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Submission to the Employment White Paper – Terms of Reference

Harmony Alliance welcomes the opportunity to make a submission to the Employment White Paper. This submission summarises the relevant issues and barriers face by migrant and refugee women and considers how to overcome them. Unlocking the potential of migrant and refugee women will benefit workforce diversity and productivity, and the Australian economy more broadly.

Our submission relates to the following topics from the Terms of Reference:

- Labour force participation, labour supply and improving employment opportunities.
- Reducing barriers and disincentives to work, including the role of childcare, social security settings and employment services.
- Improving labour market outcomes for those who face challenges in employment, including First Nations people, those who live in rural and remote areas, younger and older Australians, people with disability, and those who may experience discrimination.
- Skills, education and training, upskilling and reskilling, including in transitioning sectors and regions.
- Migration settings as a complement to the domestic workforce.

About Harmony Alliance

Harmony Alliance: Migrant and Refugee Women for Change is one of the six National Women's Alliances supported by the Australian Government to promote the views of all Australian women and to ensure their voices are heard in decision-making processes.

Harmony Alliance's purpose is to provide a national inclusive, and informed voice on the multiplicity of issues impacting on experiences and outcomes of migrant and refugee women, and to enable opportunities for women from migrant and refugee backgrounds to directly engage in driving positive change.

The Harmony Alliance membership comprises over 170 organisations and individuals representing and/or working for the advancement and inclusion of migrant and refugee women. We acknowledge the diversity of experiences of women from migrant and refugee backgrounds and recognise the inherent value of each person, of all backgrounds, genders, ages, abilities, social standings, sexual orientations, or religions. We promote the principles of dignity, equality, autonomy, non-discrimination, and mutual respect.

Introduction

As recognised at the Jobs and Skills Summit in September 2022, migration is a critical driver of economic, productivity and job growth in Australia. Migrant and refugee women have valuable skills to bring to Australia's workforce.

In addition to individual skills and qualifications, these include different ways of looking at the world, flexible thinking, access to wider networks, and cultural and linguistic skills. A study by McKinsey found that companies leading on executive-level gender diversity were 27 per cent more likely to outperform their peers in longer-term value creation and 33 per cent more likely to outperform their peers in terms of profitability.¹

Despite the widespread recognition of the economic contribution of migration to Australia, migrant and refugee women in Australia face barriers to fully participate in the Australian workforce. Women from migrant and refugee backgrounds are impacted by systemic barriers and structural disadvantage that intersect with other factors such as gender and cultural norms.

The solutions to removing these barriers and improving migrant and refugee women's economic participation will require holistic policies that address compounded systemic barriers and are tailored to particular contexts in Australia, aiming to build inclusive workplaces and job markets that promote career pathways for migrant and refugee women.²

Women from migrant and refugee backgrounds fall behind in employment outcomes.

Despite the recognised importance of migration and diversity for Australia's long-term economic prosperity, migrant and refugee women face worse employment outcomes. Research has found that when the unemployment rate for Australian-born women sat at 5.1% the unemployment rate for migrant women from non-English speaking backgrounds was significantly higher at (7.2%). The unemployment rate for migrant and refugee women is exacerbated when they are married, have children, have poor English proficiency and lower education levels.³

This emphasises the intersectional barriers faced by women from migrant and refugee backgrounds compared to male migrants and Australian-born women.

Australia's job market is systemically resulting in the underutilisation of migrant skills and experience.

Often migrant and refuge women are unable to work in the same industries they worked in or were educated to work in their countries of origin. Lacking local experience and references plays a key role in being able to gain employment in Australia. Employers are more likely to consider employing someone with experience that they are familiar with and may not recognise the transferability of skills of working in different contexts. Harmony Alliance's members have reported that migrant and refugee women often

¹ Hunt, V., Prince, S., Dixon-Fyle, S., & Yee, L., Delivering through Diversity, (McKinsey & Company, 2015)

² See 'A Strategic Approach to Improving Employment Outcomes of Women from Migrant and Refugee Backgrounds' (Harmony Alliance, 2019).

³ Haque, T.H., Haque, M. The Unemployment Imbalance Between Non-English-Speaking Migrant Women and Australian Born Women. J. Quant. Econ. 20, 459–478 (2022).

attain Australian qualifications in addition to their overseas ones to overcome this barrier but find they are still not considered for jobs.⁴

This results in skilled migrants being underutilised as they are pushed into working in unrelated fields, which are often lower paid. A 2018 Deloitte report found that 49 in every 100 skilled migrants in Queensland were underutilised. Research by CEDA found that one in four permanent skilled migrants is working below their skill level.⁵

Underutilisation disproportionally affects women (58%)⁶ and migrants from non-English-speaking countries, even when the person is proficient in professional English.⁷ This indicates that discrimination may be a factor for these individuals.

This is a significant cost to the Australian economy. The Deloitte report estimated that, in Queensland alone, there would be a real gross state product increase of \$250 million over a ten-year period if the skills of migrants and refugees were fully utilised. EDA estimated that skills underutilisation led to the forfeit of \$1.25 billion in wages between 2013-2018.

Barriers to entering and progressing in the job market

Bias and discrimination

Migrant and refugee women are subject to bias and discrimination across the intersection of their gender, ethnicity, religion and migration status. Women benefit from the removal of barriers to employment for all women in Australia, including leadership on gender equality from the top; promoting flexible work arrangements for all genders; monitoring workplace attrition and the pipeline of quality women candidates; and ensuring pay equity.¹⁰

Discrimination is a barrier that may be difficult to identify and, sometimes, to address. This can present as unconscious biases and discrimination during hiring and promotion processes. These biases and discrimination can see candidates that are equally qualified that are overlooked because of stereotypes and assumptions. Anti-discrimination and anti-racism laws are an important pillar to protect migrant and refugee women from these experiences at the workplace. ¹¹

⁴ See for example: George Tan and Andreas Cebulla, 'When What You Have Is Not Enough—Acquiring Australian Qualifications to Overcome Non-Recognition of Overseas Skills', *International Migration* 00 (2022): 1–21.

⁵ 'A Good Match: Optimising Australia's Permanent Skilled Migration', 2021.

⁶ 'Seizing the Opportunity: Making the Most of the Skills and Experience of Migrants and Refugees'.

⁷ Eddy S. Ng, Diana Rajendran, and Wahed Waheduzzaman, 'Promoting Workplace Inclusion and Self-Efficacy among Skilled Migrant Workers in Australia', *International Journal of Manpower* ahead-of-print, no. ahead-of-print (1 January 2022).

⁸ 'Seizing the Opportunity: Making the Most of the Skills and Experience of Migrants and Refugees' (Deloitte Access Economics, November 2018).

⁹ 'A Good Match: Optimising Australia's Permanent Skilled Migration'.

¹⁰ 'See https://www.wgea.gov.au/topics/gender-strategy/diagnose-the-status-of-gender-equality-in-your-organisation for more information and more steps.

¹¹ 'See for example: Racism at Work: How Organisations Can Stand Up to and End Workplace Racism' (Diversity Council Australia, 2022).

Gender

Women continue to perform a **disproportionate amount of unpaid caring and domestic duties**, which reduces their ability to engage and advance in a paid career. When women reduce paid working hours to assume caring responsibilities, the do not only miss out on salary earnings and superannuation contributions, but risk future advancements in their careers and salaries. Division of caring and domestic duties, however, largely continues to reflect gendered roles. According to the 2021 census, women in Australia, on average, do over an hour more unpaid domestic labour and an hour more childcare duties a day than men.¹²

Cultural and gendered expectations about what constitutes appropriate 'women's work' presents a significant barrier to employment for migrant and refugee women. Many migrant and refugee women experience family and community pressures regarding what industries are 'acceptable' for a woman to work in, usually caring or service sectors. Gender roles can also mean working is perceived as a threat to the male position in the family, which can increase risk of domestic, family and sexual violence. This acts as a deterrent for women to start and continue work. In addition, the gendered socialisation of girls leaves many with insufficient confidence to enter and progress in the workforce.

Education and familiarisation

Harmony Alliance found there is a strong correlation between English proficiency and income levels in Australia. Women with lower English proficiency are more likely to work in low-income jobs and have lower education levels.¹³

Many migrant and refugee women from non-English speaking backgrounds need assistance to learn professional spoken and written English to gain employment in Australia. Women require greater opportunities to learn English as they often delay learning to support family members during the settlement process.

Even when English-proficient, many migrant and refugee women, particularly recent migrants, often lack familiarity and knowledge of Australia's job market and workplace culture. This can prevent them from being hired even if they have the required skills and experience. Activates such as formal interviews, resume writing, and responding to selection criteria can take time and practice. Migrant and refugee women often need more specialised workforce providers to assist them with learning these job-seeking activities.

Visa status

Certain visa types, particularly temporary visas, humanitarian visas and family streams, are a serious barrier to employment for migrants. Some visas prevent full-time employment by restricting work hours. For visas with full work rights, for example, the Temporary Partnership Visa, employers are reluctant to hire or promote a candidate without permanent residency (PR) status. This is often the formal policy for employers such as the public service of state governments.

¹²'Females Do More Unpaid Work, Males Do More Paid Work. Australian Bureau of Statistics', 10 July 2022, https://www.abs.gov.au/media-centre/media-releases/females-do-more-unpaid-work-males-do-more-paid-work '2016 Census and Settlement Database Brief: Migrant Women in Australia: The Impact of English Language Proficiency on Participation' (Harmony Alliance, March 2022).

The years-long processing time for visas is contributing to this problem as many migrants remain working and living in Australia for years before receiving PR. There are common accusations that the current migration system is becoming increasingly temporary, restrictive and slow. This is leaving many living in Australia on an ongoing basis in precarious or casual employment that can lead to vulnerabilities to economic hardship and exploitation.

Qualifications and skills recognition, and professional accreditation

Migrants and refugees struggle to have their skills and qualifications recognised in Australia by employers. This non-recognition by Australian institutions and employers serves as a systemic barrier that results in skilled migrants leaving or being shut out of their industry's recruitment pool.

The recognition of overseas qualifications and skills and the attainment of professional accreditation are persistent barriers for migrants and refugees. In Australia, migrants and refugees can apply for formal recognition of their qualifications by organisations sanctioned by the Australian government or industrial body. **Migrants are often deterred by the cost, difficult bureaucracy and slow processes.** According to the ABS, 8.3% of overseas-born workers are underutilised because their qualifications are not recognised in Australia compared to 0.2% of Australian-born workers.¹⁴

We recommend that the White Paper considers:

- The value of specialist employment services to support equitable outcomes for migrant and refugee women.
- The value of Australian companies reporting on their gender and cultural diversity targets, including in middle and senior management positions.
- The need for review of qualifications and skills recognition processes as well as professional accreditation process across professions with the aim of streamlining processes, reducing costs for applicants, and the provision of clear, affordable and timely pathways for retraining if required.
- The need for visa reform to eliminate risk of exploitation due to restricted work rights and to strengthen permanency pathways.
- The value of additional support for English language acquisition.
- The importance of greater access to affordable and culturally responsive child care, disability care and aged care support for migrant and refugee women.
- The importance of data collection and research that adequately reflect the diverse experiences and barriers to migrant and refugee women's economic participation.

¹⁴ Australian Bureau of Statistics (2018-19-financial-year), <u>Perspectives on Migrants</u>, ABS Website, accessed 28 October 2022.