

Calling **Australia** home

The characteristics and contributions of Australian migrants



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Foreword

Australia is one of the most multicultural nations in the world. Migrants have come here in search of a better life, and in doing so, have fundamentally shaped our culture and our economy.

We are a nation of migrants - a quarter of Australia's population was born overseas, one of the highest proportions among all OECD countries. And in 2008 alone it accounted for 65 per cent of our population growth.

So who exactly is a migrant? Where do our migrants come from? How have they contributed to the economic growth of the country? Are many of us, in some way, migrants and what role will migration play in the future?

This issue of the AMP.NATSEM report, *Calling Australia Home*, explores the characteristics and contributions of Australia's overseas born population, examining aspects of the migrant experience including education, work, wealth and wellbeing.

Major shifts in Australia's immigration policy over the years have resulted in a rich and culturally diverse nation. The advent of World War II signalled the need to defend the country and attract skilled workers, resulting in an influx of immigrants from Europe. The 70s and 80s saw multiculturalism become a focus with the arrival of immigrants from South-East Asia. So if we look at the fabric of Australian society, this country has most definitely benefited from the waves of migration.

In the last 10 years or so, the emphasis has been on skilled migration, with the need for immigrants to contribute to the labour force driven by concerns about the ageing population and skills shortage. Interestingly since 1997 migrants under the skill visa category have overtaken those under the family visa category.

And this previously led to heightened efforts to attract overseas students to Australia. Levels of education among recent migrants tend to match or exceed those of the Australian-born population.

It's not surprising that migrants in Australia are predominantly of prime working age, with their high level of participation in the labour market one key indicator of their successful integration and contribution to the economy. However, are we fully utilising their skills? When it comes to migrants who were born in non-English speaking countries, apparently not always. Despite a higher proportion having tertiary qualifications, 40 per cent of these highly educated migrants are working in low or medium skilled jobs. So is there a disparity with what migrants are qualified to do and what they are actually doing?

Looking at money, the report also found that migrants are not far behind in terms of wealth and are ahead of their Australian-born counterparts in terms of property-related

assets. This may be due to the fact that migrants live in urban areas where property prices are higher. Meanwhile non-migrant households take the lead in superannuation savings and investments, possibly because they may have been able to accumulate superannuation and investments over a larger period of time.

Turning to a topic of considerable debate, asylum seekers and immigration are two issues which are too often confused. The report notes that asylum seekers make up only a very small proportion of people seeking to settle in Australia. Our humanitarian migration program makes up about 7 per cent of our total migrant intake. Asylum seekers make up around one-fifth or less of this group.

With more and more baby boomers retiring and exiting the workforce, the pool of Australia's skilled workers is declining. So rather than making migration a main focus, it is important for Australia to look at all components of this debate and start planning for the future.

The fact is that along with an ageing population comes fewer workers, more expensive healthcare and fewer tax payers to fund these costs. With a growing population, which is inevitable, comes a need for new infrastructure. Migrants should be seen as a component of future economic growth - the skilled workers and tax payers who will contribute to funding much needed projects.

Our history shows that Australia has evolved and grown due to the significant changes to migration. The real question now is can Australia adapt to the challenges posed by population growth and an ageing population?

Migrants have made a significant contribution to the diversity and productivity of Australia. In fact we are a nation built from the labour, skills and traditions of migrants. It is embedded in our history, has significantly contributed to the country's economic wellbeing and culture, and undoubtedly migration will play an important role in shaping Australia's long-term future.



Craig Meller
Managing Director
AMP Financial Services

Introduction

“There can be few people in either industrial or less developed countries today who do not have personal experience of migration and its effects” (Castles and Miller 2009, page 7).

This statement is as true of Australia as of any country in the world. While Indigenous Australians have lived in this continent for many thousands of years, other Australians, to a greater or lesser extent, are recent arrivals.

Australia’s development as a nation has both been influenced by, and in turn has influenced, many generations of migrants. We ourselves have either experienced arriving here from somewhere else, or have heard of our parents’ or grandparents’ immigration experiences, or we live, work, play sport or maybe go to school with those who have recently made Australia their home.

Australia’s recent history and current landscape is very much one of migration. Our growing economy has been associated with the need to acquire a bigger skilled labour force and this is a major reason Australia has welcomed a large number of migrants each year. Workers from overseas identify Australia as a land of opportunity.

Immigration is also a topic of considerable public and political discussion: How much immigration is good for Australia? Are current levels of population growth

sustainable? How should Australia respond to asylum seekers? What is the right way for Australia to manage and regulate policies around migrant intake targeting and citizenship? Debates around these questions demonstrate that immigration continues to be a contested area of social policy, and an ongoing issue of significance.

Against the background of the importance of immigration to Australia, the level of interest in this topic and the changing profile of Australia’s migrant intake, this issue of the AMP.NATSEM Income and Wealth Report examines the characteristics and experiences of Australia’s overseas-born population. We include in our migrant population both those who came to Australia as children and those who arrived as adults.

Australia’s migrants are an incredibly varied group, and we organise our analysis of data in this report in ways that try and take this into account, and to explore these differences further. In most of our analysis we differentiate migrants into two groups. First, migrants who were born in the main English speaking countries - Canada, New Zealand, Ireland, the United Kingdom, United States and South Africa - who we refer to in this report as “Born in MESC” and second, migrants who were born in non-main English speaking countries, who we will refer to as “Born in non-MESC”. Also, where possible, we divide our data up by gender and age group. We look at a wide range of issues related to Australia’s overseas born population, with a particular focus on work, wealth and wellbeing.



A nation of migrants

A quarter of Australia's population was born overseas

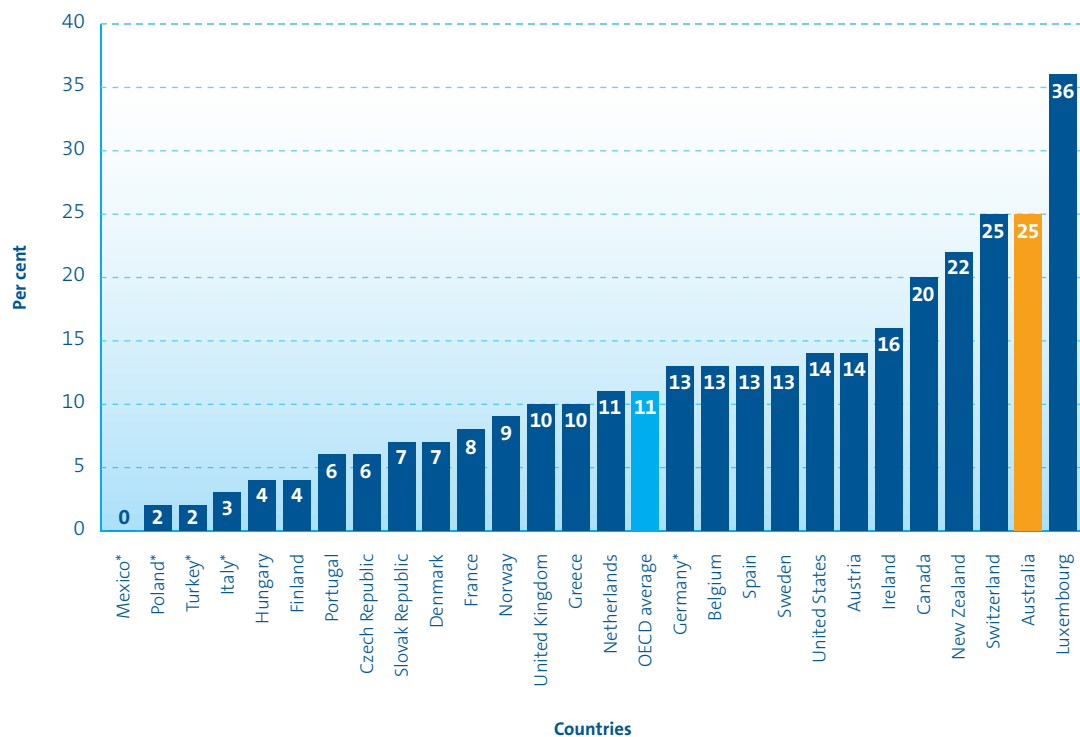
Today, we are one of the world's most multicultural countries. The estimated resident population of Australia in 2008 was 21.4 million people with more than one quarter (5.5 million people) being born overseas (ABS 2009b).

As shown in Figure 1, this is one of the highest proportions of residents born overseas among all OECD countries, with the average proportion of overseas-born residents for

OECD countries sitting at only 11 per cent. Our immigrant population is not quite double that of the United States, and more than twice that of the United Kingdom.

Fertility and immigration are the sources of our population growth. Over the decade, between 1998 and 2008, the number of overseas-born residents has increased at a greater rate than the number of Australian-born residents. Immigration in 2008 is the highest contributor to overall population growth, accounting for around 65 per cent of growth.

Figure 1 - Overseas born residential population of OECD countries



Note: * Refers to countries where the 2007 figures were not available and the latest available data were then used.

Source: OECD, *International Migration Outlook*, 2009.

Australian immigration past and present: 1901-2010

The nature of Australia's immigrant population has evolved and changed over many years, partly in response to internal policy, as well as being influenced by external events and forces, and shifts in attitudes, beliefs and the political and social environment. A brief history of Australia's immigration policy since the colonies came together as a Federation in 1901 helps us understand the background behind the diverse nature of Australia's current overseas-born population¹.

White Australia policy (1901-1945)

Although the White Australia policy predates Federation, and some of the elements survived until its official abolition in the 1970s, its importance is generally seen to centre around the years from Federation to the end of World War II. The 1901 Immigration Restriction Act was aimed at excluding non-white migrants (and was sometimes used to exclude non-British migrants), and did so by requiring migrants to pass a dictation test which could be set in any language chosen by a customs officer. This period thus saw the arrival of many British migrants, so by the end of World War II a very large majority of Australia's foreign-born population came from Great Britain and Ireland.

Post Second World War migration (1946-1965)

World War II resulted in a sense Australia needed to increase its population in order to be able to adequately defend the country - the concept of "populate or perish". Skill shortages were also a key issue during this period of migration, and attracting skilled workers was an important migration goal. British settlers in particular were given special incentives and privileges to migrate, but the post-war period also saw an influx of immigrants from across Europe, including large numbers of displaced persons.

This period saw much higher intakes of non-English speaking migrants than had been the case at any previous period in Australia's history. Many of these post-war migrants played key roles in building infrastructure, including housing construction and the massive Snowy Mountains Hydro-Electric Scheme.

More diverse migration (1966-1999)

Australian immigration policy became more open to non-European migration from around the mid-1960s onwards, but non-European migrants did not really start to arrive in large numbers until the early 1970s. There was a large influx of immigrants from South-East Asia during the 1970s (some arriving as "boat people"), a response to the upheavals and unrest taking place in countries such as Vietnam, Cambodia and Laos at this time.

The 1970s and 1980s was also a time when multiculturalism became a strong focus of policy, emphasising the benefits of supporting cultural diversity and identity, while maintaining social cohesion (Pietsch *et al.* 2010). This represented a move away from an earlier emphasis on the need for migrants to assimilate to what was perceived as "mainstream" Australian culture.

Immigration in the 21st century (2000 - present)

Two of the major shifts in migration policy since the mid-1990s have been an increasing emphasis on skilled migration, particularly into high priority occupations and an increasing focus on temporary migration, often as a precursor to permanent settlement.

The increasing emphasis on immigrants' contribution to the labour force has been driven by concerns about population ageing and skills shortages. This focus has included increasing efforts to attract overseas students to Australia, and initiatives to encourage these students to permanently settle here after finishing their studies. In 2006-2007 there were 22,858 former student visa holders who converted into permanent residency, with slightly fewer (21,421) in 2007-2008 (DIAC 2008; DIAC 2009a cited in ABS 2009a). These figures represented around one-fifth of the total additional skilled migration in each of the respective years.

In more recent times, some changes to the skilled migration program have been announced, partly in response to concerns relating to the impact of the global financial crisis, and to issues related to unintended consequences of the strong link between study and permanent settlement. Recent changes include more targeted priority occupations and an increased emphasis on employer-sponsored migration.

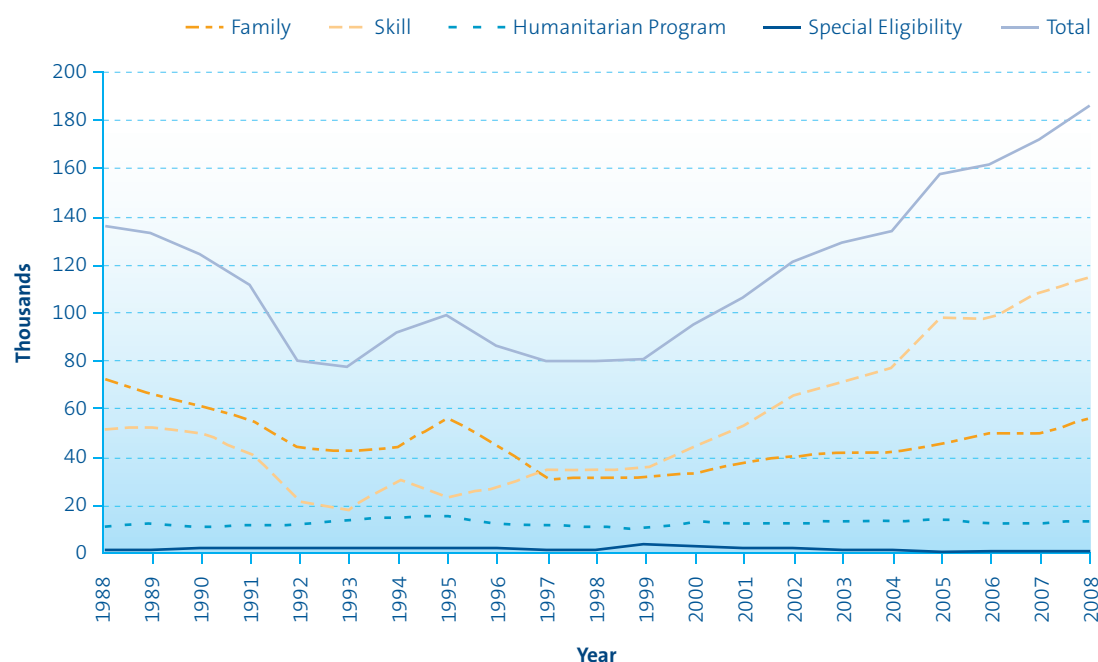
1. Material in this section draws on a number of accounts of Australia's immigration history, including work by Jupp (2001; 2007), Phillips (2005), Pietsch *et al.* (2010), Castles and Miller (2009) and Koletch (2010).

Where do our migrants come from?

Emphasis in recent years on skilled migration is reflected in Figure 2. Immigration flows in the past decade have been marked by an increasing number of migrants entering Australia under the skilled migration program. In 2008, around 115,000 permanent migrants came to Australia under the skill category visa, contributing around 62 per cent of total permanent migrants in 2008 (Figure 2).

Figure 2 shows that the numbers of migrants coming under the skill visa category have overtaken those under the family visa category since 1997. In addition, the number of migrants coming under the humanitarian program has been relatively stagnant since 1988. In 2008, around 14,000 people came under the humanitarian program (including eligible asylum seekers), representing only 7 per cent of total overall immigration in that year.

Figure 2 - Trends in permanent immigration over time



Note: This figure covers permanent visas only. 1988 refers to the financial year 1988-1989, and so on for all respective years. See technical notes for "Special Eligibility" migrants. Total is the summation of family, skill, special eligibility and humanitarian program and excluding immigrants from New Zealand.

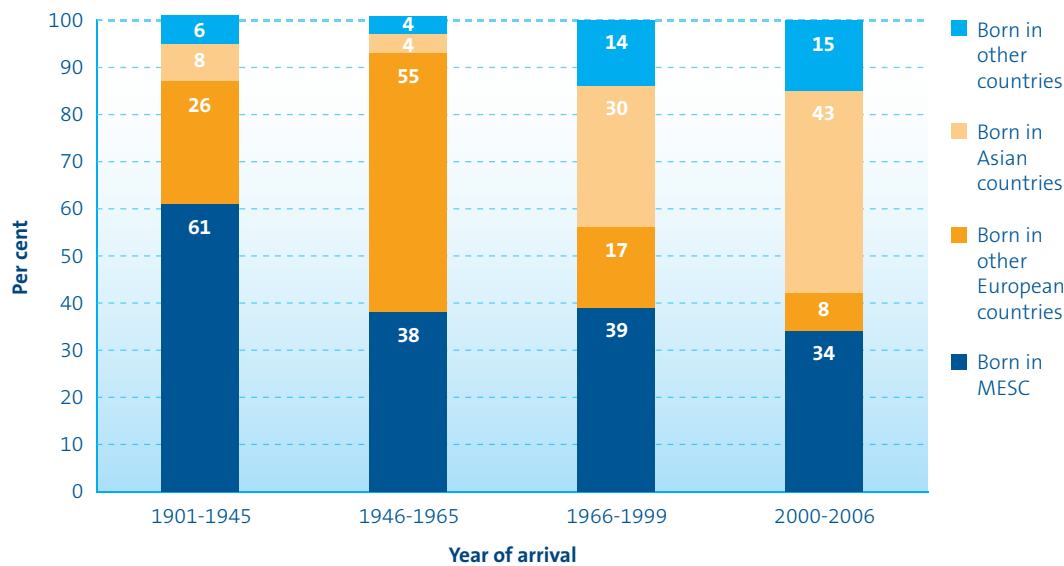
Source: Data prior to year 2000 for family, skill and special eligibility migrants are sourced from Phillips et al. (2010, Table 1, page 16), while data for year 2000 and above are sourced from DIAC, Population flows: Immigration aspects 2008-2009 Edition, 2010. Humanitarian program data are sourced from DIAC, Population flows: Immigration aspects 2008-09 Edition, 2010 (source data for Figure 4.1).

The changing patterns of Australian migration are also reflected in the changing mix of countries from which our migrants have originated. If we look at Census data about people born overseas based on their year of arrival in Australia, we can see how the ethnic mix of our migrant population has changed during the four broad periods of migration described previously.

As indicated in Figure 3, of those who came to Australia during the White Australia policy period (and who are still alive), 61 per cent were born in the main English-speaking countries (MESC), particularly the United Kingdom (UK) and Ireland. The shift from British and Irish migrants to those born in other European countries during the post-World War II period is evident, with the proportion of migrants who arrived during this period and coming from MESC dropping substantially.

The period of more diverse migration from the mid-1960s was characterised by a large increase in migrants who came from Asia and other countries. Australia's more recent migration profile, with its focus on skilled migration, is characterised by a substantial number of the immigrant population coming from Asian countries (43 per cent).

Figure 3 - Migrant population and year of arrival



Note: MESC = Main English Speaking Countries. See technical notes for further information on data coverage and definitions.

Source: ABS, Census TableBuilder, 2006 data.

However, it is interesting to note immigrants coming from MESC still form a substantial part of Australia's overseas-born population. The latest data about the top 10 countries of birth of migrants (Table 1) show England and New Zealand still as the two major source countries of migrants to Australia over the past 10 years.

Table 1 - Top 10 Countries of Birth of Migrants

	1996			2006		
	TOP 10 COUNTRIES	PERSONS (THOUSANDS)	PERCENTAGE OF ALL OVERSEAS BORN	TOP 10 COUNTRIES	PERSONS (THOUSANDS)	PERCENTAGE OF ALL OVERSEAS BORN
1	England	872	22	England	857	19
2	New Zealand	291	8	New Zealand	390	9
3	Italy	238	6	China	207	5
4	Vietnam	151	4	Italy	199	5
5	Scotland	146	4	Vietnam	160	4
6	Greece	127	3	India	147	3
7	China	111	3	Scotland	130	3
8	Germany	110	3	Philippines	121	3
9	Philippines	93	2	Greece	110	3
10	Netherlands	88	2	Germany	107	2

Source: ABS, Perspectives on Migrants, 2007.

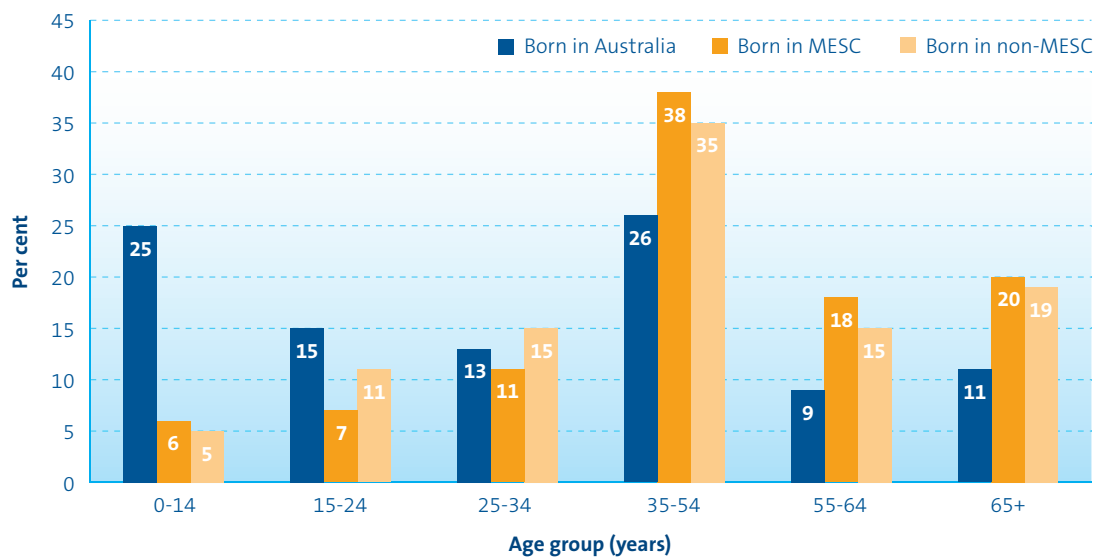
Most migrants, particularly those who have recently arrived in Australia, migrate when they are young. Around 40 per cent of recent adult permanent migrants moved to Australia when they were aged 25-34 years and 22 per cent migrated when they were aged 35-44 years (ABS 2008b).

This in turn contributes to the migrant population having a different age profile than the Australian-born population,

with higher proportions of migrants being in the prime working age population.

Figure 4 shows around 50 per cent of people born overseas are in the prime working age population of 25-54 years compared with only 39 per cent of Australian-born. These large numbers provide some indication of the economic contribution which migrants make to Australia.

Figure 4 - Age profile



Note: MESC= Main English Speaking Countries. See technical notes for further information on data coverage and definitions.

Source: ABS, Census TableBuilder, 2006 data.



“Most migrants, particularly those who have recently arrived in Australia, migrate when they are young.”

Australian migrants today

Are most migrants married?

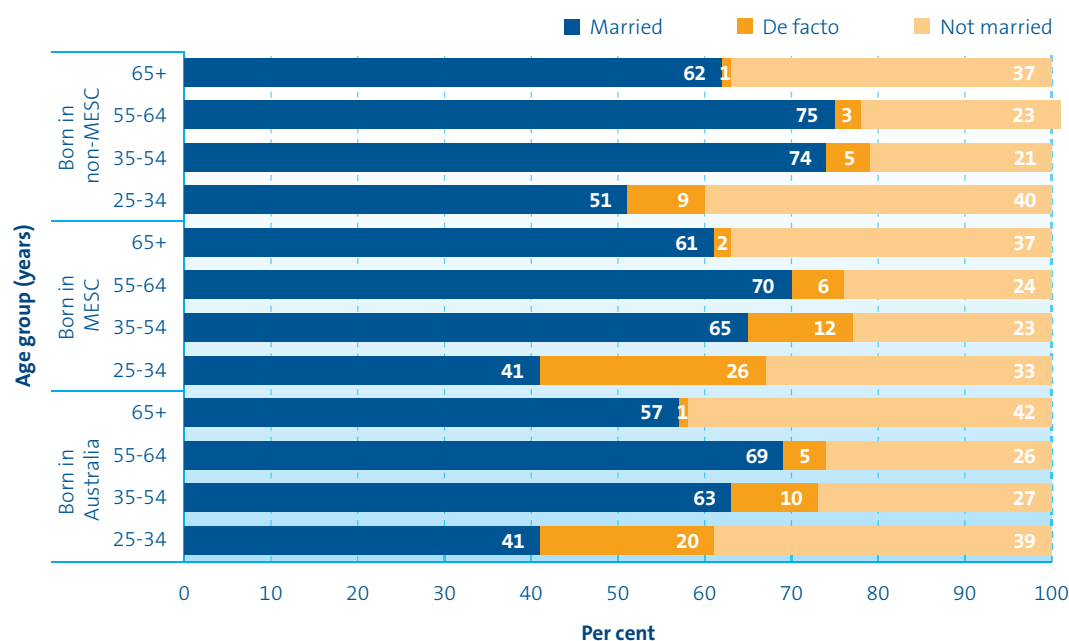
Figure 5 shows the social marital status of people in Australia, allowing us to look at both formal marriage and de facto relationships. Migrants who were born in the main English speaking countries (MESC) are very similar in terms of relationship status to the Australian-born population, with a relatively high rate of de facto relationships particularly for the younger age group of 25-34 years (20 per cent for people born in Australia and 26 per cent for migrants born in MESC).

In contrast, the rate of de facto relationships is lowest for young migrants who were born in the non-main English speaking countries (non-MESC), at only 9 per cent. This is consistent with the higher rates of registered marriage

for older migrants who were born in non-MESC compared with Australian-born people and MESC-born migrants. To some extent, these patterns may reflect cultural differences between these groups.

Looking at those people who are not married, we find broadly similar patterns for migrants and those born in Australia, with proportions of not married people highest for all groups in the youngest and oldest age categories shown in Figure 5. These results are not unexpected, as they may represent cohorts at different phases of the life cycles: the younger group is likely to include a large number of not yet married people, while the older group will include widowed women and men.

Figure 5 - Social marital status



Note: MESC = Main English Speaking Countries. See technical notes for further information on data coverage and definitions.

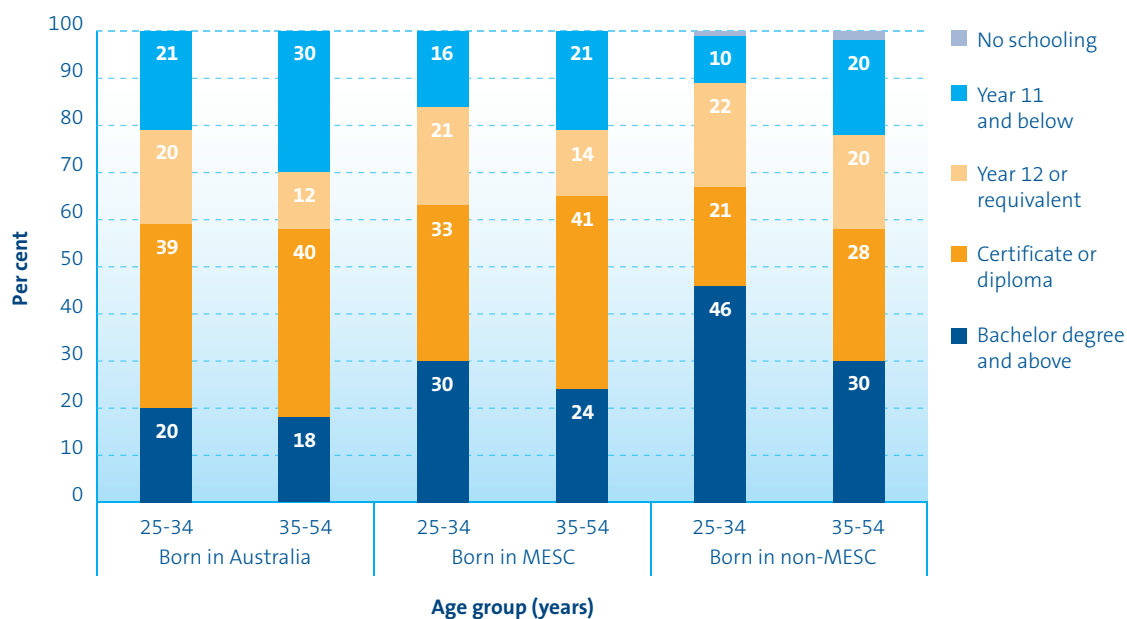
Source: ABS, Census TableBuilder, 2006 data.

An educated population

Given Australian immigration policy emphasises the need to address skills shortages, we might expect that levels of education among migrants, at least more recent migrants, will match or exceed those of the Australian-born population. Considering we know educational profiles differ for men and women, we have examined this data by gender for the prime working age population aged 25-54 years, and results are shown in Figure 6 (for men) and Figure 7 (for women).

Migrants who were born in non-MESC are highly skilled, especially for the younger population. A total of 46 per cent of male non-MESC migrants aged 25-34 years have a bachelor degree or above, compared with only 20 per cent of Australian-born men in the same age group. Australian-born men, however, have strong vocational qualifications and a strong focus on vocational education is also evident in migrants who were born in MESC.

Figure 6 - Educational attainment of men



Note: MESC = Main English Speaking Countries. See technical notes for further information on data coverage and definitions.

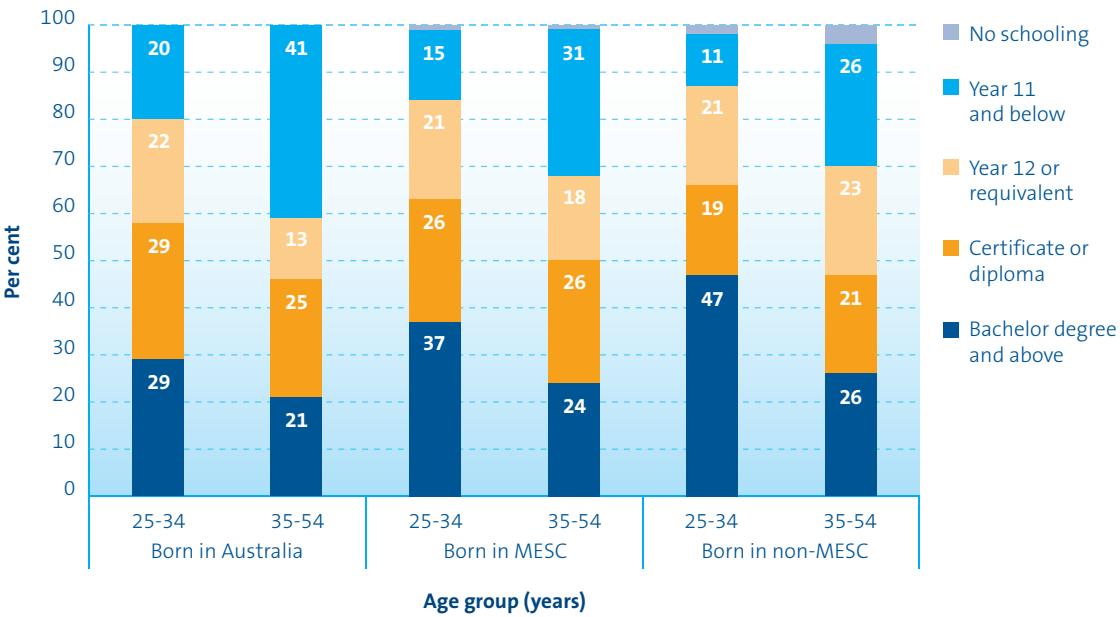
Source: ABS, Census TableBuilder, 2006 data.



“A total of 46 per cent of male non-MESC migrants aged 25-34 years have a bachelor degree or above, compared with only 20 per cent of Australian-born men in the same age group.”

Younger Australian women are generally better qualified than their male counterparts (Cassells *et al.* 2009), but interestingly gender difference in qualifications for young non-MESC migrant men and women are negligible, with nearly half of both men and women having a tertiary qualification.

Figure 7 - Educational attainment of women



Note: MESC = Main English Speaking Countries. See technical notes for further information on data coverage and definitions.

Source: ABS, Census TableBuilder, 2006 data.

Where do they live?

Like other Australians, most migrants are urban dwellers, although they are somewhat more concentrated in the four largest capital cities than the native-born population. More than 60 per cent of migrants who were born in MESC live in the four capital cities of Sydney, Melbourne, Brisbane and Perth, with an even higher figure of 79 per cent for migrants who were born in non-MESC and only 49 per cent for people born in Australia (Table 2).

Table 2 - Place of residence

PLACE OF RESIDENCE	BORN IN AUSTRALIA (%)	BORN IN MESC (%)	BORN IN NON-MESC (%)
Sydney	17.7	19.3	36.0
NSW Balance	14.4	7.8	4.2
Melbourne	16.4	15.1	28.7
VIC Balance	8.0	4.0	2.4
Brisbane	9.0	11.7	6.9
QLD Balance	11.8	11.6	4.4
Adelaide	5.6	7.0	5.3
SA Balance	2.4	1.7	0.6
Perth	6.3	14.5	7.7
WA Balance	2.7	3.3	0.8
Greater Hobart	1.2	0.8	0.4
TAS Balance	1.7	1.0	0.3
NT/ACT	2.7	2.2	2.2
Total	100	100	100

Note: MESC = Main English Speaking Countries. See technical notes for further information on data coverage and definitions.

Source: ABS, *Census TableBuilder*, 2006 data.

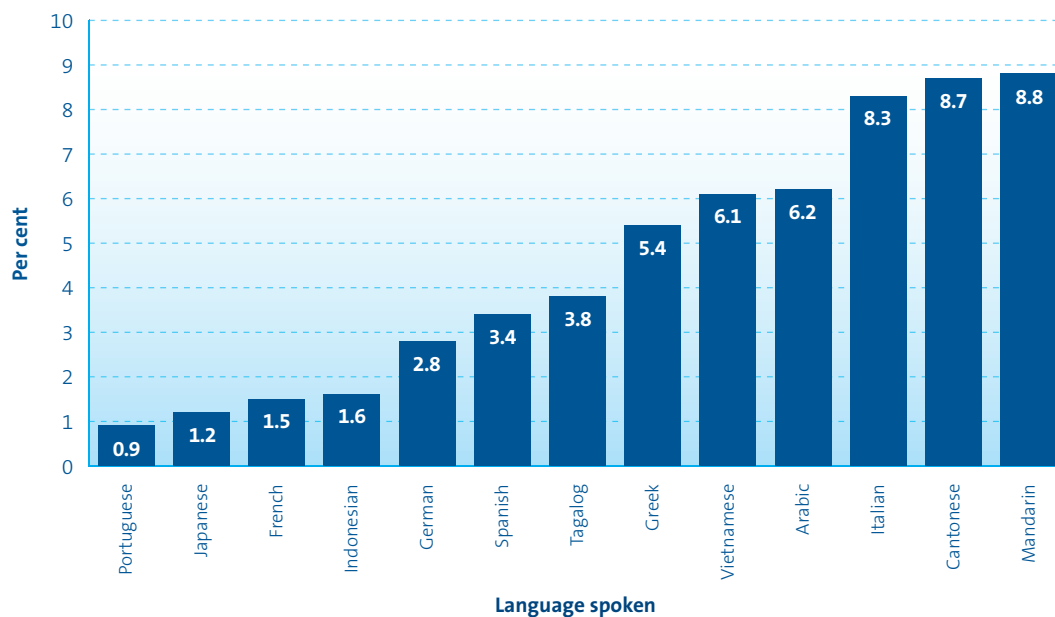


“Most migrants are urban dwellers, although they are somewhat more concentrated in the four largest capital cities than the native-born population.”

Diversity of language

Migrants come to Australia from many countries. Thus, languages spoken at home by migrants are very diverse, with 49 per cent of all migrants speaking a language other than English at home. As shown in Figure 8, the top five languages other than English spoken at home are Mandarin, Cantonese, Italian, Arabic and Vietnamese which matches broadly with data shown earlier about Australian migrants' top 10 countries of birth. Amongst these, the majority (at around 80 per cent) can also speak English well.

Figure 8 - Language spoken at home for migrants who do not speak English at home



Source: ABS, Census TableBuilder, 2006 data.

“Languages spoken at home by migrants are very diverse, with 49% of all migrants speaking a language other than English at home.”



Migrants under humanitarian programs

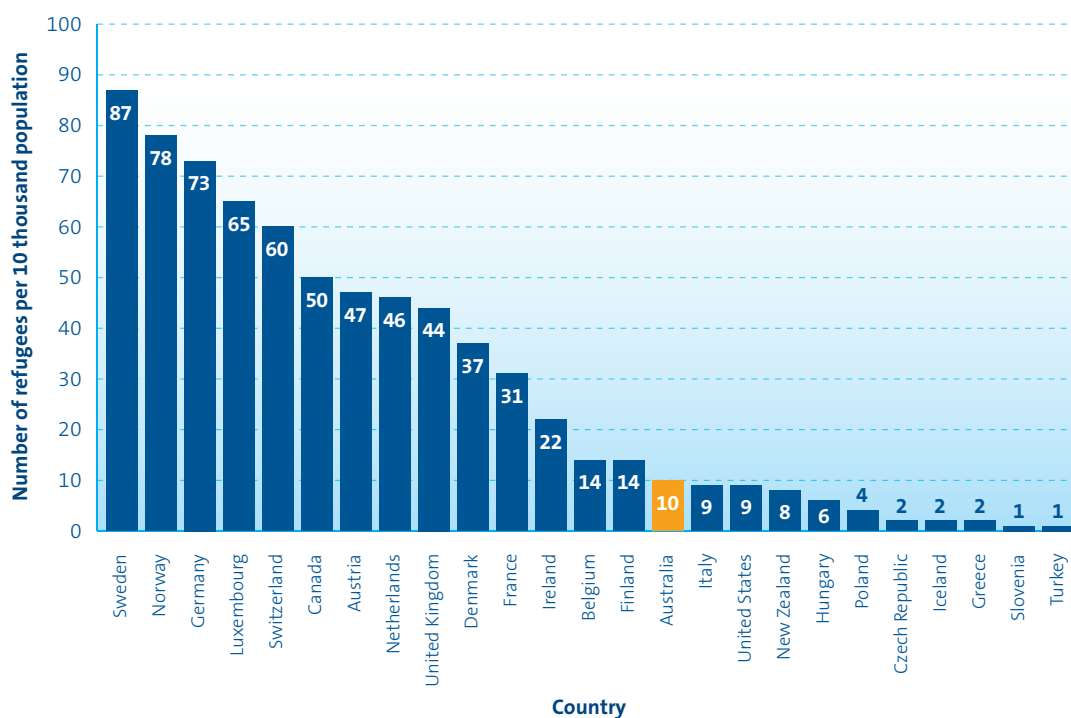
As noted earlier, the arrival of asylum seekers by boat to Australia is a contentious issue, however, it is important to realise asylum seekers make up only a very small proportion of people seeking to settle in Australia. Asylum seekers are seeking protection in the same way refugees do (due to a well-founded fear of persecution in their own country), but asylum seekers have not yet had their refugee status confirmed.

Australia's humanitarian migration program, through which we accept refugees, makes up only around 7 per cent of our total migrant intake (as shown earlier in Figure 2), and asylum seekers, many of whom arrive by plane rather than boat, make up only around one-fifth or less of

this group. For example, in 2008-2009, 19 per cent of all humanitarian visas granted in Australia were granted to "onshore" applicants (including those who arrived by boat or by plane). The vast majority of asylum seekers arriving by boat have their refugee status confirmed, while those arriving by plane are much less likely to have their refugee status recognised (Phillips 2010).

Among OECD countries, Australia is almost on par with the United States and Italy in terms of the proportion of refugees taken in, measured on a per capita basis. Countries such as Sweden, the United Kingdom and Canada receive substantially higher proportions of refugees per ten thousand of population (Figure 9).

Figure 9 - Ratio of refugees per 10,000 population in selected OECD countries



Note: The selected countries have been chosen from OECD countries which were in the top 100 largest recipients of refugees in 2009.

Source: NATSEM calculations based on 2009 population data published in World Bank website (available at <http://databank.worldbank.org/ddp/home.do>) and refugee data published in UNHCR, 2009 Global Trends: Refugees, Asylum-seekers, Returnees, Internally Displaced and Stateless Persons, 2010.

The source countries of migrants coming to Australia under the humanitarian program are, as would be expected, usually countries where war and unrest erupts.

For example Sudan, Afghanistan and Iraq were the top three source countries of humanitarian program migrants coming to Australia in 2006.

Migrants at work

Participation of migrants in the labour market is one indicator of migrants' successful integration and contribution to the economy (DIAC 2009b). In this section, we examine migrants' labour market characteristics - how much they work, in what jobs and with what earnings. We also explore whether the skills and capacities migrants bring with them to Australia are being fully utilised, and look at some of the possible barriers to labour force participation. In most tables and figures in this section, we limit our sample to those who are not full-time students.

Labour force participation rates

Looking first at men (Table 3), we can see participation rates are broadly similar for men across the three different migration categories, with male migrants born in the main English speaking countries (MESC) having slightly higher labour force participation rates than other groups, and non-MESC male migrants having slightly lower rates, although the magnitude of difference is very small. Differences in unemployment rates between the groups are evident, with relatively high unemployment rates for male non-MESC migrants likely reflecting labour market barriers experienced by this group.

Table 3 - Male labour force characteristics

AGE GROUP (YEARS)	BORN IN AUSTRALIA		BORN IN MESC		BORN IN NON-MESC	
	LFPR (%)	UNEMPLOYMENT RATE (%)	LFPR (%)	UNEMPLOYMENT RATE (%)	LFPR (%)	UNEMPLOYMENT RATE (%)
25-34	92.6	4.3	95.0	3.4	91.4	5.7
35-54	90.1	3.0	92.6	2.9	87.9	4.5
55-64	68.0	2.6	72.9	3.4	65.0	3.9

Note: MESC = Main English Speaking Countries. LFPR = labour force participation rate. Excluding full-time students. See technical notes for further information on data coverage and definitions.

Source: ABS, Census TableBuilder, 2006 data.

The picture is consistent when female migrants are examined, with the lowest labour force participation rate recorded for people who were born in non-MESC across all age groups (Table 4). This may be due to lower labour force participation for married women with children in this group than the two other groups.

Labour force participation for married women with one to three children is 66 per cent for non-MESC women

compared to 76 per cent for MESC women and 75 per cent for Australian-born women. We also observe that the labour force participation rate for women is lower than men across all age groups, as expected. As was the case for men, unemployment rates for non-MESC women are higher than for other groups.

For both men and women, across all migration categories, participation rates fall for people closer to retirement.

Table 4 - Female labour force characteristics

AGE GROUP (YEARS)	BORN IN AUSTRALIA		BORN IN MESC		BORN IN NON-MESC	
	LFPR (%)	UNEMPLOYMENT RATE (%)	LFPR (%)	UNEMPLOYMENT RATE (%)	LFPR (%)	UNEMPLOYMENT RATE (%)
25-34	75.8	3.2	77.6	3.2	68.4	5.4
35-54	78.0	2.8	79.4	3.1	67.3	4.4
55-64	50.0	1.4	52.7	1.9	39.5	2.0

Note: MESC = Main English Speaking Countries. LFPR = labour force participation rate. Excluding full-time students. See technical notes for further information on data coverage and definitions.

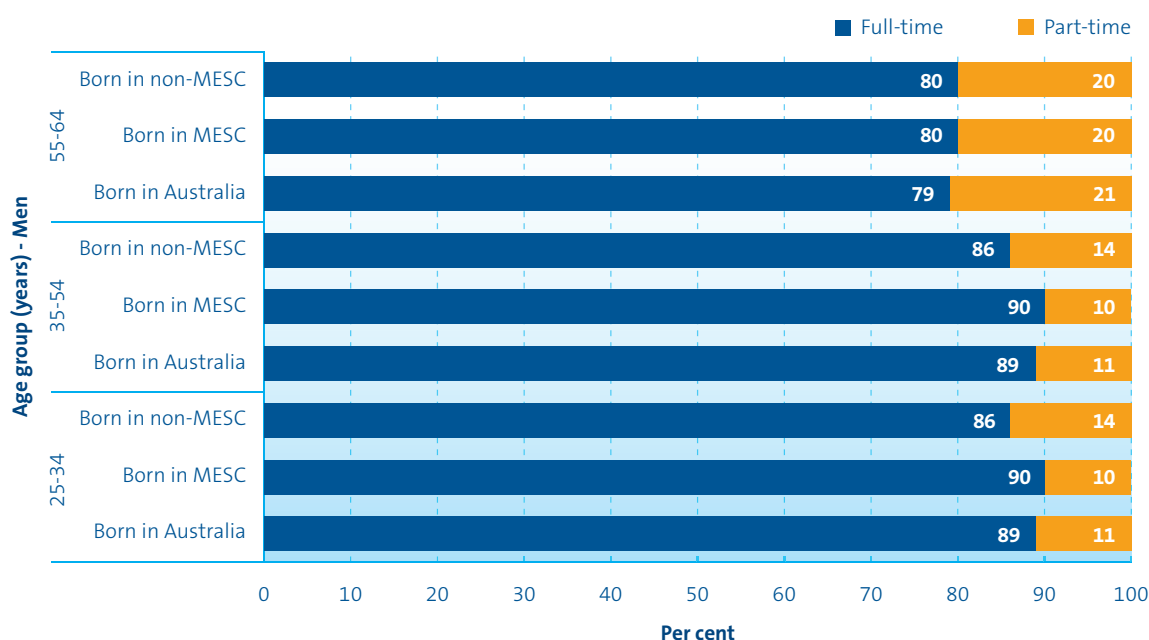
Source: ABS, Census TableBuilder, 2006 data.

How are migrants working?

While the figures presented above suggest labour force participation rates of migrants from non-main English speaking countries are slightly lower than those for other Australians, especially for women, once we look at how much work those who are participating are doing, a different pattern emerges.

Figure 10 (for men) and Figure 11 (for women) show the division between full-time and part-time status of employed persons in Australia. Full-time employment for the prime working age population 25-54 years is closely comparable across groups, with 89 per cent of employed Australian-born men working full-time, compared with 90 per cent of male migrants who were born in MESC and 86 per cent for migrant men from non-MESC. For those nearing retirement, migrant men aged 55- 64 years from both MESC and non-MESC were comparable in terms of their full-time work status to Australian-born men in this age group.

Figure 10 - Employment status of men



Note: The proportion of full-time employed and part-time employed is calculated as a percentage of total valid employed persons by excluding the “away from work” category. Away from work includes persons who stated they work but did not state the number of hours they work. MESC = Main English Speaking Countries. Excluding full-time students. See technical notes for further information on data coverage and definitions.

Source: ABS, *Census TableBuilder*, 2006 data.

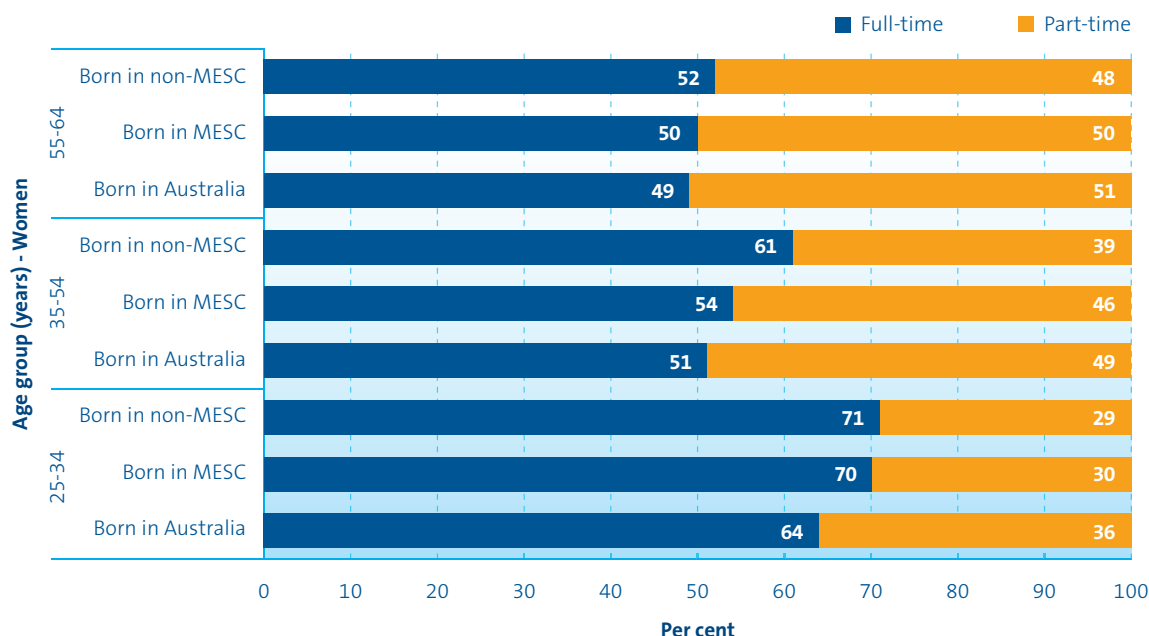
As expected, the proportion of women working part-time is higher than men across all country of birth and age group categories. However, the proportion of female migrants born in non-MESC who work part-time is less than both the proportion of women born in MESC or in Australia.

Women who were born in Australia have the highest proportion of part-time workers, particularly during the child bearing and rearing period and when nearing retirement, while women from non-MESC have slightly higher rates of full-time work than native-born Australians in all age groups (Figure 11).

This is particularly striking for the 35-54 year age group, in which only 51 per cent of Australian-born women work full time, compared with 61 per cent of women born in non-MESC.

Reasons behind these differences are likely to be mixed, and could reflect a combination of different factors: challenges faced by migrants including pressures to perform in the labour market in order to remain competitive with native Australian and MESC migrants; financial commitments associated with establishing a stable life in Australia (such as buying a house) and possibly different attitudes towards maternal labour market participation.

Figure 11 - Employment status of women



Note: The proportion of full-time employed and part-time employed is calculated as a percentage of total valid employed persons by excluding the “away from work” category. Away from work includes persons who stated they work but did not state the number of hours they work. MESC = Main English Speaking Countries. Excluding full-time students. See technical notes for further information on data coverage and definitions.

Source: ABS, Census TableBuilder, 2006 data.

What kind of jobs are migrants doing?

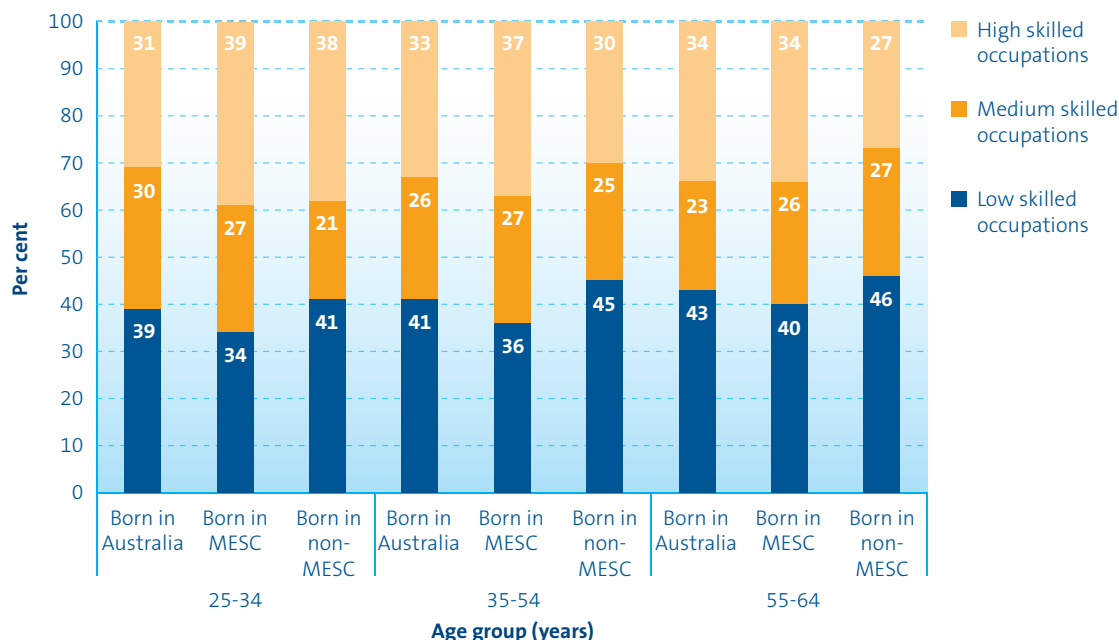
It is clear from Figure 12, that working in a highly skilled occupation is more common for younger than for older migrants - reflecting the changes that have taken place in Australia’s migration program in recent years. In the 25-34 year old age group, around 31 per cent of people who were born in Australia work in highly skilled occupations

compared with 39 per cent for migrants who were born in MESC and 38 per cent for migrants who were born in non-MESC. However, for the older age groups, this pattern changes, particularly for non-MESC migrants, and this latter group has the highest proportion working in low skilled occupations across all age groups.

“Working in a highly skilled occupation is more common for younger than for older migrants.”



Figure 12 - Distribution of occupations by country of birth



Note: MESC = Main English Speaking Countries. Excluding full-time students. See technical notes for further information about occupation classification based on skill levels.

Source: ABS, Census TableBuilder, 2006 data.

Differences between MESC and non-MESC migrants may simply reflect differences in the labour market attributes of these two groups, but could also be interpreted as reflecting some type of reduced or limited opportunities for non-MESC migrants. We explore this issue further in the next section.

Are migrants' skills being fully utilised?

Our discussion earlier shows most migrants are highly educated, however some of them also work in low skilled occupations, and it might be that good qualifications do not translate as readily for some migrants into good jobs as is the case for Australian-born men and women.

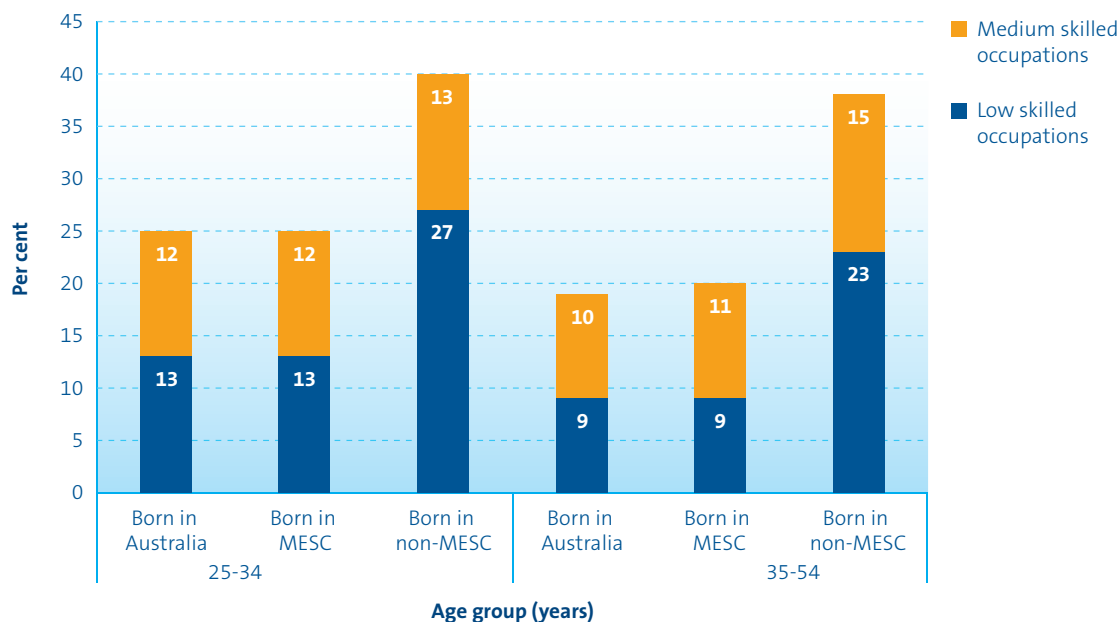
Despite higher proportions of young non-MESC migrants having tertiary qualifications in this age group of 25-34 years (46 per cent for men and 47 per cent for women, see Figure 6 and Figure 7 earlier), 40 per cent of them are working only in either low or medium skilled occupation (Figure 13). Therefore, there may be a mismatch happening in terms of what migrants are qualified to do and what kind of job they actually do.

We have a closer look at this issue here, examining issues around mismatches between qualification and occupation for the prime working age population, as well as measuring underemployment (that is, the proportion of people who would like to work more hours than they do).

As shown in Figure 13, education and occupation match much more closely for people born in Australia and migrants from MESC than for non-MESC migrants. For those aged between 35 and 54 years, there is a stark contrast between non-MESC migrants and other groups. Only 19 per cent of Australian-born tertiary educated people aged 35-54 years are working in low or medium-skilled occupations, and only 20 per cent of MESC migrants, compared with 38 per cent of non-MESC migrants. Similar differences are apparent for the 25-34 year age group.

This supports the notion that labour market barriers may be experienced by this group of well-educated migrants, perhaps including difficulties in having overseas qualifications recognised, or in competing in the labour market with those who have a native English-speaking background.

Figure 13 - Occupation of tertiary educated population by country of birth



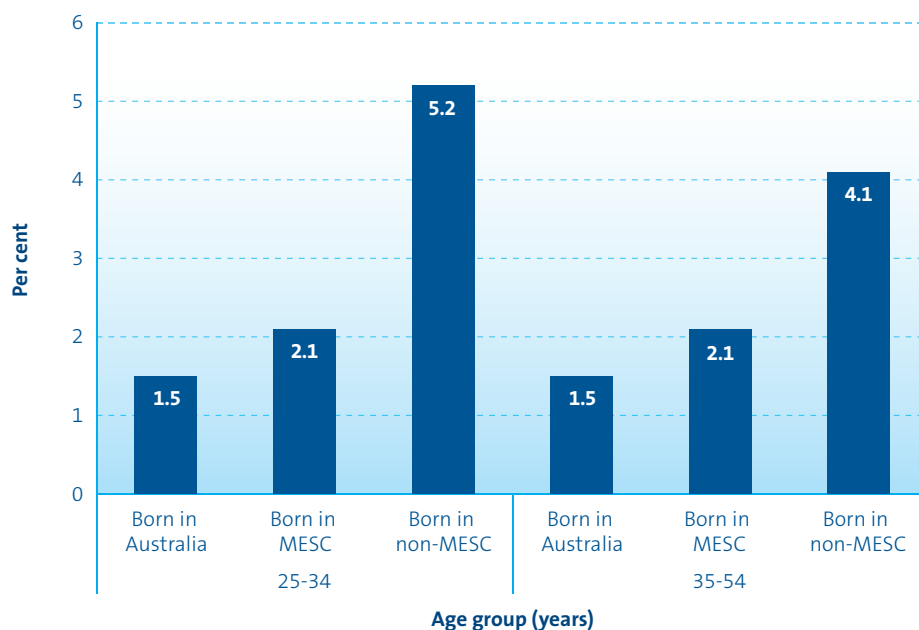
Note: MESC = Main English Speaking Countries. Excluding full-time students. See technical notes for further information about occupation classification based on skill levels. Highly skilled occupations are not shown in this figure. Therefore, the total does not add up to 100 per cent.

Source: ABS, Census TableBuilder, 2006 data.

Difficulties in obtaining jobs suitable to qualifications may also be reflected in unemployment rates among the tertiary educated population. Unemployment rates are generally lower for people with tertiary education than for others, reflecting the greater job opportunities available to

this group; however, when breaking these figures down by country of birth, we can see some differences (Figure 14). Those born in non-MESC countries have a substantially higher unemployment rate than other groups.

Figure 14 - Unemployment rate among tertiary educated population



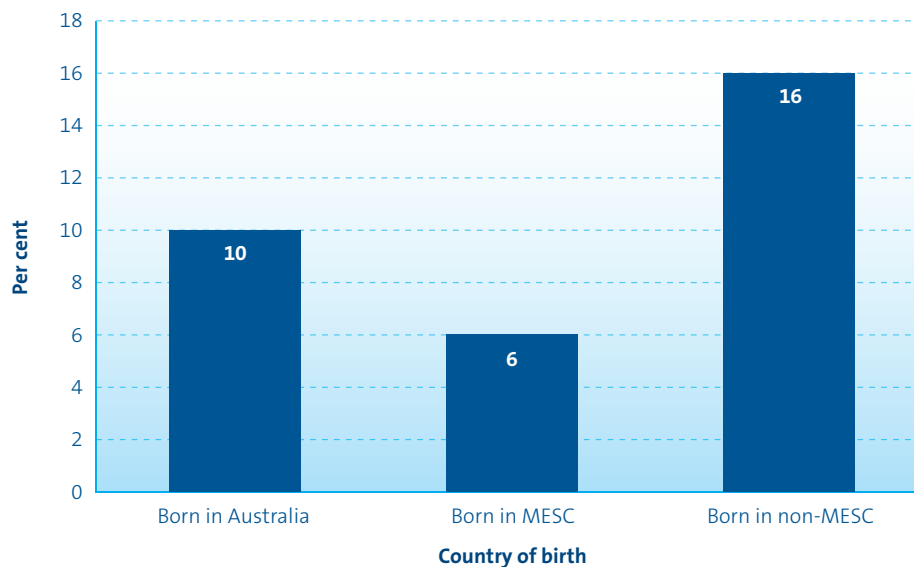
Note: MESC = Main English Speaking Countries. Excluding full-time students. See technical notes for further information on data coverage and definitions.

Source: ABS, Census TableBuilder, 2006 data.

Underemployment (that is, those who are working and would like to work more hours than they currently do) is also an issue for migrants. Figure 15 shows that persons aged

25-54 years born in non-MESC countries are somewhat more likely to be underemployed than other groups.

Figure 15 - Underemployment among migrants



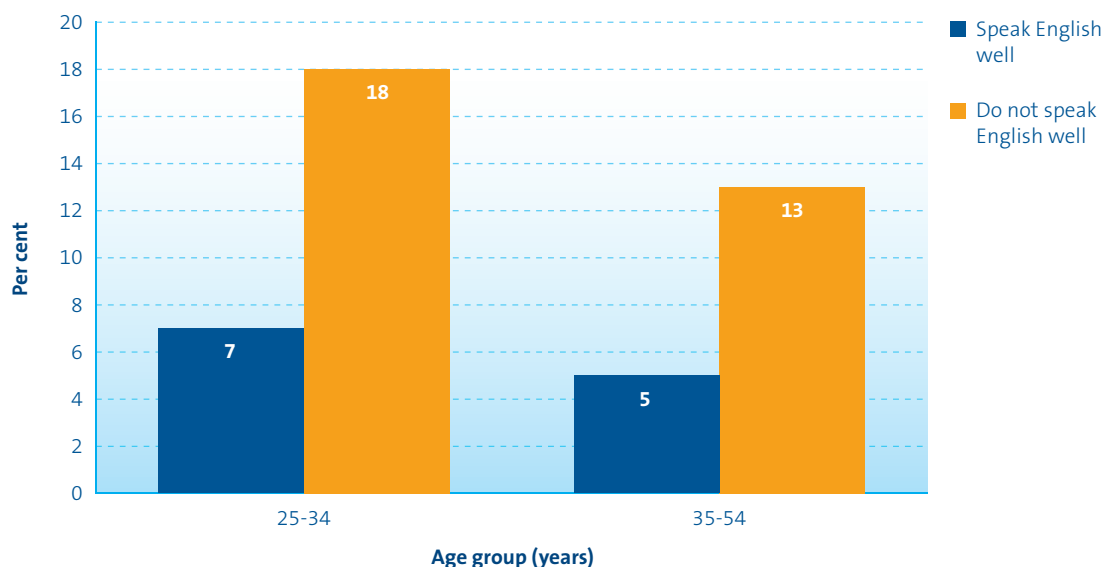
Note: MESC = Main English Speaking Countries. Excluding full-time students. Figures represent people who would prefer to work more hours as a percentage of totally employed people in age group covered (25-54 years).

Source: NATSEM calculations from HILDA, Wave 8.

What might be some of the reasons behind the difficulties which non-MESC migrants, even those with tertiary qualifications, have in obtaining employment suitable to their qualifications, and getting as much work as they want? One problem may relate to English proficiency. Figure 16 shows unemployment rates by English proficiency.

As expected, there is a higher rate of unemployment amongst migrants from non-MESC who do not speak English well (not well or not at all). Unemployment rates for migrants from non-MESC who do not speak English well are more than twice the unemployment rates for those who speak English well in each age group.

Figure 16 - Unemployment rate by English proficiency amongst migrants from non-MESC



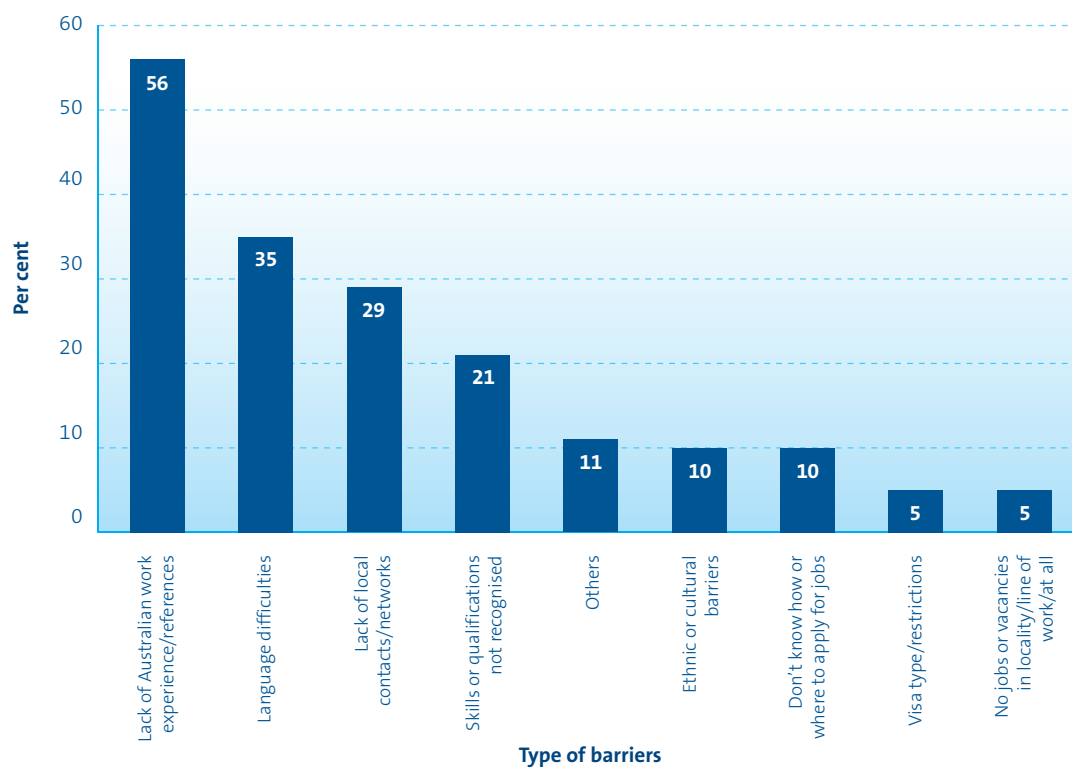
Note: MESC = Main English Speaking Countries. Excluding full-time students and those who speak English only. See technical notes for further information on data coverage and definitions.

Source: ABS, Census TableBuilder, 2006 data.

However, difficulties in getting work are not just related to language. Figure 17 shows the main types of difficulties experienced by recent migrants in finding their first job². The top four reasons are lack of Australian work

experiences/references (56 per cent), language difficulties (35 per cent), lack of local contacts/network (29 per cent) and skill or qualifications are not recognised (21 per cent).

Figure 17 - Types of difficulty finding the first job in Australia among recent migrants



Note: The total values of individual categories do not add up to 100 per cent as respondents are allowed to have multiple difficulties. This figure is based on data related to recent migrants who experienced difficulty finding their first job in Australia.

Source: NATSEM calculations based on ABS Data cubes, *Labour Force Status and Other Characteristics of Recent Migrants, Australia, Nov 2007*.

2. Types of difficulty cover both migrants who were born in MESC or non-MESC. Recent migrants in this figure refer to migrants arriving in Australia after 1997 who were aged 15 years and above on arrival and had obtained permanent Australian resident status. It excludes those born in New Zealand, New Zealand citizens and those who had Australian citizenship prior to their arrival in Australia (ABS 2008b, page 4).

Migrants and money

Migrants and earnings: who earns the most?

An analysis of wages and salaries gives us some further information about how well migrants are doing compared with their Australian counterparts - are there gaps between the average wages of different groups of migrants compared to Australian-born workers, or are earnings fairly even across the different groups?

This section compares gross average weekly earnings for migrants and non-migrants who work full-time and are in the working age population of 25-64 years.

Overall, our calculations show migrants born in MESC have the highest earnings with \$1,358 per week (figures not shown), followed by people born in Australia (\$1,266) and the lowest average of \$1,145 for migrants born in non-MESC.

This may reflect some of the workforce experiences of this group of migrants as discussed earlier - for example, we know tertiary qualifications for non-MESC migrants do not always appear to translate into highly skilled (and therefore highly paid) jobs.

In terms of educational qualifications, and limiting our sample to those who are in the prime working age population only (25-54 years), we find gaps in wages between non-MESC migrants and other groups exist for each of our education categories, but are largest (at 25 per cent) for non-MESC migrants aged 35-54 years with a certificate or diploma, who earn on average \$956 per week, compared with \$1,270 for their Australian-born counterparts (Table 5).

Interestingly, in the younger 25-34 year age group, migrants born in non-MESC with a bachelor degree and above are earning almost the same as the Australian-born population, while migrants born in MESC earn slightly less than the other two groups.

This may reflect to some extent the impact of skilled migration from migrants born in non-MESC countries, and these findings are also echoed when we look at earnings by occupation, with younger non-MESC migrants working in highly-skilled jobs earning slightly more than their Australian counterparts. In most other occupational and age categories, however, non-MESC migrants are earning less on average than Australian-born or MESC-born workers.

Our findings suggest that, for non-MESC migrants, it is only those highly-skilled younger migrants whose wages match or exceed those of the Australian-born. The exception to this is older (35-54 years) non-MESC migrants working in low-skilled occupations, whose wages are the same as those of Australian-born people working in these occupations.

However, as discussed earlier, some of these non-MESC workers are likely to be substantially over-qualified for low-skilled work, and these mismatches between qualifications and jobs are probably part of the reason for the substantial differences in pay between older non-MESC migrants with tertiary qualifications and other similarly-qualified workers.

Table 5 - Gross average weekly earnings

CHARACTERISTICS	GROSS AVERAGE WEEKLY EARNINGS AND WAGE RATIO									
	BORN IN AUSTRALIA		BORN IN MESC				BORN IN NON-MESC			
	25-34 YEARS	35-54 YEARS	25-34 YEARS		35-54 YEARS		25-34 YEARS		35-54 YEARS	
	(\$)	(\$)	(\$)	RATIO TO BORN IN AUSTRALIA	(\$)	RATIO TO BORN IN AUSTRALIA	(\$)	RATIO TO BORN IN AUSTRALIA	(\$)	RATIO TO BORN IN AUSTRALIA
EDUCATIONAL QUALIFICATION										
Bachelor and above	1,367	1,663	1,229	0.90	1,813	1.09	1,354	0.99	1,424	0.86
Certificate/Diploma	1,112	1,270	1,193	1.07	1,267	1.00	912	0.82	956	0.75
Year 12 or below	1,097	1,045	963	0.88	1,162	1.11	896	0.82	965	0.92
OCCUPATION										
Highly skilled	1,363	1,628	1,425	1.05	1,830	1.12	1,456	1.07	1,516	0.93
Medium skilled	1,173	1,263	966	0.82	1,315	1.04	973	0.83	965	0.76
Low skilled	1,019	997	937	0.92	1,043	1.05	835	0.82	992	1.00

Note: MESC = Main English Speaking Countries. Excluding missing values, self-employed, owner of own business, unpaid workers and full-time students.

Source: NATSEM calculations from HILDA, Wave 8.

Migrants and wealth

In the previous section, we discussed differences in earnings between migrants and non-migrants. However, wealth - the money we have in savings, superannuation, housing equity and the like - is also an important marker of economic wellbeing. Wealth can provide a buffer against short-term changes in income, and is a cornerstone of economic security as we move into old age.

In this section, we examine the wealth of non-migrant and migrant households using the Household, Income and Labour Dynamics in Australia (HILDA) Survey Wave 6. A household was identified here as a migrant household if the reference person or either member of a couple was born overseas. If the reference persons and their spouse/partner (if any) were born in Australia, the household was considered a non-migrant household. It is important to note in this section we have not differentiated between MESC and non-MESC migrant households.

Wealth of non-migrant and migrant households is compared by looking at net worth and its components. Net worth is made up of the total value of household assets minus the total value of household debt. Assets may have financial and non-financial components. Financial assets include superannuation of retired and non-retired³ persons in the household, share portfolios, cash, trust funds and bank accounts.

Non-financial assets include the family home and other property, the net value of a business, collectibles and other assets. Total debt is made up of the debts associated with property, credit cards, HECS and other types of debt (eg personal loans). The wealth data are presented as average dollar values per adult in the household. Group and mixed households are excluded.

Migrants have different wealth portfolios

As shown in Table 6, all households included in the analysis have a net worth of over \$381,000 per adult on average. These households own assets valued at around \$442,000 and an average household debt of around \$63,000 per adult.

Financial assets, averaging around \$137,000, are dominated by superannuation savings of just over \$79,000. Non-financial assets (\$302,100) constitute the major slice of assets and over 80 per cent of these assets represent real estate. This is also reflected in the debt pattern, of which the major component is related to property debt.

Table 6 reveals interesting differences in the wealth of migrant and non-migrant households. While non-migrant households are wealthier than migrants in general, migrant households are ahead of their Australian-born counterparts in terms of property-related assets and non-migrant households take the lead in superannuation savings and investments.

Overall, non-migrant households with an average net worth of \$387,200 are about five per cent richer than migrant households (\$370,400). However, these overall similarities between the two groups hide differences in the types of wealth held by migrant and non-migrant households.

Households in which both the reference person and spouse were Australian-born own nearly 15 per cent more financial assets compared to those of migrant households (\$143,600 compared with \$124,600). This lead is related to a higher amount of superannuation savings and investments for non-migrant households than for migrant households. This may be due to the fact non-migrant households would have been able to accumulate superannuation and investments earlier than many migrant households.

In contrast, migrant households appear to be somewhat wealthier than non-migrant households in terms of non-financial assets (\$308,700 compared with \$298,700). This difference is due to migrant households owning larger property assets compared with their Australian-born counterparts (\$262,700 compared with \$250,800).

This could relate in part to the fact more migrant households (75 per cent) than non-migrant households (58 per cent) live in major cities, where properties are more expensive. In keeping with this tendency, migrant households tend to have a nearly 19 per cent higher level of property debt than do non-migrant households (\$56,000 compared with \$47,000).

But other debt such as credit card and HECS, though far lower than property debt, tends to be higher for Australian-born households than for migrant households.

3. Superannuation of non-retired persons is an approximate value of all their superannuation funds together if they were able to retire or resign today.

Table 6 - Average wealth per adult: Non-migrant and migrant households

	ALL HH (\$)	NON-MIGRANT HH (\$)	MIGRANT HH (\$)	RATIO
NET WORTH	381,400	387,200	370,400	1.05
TOTAL ASSETS	441,600	442,400	440,100	1.01
Financial Assets	137,100	143,600	124,600	1.15
Superannuation	79,400	84,300	70,000	1.20
Investments	39,300	41,200	35,700	1.15
Bank accounts	16,000	15,500	16,900	0.92
Non-Financial assets	302,100	298,700	308,700	0.97
Property value	254,900	250,800	262,700	0.95
Other non-financial assets	34,300	34,700	33,500	1.04
TOTAL DEBT	63,300	60,800	68,200	0.89
Property debt	50,200	47,100	56,000	0.84
Other debt	7,500	7,900	6,800	1.16

Note: Ratio refers to ratio of wealth of non-migrant to migrant households. A ratio greater than one indicates non-migrant households have more wealth (or debt). HH = households. Values within individual categories may not add up to the total value due to different missing values in each variable. See technical notes for further information on data coverage and definitions.

Source: NATSEM calculations from HILDA, Wave 6.

Wealth by household type

Table 7 compares the major wealth portfolios of non-migrant and migrant households by selected household types. Non-migrant households are wealthier than migrant households across all the household types examined here, except for lone male households in which migrant households perform better across all asset classes.

This result may be related to the very different educational profile (and thus potential earning capacity) of lone male migrants compared to unmarried Australian-born men - 35 per cent of lone male migrants have a bachelor degree or higher compared to only 14 per cent of non-migrant lone males.

Australian-born couple only households are the wealthiest of all household types examined here, with a net worth of \$568,700. Compared to them, couple-only migrant households held \$73,700 less net worth on average. But these couple-only migrant households are not only ahead of other migrant households (except lone male households), but are also wealthier than other types of non-migrant households.

Age differences seem to be a major factor in this instance: migrant as well as non-migrant couple-only households tend to be older than other household types, with reference persons being aged 56 years on average. In contrast, couple with children households are, as would be expected, much younger with reference persons aged around 42 to 44 years on average.

Lone parent households, mostly headed by women, are the poorest types of households and the relative gap between migrant and non-migrant households is the widest in this category. Migrant lone parent households, with an average net worth of \$135,300, register as the least wealthy of all the household types shown in Table 7.



Table 7 - Average wealth per adult by household type: Non-migrant and migrant households

HOUSEHOLD TYPE	NET WORTH (\$)	SUPERANNUATION (\$)	OTHER FINANCIAL ASSETS (\$)	PROPERTY VALUE (\$)	OTHER NON-FINANCIAL ASSETS (\$)	TOTAL DEBT (\$)
COUPLE ONLY						
Non-migrant HH	568,700	136,100	99,600	319,800	40,500	58,200
Migrant HH	495,000	107,800	89,600	307,800	26,900	54,400
COUPLE WITH CHILDREN						
Non-migrant HH	380,700	65,700	41,300	310,800	63,000	116,700
Migrant HH	367,200	56,200	34,300	298,300	69,300	115,200
LONE PARENT						
Non-migrant HH	200,100	34,200	52,600	170,500	4,300	59,600
Migrant HH	135,300	12,000	9,400	143,600	4,900	59,000
LONE MALE						
Non-migrant HH	383,800	91,600	59,000	216,000	33,000	49,900
Migrant HH	524,400	92,400	119,000	271,700	76,100	88,100
LONE FEMALE						
Non-migrant HH	457,000	92,400	61,000	291,600	25,100	38,400
Migrant HH	370,400	48,600	31,500	315,300	3,200	37,100

Note: HH = households. See technical notes for further information on data coverage and definitions.

Source: NATSEM calculations from HILDA, Wave 6.

Recent migrants and long-term settlers

As it takes time to accumulate wealth, we might expect migrants who have been in Australia for a longer time may be wealthier than those who are more recent arrivals. Looking at migrant households headed by persons aged 35-54 years, Table 8 shows recent migrants who have been in Australia for less than 15 years hold less wealth (\$221,700) than long-term settlers who came 15 years ago or earlier (\$332,900). Interestingly, long-term migrants have wealth portfolios comparable to Australian-born households, although the former group is slightly wealthier.

Households of recent migrants are well behind those of Australian-born as well as long-term settlers in terms of major asset classes such as superannuation and real estate. These recent migrants are a few years younger on average than long-term settlers as well as their Australian-born peers, which may be contributing to the wealth gap we see, and are also more highly educated, which may over time result in a narrowing of this gap.

Table 8 - Average wealth per person by duration of arrival to Australia, aged 35-54 years

	NET WORTH (\$)	SUPERANNUATION (\$)	OTHER FINANCIAL ASSETS (\$)	PROPERTY VALUE (\$)	OTHER NON-FINANCIAL ASSETS (\$)	TOTAL DEBT (\$)
Non-migrant HH	300,200	65,100	33,900	226,000	32,800	71,200
MIGRANT HH						
Recent migrants	221,700	42,900	33,200	194,600	18,500	81,300
Long-term settlers	332,900	57,800	38,500	255,200	44,900	89,900

Note: HH = households. See technical notes for further information about recent migrants and long-term settlers.

Source: NATSEM calculations from HILDA, Wave 6.

Social participation and subjective wellbeing

In the previous sections, we examined migrants' economic activities and economic contributions to Australia. We now focus on other aspects of their lives by looking at migrants' involvement in social activities, their satisfaction with their job opportunities here and their feeling about being part of their local community.

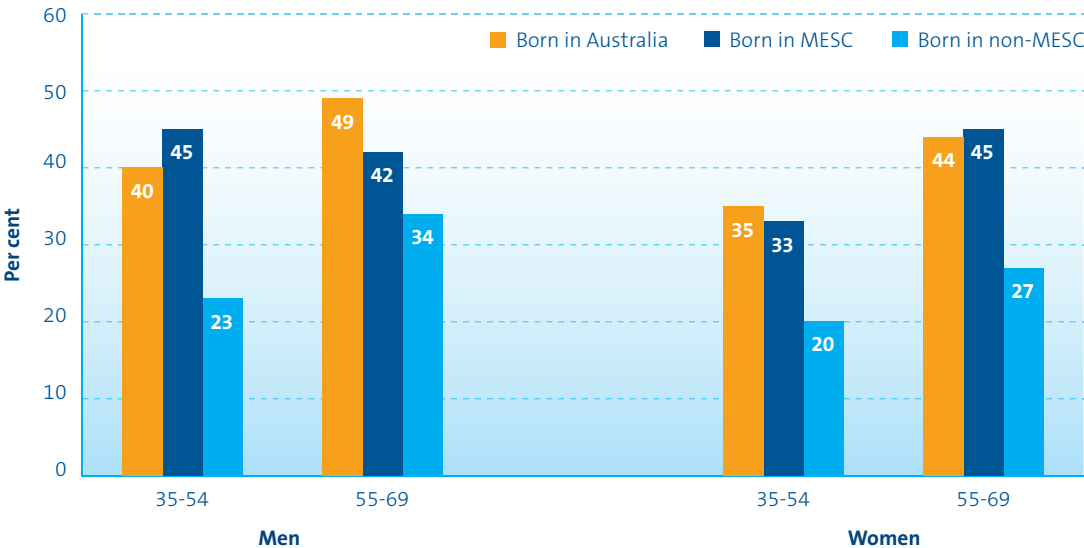
Gender differences in social participation and interaction

Active membership of community groups is an important dimension of community integration. In HILDA, individuals were asked whether they belong to sporting, hobby or community-based associations, and we present results on

this topic related to people aged 35-54 years and 55-69 years (Figure 18). A somewhat bigger percentage of men than women across all country of birth groups are active members of such organisations, and these gender differences are more marked for adults aged 35-54 years than for the older group.

Australian-born men and women are more likely to have an active membership of a sporting, hobby or community-based association compared to non-MESC migrants. Migrants from the main English speaking countries (MESC) have patterns of organisational membership that closely resemble those of native-born Australians.

Figure 18 - Active membership of sporting, hobby or community-based association



Note: MESC = Main English Speaking Countries. See technical notes for further information on data coverage and definitions.

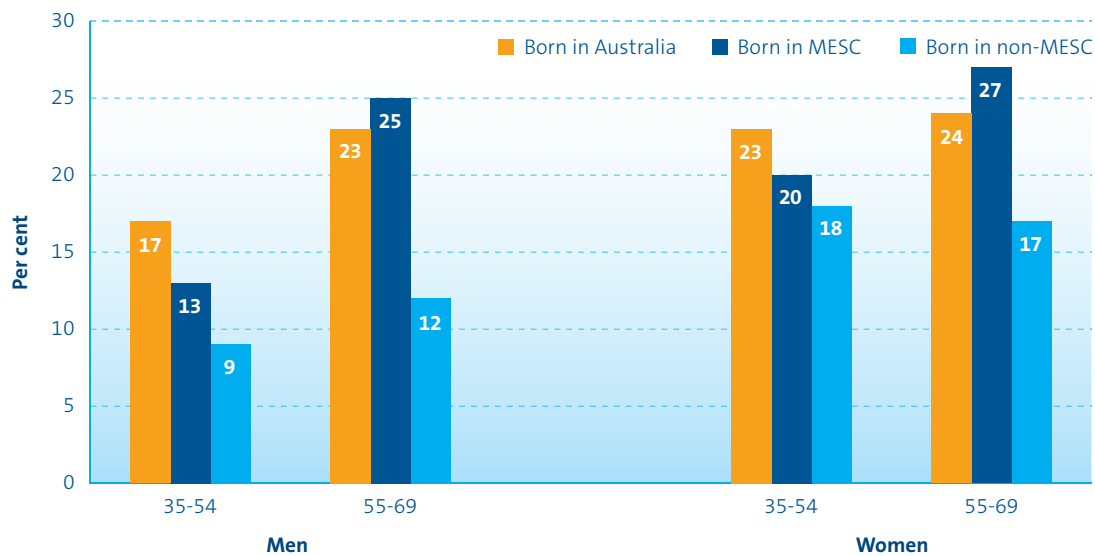
Source: NATSEM calculation from HILDA, Wave 8.

Another way of gauging levels of community participation is to look at people's involvement in volunteering or charity work as shown in Figure 19. Like organisational membership, the tendency to be involved in volunteer or charity work is more common among Australian-born people than non-MESC born migrants. About 17 to 23 per cent of Australian-born men and 23 to 24 per cent of Australian-born women compared to 9 to 12 per cent of non-MESC born men 17-18 per cent of non-MESC born women report involvement in volunteer or charity work.

Gender differences are again evident across all migrant and age groups. But it is interesting to note unlike club/association memberships, which are generally more common among men, volunteering is usually more common among women. In addition, while the rates of volunteering by non-MESC men are substantially lower than those of their Australian-born counterparts, non-MESC women have rates of volunteering that are closer to those of Australian-born women.

With regard to volunteering too, people born in MESC display behaviour more similar to Australian-born than non-MESC born people.

Figure 19 - Involvement in volunteering or charity work



Note: MESC = Main English Speaking Countries. See technical notes for further information on data coverage and definitions.

Source: NATSEM calculation from HILDA, Wave 8.

Job satisfaction

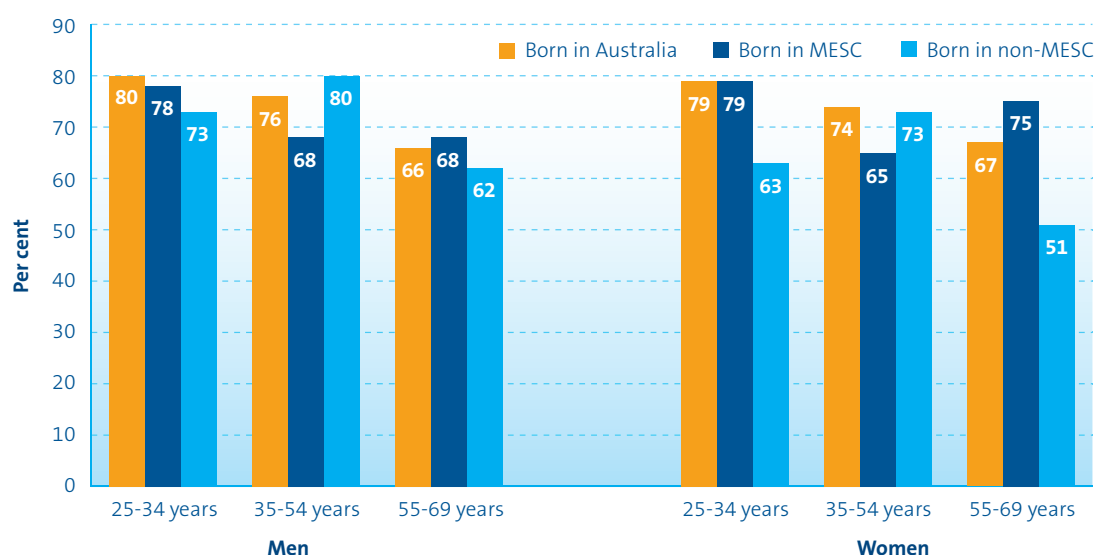
In this subsection, we look at people's feeling of satisfaction with regard to their current jobs and job opportunities. Responses were solicited on a scale of 0 (totally dissatisfied) to 10 (totally satisfied). For the purpose of this report, we recoded them as follows: 7-10 as "satisfied", 4-6 as "neither satisfied nor dissatisfied", and 0-3 as "dissatisfied".

The image of Australia as a land of opportunity is captured in the data presented in Figure 20 showing a very large majority of people are satisfied with their employment opportunities, especially in the younger age groups. Fairly consistent levels of satisfaction are expressed by young men aged 25-34 years old across the country of birth groups, with slightly lower levels of satisfaction among the migrant than the non-migrant groups. Less than

two-thirds of non-MESC women aged 25-34 years, however, are satisfied with their employment opportunities.

Men aged 35-54 years from non-MESC have slightly higher satisfaction with employment opportunities than their Australian-born and MESC counterparts. Satisfaction with employment opportunities tends generally to slide with age for Australian-born and non-MESC individuals (although interestingly not for MESC migrants). Men aged 55-69 years in all country of birth categories express much less satisfaction with their work opportunities than younger men, and migrant non-MESC women aged 55-69 years have the lowest satisfaction of all groups, with only just over half being satisfied with their employment opportunities.

Figure 20 - Satisfied with employment opportunities



Note: MESC = Main English Speaking Countries. See technical notes for further information on data coverage and definitions.

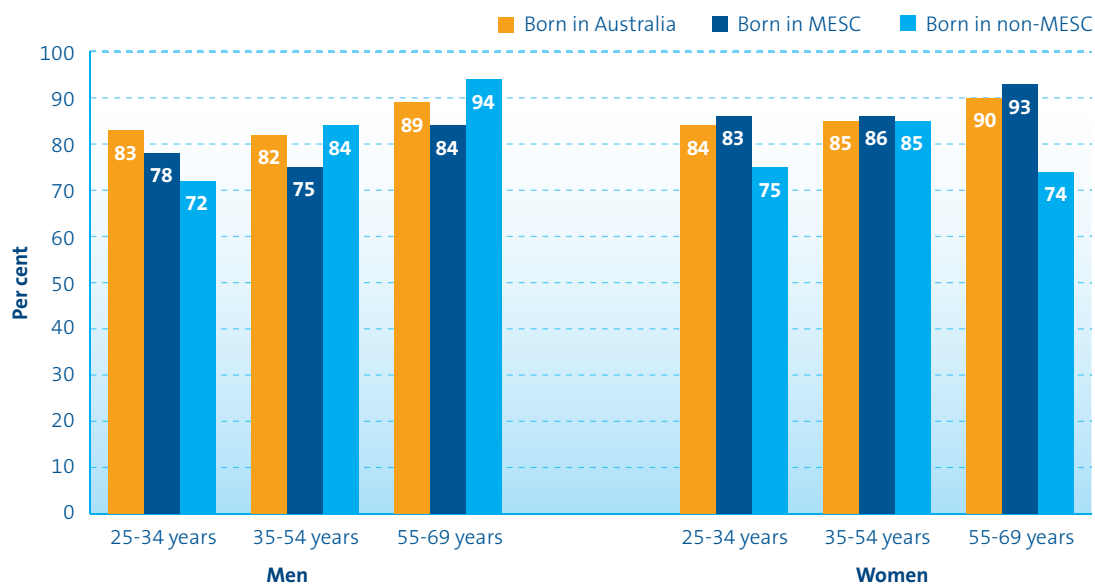
Source: NATSEM calculations from HILDA, Wave 8.

How do people feel about the job they are currently in? Focusing just on people who are in work, Figure 21 shows the percentage of employed people who reported being satisfied with their jobs. These findings contrast in interesting ways with those about satisfaction with job opportunities.

While satisfaction with job opportunities tended to diminish with age, satisfaction with one's current job is higher for the 55-69 year old group than for younger groups in all cases except for non-MESC women (for whom

job satisfaction, while still high, is at its lowest in this age group). Migrants and non-migrants expressed different patterns of job satisfaction across age cohorts. For example, among younger workers aged 25-34 years, more Australian born people (83 per cent of men and 84 per cent of women) are satisfied with their job compared to their migrant counterparts, especially non-MESC migrants, among whom only 72 per cent of men and 75 per cent of women reported being satisfied with their current job.

Figure 21 - Overall job satisfaction



Note: MESC = Main English Speaking Countries. See technical notes for further information on data coverage and definitions.

Source: NATSEM calculation from HILDA, Wave 8.

“A very large majority of people are satisfied with their employment opportunities, especially in the younger age groups.”



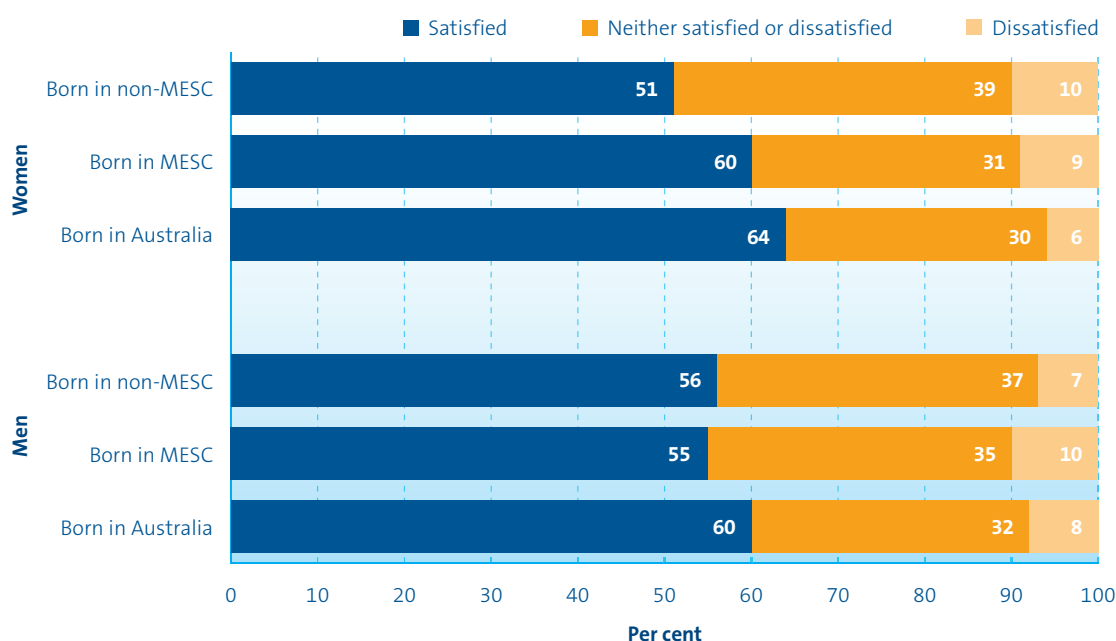
Feeling part of the community

What can HILDA data tell us about the extent to which migrants feel they are part of their local community in comparison to Australian-born people? While the survey question asks respondents to focus on their local area rather than think about their sense of being part of the broader Australian society, responses do give us some sense of the extent to which migrants may feel at home in the community. These results are presented in Figure 22, and perhaps the most important thing to note about this data is only a small minority of both Australian-born and migrant individuals are “dissatisfied” with their sense of being part of the local community. Most migrants and non-migrants do feel satisfied with the extent to which they feel part of their local community and roughly around one-third are neither satisfied nor dissatisfied.

When we focus only on those who express satisfaction about feeling part of their community, however, non-MESC migrants are behind Australian-born people, with the gap higher for women than for men. Nearly two-thirds of Australian-born women are satisfied with their feeling of being part of their local community compared to just over a half of women born in non-MESC. Women from MESC express feelings broadly similar to Australian-born women.

Overall, we can tentatively conclude while most migrants have positive feelings about being part of their local community, many of them (in common with relatively large proportions of Australian-born people) express somewhat subdued feelings regarding this concept.

Figure 22 - Feeling part of your local community



Note: MESC = Main English Speaking Countries. See technical notes for further information on data coverage and definitions.

Source: NATSEM calculations from HILDA, Wave 8.



Conclusion

In many ways, the lives of people who arrive in Australia from other countries are similar to those of other Australians. We share many characteristics: Australian-born and migrant alike are often partnered, large numbers of us are engaged in full-time work, with women in both groups more likely to work part-time than men and work patterns across the life course broadly similar; and in many ways our satisfaction with aspects of our lives - whether that life is being lived in the place we have always been, or in the country we have moved to - is similar. Over and again, we find that women (migrant or not) share broad characteristics which differ from those of both migrant and non-migrant men, and different age cohorts, whether native-born or not, have similarities. For example, we can see tertiary education is more common among younger than older cohorts of both the Australian and the overseas-born.

However, differences are also present, and not just between migrants and Australian-born people, but within Australia's very diverse migrant population. These differences are not surprising, given the huge number of countries of origin from which Australia's migrant population is drawn, as well as the major shifts in the focus of immigration over the last hundred years or so.

Work is an important way for immigrant and non-immigrant alike to participate in Australian society. We find large numbers of both groups are working, but people born overseas in non-English speaking countries appear to face some barriers to work: they are more likely to be experiencing unemployment than their Australian-born counterparts, and older migrants particularly are likely to be working in low-skilled occupations. Migrants from non-English speaking countries are also more likely to want more work than they can get, and much bigger proportions of these migrants with tertiary qualifications are working in low-skilled occupations than other Australians with similar educational achievements. Once migrants have work, though, they work a lot, with rates of full-time work as high or higher amongst migrants compared with Australian-born workers.

How do migrants do in terms of money? Having come to Australia in search of opportunity, do these hopes translate into financial wellbeing? The answer seems to be "sometimes". Younger migrants working in highly-skilled occupations, for example, earn as much or more than their Australian counterparts, but Australian-born people with vocational qualifications generally do better than similarly-skilled migrants from non-English speaking countries. In terms of wealth, we find that financial security increases with age for both migrant and non-migrant households. Long-term migrants have wealth holdings that slightly surpass those of Australian-born households on average, but newer migrants lag substantially behind their native-born counterparts.

We do see some differences in aspects of community participation and life satisfaction between migrants and non-migrants, but these are generally not of a very large magnitude and our analysis does not extend to all the ways in which participation and life satisfaction can play out. While we have not been able to explore the reasons for these differences here, they are likely to be complex. They may be in part to do with the upheavals involved in coming to another country, with the efforts migrants make once arrived here to improve their economic situation (as evidenced through high rates of full-time work and their capacity for wealth-building), with the difficulties faced by some migrants in finding work suitable to their qualifications, and possibly with the degree to which they feel welcomed and accepted into Australian society.

Efforts to understand the migrant experience, and its relationship to Australia's economic wellbeing and culture of diversity, will continue to be an important focus of enquiry as our newest generation of young migrants continues to settle in this country.

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Technical notes

Data sources

The majority of data used in this report is sourced from the Australian Bureau of Statistics (ABS), particularly the 2006 Census of Population and Housing and unit record data from the Household, Income and Labour Dynamics in Australia (HILDA) Survey. Please refer to “Source” at the bottom of individual tables and figures in order to determine what data source has been used.

For the ABS data, we have used data from Census TableBuilder, Data Cubes and publications. Data from the 2006 Census are presented based on place of usual residence and include valid data only, in which the not-stated or inadequately described category is excluded.

For HILDA survey data, we have used unit record data from Wave 8 and Wave 6, with Wave 6 being used specifically for the “Migrants and Wealth” section. We have excluded missing values from the analysis. All HILDA data are weighted using the survey’s population weights.

The HILDA Project was initiated and is funded by the Australian Government Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) and is managed by the Melbourne Institute of Applied Economic and Social Research (Melbourne Institute). The findings and views reported in this paper, however, are those of the authors and should not be attributed to either FaHCSIA or the Melbourne Institute.

Data coverage and definitions

Country of birth

We include in our migrant population both those who came to Australia as children and those who arrived as adults.

a) Born in Australia:

Data for people born in Australia, particularly for data sourced from the 2006 Census TableBuilder, excludes those who were born in Norfolk Island and the other Australian external territories.

b) Born in the main English speaking countries (“Born in MESC”):

Data for migrants who were born in main English speaking countries cover Canada, New Zealand, Ireland, the United Kingdom, United States and South Africa.

c) Born in non-main English speaking countries (“Born in non-MESC”):

Data for migrants who were born in non-main English speaking countries cover the remaining countries not covered by Born in MESC.

Immigration status

Migrants differ in terms of their immigration status (citizen or not, permanent or temporary), but in most of our tables, due to issues of data availability and complexity, we do

not differentiate between these groups, and include both permanent migrants (whether citizens or permanent residents) and long term temporary migrants (overseas visitors who are studying or working in Australia for at least one year). This definition means, for example, that overseas students will generally be included in our analyses (ABS 2004). The inclusion of temporary residents is expected to have little impact on our results as temporary migrants only make up around 1.7 per cent of the overall Australian population aged 15 years and above in 2007 (ABS 2008b).

However, in the “Migrants at Work” section, full-time students are excluded from the analysis. Full-time students on temporary visas are allowed to work a maximum of only 20 hours per week under their visa conditions, and thus their inclusion in this type of labour market analysis would tend to inflate the number of part-time migrant workers, making it difficult to realistically compare migrants with non-migrants.

Migration visa

Types of immigration can be classified according to types of migration visa held. While in most of our analysis we do not differentiate between visa types, we do include some analysis related to visa types, and the migration visas discussed in this report cover (i) family; (ii) skill; (iii) humanitarian; and (iv) special eligibility.

Special eligibility covers former Australian permanent residents and persons who served in the Australian Armed Forces before 1981. Skilled migration visas cover general skilled migration (independent skilled migrants), employer nomination, business skills and distinguished talents.

Labour force participation rate

The labour force participation rate is the number of people in each age group/migration category working or looking for work divided by the total number of people in that category.

Unemployment rate

Unemployment is defined as persons aged 15 years and over who were not employed during the reference week, and either had actively looked for full-time or part-time work at any time in the four weeks up to the end of the reference week and were available for work in the reference week, or were waiting to start a new job within four weeks from the end of the reference week and could have started in the reference week if the job had been available then (ABS: Topics @ A Glance - Labour, Using Labour Statistics Glossary 1-2, available at <http://www.abs.gov.au/websitedbs/c311215.nsf/20564c23f3183fdaca25672100813ef1/43241c378e846e9cca2571e800107073!OpenDocument>).

Unemployment rates are calculated by dividing the number of people who are not in work but who are actively looking for a job or waiting to start one by the total number of people in that age/migration category in the labour force.

Occupation categories

The Australian and New Zealand Standard Classifications of Occupations (ANZSCO), first edition is used in the 2006 Census TableBuilder and HILDA Wave 8 in order to classify occupations of persons based on skill levels. We have used the two digit ANZSCO groups. Skill levels are determined by a combination of level of formal education and training, experience in related occupation and on-the job training (ABS 2006).

For example, highly skilled occupations include the majority of Managers and Professionals (except hospitality, retail and service managers) who would normally have the highest level of educational qualification of a bachelor degree or above. Medium skilled occupations include all two digit occupations from the Technicians and Trade Workers category, most occupations under Community and Personal Service Workers and some occupations under Clerical and Administrative Workers. This group of occupations is usually commensurate with either having a Certificate III or Diploma. Low skilled occupations include some occupations under Community and Personal Service Workers, some Clerical and Administrative Workers and all two digit occupations under Sales Workers, Machinery Operators and Drivers and Labourers.

Wealth

Components of wealth (including assets and debt) are calculated from Wave 6 of the HILDA survey which is the latest HILDA survey that collected detailed data on wealth. We excluded mixed and group households from our analysis. We first identified the highest earning oldest person of the household as the reference person for the purpose of this analysis. A household was identified as a migrant household if the reference person or either member of a couple were born overseas. If the reference persons and their spouse/partner (if any) were born in Australia, the households were considered non-migrant households. Migrant households are further classified into long-term settlers and recent migrants based on a 15-year cut-off. If either the reference persons or their partners came to Australia within the past 15 years, they are considered as recent migrants; and if the reference persons and their partners (if any) came to live in Australia 15 years ago or earlier they are considered long-term settlers. For those Australian-born persons who have overseas-born partners, the migration status of their households is defined on the basis of how long the partners have been living in Australia.

The analysis of wealth by migration status is limited to households with reference persons aged 35 to 69 years to avoid small sample sizes. Due to complexities in the data for identifying types of mixed marriages, we do not further break down migrant households into MESC born and non-MESC born.

Social participation and subjective wellbeing

The analysis presented in this section is drawn from the HILDA Wave 8 data. The analysis of social participation covers limited aspects of this concept and is based on the following information solicited through the survey's self-completion questionnaire:

- Currently an active member of a sporting/hobby/community-based association. (Those who answer a 'yes' considered an active member.)
- Combined hours/minutes per week - Volunteer/Charity work. (Those who reported any time spent in this category classified as having been involved in volunteer or charity work.)

The HILDA survey asked a series of questions covering various aspects of subjective wellbeing, with respondents being asked to rate their satisfaction with various aspects of their life on a scale of 0 to 10, with 0 being the least satisfied and 10 the most satisfied. We use a selected set of information on subjective wellbeing covering the respondents' feelings related to their employment and community:

- Satisfaction - your employment opportunities.
- Overall job satisfaction.
- Satisfaction - feeling part of your local community.

For the purpose of this analysis, the responses are coded as follows:

- 0-3 dissatisfied; 4-6 neither satisfied nor dissatisfied; 7-10 satisfied.
- Missing responses are excluded.

Data limitations

We used the best data available for each section. However, in several instances issues of small sample sizes arose, particularly for data for which we needed to use the HILDA survey. In order to address these issues, we made adjustments as necessary so that data has only been presented for groups that are not affected by small sample sizes. In some cases, we do this by aggregating up data (for example combining data for men and women, or for MESC and non-MESC migrants), and in other cases we exclude from our analysis those categories for which sample sizes are too small to allow us to be confident of the results (for example, limiting the number of age groups we present). It should also be noted that immigrants from non-MESC are slightly under-represented in the HILDA survey, possibly reflecting some communication difficulties with those whose first language is not English (Weston and Wooden 2002, page 71). In addition, the self-completion questionnaire, on which we base our analysis of involvement in community activities, was available to respondents in English only.

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Suggested citation: Miranti, R., Nepal, B., and McNamara, J. (2010), *Calling Australia Home: The Characteristics and Contributions of Australian Migrants*, AMP.NATSEM Income and Wealth Report, Issue 27, November, Sydney, AMP.