

INQUIRY INTO SKILLS SHORTAGES IN RURAL AND REGIONAL NSW

Organisation: Migrant Employment & Training Taskforce

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Theme:

Summary

MAXIMISING THE USE OF OVERSEAS SKILLS

employment assistance for newly arrived migrants

**Submission to the
Parliamentary Inquiry into Skills
Shortages in Rural and Regional NSW**

June 2005

M . E . T . T .

migrant employment & training taskforce

“I felt very excited when I first arrived in Australia about two years ago, but now I am facing a very big challenge to find a job like other new immigrants... I am disappointed with the fact that such little service or training exists in concerns of settlement of new immigrants. People always find it difficult to fit into a new environment with different social culture and language disadvantages”

Participant in NSW Skillmax program

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Background

This paper was initiated following anecdotal feedback of community members of the NSW state Migrant Advisory Committee (MAC) in regards to challenges faced by migrants from Non English Speaking Backgrounds (NESB) by using skills in different contexts. The feedback was that many new migrants have great difficulties in adapting to Australian workplace culture and practises and that this creates substantial barriers to gaining employment.

The matter was referred from the MAC to the NSW Migrant Employment and Training Taskforce for a working group to undertake this submission.

The Migrant Employment and Training Taskforce (METT) is the forum of agencies and services working with the unemployed, underemployed and jobseekers in Sydney, with occasional representations from other areas of NSW. Its membership includes a wide range of workers from ethnic communities and various non-government organisations funded under State and Commonwealth programs. The METT meets quarterly to improve coordination in employment support services, to exchange information and to discuss important policy issues affecting the unemployed and jobseekers from linguistically and culturally diverse backgrounds in NSW.

The paper has been written primarily for consideration by the Commonwealth Department of Employment and Work Place Relations and the New South Wales Department of Education and Training, but will also be provided to the parliamentary inquiry on skills shortages in rural and regional NSW.

Executive Summary

The grassroots experience of community organisations working with new arrivals throughout Sydney and nearby regional areas has clearly shown that many newly arrived migrants* with overseas skills, especially those from industrially developing non-English speaking countries, face significant structural and individual barriers to finding relevant employment and often end up working in jobs where their internationally attained skills are not utilised.

Structural barriers include:

- a lack of local experience which is necessary to validate overseas skills and experience;
- barriers to overseas qualification assessment and recognition;
- loss of currency of skills;
- the changing nature of the labour market;
- the social security two year waiting period;
- transferable skills and downgrading skills.

Individual barriers include:

- a lack of professional networks;
- lack of knowledge of the Australian job market and workplace;
- language and cultural practises;
- migrants moving to regional areas.

There is a serious lack of services available to new migrants to assist them in job seeking and to address the individual barriers faced by them.

In light of the serious service gaps addressing employment assistance for newly arrived migrants identified in this paper and the governments proposed increase of the skilled migration program we strongly urge the government to provide resources to meet these needs. We recommend that resources are provided in the areas of:

- greater access to local employment information pre-arrival;
- targeted labour market programs;
- programs involving employer groups and recruitment companies;
- regional programs.

* NOTE: The term 'migrant' also refers to refugee and humanitarian entrants.

Introduction to the issue

Aspects of the Australian migration system

There are two programs designed to help people wanting to come to Australia permanently, and both are discussed in this paper. One is the **migration program** which has 120,000 places available for migrants for 2004-05, with a strong focus on attracting skilled people and people who agree to live in regional areas of Australia. This is made up of:

- a **skill migration stream**, which has a number of categories for people who have particular occupation skills, outstanding talents or business skills;
- a **family migration stream**, where people can be sponsored by a relative who is an Australian citizen or permanent resident;
- **special eligibility migrants**, who are former citizens or residents wanting to return to Australia, or certain New Zealanders.

The second program is the separate **humanitarian program** which is designed for refugees and others in special humanitarian need. The size of the 2004-05 humanitarian program is 13,000 places.²

During the last twelve month period New South Wales received 33, 507 permanent new arrivals. Almost 80% of those were from non-English speaking countries.³

Skilled migration being proposed as a solution to current skills shortages

Skilled migration is a major part of Australia's migration program and on 14 April 2005 the Government announced a further increase of up to 20,000 places for Australia's 2005-06 skilled migration intake⁴, which is designed to target migrants with skills that will contribute to the Australian economy. In a recent speech, the Prime Minister stated that:

*We have a very dramatic shortage of skilled workers and it's one of the bigger challenges that we face...*⁵

Challenges to the current Australian Skilled Migration Program

By increasing the level of skilled migration to address skills shortages, it will be more important than ever for resources and programs to be in place to ensure skilled migrants can attain services relevant to their settlement needs, such as employment services. Immigration can form part of the solution to skills shortages and is more

² Department of Immigration and Multicultural and Indigenous Affairs, Migration Program <http://www.immi.gov.au/migration/index.htm>

³ Department of Immigration and Multicultural and Indigenous Affairs, DIMIA settlement reports, English Proficiency Country Groups by Migration Stream for NSW for the period 1 June 2004 to 31 May 2005.

⁴ Media Release by Senator the Hon Amanda Vanstone, Minister of Immigration and Multicultural and Indigenous Affairs, 14 April 2005.

⁵ Speech by the Hon John Howard MP to the Business Council of Australia, 3 March 2005.

effective where there are mechanisms in place to facilitate the integration of migrants into the labour market.⁶

Migration has been a key economic strategy used by successive Australian governments and businesses to enrich the labour market with a pool of skilled and semi skilled workers. Despite this strategy the transition of migrants into the labour market has been fraught with difficulties and the literature indicates that migrants typically are under employed or employed below and well below their skill level. Such migrants have therefore been inhibited from contributing in full to the productive diversity of the economy.⁷

According to DIMIA reports, unemployment rates for recent arrivals from NESB were much higher than those for longer term Australian residents. In August 2003 the seasonally adjusted unemployment rate in Australia was 5.8% compared to recently arrived migrants with an estimated unemployment rate of 12.6%. The unemployment rate for recently arrived migrants from the Main English Speaking (MES) countries was 6.6%, while the rate for those born in other countries was 16.3%.⁸

It is widely acknowledged that employment is a central factor in the settlement process and high levels of unemployment and underemployment can only act to prolong the process of settlement in Australia.⁹ Achieving optimal employment outcomes in their field of occupational expertise, is to the benefit of the individual skilled migrants' well being and career path, and is vital to achieving the goal of meeting local skills shortages through skilled migration.

The grassroots experience of community organisations working with new arrivals throughout Sydney and in nearby regional areas has clearly shown that newly arrived migrants with overseas skills, especially those from industrially developing non-English speaking countries, face significant structural and individual barriers to finding relevant employment and often end up working in jobs where their internationally attained skills are not utilised.

As reported in Chapter Six: Mainstream Services of the *Report of the Review of Settlement Services for Migrants and Humanitarian Entrants*, the key barriers to finding employment include lack of employment-related networks or contacts, lack of familiarity with the Australian workplace, and lack of local work experience.¹⁰ Some other major structural and individual barriers are outlined in the next few pages.

⁶ OECD, Trends in International Migration and in Migration Policies. Study on the local integration of immigrants into the labour market. At www.oecd.org/document/13/0,2340,en_2649_33931_29608781_1_1_1_1,000.html

⁷ Wagner, Regine (ED) Recognition of Prior Learning in Higher Education and the Australian Labour Market. The case for skilled migrants and Refugees 2003. pg 8

⁸ Department of Immigration Multicultural and Indigenous Affairs (DIMIA). Other Family Migration Booklet. At <http://www.immi.gov.au/allforms/booklets/1130.pdf> p9

⁹ Faelli, R.C. & Carless, S. A. A Comparison of Psychological Characteristics of Employed and Unemployed Professionally Qualified Immigrants. *Australian Psychologist*, Vol 34, No 3 1999 pp 183-187

¹⁰ DIMIA, Review of Settlement Services for Migrants and Humanitarian Entrants, pp 107-146 2003. At http://www.immi.gov.au/settle/settle_review/

Structural Barriers

Local experience is necessary to validate overseas skills and experience

Without local experience it is very difficult to get an interview, let alone employment. This is especially true with private recruitment consultants who increasingly act as the gatekeepers to employers and employment opportunities.

*I want to feel self confident and independent, hence I came here as a skilled independent migrant. But until this moment I am not independent because I am out of a job with no position and that's all because I don't have local experience.*¹¹

There is no service that new arrivals can access which provides the essential insurance cover and brokerage assistance to enable new arrivals to gain unpaid local, professional work experience in their occupational field.

The priority is for skilled migrants to find work in their field of expertise. However there is also a need for migrants to obtain general work experience in order to gain an understanding of 'the Australian working culture' and relevant practises and laws including Occupational Health and Safety and Equal Employment Opportunity.

It is topics such as these that they will be asked about at interview and need to know, for whatever positions they apply for. Hence, there needs to be a strengthening of work experience opportunities for migrants to facilitate such learning.

Barriers to qualification assessment and recognition

Pre-migration assessment processes differ from post-migration recognition. Those applying for General Skilled Migration must have their skills assessed by the relevant authority¹². However, upon arrival in-country, professional bodies require additional assessment for local recognition¹³. This can delay the individual's entry into the labour market, sometimes by several years. Some examples of these include teachers, accountants, engineers and some trades.

CASE STUDY 1: JEYA - Born Sri Lanka. Chartered Accountant with 10 years professional experience. Qualifications assessed for migration and then assessed again after arrival for employment. After completing 2 modules at university, assessed as graduate member of CPA. To become full CPA member, needs to do 5 exams and must be working to do them plus have a supervisor. Therefore needs to find a job to get full recognition. Applied unsuccessfully for hundreds of jobs. After 18 months in Australia and 6 months unpaid work experience in a local council, got a job as an Accounts Clerk. After 2 years in the council now acting as an Assistant Accountant.

¹¹ Quote from new migrant attending Skillmax course

¹² A list of skilled occupations and Australian assessing authorities can be accessed at: www.immi.gov.au/allforms/pdf/1121i.pdf

¹³ A list of relevant assessment authorities in NSW can be accessed at: www.eccnsw.org.au/?page=overseasindex

Currency of skills

For many professions, particularly in regulated professions such as doctors, pharmacists, veterinarians, teachers and lawyers, the recognition process is both lengthy and expensive. During this period migrants have to undergo extensive examinations and retraining, involving heavy time commitments and expensive examination fees. This lengthy process can affect the currency of skills and knowledge through lack of use and practice as well confidence levels.

Currency of skills is an issue for all migrants who fail to find work in their occupation shortly after migration and this compounds other barriers. Research undertaken by the University of Western Sydney found that "the degeneration of skills that occurs as a result of non utilisation of skills over a period of time, results in significant knowledge and ability wastage to the Australian Labour market"¹⁴

CASE STUDY 2: PRIYANI & KURSHID - Husband and wife. Born Pakistan. Both Pharmacists each with over 8 years experience in Pakistan and Bahrain. With assistance, learnt about recognition procedures in Australia, developed a resume, application letters and learnt interview skills. Kurshid worked in a factory to support family while Priyani sat for Australian Pharmacy Examining Council Stage 1 Exam. With assistance, Priyani gained work experience in the Pharmacy Department of local public hospital and prepared for Stage 2 Exam. Following on from work experience, gained work as Pharmacy Assistant while completing her recognition procedure. Once Priyani is established in her profession, Kurshid will start the recognition procedure, but is concerned about the currency of his knowledge and loss of professional skills and confidence.

Changing nature of labour market

The labour market is undergoing a process of casualisation and this mobility means that workers must be able to promote their skills to win a position several times in their career. Jobs are becoming more specialised, companies are outsourcing their recruitment to private recruitment companies and the use of tools such as psychometric tests is increasing. Psychometric tests are not controlled for cultural variations.

CASE STUDY 3: YAFAN - Born China. A Software Engineer who worked in the China branch of alibaba.com, the world's largest B2B on-line market place. (China is the biggest arm of the company). Was a member of a team of 50 software engineers. Has done two master's degrees since arriving in Australia and worked on major e-commerce projects including one for the University of Queensland. Despite this he is unable to find a permanent IT position. Currently he is supporting himself by cleaning hotel rooms.

¹⁴ Wagner, Regine (ED) Recognition of Prior Learning in Higher Education and the Australian Labour Market. The case for skilled migrants and refugees 2003. pg 2

Two Year Waiting Period

Newly arrived Non-Humanitarian Permanent Residents are subject to a waiting period of two years before they are able to access social security payments and, along with skilled migrants and their families, are only eligible to access basic job search assistance through Job Network Providers. Skilled migrants are also unable to access specialised employment training by Job Network providers available to refugees and humanitarian entrants including intensive job search training after 3 months and Intensive Support Customised Assistance after 12 months unemployment. Skilled migrants are unable to access local work experience, work for the dole programs and other services placing them at further disadvantage in the Australian job market.

This lack of available income and employment support means newly arrived migrants are not able to take time to gain local knowledge and experience to seek employment in their fields of expertise but rather they are often forced to take any employment, often well below their skill level. This can result in a loss of currency of skills and knowledge and can make the transition to employment in their field of expertise even more difficult.

CASE STUDY 4: ANIL - Born Bangladesh. Network Engineer. Trained in India and Australia. 9 years network experience in Bangladesh and New Zealand. Qualified Microsoft Certified Systems Engineer (MCSE). Doing unpaid work experience, latest position: taxi driver.

Transferable skills and downgrading skills

Where migrants apply for jobs at a lower level they are frequently told that they are overqualified. This leads to a situation where skilled migrants hide graduate and post graduate qualifications in job applications and replace them with TAFE diplomas or downgrade the level of their experience.

Employer Bias

Cultural differences and the possibility of discrimination also have an impact on employment outcomes for skilled migrants. There is research evidence indicating a significant difference of negative discrimination towards university-educated Asian compared to non-Asian skilled migrants, especially for men (Junankar et al., UWS, 2002).¹⁵

This discrimination in the workplace means migrants with greater experience and qualifications can sometimes miss out on job opportunities due to this perceived or real bias that foreigners are not as good as Australians. This bias must be overcome particularly in those occupations that are on the DEWR list of occupations in need¹⁶.

¹⁵ Ho & Alcorso, 2004, "Migrants and employment: challenging the success story", in ANZ Journal of Sociology, September 2004.

¹⁶ This list was distributed in the NSW state MAC and MCF meeting early 2005.

Individual Barriers

Lack of professional networks

It is estimated that over half the jobs in Australia are filled through word of mouth in the 'hidden job market'.¹⁷ Many independent skilled migrants do not have family and friends in Australia who work in their occupation or can tap into local professional networks.

Research undertaken by the University of Western Sydney found that the lack of networks for migrants severely disadvantages them as networking is "a crucial technique for learning from and engaging with peers, and as a means to possible employment opportunities"¹⁸

CASE STUDY 5: PREEYA & ASHOKA - Husband and wife. Born Sri Lanka. Asoka is a qualified high school maths teacher and Preeya is an experienced Civil Engineer with over 7 years construction and project management experience. Eligible for membership with the Institution of Engineers, Australia. Asoka works in a factory to support their family of four children while Preeya does unpaid work experience and applies for work. After completing two work placements, a TAFE bridging course and hundreds of job applications, 3 ½ years later she finally gains work at a local Council largely as a result of professional networks within her community.

Lack of knowledge of Australian job market and workplace

Many skilled migrants come from job markets where qualifications are the main criterion used for selection. In some countries (e.g. Afghanistan) it is the responsibility of the government to find jobs for new graduates leading to different job search and employment expectations. The idea of selling yourself in your resume and interview can also be culturally alien, which makes it difficult for employers to assess the potential of migrants from some cultures.

CASE STUDY 6: SUBRA - Mechanical Engineer from Sri Lanka. Over 10 years experience in public works projects. No experience of resume writing and interviews before coming to Australia. Currently working as a store person 3 years after migrating.

Intersectionality: Women, Refugees and the Mature Aged

Additional barriers and disadvantage are faced by migrants who are also women, refugees and/or mature aged.

¹⁷ Schwerdt, B. Exploring the Hidden Job Market. 1998. At yahooncareers.executive.seek.com.au/editorial/0-4-11_hidden_jobs.htm

¹⁸ Wagner, Regine (ED) Recognition of Prior Learning in Higher Education and the Australian Labour Market. The case for skilled migrants and refugees 2003. pg 2

Language and cultural practices

The subtleties of language and cultural gaps can also lead to misunderstandings. In a highly competitive job market the level of English required to win a job is often higher than the level required to perform the job. Furthermore many professions have high levels of specific 'jargon' that is difficult enough for English speakers not familiar with that profession let alone for people whose first language is not English. Differing cultural practises such as body language, eye contact and other cultural protocols can lead to misunderstandings and create problems for migrants unused to Australian cultural practises.

Regional Areas

By increasing the numbers of skilled migrants to regional areas through the Skilled Independent Regional program, an opportunity exists to ensure that the use of migrants' skills are maximised in rural Australia. However, there are a number of barriers to employment for migrants that are unique to regional areas, including the following:

- There are limited migrant specific programs operating in regional NSW because a 'critical mass' (usually determined as 10%) is not present. This means that knowledge of migrant skills, recognition processes and specific cultural training on finding employment in the country is not available to current or intending rural residents.
- Many current employment service providers do not have the skills, experience or the impetus to assist these skilled, dedicated and enthusiastic job seekers.
- There are higher unemployment rates in regional areas meaning that the work that is available is harder to obtain.
- There is often a lack of public transport in regional areas which means that often a car is a necessity in order to be able to access employment – whether in the regional town itself or a nearby city. Those prepared to work in Sydney, for example, but who live in regional areas will therefore need a car or they are limited to finding work along a direct public transport route.
- There is anecdotal evidence that barriers exist in regional areas because of attitudes in the workplace which are not conducive to employing people from a non-English speaking background. This could be partly due to the fact that there are smaller numbers of migrants in regional areas.

The Need for Support

Skilled migrants require specific types of employment support to find suitable employment, which is currently not funded by any government department. Nationally funded programs such as the Community Settlement Services Scheme (CSSS) fund workers so long as they specifically do NOT help migrants find employment (since Job Network Members should be doing this work). This is particularly significant given the number of skilled migrants coming to use these services who are looking for work. The needs of skilled migrants are different to the majority of job seekers since they face barriers for finding work specifically in the Australian work force as just described. Experience has shown that programs targeted to specifically meet the needs of NESB skilled migrants have been successful and made a major contribution to improving their employment outcomes.

An example of successful employment programs for skilled migrants include the Skilled Migrant Placement Program (SMPP) in NSW, which operated successfully from 1989 to 2004, funded by NSW Department of Education and Training (DET). The program provided a variety of services vital to supporting skilled migrants in finding employment suitable to their qualifications and experience. The services included orientation to local job market, assistance with developing appropriate documents in line with local job searching conventions as well as support with work experience placements and the insurance required to do so.

Skilled Migrant Placement Program

The effectiveness of this successful targeted labour market program are outlined below:

- Between January 2003 and March 2004, the SMP Program assisted in excess of 5,500 overseas skilled migrants.
- The Program had an exceptionally high success rate. During this same period, the Program assisted over 1,500 overseas skilled migrants into employment and professional work placements commensurate with their field of expertise. The majority of these placements were in occupations identified as national and state skills shortages delivering local solutions to skills shortages in areas including Health, Accounting and Teaching.
- These outcomes generated measurable economic benefits for NSW, in addressing skill shortages, boosting productivity and economic growth, and also bringing social benefits.
- The Program educated and assisted clients to negotiate learning pathways and appropriate ways to seek employment.
- Clients received assistance early in their process of finding employment meaning that they were less likely to become welfare dependent and much quicker to become productive members of society.
- It is a well researched fact that employment is the most important factor for successful adjustment and integration into a new society and it also determines

physical and psychological well-being.¹⁹ The SMP Program acted as an early intervention measure helping to avoid the health and depression problems that can occur when migrants find themselves unemployed and unable to use their skills that they have trained for, for many years.

CURRENTLY FUNDED PROGRAMS

Skillmax Program

The NSW State government currently funds the Skillmax Program which provides language and job seeking support to eligible skilled migrants. It is a valuable program, but it needs enhancements.

The restrictions of this program are that:

- it does not have a work experience component. Previously the Program included a work experience program, but this was withdrawn due to the existence of the SMPP. However, now that SMPP no longer exists, it is vital that the Skillmax Program reinstate the work experience section of the program.
- the Program does not have individualised support and tailored assistance.
- it does not provide occupational or industry specific support or tailored information.
- the Skillmax Program is only available in certain geographical areas. The Program could be extended to cover the same geographic areas as Job Network Providers for easier access for all migrants particularly those in rural/regional areas.

Job Network

Many Job Network Providers assist jobseekers from diverse cultural and linguistic backgrounds, however, there is limited access to these services for newly arrived migrants who are not eligible for the more intensive support services offered by the Job Network. Unlike refugee and humanitarian arrivals who are able to access these support services and innovative programs such as the *Humanitarian/Refugee Entrant Job Seeker Pilot*, there are no targeted programs or access to these programs for NESB migrants.

Further, the focus of Job Network Providers is on placement in ANY occupation, rather than in positions within the jobseekers broad occupational field. Any service aimed at assisting skilled migrants needs a strong focus on the effective utilisation of skills and experience in relevant or related occupational fields. It also needs to understand the complex qualification recognition process and to possess the specialist knowledge, skills and expertise to assist skilled migrants to set realistic career goals.

¹⁹ Faelli, R.C. & Carless, S. A. A Comparison of Psychological Characteristics of Employed and Unemployed Professionally Qualified Immigrants. *Australian Psychologist*, Vol 34, No 3 1999 pp 183-187

Including work experience placements through Job Network Providers in the first two years of arrival for NESB migrants could greatly improve their chances of employment.

Support for Professional Recognition

The Department of Education, Science and Training seeks to help overseas trained professionals who are Australian citizens or permanent residents living in Australia to obtain recognition of their qualifications in Australia.

The AEI-NOOSR **Assessment Subsidy for Overseas Trained professionals (ASDOT)** program covers fees for assessments of some overseas qualifications, mostly in the health professions, where occupations are regulated or, in other professions, the fees for an examination required.

However this program is only accessible to a limited number of disadvantaged citizens or permanent residents who hold Centrelink Health Care, Pensioner or Seniors concession cards.

Financial support is also available to assist eligible people wishing to attend a **Bridging Course for Overseas-Trained Professionals**. Migrants who have had a skills assessment and are required to complete bridging study before they can gain entry into their chosen profession in Australia may be eligible for a loan to help fund the cost of their study.

Until recently, the loan scheme was known as the Bridging for Overseas-Trained Professionals Loan Scheme (BOTPLS). From 1 January 2005 the program is being replaced by FEE-HELP, a new loan scheme.

Impact of Current Service Gaps

There is a wealth of evidence that suggests skilled migrants experience disadvantages in the job market compared to their Australian counterparts, especially in finding employment at a level suitable to their skills and experience. If the full potential of skilled migrants is to be achieved then these individual, social, settlement and economic disadvantages need to be addressed.

The *Longitudinal Survey of Immigrants to Australia*²⁰ shows that after 18 months, only 50% of skilled migrants are in a job using their highest qualifications (p16), and 40% of skilled migrants were in unskilled or semi-skilled employment (p32). Further, the study shows that 36% of skilled migrants rarely or never used their highest qualification (p35). However comparatively, according to the Centre of Full Employment and Equity²¹, only 9.7% of the general Australian workforce is underutilized. This shows a huge gap for migrant populations. Further, the longitudinal study interviewed migrants from mostly English speaking countries, or those from a non-English speaking country (NESC) with a good level of English at the time of collecting statistics.

Some sub-groups of skilled migrants have higher support needs than others; for example, skilled migrants from non-English-speaking backgrounds generally face more disadvantages in the labour market (including language and cultural differences, discrimination or racism) than those from English-speaking countries. The overall 'success story' portrayed by the longitudinal study does not address these issues as the outcomes are not specific by country of origin.

Given that 78% of the 33, 507 permanent new arrivals to NSW during the last year were from non-English speaking countries²² this demonstrates a significant group who are disadvantaged in the local labour market.

EARLY INTERVENTION

Early intervention is critical. Migrants who receive assistance early in their settlement are more likely to find employment in their field of expertise and will, as a result, settle and become productive members of society faster. Denying newly arrived migrants substantial employment assistance is counter productive to new migrants' effective job seeking and settlement and exacerbates problems experienced by skilled migrants in adjusting to the Australian labour market and culture.

Migrants interviewed for the Longitudinal Survey viewed finding employment as the most important factor to becoming settled and being able to contribute to and participate in Australian society.²³

²⁰ Department of Immigration, Multicultural and Indigenous Affairs. *Longitudinal Survey of Immigrants to Australia*. At www.immi.gov.au/research/laia/index.htm

²¹ Centre of Full Employment and Equity. At [//e1.newcastle.edu.au/coffee](http://e1.newcastle.edu.au/coffee)

²² Department of Immigration and Multicultural and Indigenous Affairs, DIMIA settlement reports, English Proficiency Country Groups by Migration Stream for NSW for the period 1 June 2004 to 31 May 2005.

²³ Cited in Department of Immigration, Multicultural and Indigenous Affairs. *Report of the Review of Settlement Services for Migrants and Humanitarian Entrants 2003* pg 66. At www.immi.gov.au/settle/settle_review/

A lack of access to employment assistance can force migrants into potentially exploitative employment situations as they have no other source of income. The longer a migrant works outside of their field of expertise the harder it will be to re-enter that field as they lose skills and currency of knowledge.

Early intervention also helps avoid the physical and mental health problems that can occur when migrants find themselves unemployed and unable to use their skills that they have trained for, for many years.

Proposals and Recommendations

In light of the serious service gaps addressing employment assistance for newly arrived migrants identified in this paper and the Governments proposed increase of the Skilled Migration Program we strongly urge the Government to provide resources to meet these needs.

Continuing to fail to provide early assistance to new migrants in finding employment is counter productive in the long term. It potentially leads to an increase reliance on public support such as Social Security, housing and health by migrants and means significant economic and social cost to Australia in the loss of skills, knowledge and social contributions to be made by migrants.

This paper will not provide detailed suggestions of how, or by whom, the services should be provided but rather we will outline four broad areas in which we see the allocation of resources would greatly improve the employment assistance provided to new migrants.

I. GREATER ACCESS TO LOCAL EMPLOYMENT INFORMATION PRE-ARRIVAL

Currently migrants are warned that they should not expect to find employment immediately upon arrival in Australia and should be prepared for two years of unemployment²⁴.

Migrants should be made aware of the need to have their overseas qualifications and skills recognised by independent bodies relevant to the state they plan on settling in.

Strategies should also be put in place to encourage skilled migrants to apply for overseas skills recognition in the relevant Australian States pre-arrival and the discrepancy of additional post-migration recognition must also be addressed.

II. TARGETED LABOUR MARKET PROGRAMS

The development of pro-active strategies to utilise migrants' experience and qualifications in Australia is important for social and economic reasons. Building upon models that have been piloted successfully in Australia and overseas, the following brief outlines a range of targeted strategies that could be adopted to address some of the barriers that migrants from diverse cultural and linguistic backgrounds face in obtaining employment in Australia.

Targeted labour market programs have been found to be both more cost effective and more successful in assisting migrants finding employment. Recent

²⁴ Department of Immigration Multicultural and Indigenous Affairs (DIMIA). Other Family Migration Booklet. At <http://www.immi.gov.au/allforms/booklets/1130.pdf> p9

research²⁵ compared the costs per person of a targeted employment assistance program for refugees with the cost per person for the Job Network program finding the targeted program to be both cheaper per participant and more successful in employment placement.²⁵

We recommend that these following strategies be considered and incorporated as components of targeted labour market programs.

a) Professional Work Placements

Work placements are an effective way for new migrants to 'get their foot in the door', learn about the Australian workplace culture, develop professional networks and gain the local work experience demanded by the labour market.

A brokerage service is necessary to facilitate such placements. Placements should be marketed at industry level through employer organisations and professional bodies. Insurance cover is also essential.

*"As for work experience it would be ideal if the Departments of Education and/or Immigration were to "convince" companies and potential employers to accept new residents on a trial basis. Both sides would benefit from the experience"*²⁶

Numerous studies of employment assistance and experience for new migrants point to the importance of work experience in gaining employment. The DIMIA Report of the *Review Of Settlement Services for Migrants And Humanitarian Entrants* suggested that for refugee job seekers work experience be combined with other training options²⁷ and other research has highlighted that the lack of incentive for the Job Network to provide work experience, places job seekers from non English speaking backgrounds at a serious disadvantage.²⁸

b) Information and advice about the Australian job market and workplace culture

Information and training on 'selling yourself' through resumes, cover letters, interviews and networking is essential to understanding the Australian job market. Different occupations require different jargon and formats. Detailed industry and occupation-specific information is also necessary.

c) Specialist Career & Recognition Advice

The provision of individual job search assistance and specialist career advice regarding career pathways, occupational entry requirements, and professional

²⁵ MacDonald, Fiona, Kyle, Louise, Doughney, James & Pyke Joanne. Refugees in the Labour Market: Looking for cost effective models of assistance. Migration Action Vol XXVI no 1 2004 pg 23

²⁶ Quote from new migrant attending Skillmax program

²⁷ DIMIA Report of the Review Of Settlement Services for Migrants and Humanitarian Entrants 2003 pg 123

²⁸ Cited in MacDonald, Fiona, Kyle, Louise, Doughney, James & Pyke Joanne. Refugees in the Labour Market: Looking for cost effective models of assistance. Migration Action Vol XXVI no 1 2004 pp 18-25

assessment process in NSW is essential for new migrants to effectively utilise their overseas skills.

d) Mentoring

Mentoring programs are effective in providing direction, professional guidance and clarity to new migrants through connecting them with local mentors who are qualified and experienced professionals working in their respective occupations.

Through information meetings and workplace visits, participants can learn first-hand about the labour market, career development opportunities, Australian workplace norms and culture, and other pertinent issues. In addition, mentors can facilitate further professional networking opportunities for participants and aid access to the 'hidden job market' where an estimated 50 - 80% of jobs are filled.

Through mentoring, new migrants gain a better understanding of their profession or trade while building employment-related networks and contacts that will help them become established in Australia and increase their labour market participation.

Mentoring models are also run successfully in Canada, Europe and other parts of the world in the pre and post migration phases. Models include e-mentoring, job shadowing and 1:1 work place mentoring.

e) Networking Development and Professional Peer Groups

Access to the labour market is determined by knowledge of and access to professional networks. Professional peer groups and networks are valuable ways to build social capital amongst migrants, enabling new arrivals to share job-related information, develop professional networks and access peer support.

f) Upgrading and Updating of Qualifications

Many qualifications that are downgraded in formal assessment processes could be upgraded and updated by way of 'bridging' programs, 'professional traineeships' or 'fast tracking'. Recognition of prior learning or competencies and accreditation at a professional level is also required.

g) Occupational pathways

A holistic approach is necessary which recognises an individual's skills and qualifications and offers short-term and long-term employment and training pathways tailored to achieving relevant or related occupational goals.

h) Partnerships

These strategies provide the opportunity for a partnership approach to service delivery across existing migrant support services, employment services,

education providers, professional associations and government departments at local, State and Federal levels.

III. TARGETING EMPLOYER GROUPS AND RECRUITMENT AGENCIES

Strategies should also be put in place to engage employers at industry and senior management levels as well as through professional bodies and networks.

IV. REGIONAL STRATEGIES

Settlement of migrants in regional areas has unique challenges. The following recommendations suggest measures that at both a policy and procedural level address these challenges.

- a) According to a recent University of Western Sydney report (Wagner, 2003), *work experience as a means of gaining access to the job market* is one of the key factors for new migrants to obtain work commensurate with their skills and experience.

Indeed, if migrants do not have local Australian work experience, employers may not hire them (Skilled Migrant Placement Officer, 2002, in Wagner, 2003).

However, many employers are not prepared to pay the insurance premiums required for work experience. Hence, the cost of insurance is a prohibitive barrier for new migrants.

Therefore, to facilitate the participation of much-needed skilled migrants in the workforce, we strongly recommend:

- **that the Government provides work experience insurance cover to new skilled migrants in regional areas.**

b) However, it is not sufficient in regional areas to fund work experience insurance cover if the migrants do not know how or where to look for work in the first place. Case studies have shown (SMPP, 2004) that without assistance migrants miss out on valuable connections to the work place.

Therefore, this working group recommends:

- **that the current Job Network Provider 'Job Seeker Account' *mentoring provision* is expanded for regional clients, and gives greater priority to the following in its policy provision:**
 - i. **cross-cultural assistance**
 - ii. **use of interpreters**

This is so that employment services can be provided specifically to newly-arrived migrants but on a per-user basis, rather than as a permanent 'bucket of money'. This is because the numbers of new arrivals fluctuates widely in regional areas.

Mentoring activities include:

- Mentoring for the *process* of obtaining recognition for overseas skills
 - Organising workplace placements
 - Developing professional networks in rural areas
- c) Currently, skilled migrants are only eligible for limited 'Job Search Support' through Job Network Providers (JNPs). Secondly, mainstream (i.e. not skilled migrant) job seekers at the lowest level of the 'job seeker continuum' are only eligible for Job Search Training after a period of 3 months. However, to facilitate entry to the workforce, we recommend that:
- **regional skilled migrants are made *immediately eligible* for Job Search Training programs.**
- d) Finally, due to smaller numbers (and therefore, tolerance and/or familiarity) of NESB migrants in regional areas, we recommend that:
- **the Government gives priority to cross-cultural training of regional workers in mainstream services.**

One example of the success of a program that focused on diversity in the workplace was the State-funded 'Productive Diversity' program, which was ended in the Mini Budget last year. The value of such programs is described below:

Productive Diversity project has been very much valued for extensively promoting the skills, acumen and personal experience available throughout our migrant population. This Productive Diversity in the Workplace project has been effective across many regions of northern NSW, let alone Newcastle and Lake Macquarie.

... In regional areas these programs have been more than valuable. The axing of these programs will undoubtedly lead to a social as well as an economic loss in regional and rural communities where "loss" is becoming a common experience.

Finally, in the principles, which as you are aware underlie Ethnic Affairs Priority Statements (EAPS) in NSW, a key benefit is to have full participation of migrants in community and government programs. Cutting the SMPP and PD in the workplace certainly gives no credibility to .. the government, in meeting and supporting credible EAPS.

Newcastle Multicultural Interagency letter to the Hon Andrew
Refshauge MLC, Minister of Education and Training, 27th April 2004