



How new migrants fare: Analysis of the Continuous Survey of Australia’s Migrants



Setting the scene

Australia’s Migration Program is made up of two parts – skilled migration and family migration. The purpose of family migration is to bring families together by enabling the partners, children, siblings and parents of Australian residents to live in Australia. In contrast, the skilled migration program is designed to select migrants who have the skills and qualities needed to succeed in the Australian labour market and to make a long-term economic contribution.

As migration is essential to the sustained growth of our workforce and a key ingredient in meeting the challenges of an ageing population it is important to know how well migrants, particularly skilled migrants are faring in the labour market.

How New Migrants Fare contributes to this understanding by reporting on migrant workforce participation, their levels of unemployment and the quality of their jobs as measured by skill levels and earnings. There is also some comparison of outcomes between different migrant groups and with the Australian population.

As well as describing how recent migrants are performing in the labour market this report also covers migrant housing issues, access to services and people’s reasons for coming to Australia.



About the Continuous Survey of Australia’s Migrants

The Continuous Survey of Australia’s Migrants (CSAM) underpins this analysis. The first wave of this survey was run in late 2009, and completed responses were received from recently arrived skill stream and family stream primary applicants who either:

- came to Australia on an offshore visa in the last six months; or
- were granted a visa onshore within the last six months

This is not where the CSAM ends however. The CSAM is an ongoing survey: every six months a fresh group of migrants will be surveyed and a follow-up survey of the current migrant cohort will be run.

Contents

Survey response	2
Important notes	2
Who are the migrants?	2
Table 1: Characteristics of those surveyed	3
Housing	4
Table 2: Housing arrangements	4
Table 3: Housing issues – those with difficulties	4
security housing	4
Table 4: Satisfaction with housing & amenities	4
Overall employment outcomes	4
Table 5: Employment outcomes by migrant type	5
Table 6: Occupation by migrant type	5
Employment outcomes for skilled migrants	5
Table 7: Employment outcomes for skilled migrants	6

Survey response

The CSAM survey questionnaire was mailed out to 8655 skilled and family migrants in late September 2009. These migrants were selected from a migrant population of more than 44 000 Primary Applicants. By the time the survey closed off in early December, 4016 completed survey forms were received – a response rate of 46.5 per cent. This sample size is large enough to enable separate reporting for the various subclasses within the skill and family stream, as well as reporting by age, gender and educational qualification.

The data was then weighted so that it would share the same age, gender and broad birthplace characteristics as the migrant population.

Important notes

Unless stated otherwise the findings presented in this report are for Primary Applicants, ie the people who applied and were accepted to migrate to Australia. In places there is some reporting on the outcomes of partners who migrated with skilled Primary Applicants.

Most of the analysis in the report is done at a broad level, for example reporting on the outcomes and experiences of skill stream migrants. However, to highlight the variations in outcomes among skill stream and family stream migrants, findings in this report are sometimes presented using the following more detailed migrant categories:

- **Family offshore** – family stream migrants who received their visa offshore. This group is mostly made up of partners.
- **Family onshore** - family stream migrants who applied for their visa while in Australia. Again this mostly comprises partners of Australian residents.
- **General Skilled Migration (GSM) Offshore Permanent** – points tested migrants who received a skilled visa offshore. Mostly made up of skilled independent migrants.
- **GSM Onshore Permanent** - points tested migrants, mostly former international students, who received a skilled visa onshore.
- **Other offshore skilled** – non points tested migrants who received their skilled visa offshore. It includes business and employer sponsored migrants.

- **Other onshore skilled** – similar to other offshore skilled, except the visa was received in Australia.
- **Skilled Graduate** – mostly comprising former international students who could not meet the criteria for a permanent GSM visa, but have 18 months to gain skilled work experience or improve their English skills.

Who are the migrants?

The survey asked a range of questions and made use of administrative data to establish a general profile of those skill stream and family stream migrants being surveyed. Some of these characteristics are reported below.

- Both streams had a similar age distribution, with more than 70 per cent being in the 'prime working years' of 25 to 44 years of age. For Australia as a whole only 28 per cent of the population is in this age range. The median age of family migrants was 31 (30 for females and 34 for males); skilled migrants also had a median age of 31 (29 for females and 33 for males).
- Almost two-thirds (64 per cent) of skill stream migrants were male. For the family stream the gender ratio was reversed with 67 per cent females and just 33 per cent males. This is because the family stream was dominated by single females entering as the partner of an Australian resident. Among skilled migrants, 3 out of 10 were single males, 2 out of 10 were single females, 3 out of 10 migrated with their partner and children and 2 out of 10 migrated with a partner but without children.
- More than 90 per cent of those from the Skill Stream either spoke English as a first language or rated themselves as good or very good English speakers. For the family stream about 70 per cent reported this level of proficiency. Less than one in four migrants came from a country where English was the main language spoken.
- Two thirds of skilled visa holders and more than one third of family visa holders had a university qualification (at the Bachelor or higher degree level). According to the 2009 ABS Survey of Education and Work, the equivalent figure for people aged 15-64 is just 23 per cent. This demonstrates that migrants, in particular skilled migrants, are adding to the stock of skilled workers in Australia.

- For the skill stream the majority of Primary Applicants were onshore, ie living in Australia at the time their visa was granted. This can be attributed to a large number of former overseas students or temporary skilled migrants who subsequently transfer to a permanent visa. Dependents of skill stream Primary Applicants are also granted skilled visas, and those applying from offshore tend to have more dependents than onshore applicants. The result of this is that while there may be more onshore Primary Applicants, the number of skill visas granted to offshore applicants and their families is greater.
- Among the family stream, the proportion of onshore visa holders was lower at just under 40 per cent. Two-thirds of these onshore visa holders had been in Australia for less than two years.
- In assessing why people chose to migrate to Australia, their motivations align with their visa stream. More than 80 per cent of family entrants came to Australia to join their partner, while the pursuit of better employment and lifestyle opportunities were the main motivations for skilled visa holders.

Table 1: Characteristics of those surveyed

	Family (%)	Skilled (%)	Overall (%)
Gender			
Female	67	36	50
Male	33	64	50
Age			
Less than 25 years	15	14	15
25 to 34 years	49	51	50
35 to 44 years	17	24	21
45 to 54 years	7	10	9
55 to 64 years	4	1	3
65 and over	7	0	3
Origin			
Main English speaking country	20	24	22
Other country	80	76	78
Type of Migrating Unit			
Couple only	4	18	11
Couple with children	1	31	17
Single female with children	10	2	6
Single male with children	4	1	3
Single female without children	56	20	37
Single male without children	25	29	27
Client Location			
Onshore	39	77	59
Offshore	61	23	41
Time since arrival (onshore only)			
Less than a year	21	9	13
One year	55	39	44
Two years	11	24	20
Three years	4	18	14
Four years	1	7	5
Five years or more	7	3	4
English Proficiency			
English best or only language	27	38	33
Very Well	16	30	24
Well	30	25	27
Not well	21	5	12
Not at all	6	1	3
Highest Education Qualification			
Doctorate	1	3	2
Masters degree	8	24	17
Bachelor degree	28	39	34
Other Post Grad qualification	2	3	2
Diploma level	14	12	13
Certificate level	9	9	9
No Post school qualification	38	10	23

Housing

The ability to secure appropriate housing in Australia is a crucial factor in a migrant's settlement process. As will become evident in the findings below, family stream migrants have a distinct advantage over skill stream migrants as they have either a partner or other close relatives in Australia to assist them.

Around half of all family stream migrants and three quarters of skill stream migrants were in rented accommodation.

A further 23 per cent of family stream migrants and 17 per cent of skill stream migrants owned their own home. Almost one in four family stream migrants lived with other family members rent free.



Table 2: Housing arrangements

Housing Arrangements	Family	Skilled	Overall
Own outright	6%	3%	5%
Paying Mortgage	17%	14%	15%
Paying Rent	53%	77%	66%
Living with family rent free	22%	5%	13%
Other	2%	1%	1%

Almost one in four of those surveyed reported difficulties finding housing. These difficulties were most pronounced for skill stream migrants with 28 per cent of these migrants experiencing difficulties compared with 19 per cent of family stream migrants. The main issues faced by migrants were the high cost of housing, competition for housing and problems getting references and background checks. Only 1 per cent of migrants encountered a language or cultural barrier.

Table 3: Housing issues – those with difficulties securing housing

Issue	Percent
Too expensive	36%
Market is too competitive	23%
No references / background checks	20%
Location not suitable	5%
Quality of housing not suitable	2%
Process takes too long	2%
Insufficient funds (for deposit)	5%
Pets not allowed	1%
Language or cultural barrier	1%
Viewing schedule too restrictive	1%
Other	3%

When asked about meeting the costs of housing, 7 out of 10 claimed that they usually found it easy to make housing payments. Just four per cent of respondents said they regularly had problems making payments.

Migrants were also asked about how satisfied they were with local amenities and public services. As shown below the majority were satisfied with these services, in particular with access to schools (74 per cent), shopping centres (78 per cent) and medical centres (72 per cent). Migrants were less satisfied with the friendliness of their neighbours (60 per cent), and access to work and public transport (64 per cent and 69 per cent respectively). Satisfaction levels on the whole were also slightly lower for skill stream migrants.

Table 4: Satisfaction with housing and amenities

Satisfaction with ...	Satisfied	Partly Satisfied	Not Satisfied
Home size	71%	24%	5%
Home condition	67%	28%	5%
Access to shops	78%	18%	4%
Access to medical centre	72%	23%	5%
Access to work	64%	27%	9%
Access to public transport	69%	22%	9%
Access to schools	74%	22%	4%
Safety	68%	26%	5%
Friendliness of neighbours	60%	32%	8%

Overall employment outcomes

Skilled migrants are selected on the basis of skills and qualities that will help them succeed in the Australian labour market. Therefore, the employment outcomes of these migrants are expected to be different to those entering under the family stream. They are almost twice as likely to be working and almost three times more likely to be in full-time employment. Also if they are employed, they have almost twice the chance of being in skilled work, or working in a management or professional field.

It is important to emphasise however that this survey only captures outcomes early on in the settlement process. This is especially the case for offshore migrants. These migrants have been living in Australia for only six months and may need more time to find work of their choosing.

While the partners of skilled migrants aren't selected on the basis of skill either, they did have better employment outcomes than family migrants. For example, of those who are working a third are in either management or professional jobs, compared with just a quarter of family stream migrants.

One explanation for this is that in the marriage stakes, like attracts like – for example a professional is more likely to marry another professional. When applied to skilled migration this means that we are often getting two skilled migrants for the price of one, ie the partner has similar levels of skills as the primary applicant.

Table 5: Employment outcomes by migrant type

	Family stream migrants	Skill stream migrants	Partners of skill stream migrants
Full-time	28%	76%	35%
Part-time	18%	15%	27%
Unemployed	19%	5%	12%
Not in labour force	35%	5%	26%
Total	100%	100%	100%

Table 6: Occupation by migrant type

Occupation	Family stream migrants	Skill stream migrants	Partners of skill stream migrants
Managers & Administrators	3%	6%	6%
Professionals	21%	45%	27%
Associate Professionals	10%	13%	11%
Tradespersons	9%	11%	5%
Advanced Clerical	3%	2%	3%
Intermediate Clerical Sales & Service Workers	22%	10%	23%
Intermediate Production & Transport Workers	4%	2%	5%
Elementary Clerical	12%	6%	13%
Labourers & Related Workers	16%	5%	7%

Employment outcomes for skilled migrants

The unemployment rate of skilled migrants was just 5 per cent (a figure below the 5.7 per cent national unemployment rate at the time of the survey) and their participation rate was 95 per cent. The vast majority of skilled migrants have therefore in a short period of time become active participants in the Australian labour market. The positive impact that this has on the workforce becomes more evident when one considers that only 65 per cent of Australia's working age population are actually in the workforce.

- Males performed better in the labour market than females. Although males and females had comparable unemployment and participation rates and a similar chance of finding skilled work there was a large earning differential – with males having full-time earnings that were almost \$12 000 more than females.
- The best employment outcomes were for migrants in the 'Other Onshore Skilled' category, a group mostly made up of employer sponsored migrants. The unemployment rate of this group was just 1 per cent, 60 per cent were working in either management or the professions and 90 per cent were in skilled employment. These results point to the virtue of employer sponsorship.
- The outcomes of Independent GSM migrants from offshore were almost as good, with more than nine in ten employed and of those employed; more than 90 per cent were in a skilled job. This was a good outcome, given that these migrants arrived and had to find work in Australia at the height of the economic downturn. This group had an unemployment rate of 6 per cent, which we would expect to have fallen when they take part in the follow up survey, which is already underway.



- State/Territory and family sponsored GSM migrants from offshore did not fare as well, with around one in eight unemployed six months after arrival, though those who did find work were mostly (four in five) in a skilled job.
- GSM applicants from onshore were mostly successful in finding work, though they were less likely than other skilled migrants to secure full time employment and far less likely than other skilled migrants to secure full time employment in a skilled job. Further analysis of the data shows that a large proportion of onshore migrants are relatively young, former international students with limited work experience. It has been noted in previous research that these migrants do have difficulties finding skilled work.

- Similarly, Skilled Graduates experienced high rates of employment, but the utilisation of their skills in the labour market was poor - just over half were employed in a skilled job, that plus their relative inexperience resulted in median full time earnings of \$40 000, substantially lower than that of their skilled counterparts.
- The median full-time earnings of skilled migrants surveyed was \$60 000. This is broadly in line with the most recent estimate of \$56 000 reported for Australia's employees in the August 2008 ABS survey of Employee Earnings and Hours. The median figure for skilled migrants does tend to hide wide variation in earnings among different categories of skilled migrants – with median earnings ranging from \$40 000 for skilled graduates up to \$75 000 for migrants in the other onshore skilled category.
- The payoff from higher education was inconsistent. While skilled migrants with a doctorate earned about \$30 000 more than a migrant without a qualification, and those with a Bachelor degree enjoyed a \$12 000 earnings premium, the same could not be said for those with Masters Degrees. On average they earned no more than those skilled migrants without post school qualifications, mostly because less of them found skilled employment.
- The utilisation of skills was worst for the 'Skilled Graduate' category with almost half unable to secure skilled employment. Although this is not a good result for these recent graduates, current visa policy does allow them up to 18 months to either up-skill and apply for permanent residence as a general skilled migrant, or find a suitable employer who is willing to sponsor them.

Table 7: Employment Outcomes for Skilled Migrants

Migrant category	Participation Rate (%)	Unemployment Rate (%)	Full-time employed (% of employed)	Employed in a skilled job (% of employed)	Median full-time earnings (\$000 pa)
GSM Offshore Permanent	97	8	85	89	69.8
GSM Onshore Permanent	99	6	76	60	44.0
Other offshore skilled	76	10	90	88	65.0
Other onshore skilled	97	1	94	93	75.0
Skilled Graduate	96	6	76	56	40.0
Gender					
Female	96	6	81	75	52.9
Male	95	5	85	74	64.8
Age					
Less than 25 years	96	6	80	59	42.0
25 to 34 years	97	5	81	70	52.0
35 to 44 years	94	5	90	87	70.0
45 to 54 years	89	3	89	90	78.9
55 to 64 years	..	..	..	..	..
65 and over	..	..	..	..	..
Origin					
Main English Speaking Country	98	2	92	91	75.0
Other country	94	6	81	69	50.0
Client location					
Onshore	97	4	83	71	53.7
Offshore	88	9	86	88	67.6
Highest qualification					
Doctorate	100	0	99	98	80.0
Masters	97	5	77	59	49.5
Bachelor degree	96	5	83	76	62.0
Diploma level	93	5	87	80	60.0
Certificate level	98	3	89	87	60.0
No Post School qualification	86	7	85	80	50.0
Overall	95	5	84	75	60.0
Australian population aged 15 or more	65	6	70	49	56.0

- The industries employing the largest share of skilled visa holders were Health and Community Services, Professional Scientific and Technical Services and the Accommodation and Hospitality industries. Collectively these three industries employed 40 per cent of all skilled visa holders. In comparison these industries only employ a quarter of the general population.

Further information

If you would like further information on this survey please contact the Department's Economic Analysis Unit area at: economic.analysis@immi.gov.au

A factsheet on CSAM can be found at: <http://www.immi.gov.au/media/research/surveys/csam/>