



# Working it out

A rapid review of the evidence around employment among refugees and temporary protection visa holders in the Australian labour market

OCCASIONAL PAPER 1  
MARCH 2016

**SSI**   
settlementservices  
international

**SSI Head Office**

Level 2, 158 Liverpool Road  
Ashfield NSW 2131  
t: (02) 8799 6700  
e: info@ssi.org.au

**Parramatta**

Level 1/81 George Street  
Parramatta NSW 2150  
t: (02) 9685 0100

**Bankstown**

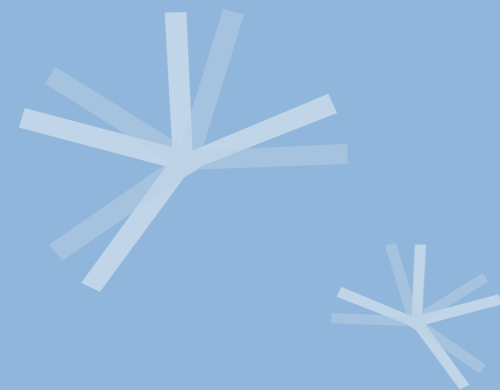
Level 2, 462 Chapel Road  
Bankstown NSW 2200  
t: 02 8713 9200

[www.ssi.org.au](http://www.ssi.org.au)

Report written by Dr Tadgh McMahon,  
SSI Research and Policy Unit  
© SSI March 2016

# Contents

<b>Key Messages</b>	<b>5</b>
<b>Introduction</b>	<b>6</b>
<b>Background</b>	<b>8</b>
Migration, equality and employment	8
Refugees, asylum and temporary protection visa holders and employment	11
<b>Discussion</b>	<b>16</b>
<b>Conclusion</b>	<b>19</b>
<b>References</b>	<b>20</b>



**Settlement Services International** is a community-based, not-for-profit organisation providing a range of services in the areas of humanitarian settlement, asylum seeker assistance, accommodation, multicultural foster care, disability support, employment support and enterprise facilitation which are delivered from more than 24 locations across NSW.

[www.ssi.org.au](http://www.ssi.org.au)



## Key Messages

- Employment is often seen as one of the cornerstones that helps individuals and communities overcome disadvantage and achieve their social and economic potential.
- As with any country, the Australian labour market needs a spectrum of skills from low-skilled workers to highly skilled professionals.
- There are many moving parts influencing the employment prospects of refugees and temporary protection visa holders in the current Australian labour market.
- While less is known about the employment prospects of temporary protection visa holders, we have good evidence of the strengths and employment challenges of refugees, holders of permanent protection visas.
- The dominant challenges that refugees face in securing employment – lack of Australian work experience, difficulties in overseas skills and qualifications recognition, and limited English language skills – are also likely to be in play for temporary protection visa holders with work rights.
- Similarly, the employment outcomes for temporary protection visa holders are likely to reflect the dominant patterns in employment outcomes for refugees in the initial years of settlement – unemployment, underemployment and loss of occupational status – and may be exacerbated by their temporary status and limited eligibility for support that assists with labour market integration.
- The strengths of refugees in the labour market include a strong potential for entrepreneurship. Clearly this capacity for innovation cannot be harnessed to the same degree among temporary protection visa holders due to the temporary nature of their visa status.
- There are existing biases in the Australian labour market that funnel refugees, and may potentially funnel temporary protection visa holders, into low-skilled, low-paid jobs, regardless of their human capital.
- These patterns of outcomes can blunt the potential of people who are, in general, highly motivated to work, and trap them in a cycle of poverty and disadvantage.
- The evidence indicates that over time, labour market outcomes for refugees improve and, by the second generation, employment outcomes among people from refugee backgrounds are higher than for the Australian-born.
- A stronger focus on realising the employment potential of refugees and temporary protection visa holders is needed so that Australia can avoid the missed opportunity and build stronger social and economic participation among permanent and temporary protection visa holders in Australia.

# Introduction

Employment is often seen as one of the cornerstones that helps individuals and communities to overcome disadvantage and achieve their social and economic potential. Conversely, unemployment, underemployment and loss of occupational status are a missed opportunity for individuals, their families and the communities they live in, to realise their potential. This narrative is doubly true for newly arrived migrants and refugees who often see employment as one of the signifiers of success in a new country and a salve for the loss and disruption that inevitably accompanies migration.

Settlement Services International (SSI) provides settlement services to refugees – holders of permanent protection visas – and support to asylum seekers on bridging visas, who are awaiting assessment of their claims for protection and living in the community. Each year since 2012 SSI has supported, on average, more than 8,000 refugees and asylum seekers and, consequently, SSI has a strong practice knowledge that informs our understanding of the employment prospects of refugees on permanent protection visas and asylum seekers who are granted temporary protection visas. In addition, since July 2015, SSI has been the lead organisation in

the NSW Settlement Partnership – a consortium of 22 partner organisations that deliver the Settlement Services Program, funded by the Australian Government, to refugees and migrants in the family stream of the migration program in the first five years of settlement across NSW.

This review examines the current evidence base to explore the strengths, opportunities and challenges facing newly arrived refugees and temporary protection visa holders in the Australian labour market. This review comes at a time of major policy shifts impacting on these two cohorts of job seekers. Firstly, under recently enacted legislation, asylum seekers already in Australia on bridging visas and found to be in need of Australia's international protection obligations will be granted temporary protection visas with work rights. Secondly, as of July 2015 there have been major reforms in the way employment support services are delivered to job seekers. Thirdly, Australia has recently announced a significant increase in the refugee intake as part of the humanitarian response to the conflict in Syria. This review explores the evidence base to build a picture of refugees and temporary protection visa holders and employment at this point in time.



# Background

## Migration, equality and employment

We are now in the midst of what has been called the age of migration globally [1]. A range of push and pull factors are contributing to increasing migration flows. Push factors include war and conflict, the need for security, freedom or a stronger rule of law, and the desire for greater economic prosperity. Pull factors are also in play with migration influenced by a desire to live in a society with rights to freedom from discrimination on the basis of gender, ethnicity, religion or sexuality, and a desire to utilise skills and knowledge that are in demand in destination countries. In the past, migration flows have often been characterised on a dichotomy between forced and voluntary movements, with refugees at one end and highly skilled migrants at the other. Some have argued against this dichotomy, noting that migration in today's world usually contains elements of both choice and compulsion [2]. The nature of migration flows is also changing with a massive shift to various forms of temporary migration, particularly in developed countries like Australia [3].

Australia, like many other developed countries, is witnessing changes in the size and composition of its migration program. The main elements of Australia's migration program are the skilled stream and the family stream. The humanitarian intake accounts for about 10 per cent of permanent visas issued each year. In recent decades the migration program has more or less doubled and the scale of temporary migration in Australia has grown substantially. [4] On any given day, there are around

one million temporary migrants in Australia, a population that churns as some temporary migrants secure permanent residency while others leave when their visas expire, to be replaced by new entrants [4]. Indeed, temporary migration is now an important stepping stone to permanent residency and accounts for an increasing proportion of the permanent migration intake each year [5]. The source countries of our migration program have also shifted towards non-English speaking countries, particularly countries in Asia and the Middle East [6]. Migrants, especially recent migrants, tend to be younger than the rest of the population, with about 50 per cent of those born overseas in the prime working years (25–54) compared with 39 per cent of the Australian-born [6].

Successful settlement and integration are key objectives of migration policy with integration defined as the ability to participate fully in economic, social, cultural and civic life [7]. Conceptual models of integration focus on employment, housing, education and health as both markers and the means of achieving integration, which is a multi-dimensional, long-term, two-way process of mutual adaptation by new migrants and the host society [7–9]. This conceptual model is broadly aligned with how successive Australian Governments view and measure successful settlement and integration [7]. Immigrants themselves describe settlement and integration through a “life outcomes” lens valuing happiness, confidence, choices and being respected by others [10].

Globally, there is a growing awareness of the corrosive effects of inequality on sustainable economic growth and population wellbeing [11, 12]. The International Monetary Fund has found that increasing the income share of the bottom 20 per cent of the population has a higher return in terms of economic growth than an increase to the income share of the top 20 per cent of the population [13]. This is a reversal of the common notion of the benefits of trickle down policies. In fact, policies that lift the incomes of the most disadvantaged in the community trickle up to other parts of the economy [13]. This led Christine Lagarde, Managing Director, IMF to conclude in a recent address that “reducing excessive inequality – by lifting the ‘small boats’ – is not just morally and politically correct, but it is good economics” [14].

Settlement programs have long attempted to iron out the differences between refugees, migrants and host communities to achieve greater equality in opportunity and outcomes. Settlement programs work to harness and promote human capital; the strengths and capacities of the individual; and social capital – the connections and networks that are vital to civic participation and wellbeing [7, 9]. These in turn are built on the critical foundation of rights and citizenship [7, 9], with the rights afforded to permanent residents in Australia essential to opportunities for settlement and integration. These include access to universal services such as Medicare, and low-cost primary and secondary education; subsidised tertiary education and training; legal protections; and, where needed, income support and other



Immigrants themselves describe settlement and integration through a ‘life outcomes’ lens valuing happiness, confidence, choices and being respected by others.

safety nets. The main settlement programs for refugees in Australia are the Humanitarian Settlement Services program for refugees in the first year of settlement, and the Settlement Services Program targeted to humanitarian and family migration streams entrants in the first five years of settlement [15]. The main support for asylum seekers already in Australia awaiting determination of their claims for protection is delivered through the Status Resolution Support Services program. Settlement programs

sit within a context of overarching policies that aim to strengthen social cohesion which has at its core improved and equitable participation across economic, political and social domains [16]. Strong social cohesion is evident when there is a shared vision and values, and when there is strong sense of cooperation in a group or community, and this is not simply an outcome but rather an ongoing process to achieve social harmony [16]. Refugees also draw on, and contribute to, social cohesion through a range of community and

voluntary organisations, and develop other connections that, while hard to quantify, are nonetheless critical to achieving improved settlement and integration [10, 17, 18].

Against this backdrop, migration and employment are becoming more closely linked, with both shifting to a demand-led system in developed countries like Australia. Australia's migration program introduced a points system in 1979 that included an emphasis on the job readiness of applicants [19].



# FF

The various streams of Australia's immigration program are helping our labour force to be smarter and younger than it would otherwise be.

This selective aspect of the migration program explains, in part, the positive labour market integration outcomes observed among immigrants to Australia when compared to other OECD countries [20]. Today, skilled migration accounts for about 60 per cent of the annual migration program intake [21]. That said, more than half of those entering under the skilled stream are accompanying family members who have not been selected on the basis of skills [3]. In Australia, there is demand across the spectrum of skills, from low-skilled workers such as labourers through to highly skilled workers such as engineers [22, 23]. Given the selective nature of the migration program, it is hardly surprising that there are cohorts of highly skilled migrants. For example, more than 45 per cent of male and female migrants aged 25–34 from non-English speaking countries have a university degree – more than double the level of tertiary education among the Australian-born population in the same age group [6]. The various streams of Australia's immigration program are helping our labour force to be smarter and younger than it would otherwise be. Recent modelling has found that international students and permanent and temporary skilled migrants deliver the most immediate economic dividends to Australia in terms of labour participation, productivity and population [5]. There is, however, emerging evidence of a gender gap in permanent skilled migration, with female migrants faring worse in terms of labour participation and a growing earnings gap [24].

Australia's policy and program response in terms of income and employment assistance is complex and has been subject to significant reform under successive governments [25]. That said, Australia's employment assistance has largely followed the trajectory of other OECD countries in moving to a 'work-first' approach [26, 27]. This approach of placing job seekers in 'any job' has been found to

be useful up to a point, but has also been critiqued for the risk it poses of entrenching the labour market inequalities experienced by disadvantaged job seekers and contributing to unemployment in the long term [26, 27]. In Australia, employment assistance was devolved from government to non-government and private providers in the late 1990s [25]. This employment assistance system, now called Jobactive, has been the subject of significant criticism in the past for failing to adequately meet the needs of newly arrived migrants and refugees [28–30].

Programs to assist migrants to strengthen English language skills have been part of the policy response in terms of integration in the labour market. Clearly, proficiency in English has the potential to support integration and settlement across a range of other social, cultural and civic domains [31]. In general, English language programs for children and young people are integrated into the compulsory school-age system at the state and territory level. These programs are a critical step to help children and young people from refugee backgrounds to transition into life, education and employment in Australia [32]. The main pathway for adults is the Adult Migrant English Program (AMEP), which is available to new permanent migrants and refugees and some temporary visa holders who do not have a functional level of English. The first wave of data from the Building a New Life in Australia study – a longitudinal study of more than 2,000 refugees – has reported very high levels of engagement in English language learning [33]. AMEP students have nominated improving employment prospects as a high motivation for their English language learning [34]. Some new arrivals, however, do not complete their entitlement due to time constraints, usually because they have found work or for family or personal reasons [31, 34]. It has been argued that the AMEP entitlement is

insufficient for people with little formal past education, including refugees, to become functional in English [35, 36], and migrants and refugees have indicated that the hours of tuition are insufficient [10]. In addition, it has been recommended that AMEP could be further refined to be more flexible and integrated into a range of educational and skills pathways [30]. Aside from a narrow focus on labour participation, AMEP has been found to develop a sense of belonging and to build social networks, which are critical to settlement [31].

## Refugees, asylum seekers and temporary protection visa holders and employment

Australia has a long and arguably proud history of providing protection to humanitarian entrants, with an estimated 750,000 refugees settling here since 1945 [2, 15]. The size of the humanitarian intake has remained largely stable at about 15,000 places each year, whereas the source countries have changed over time, with Iraq, Afghanistan, Myanmar and Syria becoming the top countries of birth in recent years [37]. As part of the humanitarian intake, Australia is one of the countries that accepts UNHCR Women at Risk visas, which are designed to facilitate the resettlement of women and girls identified as having experienced high levels of sexual and gender-related violence. Over the past 25 years, more than 14,500 refugee women and their families have been resettled through Australia's Women at Risk program [38]. Currently, 1,000 places per year are allocated under the Women at Risk program [38].

There is considerable diversity within Australia's refugee intake. For example, the development level of the country of origin relates to the quality of education, which is predictive of employment outcomes [19].

Similarly, while refugees share a threat of persecution, they are drawn from a variety of social and economic backgrounds that can also influence employment prospects in Australia. A key demographic trend in the humanitarian program is that it is heavily skewed towards children and young people, with about 40 per cent of each year's intake aged under 18 and a further 25 per cent aged 18–29<sup>[37]</sup>. Young refugees' participation in education and training is higher than for the Australian-born and other recently arrived migrants<sup>[2]</sup>. The Settlement Outcomes of New Arrivals study found that 40 per cent of recently arrived refugees were in some form of study at the time of interview, compared with 10 per cent of migrants in the family stream and 14 per cent of skilled migrants<sup>[39]</sup>.

Asylum seekers are like refugees in that they are seeking protection, but they are usually living on bridging visas while their claims for protection are assessed. Many of them arrive by plane, rather than by boat, with the vast majority of those who arrived by boat in the past decade having their protection claims confirmed<sup>[6, 40]</sup>. Australia's approach to asylum seekers has undergone multiple policy changes in the past 10 years, with the Parliamentary Library pointing to a bipartisan shift towards "many ... deterrence measures"<sup>[41]</sup>. The number of asylum seekers who arrived by plane has gradually increased over the past 10 years, but it was the dramatic increase in boat arrivals in 2011 and 2012<sup>[40, 42]</sup> that stirred recent policy and political debates. These debates have been highly charged and some have drawn a historical comparison with the starkly different policy and political response to earlier waves of boat arrivals, notably Vietnamese boat arrivals, and their subsequent achievements and contributions to Australia<sup>[43]</sup>. Currently there is a cohort of asylum seekers living in the community without work rights on bridging visas, awaiting processing of their claims for protection<sup>[44]</sup>. The most recent policy setting, in legislation that came into effect in late 2014, is to grant these asylum

seekers three-year or five-year temporary protection visas if they are found to be in need of Australia's international protection obligations<sup>[45]</sup>. It is estimated that there are about 30,000 people who arrived by boat who are eligible to apply for these temporary protection visas, which include work rights and access to some health, welfare and education services<sup>[45, 46]</sup>.

This new legislation is in fact a reintroduction of temporary protection visas, which were first widely used in Australia in response to the conflict in the former Yugoslavia and continued to be used until 2008<sup>[47, 48]</sup>. It has been argued that bridging visas and temporary protection visas place people in a 'perpetual limbo' that is debilitating to employment prospects, irrespective of whether the temporary visa includes the right to work<sup>[18, 47–49]</sup>. A longitudinal study of refugees on temporary and permanent protection visas in Australia has found higher levels of psychological distress at baseline and continued higher psychological distress at follow-up among those on temporary protection visas, compared to those on permanent protection visas<sup>[50]</sup>. In addition, temporary protection visa holders, in contrast to permanent protection visa holders from the same cultural backgrounds, showed no improvement in their English language skills, became increasingly socially withdrawn, and reported a wide range of living difficulties in the community over time<sup>[50]</sup>. Similarly, a study of a large cohort of asylum seekers in The Netherlands found that two policy settings – length of stay in asylum centres and the issuing of temporary, rather than permanent visas – negatively affected the socio-economic integration of asylum seekers and, in particular, their chances of success in the labour market<sup>[8]</sup>.

Refugees who settle in Western countries like Australia have been found to have very high levels of psychological distress, which is primarily attributed to traumatic experiences in countries of origin

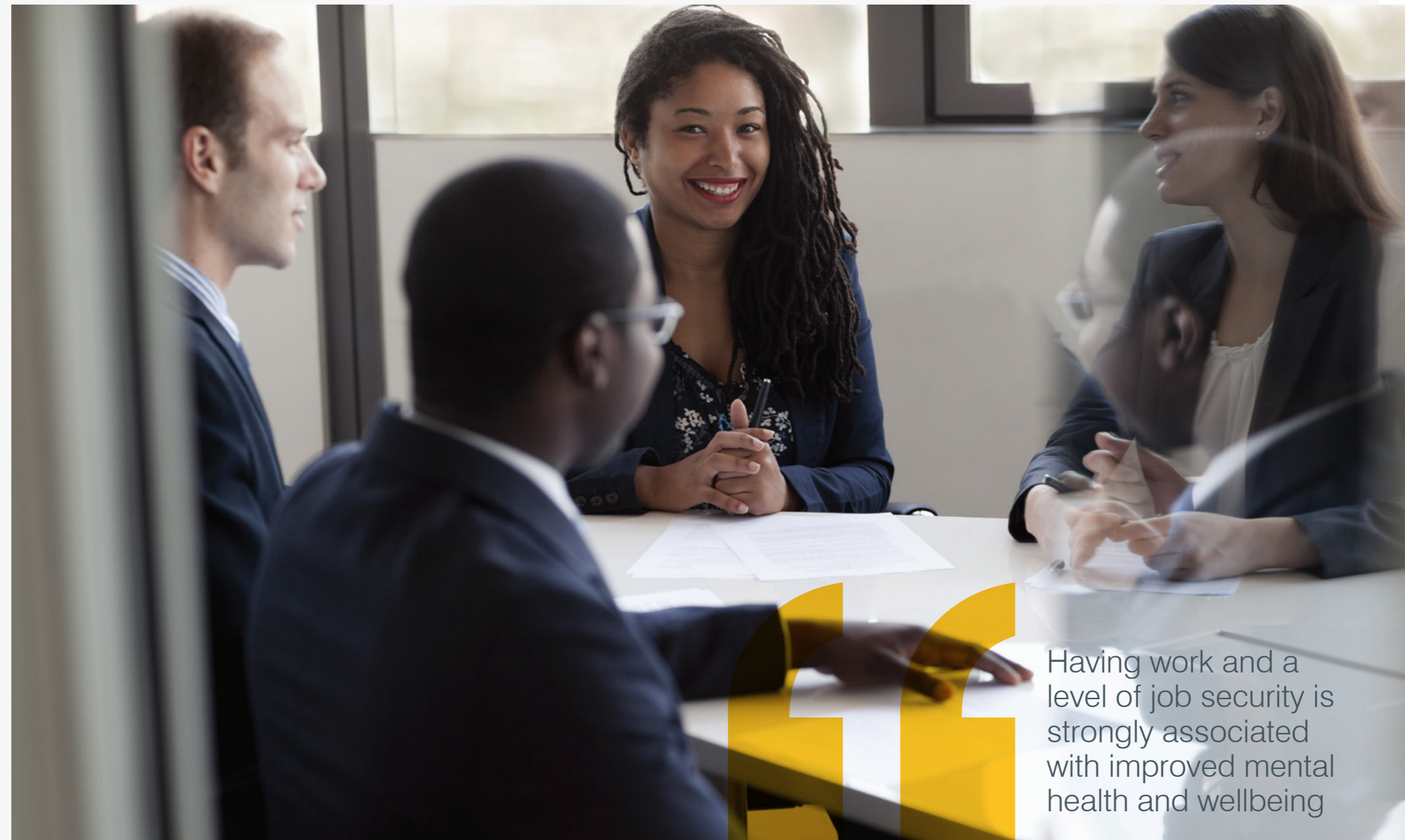
and transit<sup>[51, 52]</sup>. The stressors of settling in a new country and securing the necessities of life – housing, employment, health and education – and adapting to a new culture can also impact adversely on wellbeing. Mental health and wellbeing, and many forms of psychological distress are shaped by social, economic, and physical environments, and mental health and wellbeing can be especially precarious during major life transitions<sup>[53]</sup>. There is evidence that refugees in Australia can experience psychological distress associated

with policies around immigration detention; restrictions on access to health, welfare and employment support; limits on opportunities for family reunification; and the use of temporary, rather than permanent, protection visas<sup>[50, 54]</sup>. Having work and a level of job security is strongly associated with improved mental health and wellbeing<sup>[53]</sup>.

Despite significant challenges refugees make a significant economic and social contribution to Australia<sup>[2, 5, 6]</sup>. While skilled migration, in particular, delivers an immediate measurable

economic benefit<sup>[6]</sup>, Hugo has argued that measuring the economic benefit of refugees requires a longer-term view<sup>[2]</sup>. Initially – and hardly surprisingly – many refugees struggle in the labour market as they attempt to regain human capital and rebuild the social capital needed to get ahead in their new country<sup>[29, 35]</sup>. They can often get channelled into low-paid, low-skilled and dangerous occupational niches, the kinds of occupations that offer minimal opportunities for building social capital and links to better-paid, more skilled, and less-demanding

employment<sup>[55]</sup>. The limited evidence that is available suggests that refugee women experience greater difficulty entering the labour market<sup>[39]</sup>. Over time there is a convergence of labour market outcomes for refugees and, by the second generation, employment outcomes for both men and women from refugee backgrounds are higher than for the Australian-born<sup>[2, 15, 39]</sup>. This has been highlighted by the OECD as evidence of the long-term dividend of Australia's focus on settlement and integration of migrants and refugees<sup>[20]</sup>.



Having work and a level of job security is strongly associated with improved mental health and wellbeing



..humanitarian entrants display the highest entrepreneurial spirit compared to all other streams of the migration program.

The path to the convergence of labour market outcomes for refugees, however, is highly uneven and long. Along the way refugees, even those who are highly skilled, often have to endure a loss of occupational status, and long periods of unemployment and underemployment [2, 7, 15, 19, 29, 35]. English language proficiency, a lack of Australian work experience, difficulties in skills and qualifications recognition, and limited social networks are widely cited as the main explanations for the difficult path to reaching their employment potential [7, 28, 29, 35, 36]. Other, less cited factors, are also in play, with country of birth found to exert a major influence on employment outcomes of refugees irrespective of their skills and competencies [29, 56], supporting the notion that the labour market is not necessarily rational nor 'blind' to ethnicity. This is consistent with analyses of Australian census data

that have found birthplace also exerts an independent influence on labour market outcomes among other migrants, especially those born in non-English speaking countries [6, 19]. These well-educated migrants experience labour market barriers, with evidence of a loss of occupational status and higher rates of underemployment and unemployment compared to their fellow migrants born in English-speaking countries and the Australian-born population [6]. The limited eligibility of temporary protection visa holders to support that assists with labour market integration is likely to magnify these labour market challenges. For example, as holders of temporary, rather than permanent, humanitarian visas, they are ineligible for programs such as FEE-HELP and HECS-HELP, which are designed to support access to

tertiary education and training offered through universities, TAFE and other vocational colleges [57].

At the individual level, a refugee - despite having skills and motivation to work - can face multiple challenges in gaining meaningful employment, which can feed disillusionment and a loss of self-esteem [58, 59]. The available evidence suggests that these challenges are likely to be magnified for asylum seekers who have experienced immigration detention, who have lived for many years on bridging visas, and who have eventually been granted temporary visas [8, 50, 54]. In response to these challenges, and perhaps the limits of employment assistance offered through government-funded employment service providers [30], a wide range of intermediate labour market programs have

been trialled and established for disadvantaged migrants, including refugees [28]. These usually involve a collaboration between a number of stakeholders, including employers, non-government organisations, training providers and employment assistance providers, to develop a bridge to employment for disadvantaged job seekers.

A distinctive and consistent component of the contribution of refugees has been their impact on innovation through bringing what Bleby and others call the "clarity of an outsider" to the Australian business sector [43]. This contribution has been central to a strong entrepreneurial spirit observed among refugees and other migrants in establishing small and medium enterprises in Australia [2, 60, 61]. Explanations for this tendency to

establish a business vary, with some asserting that it may be due to an inherent propensity among refugees to take risks or, conversely, that it may be related to the barriers they face in conventional employment [7]. Either way, an analysis linking several administrative data sets, including the Australian Taxation Office and the Department of Immigration and Border Protection, has confirmed that humanitarian entrants display the highest entrepreneurial spirit compared to all other streams of the migration program [62]. This entrepreneurial spirit is being tapped by Ignite Small Business Start-Ups – an SSI initiative that facilitates newly arrived refugees' access to technical support to establish their business. Ignite has been evaluated as being able to support the establishment of new enterprises by refugees early in their settlement journey [63]. Social enterprises also form part of this picture and a range of social enterprises have been trialled and established, often to assist refugees to transition to employment [28]. Evaluations of social enterprises among migrants and refugees point to their ability to have a positive impact in terms of individual and community wellbeing, even though they are often costly to run when compared with other intermediate labour market programs [64].

A more recent phenomenon among refugees and newly arrived migrants has been a slow but steady increase in their settlement in rural and regional areas of Australia.

This has been largely attributed to planned policy initiatives by Australian governments through regional migration schemes over the past 10 years that are often linked to state/territory government initiatives [65]. Mobility of refugees and migrants themselves, primarily in search of employment opportunities in agriculture, mining and other industries, is also seen as contributing to this trend [65]. This mobility is seen as delivering benefits in terms of repopulating communities faced with population decline due to urbanisation and helping to address the downsides of the ageing population in these communities (e.g. helping to boost enrolments in schools) [65, 66]. These potential benefits to local communities are nonetheless contested and there is often debate as to whether these new arrivals are meeting unmet labour demands or are a conduit for cheaper labour [65]. An explicit policy setting of the recently enacted Australian Government legislation around the processing of asylum claims is to offer temporary Safe Haven Enterprise Visas to asylum seekers found to be in need of Australia's protection who agree to work and/or study in a rural or regional area (yet to be defined) [45]. Details of this five-year temporary protection visa are the subject of ongoing discussions between the Australian Government, state and territory governments, and settlement providers.



# Discussion

This rapid review of evidence has examined the current strengths, opportunities and challenges in the employment area for refugees and temporary protection visa holders. The employment prospects for refugees – holders of permanent protection visas – is reasonably well understood, even if there is debate on which policy settings and interventions are optimal to minimise the delay that many refugees face in reaching their potential in their new country. It remains to be seen whether changes in the way employment support services are provided from July 2015 onwards will result in improved employment outcomes for refugees. Clearly, employment support services are just one moving part of the labour market and the current high rates of unemployment observed among young people in Australia may impact on refugees, who are typically young and share some of the same difficulties faced by other young job seekers.

On the other hand, the employment prospects for temporary protection visa holders are less well understood. The evidence explored here suggests that there is significant cross-over between refugees and asylum seekers who are likely to be granted temporary protection visas. These similarities indicate that temporary protection visa holders with work rights will share many of the strengths of refugees, including skills and qualifications, a strong motivation to work, and a propensity for starting a small business. They are, however, likely to face additional challenges compared to permanent protection visa holders due to the temporary nature of their visa status and limited eligibility for support that assists with

labour market integration. In addition, the majority of asylum seekers living in the community who are eligible to apply for temporary protection visas have been without work for longer than a year (due to being on bridging visas without work rights and the long delay in processing their claims), which is a well-established barrier to re-entry into the labour market. The effects of living with prolonged uncertainty about the future alongside insecure residency are also likely to work against successful re-entry into the workforce.

There is evidence of bias in the Australian labour market towards migrants and refugees, particularly those newly arrived from non-English speaking backgrounds. These biases result in refugees and migrants being funnelled into low-skilled and low-paid jobs, regardless of their skills and capacity. At face value, it is plausible that a job seeker with limited Australian work experience and limited English language proficiency would be less likely to secure a position if they were competing against someone with higher English language skills and more relevant experience. The evidence from large-scale analyses of the labour market, however, points to a wide and persistent gap between the skills of migrants to Australia and their employment outcomes. Put simply, despite the fact that we are a nation of immigrants, the Australian labour market is inclined to underutilise the skills and experience of migrants, particularly those from non-English speaking countries. Refugees and temporary protection visa holders are likely to experience the brunt of this bias as they attempt to establish themselves and pursue employment opportunities.

One of the distinctive strengths of refugees is their propensity to establish small businesses. There is debate as to whether this is due to the difficulties they face in the labour market or whether it relates to their willingness to innovate and take risks. Either way, refugees are known to make a significant social and economic contribution through these enterprises. It is also clear that this potential and opportunity for establishing a small business is unlikely to be realised to the same degree among temporary protection visa holders given the temporary and short-term nature of their visa status.

Temporary protection visas will include an option for a five-year visa, a Safe Haven Enterprise Visa (SHEV), for those willing to relocate for work or study to a rural or regional area. At the time of writing, there is still some uncertainty on how this will work in practice and state and territory governments and other stakeholders are being consulted to define the parameters of this policy. The limited evidence available, from previous research of people on temporary protection visas in Australia, suggests that SHEV holders will be likely to work in casual, low-skilled and low-paid employment in rural and regional areas. In addition, there is a provision for SHEV visa holders to apply for regular permanent and temporary migration visas, subject to criteria, after their five-year visa has expired. It is unclear what effects this provision will have on employment among SHEV holders.

Length of time in Australia seems to be a strong predictor of how refugees fare when it comes to employment, with consistent evidence of significant intergenerational improvements. This is less than



optimal for a country that has a long and rich history in terms of welcoming refugees to manage the social and human capital inherent in Australia's humanitarian intake. On the one hand we need policies and interventions that aim to assist refugees to reach their potential, while also recognising that we need a longer-term perspective and a wider lens than purely economic benefits to be in a position to appreciate their contributions to Australia. The contribution that temporary protection visa holders will make to Australia is uncertain and harder to quantify. The inclusion of work rights in temporary protection visas is a step in the right direction but is unlikely to be a silver bullet in terms of social and economic participation.

At the time of writing, the Productivity Commission is working on finalising an inquiry into Australia's migration program, including the humanitarian intake. The draft report of the inquiry explores the social, economic and environmental costs and benefits of Australia's migration program. Overall, the report is reasonably upbeat about the immediate and longer-term benefits and contributions of immigrants to Australia. The draft recommendations in relation to refugees point to the need for policy settings that more fully achieve these benefits, and they broadly echo the issues raised in this report, with a specific focus on skills and qualifications recognition and delivering settlement services that achieve stronger social and economic participation<sup>[67]</sup>.

...despite the fact that we are a nation of immigrants, the Australian labour market is inclined to underutilise the skills and experience of migrants, particularly those from non-English speaking countries.



## Conclusion

Refugees on temporary and permanent protection visas have, by definition, demonstrated considerable resilience in the face of persecution due to their race, religion, nationality, gender, membership of a particular social group or political opinion. They have engaged the protection of Australia and, if offered the right opportunities, they can build on their strengths, address their challenges, and be part of the contribution that refugees and others in the past have made to the social, cultural and economic fabric of Australia. Being able to secure employment at a level commensurate with their skills and experience is one of the markers that we can use to assess this contribution. The evidence explored here points to persistent disparities for refugees with permanent protection visas,

in terms of labour market integration, that are likely to be exacerbated for those with temporary protection visas. Work to improve equality offers a useful way for framing a common purpose to address these disparities for refugees with temporary and permanent protection visas. In the past, the rationale for improving equality has often been based on moral and political arguments. These days we also know that work to reduce inequality also makes good economic sense, not just for refugees and others who are building a new life in their country, but for all Australians.

# References

- Castles, S., H. De Haas, and M.J. Miller, *The Age of Migration: International Population Movements in the Modern World*. 2014, Basingstoke, Hampshire: Palgrave Macmillan.
- Hugo, G., *The economic contribution of humanitarian settlers in Australia*. *International Migration*, 2013. 52(2): p. 39-45.
- Castles, S., G. Hugo, and E. Vasta, *Rethinking migration and diversity in Australia: Introduction*. *Journal of Intercultural Studies*, 2013. 34(2): p. 115-121.
- Cully, M. and L. Pejowski, *Australia unbound? Migration, openness and population futures*, in *A greater Australia: Population, policies and governance*, J. Pincus and G. Hugo, Editors. 2012, Committee for Economic Development of Australia: Melbourne, Victoria. p. 60-71.
- Migration Council of Australia, *The Economic Impact of Migration*. 2015, Migration Council of Australia/Independent Economics: Canberra, ACT.
- NATSEM, *Calling Australia home: The characteristics and contributions of Australian migrants*, in *AMP/NATSEM Income and Wealth Report*. 2010, AMP/NATSEM.
- Fozdar, F. and L. Hartley, *Refugee Resettlement in Australia: What We Know and Need to Know*. *Refugee Survey Quarterly*, 2013. 32(3): p. 23-51.
- Bakker, L., J. Dagevos, and G. Engbersen, *The Importance of Resources and Security in the Socio-Economic Integration of Refugees. A Study on the Impact of Length of Stay in Asylum Accommodation and Residence Status on Socio-Economic Integration for the Four Largest Refugee Groups in the Netherlands*. *Journal of International Migration and Integration*, 2014. 15(3): p. 431-448.
- Ager, A. and A. Strang, *Understanding integration: A conceptual framework*. *Journal of Refugee Studies*, 2008. 21(2): p. 166-191.
- Australian Survey Group, *Settlement outcomes of new arrivals: Report of findings*. 2011, Department of Immigration and Citizenship: Canberra, ACT.
- Ostry, J.D., A. Berg, and C.G. Tsangarides, *Redistribution, inequality and growth*, in *SDN 14/02*. 2014, International Monetary Fund.
- Wilkinson, R.G. and K. Pickett, *The Spirit Level: Why Equality is Better for Everyone*. 2010: Penguin Books.
- Dabla-Norris, E., et al., *Causes and Consequences of Income Inequality: A Global Perspective in SDN 15/13*. 2015, International Monetary Fund.
- Lagarde, C., *Lifting the Small Boats*, in *Grandes Conférences Catholiques*. 2015, IMF: Brussels.
- Correa-Velez, I., A.G. Barnett, and S. Gifford, *Working for a Better Life: Longitudinal Evidence on the Predictors of Employment Among Recently Arrived Refugee Migrant Men Living in Australia*. *International Migration*, 2013.
- Markus, A. and L. Kirpitchenko, *Conceptualising social cohesion in Social cohesion in Australia*, J. Jupp, J. Nieuwenhuysen, and E. Dawson, Editors. 2007, Cambridge University Press: Port Melbourne, Victoria. p. 21-32.
- Refugee Council of Australia, *The Strength Within: The role of refugee community organisations in settlement*. 2014, Refugee Council of Australia: Surry Hills, NSW.
- McNevin, A. and I. Correa-Velez, *Asylum seekers living in the community on Bridging Visa E: Community sector's response to detrimental policies*. *Australian Journal of Social Issues*, 2006. 41(1): p. 125-139.
- Colic-Peisker, V., 'Ethnics' and 'Anglos' in the Labour Force: *Advancing Australia Fair? Journal of Intercultural Studies*, 2011. 32(6): p. 637-654.
- Liebig, T., *The labour market integration of Immigrants in Australia*, in *OECD Social, Employment and Migration Working Papers 2007*, OECD Publishing: Paris.
- Department of Immigration and Border Protection. *Migration Programme Statistics*. 2015 [cited 2016 16th March]; Available from: [www.border.gov.au](http://www.border.gov.au)
- Kell, P., et al., *International Developments in Skills Migration: A Case Study of the Opportunities, Threats and Dilemmas for Australia*, in *Workforce Development*, R. Harris and T. Short, Editors. 2014, Springer Singapore. p. 37-55.
- Ziguras, S., *Labour market transitions and risks of exclusion*. *Australian Bulletin of Labour*, 2006. 32(3): p. 203-226.
- Migration Council of Australia, *Migration in Focus: An analysis of recent permanent migration census data*. 2015: Canberra, ACT.
- Davidson, P. and P. Whiteford, *An overview of Australia's System of Income and Employment Assistance for the Unemployed*, in *OECD Social, Employment and Migration Working Papers*. 2012, OECD Publishing: Paris.
- Shutes, I., *Welfare-to-Work and the Responsiveness of Employment Providers to the Needs of Refugees*. *Journal of Social Policy*, 2011. 40: p. 557-574.
- Davidson, P., *Did 'Work First' Work? The role of employment assistance programs in reducing long-term unemployment in Australia (1990-2008)*. *Australian Bulletin of Labour*, 2012. 37(1): p. 51-96.
- Olliff, L., *What works: Employment strategies for refugee and humanitarian entrants*. 2010, Refugee Council of Australia: Surry Hills, NSW.
- Torezani, S., V. Colic-Peisker, and F. Fozdar, *Looking for a missing link: Formal employment services and social networks in refugees' job search*. *Journal of Intercultural Studies*, 2008. 29(2): p. 135-152.
- Joint Standing Committee on Migration, *Inquiry into Migration and Multiculturalism in Australia*. 2013, The Parliament of the Commonwealth of Australia: Canberra, ACT.
- Yates, L., *Interaction, language learning and social inclusion in early settlement*. *International Journal of Bilingual Education and Bilingualism*, 2011. 14(4): p. 457-471.
- Gifford, S., I. Correa-Velez, and R. Sampson, *Good Starts for recently arrived youth with refugee backgrounds*. 2009, La Trobe Refugee Research Centre: Melbourne.
- Jenkinson, R., et al. *Settlement experiences of recently arrived humanitarian migrants (Building a New Life In Australia Fact Sheet)*. 2016.
- AMES, *Words to work: Settling in and Finding Work. The experiences of people in the AMEP in Melbourne*. 2011, Research and Policy Unit, AMES: Melbourne, VIC.
- Hebbani, A. and V. Colic-Peisker, *Communicating One's Way to Employment: A Case Study of African Settlers in Brisbane, Australia*. *Journal of Intercultural Studies*, 2012. 33(5): p. 529-547.
- Abdelkerim, A.A. and M. Grace, *Challenges to Employment in Newly Emerging African Communities in Australia: A Review of the Literature*. *Australian Social Work*, 2012. 65(1): p. 104-119.
- Department of Immigration and Border Protection, *Australia's Offshore Humanitarian Programme 2013-14*. 2014, Commonwealth of Australia: Belconnen, ACT.
- Centre for Refugee Research and Settlement Services International *Today, I am something! Refugee Women at Risk speak out*. 2014.
- Hugo, G., *Economic, social and civic contributions of first and second generation humanitarians entrants*. 2011, National Centre for Social Applications of Geographical Information Systems/ Department of Immigration and Citizenship: Barton ACT.
- Phillips, J., *Asylum seekers and refugees: what are the facts?*, in *Research Paper Series 2014-15*, Parliamentary Library, Editor. 2015, Department of Parliamentary Services: Canberra, ACT.
- Phillips, J., *A comparison of Coalition and Labor government asylum policies in Australia since 2001*, in *Research Paper Series*, 2013-14, Parliamentary Library, Editor. 2014, Department of Parliamentary Services: Canberra, ACT.
- Department of Immigration and Border Protection, *Asylum Trends Australia 2012-13*. 2013, Commonwealth of Australia: Belconnen, ACT.
- Bleby, M., C. Fitzsimmons, and N. Khadem, *How refugees changed Australian business*. *Business Review Weekly*, 2013. 35(32): p. 17-22.
- Hartley, L. and C. Fleay, *Policy as Punishment: Asylum seekers in the community without the right to work*. 2014, Centre of Human Rights Education, Curtin University: Perth, WA.
- Refugee Council of Australia, *Recent changes in Australian refugee policy [Updated August 2015]*. 2015, Refugee Council of Australia: Sydney.
- Australian Border Force, *Illegal Maritime Arrivals on Bridging E Visas*. 2015, Australian Border Force: ACT.
- Johnston, V., K. Vasey, and M. Markovic, *Social policies and refugee resettlement: Iraqis in Australia*. *Critical Social Policy*, 2009. 29(2): p. 191-215.
- Marston, G., *A punitive policy: Labour force participation of refugees on Temporary Protection Visas*. *Labour and Industry*, 2004. 15(1).
- Fleay, C., L. Hartley, and M.A. Kenny, *Refugees and asylum seekers living in the Australian community: The importance of work rights and employment support*. *Australian Journal of Social Issues*, 2013. 48(4): p. 473-493.
- Steel, Z., et al., *Two year psychosocial and mental health outcomes for refugees subjected to restrictive or supportive immigration policies*. *Social Science & Medicine*, 2011. 72(7): p. 1149-1156.
- Fazel, M., J. Wheeler, and J. Danesh, *Prevalence of serious mental disorder in 7000 refugees resettled in western countries: A systematic review*. *The Lancet*, 2005. 365(9467): p. 1309-1314.
- Steel, Z., et al., *Association of torture and other potentially traumatic events with mental health outcomes among populations exposed to mass conflict and displacement: a systematic review and meta-analysis*. *JAMA*, 2009. 302(5): p. 537-49.
- WHO/Calouste Gulbenkian Foundation, *Social Determinants of mental health*. 2014, WHO: Geneva.
- Davidson, G.R., K.E. Murray, and R. Schweitzer, *Review of refugee mental health and wellbeing: Australian perspectives*. *Australian Psychologist*, 2008. 43(3): p. 160-174.
- Colic-Peisker, V. and F. Tilbury, *Employment niches for recent refugees: segmented labour market in twenty-first century Australia*. *Journal of Refugee Studies*, 2006. 19(2): p. 203-229.
- Colic-Peisker, V. and F. Tilbury, *Integration into the Australian labour market: The experience of three "visibly different" groups of recently arrived refugees*. *International Migration*, 2007. 45(1): p. 59-85.
- Refugee Council of Australia, *Barriers to education for people seeking asylum and refugees on temporary visas*. 2015, Refugee Council of Australia: Sydney.
- Willott, J. and J. Stevenson, *Attitudes to Employment of Professionally Qualified Refugees in the United Kingdom*. *International Migration*, 2013. 51(5): p. 120-132.
- Manns, R.-A., *Outside looking in: refugees face stiff challenges in their search for work after arriving in Australia, but given the right opportunities, their life experiences can be a boon to their employers*. *Australian Financial Review Boss*, 2011. 12: p. 30-33.
- Collins, J. and A. Low, *Asian female immigrant entrepreneurs in small and medium-sized businesses in Australia*. *Entrepreneurship & Regional Development*, 2010. 22(1): p. 97-111.
- Collins, J., *Cultural diversity and entrepreneurship: policy responses to immigrant entrepreneurs in Australia*. *Entrepreneurship & Regional Development*, 2003. 15(2): p. 137-149.
- Australian Bureau of Statistics *Personal Income of Migrants, Australia, 2009-10*. 2015.
- Collins, J., *Igniting the Entrepreneurial Passion of Newly-Arrived Refugees in Sydney: Executive Summary*. 2015, UTS Business School/Settlement Services International: Sydney.
- Barraket, J., *Fostering wellbeing of immigrants and refugees? Evaluating the outcomes of work integration social enterprise, in Social Enterprise: Accountability and evaluation around the world*, S. Denny and F. Seddon, Editors. 2013, Routledge: Adingdon, Oxon. p. 102-119.
- Feist, H., et al., *Enabling Rural Migrant Settlement: A case study of the Limestone Coast*. 2015, Australian Population and Migration Research Centre, University of Adelaide.: Adelaide, SA.
- AMES/Deloitte Access Economics, *Small Towns, Big Returns*. 2015, AMES: Melbourne, VIC.
- Productivity Commission, *Migrant Intake into Australia – Draft Report*. 2015, Productivity Commission: Melbourne, VIC.



