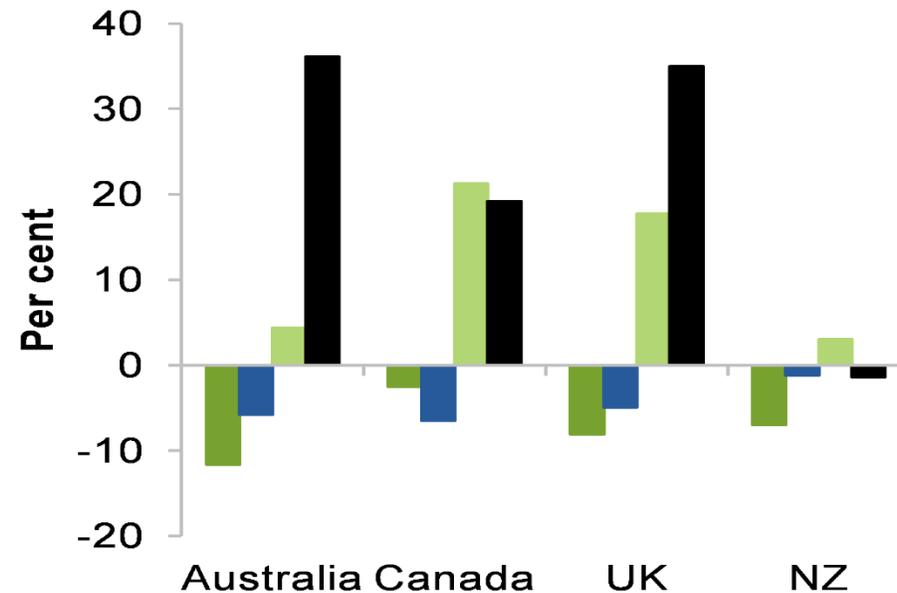


# Migrant Median Income by age and category of entry (LHS) and Migrant Labour Market Gap (RHS)

Source: Productivity Commission (2015) *Migrant Intake Into Australia: Draft Report* page 9



- Skill
- Family
- Humanitarian
- ⋯ Permanent immigrants
- - - General population



- Employment gap - low education
- Employment gap - high education
- Unemployment gap
- Overqualification gap

# Evidence on and forms of Racial Discrimination in the Australian Labour Market

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Another form of racial discrimination relates to an inability to attain employment in the first instance. On average, **unemployment rates for immigrants** are only slightly higher than non-immigrants (Australian Productivity Commission 2015), although immigrant minorities experienced larger increases in unemployment in the economic downturn following the Global Financial Crisis (Hugo 2011c; Collins 2011). But **averages conceal a variety of different immigrant labour market experience** and are often not useful when attempting to assess the level of immigrant economic integration. More disaggregated analysis by ethnicity or by category of immigrant entry reveals significant variation about the mean in terms of unemployment rates for immigrants.

Booth, Leigh and Varganova (2009) found that immigrants with distinctively different (Italian, Chinese, and Middle Eastern) names but similar CVs (i.e., similar human capital) to other job applicants experienced **statistically significant differences in call back rates**, suggesting that ethnic minority candidates would need to apply for more jobs in order to receive the same number of interviews than those with 'Australian' names. A hierarchy of discrimination was evident, with Italians (a more established migrant group who arrived in the 1950s and 1960s) suffering less discrimination than Chinese and Middle Easterner immigrants (who have typically arrived more recently).

**RESPONSE:** Management education; challenge school-tie social networks; HR reform; government employment policies.

# Evidence on and forms of Racial Discrimination in the Australian Labour Market (cont)

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Moreover, the problem of the **non-recognition of overseas-obtained qualifications** remains a space where immigrant disadvantages occur in the Australian labour market. Immigrants are too often penalised in the Australian labour market because of the markers of their cultural difference—their accent, skin colour, dress, religion—rather than rewarded for their multilingual and multicultural competencies. This is **a form of market failure** that leads to an undervaluing of the human capital of overseas trained immigrants, the very qualifications that see them admitted to Australia as part of the skilled permanent immigrant intake in the first instance.

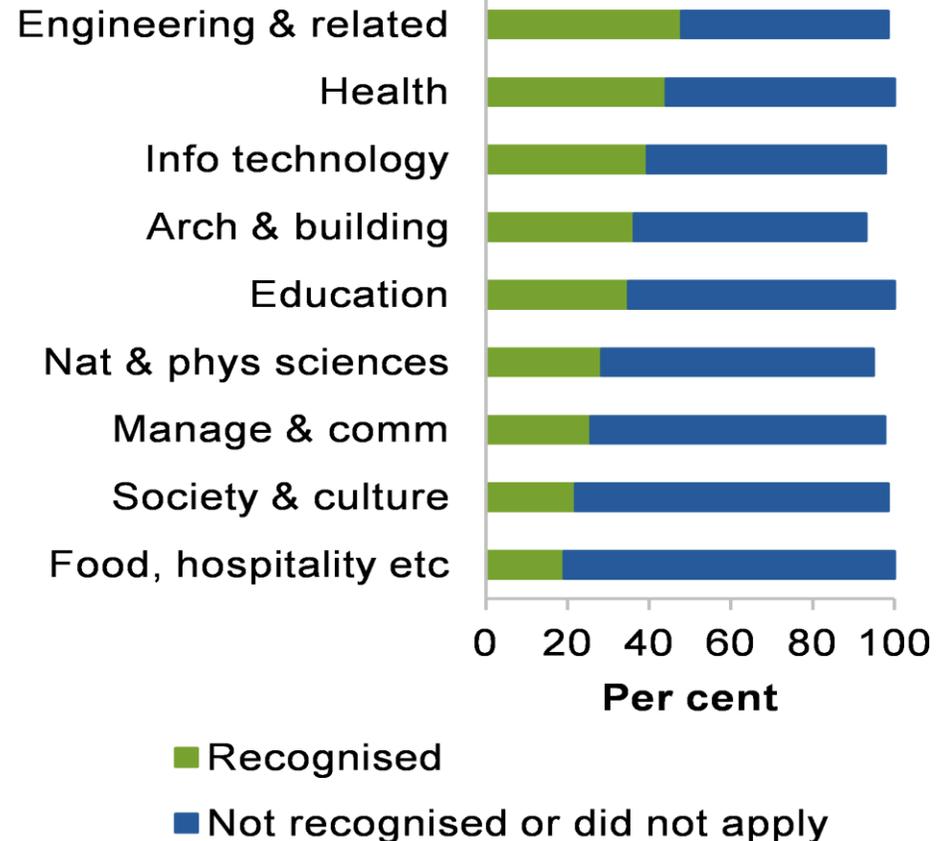
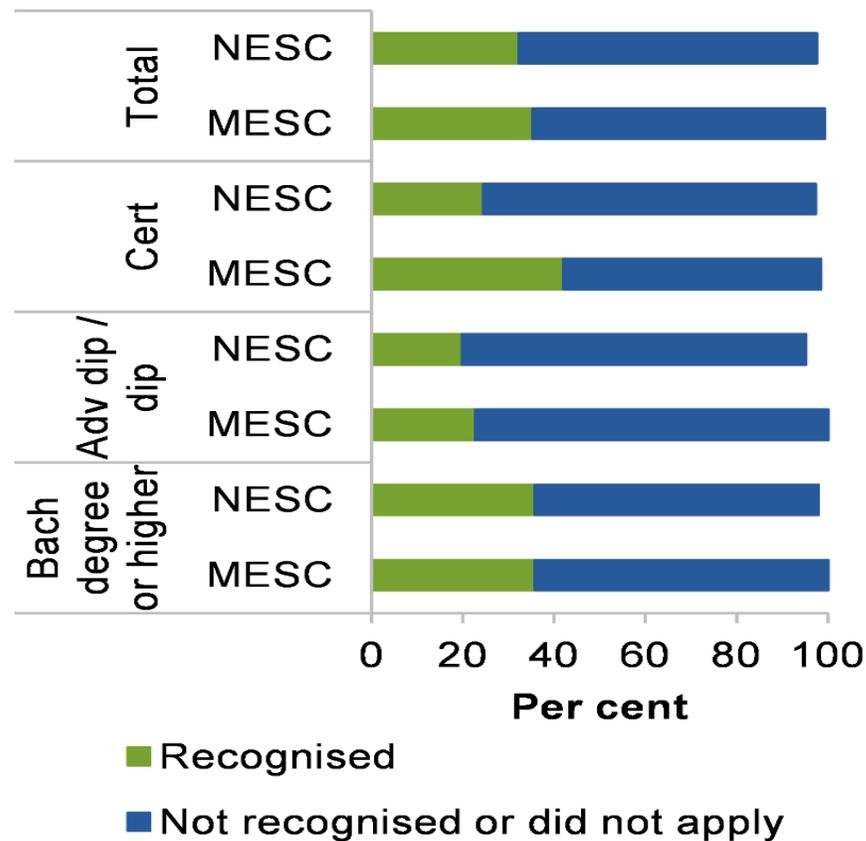
**RESPONSE:** sustained efforts to reassess whole of recognition of overseas-obtained qualifications policies, procedures and organisations

**Humanitarian entrants** (refugees) are the most disadvantaged cohort of immigrant arrivals and face the greatest settlement difficulties in Australia. For example, at the 2006 national census the unemployment rates from those from Somalia was 30.7%—and for those from Sudan was 28.2%—at a time when the average Australian unemployment rate was below 6 per cent. When they do get jobs, refugees face what Hugo (2011a, 109) calls ‘occupational skidding’; that is, humanitarian arrivals do not get jobs commensurate with their qualifications. On a more positive level, there is clear evidence of occupational mobility of humanitarian arrivals over time and across generations.

**RESPONSE:** New initiatives like *Ignite Refugee Enterprise Facilitation* program and corporate initiatives to employ refugees; local area *education and language training*; built refugees *social capital*; recognise their *human capital*

# Recognition of Qualifications Overall (LHS) and by Field of Study (RHS)

Source: Productivity Commission (2015) *Migrant Intake Into Australia: Draft Report* page 156



# Evidence on and forms of Racial Discrimination in the Australian SMEs

**Exploitation of temporary migrants** (457 Visa Skilled workers, working holiday makers, international students, Pacific Seasonal Workers) by way of *below award wage rates, exploitative accommodation arrangements and exploitative work conditions*.:  

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**international students** in the 7/11 franchise -<http://www.smh.com.au/business/workplace-relations/7eleven-investigation-exposes-shocking-exploitation-of-convenience-store-workers-20150828-gja276.html>

the long hours for under-award pay experienced by **working holiday makers** in Baiada chicken factories  
<http://www.abc.net.au/news/2015-06-17/foreign-workers-exploited-at-baiada-plant-investigation-reveals/6554570>

Regular stories of exploitation of **457 workers** by employers such as the Pie Face franchise in Sydney recently  
<http://www.smh.com.au/business/retail/immigration-raids-pie-face-20150815-gizov8.html>

Exploitation of **Pacific Seasonal Workers**

NB **Co-ethnic Entrepreneurs** often the source of this discrimination.

**RESPONSE:** surveillance of employers; fines; banning them from employing temporary migrants; publicity and exposure; policies to make newly-arrived temporary migrants aware of their rights and contact points for complaint.

# Evidence on and forms of Racial Discrimination in the Australian Corporate Sector

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Minority immigrant workers have entered the primary labour market as Australia has switched to skilled immigration intakes with high educational levels. Most of these highly-skilled immigrants get corporate sector jobs.

BUT do they get **promotion** commensurate with their human capital? There is very little research on this in Australia. There is research that the corporate sector does not fully utilise the human and cultural and linguistic capital of its immigrant workers – another form of market failure

RESPONSE: Systematic research. Publication of results; formal and informal management training and other initiatives. Corporate Management.