
Chapter Four: The Settlement Experiences of New Arrivals

All migrants face challenges in establishing themselves in Australia, however, some migrants will face greater barriers than others. Research on the experiences of new arrivals indicates that recency of arrival, visa category and English language proficiency have a significant impact on settlement success. This is evident across a range of economic, social and wellbeing indicators.

Generally, improved early settlement outcomes have been achieved by reshaping the Migration Program to increase the proportion of skilled stream migrants and migrants proficient in English. However, data from the Longitudinal Survey of Immigrants to Australia (LSIA) reveals that outcomes for humanitarian entrants are generally poorer than for other groups of migrants. This reflects the fact that many current entrants under the Humanitarian Program have experienced profound emotional, physical and psychological distress, along with disruptions to their education and working life.

The LSIA indicates that outcomes for humanitarian entrants have deteriorated in recent years and this appears to be largely as a consequence of changes within source countries for the Humanitarian Program, with the more recent intake appearing to have experienced greater instability and disruption to their lives before migrating to Australia. These entrants are finding it more difficult to establish themselves than their earlier counterparts and, in particular, are experiencing lower levels of employment, lower workforce participation rates, lower levels of income, and more health problems and psychological distress. More needs to be done to target settlement assistance towards this group if they are to achieve full and active participation in Australian society, and further research should be undertaken to track the progress of humanitarian entrants in the future.

Introduction

Immigration policies have shaped the demographic make-up of the Australian population and the development of Australia's multicultural society. This chapter examines the experiences of the most recent arrivals against a number of key settlement indicators and evaluates their settlement outcomes. This provides a basis for exploring the differences in settlement outcomes among migrant groups and the need for more focused targeting of services for humanitarian entrants.

The settlement needs of new arrivals

In establishing themselves in Australia, new arrivals will need to find somewhere to live,

find work or establish some form of income, enrol their children in school, access health services and generally begin to develop relationships with the Australian community. They will need to manage the impact of the stresses of the migration process on themselves and their family. Other things they may need to do, depending on their circumstances, include developing their English language skills, using translating and interpreting services and connecting with local migrant communities.

New arrivals will also require appropriate information about the new environment and support to gain access to services to meet their needs. Following initial processes, migrants experience a more gradual process of establishing ongoing economic viability,

social networks and a more comprehensive understanding of Australian society, institutions and services.

Pre-migration experiences have an ongoing influence on an individual's settlement experience. Humanitarian entrants, in particular, may arrive with a number of emotional and psychological difficulties as well as physical health issues. They may have undergone a variety of traumatic experiences before arriving in Australia, including torture, persecution, violent civil discord, arbitrary abductions, sexual abuse, the loss of loved ones, imprisonment, disease and starvation. They may also have spent long periods of time in refugee camps and/or in transit countries. The ongoing impact of these experiences can significantly hamper their capacity to settle. This view has been broadly reflected in public consultations and submissions to the review.

Commentators agree that the settlement experience plays out differently for each individual and that there is no fixed period from the end of which a migrant can be viewed as finally settled. Settlement success is often determined by experiences on arrival and by degrees of access to essential services such as housing, employment or income support.

Moreover, there was a general consensus from contributors to the review that the act of migration itself, and the consequent need to adjust to life in a new country and society, can influence the way in which migrants experience the life cycle events they share in common with the Australian-born community.

Those who work with new arrivals know very well that people become settled at different rates and levels and that there is no magical settlement 'period' after which you will feel a sense of belonging and confidence in your new home. Many variables impact on this, including a person's pre-migration experience, plans and aspirations, level of education, employment prospects, etc.

Submission from Community Information Whittlesea, VIC

Settlement is not just a residency issue. It is rather a process involving the growth of civic confidence, participation and responsibility.

Submission from the Ethnic Communities Council of Victoria

Many refugees might feel 'settled' at one point but then have something happen to them that reopens doors to their past experiences.

Submission from the Refugee Council of Australia

It is our experience that settlement needs, in terms of access to services, English language proficiency, general 'well being' and participation in all levels of society, occur at various stages of a person's life in Australia. What could be described as a 'community service' need arising from major life events (eg illness, child and family issues, unemployment, family breakdown, ageing, disability), is potentially more acute as a result of unmet needs arising from the migration process.

Submission from the Greek Welfare Centre, NSW

The settlement experiences of new arrivals

Settlement indicators

Analysing settlement experiences is complex and as the above comments indicate, there are varied and contentious views about when and whether settlement can be said to have occurred. There is a long and unresolved debate on whether settlement should be defined by a person's length of residence or by achievement of certain objectives.¹ There are also differing interpretations of successful settlement by the host society, by government agencies and by migrants.²

DIMIA generally defines settlement as the period of adjustment that migrants experience before they can fully participate in Australia's culturally diverse society. The end result of settlement can therefore be seen in broad terms as the active participation of migrants in Australian society as self-reliant and valued members.

There are a number of quantifiable indicators that can be used to provide a measure of how well migrants are faring in the settlement process in terms of their levels of participation in Australian society.³ These indicators point to key areas of economic and social participation and the physical (including mental) wellbeing of a migrant or migrant family. These three dimensions of migrant settlement are closely related to one another and are best considered as an interlinked system.

The analysis below examines the experiences of new arrivals against these indicators, in particular:

- *economic participation and well being* such as labour force participation, employment, occupation, level and source of income, and housing;
- *social participation and wellbeing* such as English proficiency, satisfaction with life

in Australia, and Australian citizenship; and

- *physical wellbeing* such as physical and mental health status.

This analysis gives an insight into the experiences of newly-arrived migrants and how well particular groups within the newly-arrived population are progressing in the settlement process.

Sources of data on settlement experiences

The analysis of settlement experiences draws mainly on DIMIA's LSIA. The LSIA is a systematic study of settlement outcomes for new arrivals over time. It analyses and compares the experiences of two cohorts of migrants who arrived respectively between September 1993 and August 1995 (LSIA 1) and between September 1999 and August 2000 (LSIA 2).⁴ The cohorts were interviewed in 'waves' at set intervals of around six months (wave 1) and eighteen months (wave 2) after arrival. LSIA 1 was interviewed again at around forty-two months after arrival (wave 3). The major characteristics of the migrants in each cohort are summarised in appendix V of this report.

¹ M Morrissey, C Mitchell and A Rutherford, *The Family in the Settlement Process*, AGPS, Canberra, 1991, p. 32.

² V Giuca, 'Common Needs of Resettled Refugees - Plenary Presentation', from *International Conference on the Reception & Integration of Resettled Refugees*, Norrkoping, 2001, p. 3.

³ S Khoo & P MacDonald, *Settlement Indicators and Benchmarks*, Australian Centre for Population Research, Australian National University, Canberra, 2001, unpublished, p. 37.

⁴ The following groups of people were not included in the survey population: New Zealand citizens; migrants granted a visa while resident in Australia; migrants with special eligibility visas (for example, former Australian citizens); and migrants who did not have an identifiable country of birth.

The National Institute of Labour Studies has released two reports on the LSIA findings, *The Labour Force Experience of New Migrants* and *The Settlement Experiences of New Migrants*. These reports compare the experiences of migrants in LSIA 1 with those in LSIA 2 six months after arrival. The analysis of settlement experiences in this chapter draws on the findings of these reports and on additional data that has recently become available from interviews conducted with LSIA 2 migrants eighteen months after arrival. In most instances the LSIA analysis is based on data for both primary applicants (the person granted approval to migrate based on an assessment against eligibility data) and spouses who migrated to Australia with the primary applicant. Data is grouped by visa categories, which reflect the family and skilled streams of the Migration Program and the Humanitarian Program.⁵

The analysis also draws on the findings of a pilot client survey commissioned by DIMIA in 2002.⁶ Although small in size, this survey provides qualitative data on the experiences of recently-arrived migrants. The survey involved interviews and group discussions with recently-arrived migrants, settlement services providers and others in the community. The clients involved in the survey were students attending English language classes at the AMEP and were for the most part family stream migrants or humanitarian entrants. Further information on the pilot client survey is provided in appendix VI of this report.

Changes over time that have impacted on migrant experiences

In the context of a discussion on the settlement experiences of new arrivals, it is worth noting some significant changes that occurred between the period of the mid-1990s when migrants in Cohort 1 of the LSIA arrived, and 1999-2000, when migrants in Cohort 2 arrived. These include:

- an overall improvement in the Australian labour market with a fall in unemployment from around 9% to 6.5% and a rise in employment of around 16%;
- the introduction of changes in eligibility for social welfare payments, with migrants other than humanitarian entrants excluded from most social security payments for a period of two years after arrival;
- changes in the selection criteria for migrants, with an increase in the intake of migrants in the skilled categories with higher minimum skill, age and English requirements, and a decrease in the intake of family stream entrants.⁷

During this period there were also significant changes in the characteristics of entrants arriving under the Humanitarian Program. As table 4.1 shows, the source countries for humanitarian entrants changed between LSIA 1 and LSIA 2, in response to changing crisis points across the world. Humanitarian entrants arriving from countries in South Eastern Europe increased from approximately 39% in LSIA 1 to 53% in LSIA 2 and there

⁵ *Family stream*:- Preferential Family/Family; *Skilled stream*:- Concessional Family/Skilled Australian Linked (note: Skilled Australian Linked was replaced by Skilled Australian Sponsored as of 1 July 1999. The vast majority of LSIA2 migrants in this category arrived under the Skilled Australian Linked visa. A small proportion arrived using the later Skilled Australian Sponsor visa towards the end of the September 1999 - August 2000 period covered by LSIA 2), Business Skills & Employer Nomination Scheme, Independent; *Humanitarian Program*:- Humanitarian.

⁶ Urbis Keys Young, *Client Survey on the Effectiveness of DIMIA-Funded Community Settlement Services*, pilot survey conducted in 2002 and report published on the DIMIA web site, February 2003.

⁷ S Richardson, L Miller-Lewis, P Ngo & D Ilsey, *Life in a New Land: The Experience of Migrants in Wave 1 of LSIA 1 and LSIA 2*, National Institute of Labour Studies, Adelaide, 2002, p. 2

Table 4.1: Humanitarian entrants by region of birth

Region	Main countries of humanitarian migration within region	LSIA1	LSIA2
South Eastern Europe	Bosnia and Herzegovina, Croatia, Serbia and Montenegro (formerly the Federal Republic of Yugoslavia), Former Yugoslavia not further defined.	39%	53%
Mainland South East Asia	Viet Nam, Burma, Cambodia (mainly Burma in LSIA 2)	22%	1%
Middle East	Iraq, Iran	20%	26%
Eastern Europe	Ukraine, Russian Federation, Former USSR nfd.	7%	0%
Southern and East Africa	Ethiopia, Eritrea, Somalia	5%	7%
North Africa	Sudan	2%	7%
Central Asia	Afghanistan	2%	4%

Source: LSIA data

were also increases in the proportion of humanitarian entrants from countries in Africa, the Middle East and Central Asia. At the same time the proportion of entrants from South East Asia and Eastern Europe dropped off sharply.

Compared to LSIA 1 humanitarian entrants, LSIA 2 humanitarian entrants appear to have experienced greater instability before migrating to Australia. LSIA 2 humanitarian entrants may have spent more time in disruptive and dangerous environments before migrating to Australia, leaving them less opportunity for work, education or skills maintenance. This is evident in labour force data that indicates that LSIA 2 humanitarian entrants were less likely to have worked in the year before migrating to Australia and were less likely to have worked in skilled occupations in their former country. These entrants were also observed to have much higher psychological stress levels compared with LSIA 1 humanitarian entrants.

Patterns of settlement experience

A comparison of results across both cohorts of the LSIA indicates that improved early settlement outcomes have been achieved by

reshaping the Migration Program to increase the proportion of skilled stream migrants. Skilled stream migrants were generally experiencing better outcomes against all the key settlement indicators. There were also improvements in outcomes for family stream migrants, most significantly in terms of economic participation.

However, humanitarian entrants generally have poorer outcomes against the settlement indicators for economic participation and physical wellbeing, and those outcomes have declined between LSIA 1 and LSIA 2. This appears to be largely a consequence of changes within source countries for the Humanitarian Program, with the more recent intake appearing to have experienced considerable instability and disruption to their lives before migrating to Australia. Despite the poorer outcomes against economic and health indicators, the outcomes for humanitarian entrants on social indicators such as levels of satisfaction with life in Australia and citizenship intentions were amongst the highest for any group of migrants.

These patterns are described in more detail below against the key settlement indicators.

Economic participation

Labour force outcomes

In both LSIA cohorts, participation in employment was correlated with positive outcomes on indicators of economic and physical wellbeing. Comments from migrants involved in the pilot client survey highlight the importance of finding employment in the settlement process. Many viewed finding work as the key to becoming settled in Australia and to being able to contribute to and participate in Australian society.¹

Get a job, then you are settled - the rest will manage itself.

I really want a job; I need to be responsible.

To get a job is the big problem. Some people are eligible to work and are able to work hard, but just can't get a job. Instead, you have to be dependent on a Centrelink benefit, when it would be so much better to get a job so you can handle things yourself.

Comments from the Pilot Client Survey, 2002

The LSIA indicates that the success of migrants in finding jobs generally rises with their time in Australia, and that over time, migrants' employment prospects have generally improved.

Table 4.2 shows that overall employment levels were generally better for Cohort 2 migrants than for Cohort 1, confirming that the increased proportion of skilled entrants in the Migration Program is strengthening labour force outcomes. There was a significantly higher proportion of migrants in Cohort 2 who were employed at both six months and eighteen months after arrival and unemployment levels were around half those of Cohort 1. This was despite the fact that

participation levels had risen by around 5% overall.

There were variations in these labour force outcomes across visa categories. Skilled stream migrants had higher participation rates than other migrant groups, and around three-quarters of Cohort 2 entrants were employed at eighteen months. Labour force outcomes for family stream migrants, whilst not as good as those of skilled stream migrants, have improved significantly over time with a steady increase in participation rates to 60% for Cohort 2 at eighteen months. Around 52% of Cohort 2 family stream migrants were employed at eighteen months, compared to 43% for Cohort 1.

This contrasts with the poorer labour force outcomes for humanitarian entrants. The participation rate for these entrants decreased from 41% for Cohort 1 at six months to 15% for Cohort 2 at six months, reflecting the generally more difficult pre-arrival circumstances of the more recent group of humanitarian entrants. By eighteen months, the participation rate increased to 28% for Cohort 2, with an employment rate of around 16%.

To some extent these results are not surprising. Humanitarian entrants are selected on the basis of their need and eligibility for protection, rather than their skills and employment prospects. As discussed previously, they have to manage the emotional, physical and psychological consequences of the profound disruption to their lives that characterises their pre-migration experiences and move to another country. Consequently, they generally require a longer period of time to establish themselves in the labour market. This is evident in the LSIA data, which shows very few humanitarian entrants in employment at six months after arrival for both cohorts, but

¹ Urbis Keys Young, *Client Survey*, p.12.

Table 4.2: Labour Force Status: Participation and Employment Status, LSIA1 and LSIA2, All Waves by Visa Category

Primary Applicants and Migrating Unit (MU) Spouses	LSIA 1 (Cohort 1)			LSIA 2 (Cohort 2)	
	WAVE 1 (6 months)	WAVE 2 (18 months)	WAVE 3 (42 months)	WAVE 1 (6 months)	WAVE 2 (18 months)
Labour force Participation Rate (%) (people available to work) (b)					
Preferential Family/Family	47	53	56	52	60
Concessional Family/Skilled Australian Linked	68	76	81	81	85
Business Skills & Employer Nomination Scheme	62	75	79	50	68
Independent	73	78	84	77	80
Humanitarian	41	50	59	15	28
Total (a)	54	61	65	60	66
Employed (%) (people in work) (b)					
Preferential Family/Family	29	43	46	41	52
Concessional Family/Skilled Australian Linked	42	62	74	64	79
Business Skills & Employer Nomination Scheme	58	72	77	46	68
Independent	53	69	79	70	74
Humanitarian	6	26	40	4	16
Total (a)	33	48	56	49	60
Unemployed (%) (people not in work who are available to work) (b)					
Preferential Family/Family	18	10	10	12	8
Concessional Family/Skilled Australian Linked	26	14	7	17	5
Business Skills & Employer Nomination Scheme	3	3	2	3	0
Independent	20	9	5	7	5
Humanitarian	35	24	19	11	12
Total (a)	21	12	10	10	7
Unemployment Rate (%) (unemployed as a proportion of those available to work)					
Preferential Family/Family	38	19	18	22	13
Concessional Family/Skilled Australian Linked	38	18	8	21	6
Business Skills & Employer Nomination Scheme	5	4	2	6	0
Independent	28	12	6	9	7
Humanitarian	85	49	32	72	43
Total (a)	40	20	15	17	10

(a) Total is for all migrants represented in this table. (b) The participation rate includes the % employed (ie. people in work) and % unemployed (ie. people who are available to work but not in work). As all percentages have been rounded, there may be some slight inconsistencies in figures between these 3 categories.

improvements from this low base by eighteen months after arrival.

Beyond eighteen months, participation rates and employment rates for humanitarian entrants continued to improve for Cohort 1 such that by forty-two months after arrival, they were at a level similar to that of family stream migrants. As the data for Cohort 2 extends to eighteen months only, the longer-term employment outcomes for the more recent humanitarian entrants are not yet clear.

Occupational status

While gaining employment is a key settlement objective for many new arrivals, the nature of that employment is also important. Occupational status gives an indication of the extent to which employment potential is being fulfilled.

Tables 4.3 and 4.4 provide data on the pre-arrival and post-arrival occupational status and skilled employment rates for migrants in Cohorts 1 and 2. These tables indicate that many new arrivals experience a drop in occupational status as they establish themselves in Australia. Some new arrivals regain their occupational level over time and arrivals in some visa categories do so more quickly than others.

Generally, there has been an improvement in occupational status and levels of skilled employment across the cohorts. Table 4.4 shows that the proportion of Cohort 2 entrants in skilled jobs pre-arrival and post-arrival was higher than for Cohort 1. By eighteen months after arrival, 64% of Cohort 2 who had been in skilled employment pre-arrival were in skilled employment in Australia, compared to only 49% of Cohort 1 at the same stage.

Again there were variations in this pattern across visa categories. A high proportion of entrants under the skilled stream had regained their pre-arrival level of skilled employment by eighteen months after arrival, particularly business and independent migrants. This pattern is even more pronounced when skilled stream primary applicants are considered separately from accompanying spouses. Around 82% of skilled stream primary applicants in Cohort 2 were working in their former occupations eighteen months after arrival. These are the migrants specifically selected for their skills and who have had their skills formally assessed. Of the 18% who changed occupations, nearly half did so to seek new opportunities or for lifestyle reasons.

However, regaining occupational level appears to be significantly more difficult for family stream migrants and humanitarian entrants. Although family stream migrants had moderate improvements in levels of skilled employment across the cohorts, only 21% of those in Cohort 2 were in skilled work eighteen months after arrival. This was around one half of those in skilled employment prior to their arrival in Australia.

The pre-arrival profile of humanitarian entrants in Cohort 2 included a lower proportion of skilled workers and higher levels of unemployment than their earlier counterparts. This is evident in pre-arrival skill levels, with only 21% in skilled employment pre-arrival for Cohort 2, compared to 34% for Cohort 1. Despite the greater barriers to employment faced by the most recent humanitarian entrants, their level of skilled employment at eighteen months after arrival was the same as for Cohort 1, albeit at the very low level of 3%. This may reflect the improved economic environment at the time of arrival of Cohort 2.

Table 4.3: Occupational status: Pre and post arrival (%) LSIA1 and LSIA2, All Waves by Type of Occupation, Primary Applicants and MU Spouses

LSIA 1 (Cohort 1)	Waves				LSIA 2 (Cohort 2)	Waves		
Occupation (a)	FC (b)	1 (6 mths)	2 (18 mths)	3 (42 mths)	Occupation (a)	FC (b)	1 (6 mths)	2 (18 mths)
Managers & Administrators	8	3	4	5	Managers & Administrators	9	4	5
Professionals	23	8	10	11	Professionals	27	15	16
Para-Professionals	5	2	3	3	Assoc-Professionals	10	4	8
Trades-persons	11	5	7	8	Trades-persons	9	6	6
Clerks	8	3	5	6	Advanced Clerical	4	1	2
Salespersons & Personal Service Workers	8	4	5	6	Intermediate Clerical, Sales & Service	9	8	10
					Elementary Clerical, Sales & Service	4	2	3
Plant & Machine Operators & Drivers	3	2	4	5	Intermediate Production & Transport	2	2	3
Labourers & Related Workers	4	6	10	11	Labourers & Related Workers	1	6	6
Unemployed	3	21	12	10	Unemployed	2	10	7
Not in Labour Force	27	46	39	35	Not in Labour Force	23	40	34
Don't Know	1	0	1	0	Don't Know	1	0	1
Total (c)	100	100	100	100	Total (c)	100	100	100

(a) In the interval between the arrival of the cohorts, the ABS revised its classification system for occupations. The occupation categories are not fully consistent but have been broadly aligned in this table. (b) FC - Former Country of Residence (c) All percentages have been rounded and this may result in some slight inconsistencies in totals.

Table 4.4: Skilled Employment: Pre and post arrival LSIA1 and LSIA2, All Waves by Visa Category

Primary Applicants and Migrating Unit Spouses	LSIA 1 (Cohort 1)				LSIA 2 (Cohort 2)		
	FC (a)	WAVE 1 (6 mths)	WAVE 2 (18 mths)	WAVE 3 (42 mths)	FC(a)	WAVE 1 (6 mths)	WAVE 2 (18 mths)
In Skilled Employment (%)							
Preferential Family/Family	36	10	14	16	41	15	21
Concessional Family/Skilled Australian Linked	64	22	31	37	71	35	42
Business Skills & Employer Nomination Scheme	68	49	58	63	72	39	59
Independent	72	37	51	58	73	52	55
Humanitarian	34	1	3	10	21	0	3
Total (b)	47	17	23	27	55	29	35

(a) FC - Former Country of Residence. (b) Total is for all migrants represented in this table.

Use of highest qualifications

The extent to which new arrivals are using their highest qualifications in their work is another useful indicator of fulfilment of employment potential. Table 4.5 provides data on the use of qualifications in employment across visa categories for Cohort 1 and Cohort 2. It indicates that the proportion of new arrivals using their highest qualifications often or very often in their employment generally increased across the two cohorts, from 49% at both six months and eighteen months after arrival for Cohort 1 and 60% at six months and 62% at eighteen months for Cohort 2.

Table 4.5 also shows the proportion of new arrivals using their highest qualification pre-arrival and in their employment in Australia. Across all visa categories in Cohort 2, 67% of those with qualifications and a job in their former country used their qualifications in that job. This compares with 62% eighteen months after arrival in Australia. The highly-skilled migrants under the Business Skills and Employer Nomination Scheme categories actually used their qualifications more in Australia eighteen months after they arrived than they had in their country of origin.

Overall, skilled stream migrants were more likely to be using their highest qualifications in their employment in Australia, with around three-quarters of business and independent migrants in Cohort 2 using their highest qualifications often or very often at eighteen months after arrival. Among family stream migrants there was a significant improvement across the cohorts in using highest qualifications often or very often, increasing from 35% for Cohort 1 at eighteen months to 50% for Cohort 2 at eighteen months.

Humanitarian entrants were the least likely of all entrants to be using their highest qualifications very often or often. This was markedly so for the more recent entrants in Cohort 2, 98% of whom reported never or

rarely using their highest qualifications in their employment at six months after arrival. However, by eighteen months after arrival, there was some improvement from this low base with 19% of humanitarian entrants reporting they used their highest qualifications often or very often in their employment. This was the same as the proportion of Cohort 1 using their highest qualifications at eighteen months.

The most common reason why people did not use their highest qualifications was that they were not related to their jobs. This suggests that new arrivals not utilising their highest qualifications were also working in fields unrelated to their qualifications and were therefore unlikely to be able to fulfil their employment potential in the early settlement period.

Sources of income

The type of income drawn on by new arrivals is an important indicator of economic participation as it can highlight the degree of financial independence that has been established in Australia.

Table 4.6 indicates that new arrivals draw income from a variety of sources and these sources change over time. The proportion of new arrivals receiving some form of earned income rose significantly in the first eighteen months after arrival for both LSIA cohorts: from 33% to 47% for Cohort 1 and from 51% to 61% for Cohort 2. At the same time, access to government benefits by migrants other than humanitarian entrants dropped significantly. This can be largely attributed to the introduction of a two-year waiting period for income support payments introduced between the surveys.²

The capacity to earn an income is important because stable financial independence is a

² Richardson, Robertson & Ilsey, *Life in a New Land*, p.159.

clear indicator of economic wellbeing. Strong growth in this form of income suggests improved outcomes for migrants against other key settlement indicators.

In Cohort 2, at eighteen months after arrival just over half of family stream migrants were earning an income and the proportions were much higher for skilled and business migrants.

Table 4.5: Use of highest qualifications in employment LSIA1 and LSIA2, All Waves by Visa Category, Primary Applicants and MU Spouses with qualifications and in a job

Primary applicants and MU Spouses	LSIA 1 (Cohort 1)				LSIA 2 (Cohort 2)		
	FC (a)	WAVE 1 (6 mths)	WAVE 2 (18 mths)	WAVE 3 (42 mths)	FC (a)	WAVE 1 (6 mths)	WAVE 2 (18 mths)
Very Often or Often (%)							
Preferential Family/Family	65	32	35	43	55	43	50
Concessional Family/SAL (b)	81	45	45	47	73	53	58
Business Skills & ENS (c)	78	78	70	65	69	74	73
Independent	84	61	63	64	80	72	71
Humanitarian	71	(e)	19	27	45	(e)	19
Total (d)	75	49	49	50	67	60	62
Only Sometimes (%)							
Preferential Family/Family	15	16	14	9	12	7	7
Concessional Family/SAL (b)	11	16	15	15	15	14	10
Business Skills & ENS (c)	13	8	11	14	12	7	7
Independent	11	15	16	16	12	9	9
Humanitarian	10	#	7	6	2	(e)	(e)
Total (d)	13	15	14	13	12	10	8
Rarely or Never (%)							
Preferential Family/Family	20	52	50	48	33	50	44
Concessional Family/SAL (b)	8	39	40	38	12	33	32
Business Skills & ENS (c)	9	14	19	22	20	19	20
Independent	5	24	22	19	8	19	20
Humanitarian	18	74	75	66	53	98	78
Total (d)	13	36	37	37	21	30	30
Have Job and Qualification (%)							
Preferential Family/Family	37	18	25	29	66	27	35
Concessional Family/SAL (b)	71	36	53	68	93	60	69
Business Skills & ENS (c)	60	48	60	65	83	36	48
Independent	78	50	65	76	87	66	71
Humanitarian	28	2	11	27	39	2	9
Total (d)	48	25	35	43	74	41	48

(a) FC - Former Country. The question for the use of qualifications in the last job in the former country had categories 'All of the time', 'Most of the time', 'Some of the time', 'Never'. 'All of the time' and 'Some of the time' grouped into 'Very often or Often' above, 'Some of the time' grouped into 'Only sometimes' above. Percentages have been rounded and this may result in some slight inconsistency in the totals across categories. (b) SAL - Skilled Australian Linked. (c) ENS - Employer Nomination Scheme. (d) Total is for all migrants represented in this table. (e) Sample size too small for reliable estimation to be made.

However, the percentage of humanitarian entrants who were receiving an earned income fell across the cohorts, dropping from 25% for Cohort 1 at eighteen months after arrival to 19% for Cohort 2 at eighteen months after arrival. This can be attributed

to the generally lower levels of labour force participation of Cohort 2 humanitarian entrants, which in turn has meant they have experienced greater difficulty in establishing their financial independence. However, attempts to encourage financial independence

Table 4.6: Sources of income LSIA1 and LSIA2, All Waves by Visa Category

Primary Applicants and Migrating Unit Spouses	LSIA 1 (Cohort 1)			LSIA 2 (Cohort 2)	
	WAVE 1 (6 months)	WAVE 2 (18 months)	WAVE 3 (42 months)	WAVE 1 (6 months)	WAVE 2 (18 months)
Earned Income (% receiving)					
Preferential Family/Family	30	41	49	41	53
Concessional Family/ Skilled Australian Linked	42	62	75	65	81
Business Skills & Employer Nomination Scheme	53	67	75	52	68
Independent	52	69	80	71	75
Humanitarian	8	25	43	7	19
Total (a)	33	47	57	51	61
Investment Income (% receiving)					
Preferential Family/Family	19	19	24	15	18
Concessional Family/ Skilled Australian Linked	23	25	21	32	30
Business Skills & Employer Nomination Scheme	41	42	48	48	55
Independent	31	34	36	29	35
Humanitarian	2	3	3	0	2
Total (a)	20	21	24	22	26
Unemployment/Special Benefits (% receiving)					
Preferential Family/Family	14	11	14	4	6
Concessional Family/ Skilled Australian Linked	21	15	8	(b)	2
Business Skills & Employer Nomination Scheme	0	2	1	(b)	(b)
Independent	19	10	2	(b)	(b)
Humanitarian	75	46	29	51	40
Total (a)	25	17	13	6	7

Family Benefits (% receiving)					
Preferential Family/Family	8	14	28	3	9
Concessional Family/ Skilled Australian Linked	24	27	34	19	24
Business Skills & Employer Nomination Scheme	11	14	16	4	7
Independent	20	23	25	16	20
Humanitarian	27	26	32	24	23
Total (a)	15	19	28	11	15
Other Govt Benefits (% receiving)					
Preferential Family/Family	8	18	13	3	5
Concessional Family/ Skilled Australian Linked	9	20	6	7	5
Business Skills & Employer Nomination Scheme	2	9	1	1	1
Independent	11	19	4	8	5
Humanitarian	24	38	24	52	55
Total (a)	11	22	12	9	9

(a) Total is for all migrants represented in this table. Percentages have been rounded and this may result in some slight inconsistency in totals across categories. (b) Sample size too small for reliable estimation to be made.

for this group must be weighed against their needs for a range of intensive support early after arrival.

Level of income

Income level is also a sign of economic wellbeing and indicates, to some degree, the ability of new arrivals to meet their needs for housing, food, transport and other goods and services. Table 4.7 shows the weekly median income received by primary applicants indexed to 2001 prices. Across the cohorts, the average median income at eighteen months after arrival increased from \$287 for Cohort 1 to \$433 for Cohort 2. The biggest change was the higher proportion of migrants receiving incomes in the top income bracket, with a higher proportion of people employed in positions that generated a substantial weekly income.³

There was a distinct difference in the experience of migrants in the separate visa categories. For example, at eighteen months after arrival, the weekly median income for primary applicants in the Independent category had increased from \$650 in Cohort 1 to \$730 in Cohort 2. Primary applicants under the family stream had a more modest increase in median weekly income across the cohorts, from \$185 at eighteen months for Cohort 1 to \$224 at eighteen months for Cohort 2. For these migrants, it appears that the greater reliance of Cohort 2 on wages

³ S Richardson, L Miller-Lewis, P Ngo & D Ilsey, *The Settlement Experiences of New Migrants: Report to the Department of Immigration and Multicultural and Indigenous Affairs*, National Institute of Labour Studies, Adelaide, 2002, p.31.

Table 4.7: Weekly median income (\$), indexed to 2001 prices LSIA1 and LSIA2, All Waves by Visa Category

Primary Applicants	LSIA 1 (Cohort 1)			LSIA 2 (Cohort 2)	
	WAVE 1 (6 months)	WAVE 2 (18 months)	WAVE 3 (42 months)	WAVE 1 (6 months)	WAVE 2 (18 months)
Median weekly income (2001 prices)					
Preferential Family/Family	100	185	277	58(a)	224
Concessional Family/Skilled Australian Linked	308	473	568	411	574
Business Skills & Employer Nomination Scheme (b)	922	939	1010	993	949
Independent	511	650	822	680	730
Humanitarian	176	217	269	182	204
Total (c)	171	287	383	247	433

(a) This is an average figure across all family visa classes. The reduction in income at the six month stage appears to have primarily affected migrants in the spouse sub-classes, especially the provisional spouse sub-class; other visa classes in the family stream had a similar or higher income than LSIA 1 at this stage. (b) The drop in median income for 'Business Skills & Employer Nomination Scheme' primary applicants between LSIA2 wave 1 and LSIA2 wave 2 reflects proportionately higher loss of sample in higher income ranges for the 'Business Skills' sub-group. The bulk of this loss reflects persons 'overseas temporarily' at time of wave 2 interview. (c) Total is for all migrants represented in this table.

Table 4.8: Type of housing tenure LSIA1 and LSIA2, All Waves by Visa Category

Primary Applicants	LSIA 1 (Cohort 1)			LSIA 2 (Cohort 2)	
	WAVE 1 (6 months)	WAVE 2 (18 months)	WAVE 3 (42 months)	WAVE 1 (6 months)	WAVE 2 (18 months)
Own or paying off (%)					
Preferential Family/Family	14	25	39	19	30
Concessional Family/ Skilled Australian Linked	9	23	43	11	29
Business Skills & Employer Nomination Scheme	29	49	63	41	63
Independent	5	20	39	11	27
Humanitarian	(b)	4	12	(b)	6
Total (a)	11	22	36	16	29

Renting privately (%)					
Preferential Family/Family	41	42	37	42	45
Concessional Family/ Skilled Australian Linked	48	56	47	48	53
Business Skills & Employer Nomination Scheme	55	44	29	45	30
Independent	73	70	54	76	69
Humanitarian	60	70	63	73	73
Total (a)	50	52	44	54	53
Rent from government (%)					
Preferential Family/Family	4	5	5	3	4
Concessional Family/ Skilled Australian Linked	(b)	1	2	(b)	(b)
Business Skills & Employer Nomination Scheme	(b)	(b)	(b)	(b)	(b)
Independent	(b)	1	1	(b)	(b)
Humanitarian	7	8	13	11	13
Total (a)	4	4	5	3	3
Rent free - family/other (%)					
Preferential Family/Family	28	16	10	26	15
Concessional Family/ Skilled Australian Linked	25	9	3	29	10
Business Skills & Employer Nomination Scheme	7	(b)	2	9	4
Independent	8	4	3	6	1
Humanitarian	13	6	5	9	4
Total (a)	21	12	7	19	10
Other (%)					
Preferential Family/Family	13	12	9	10	6
Concessional Family/ Skilled Australian Linked	17	10	5	13	7
Business Skills & Employer Nomination Scheme	8	7	6	5	4
Independent	14	6	3	7	3
Humanitarian	20	12	8	7	5
Total (a)	14	11	7	9	5

(a) Total is for all migrants represented in this table. Percentages have been rounded and this may result in some slight inconsistency in totals across categories. (b) Sample size too small for reliable estimation to be made.

Table 4.9: English language proficiency LSIA1 and LSIA2, All Waves by Visa Category

Primary Applicants and Migrating Unit Spouses	LSIA 1 (Cohort 1)			LSIA 2 (Cohort 2)	
	WAVE 1 (6 months)	WAVE 2 (18 months)	WAVE 3 (42 months)	WAVE 1 (6 months)	WAVE 2 (18 months)
English is best or only language spoken(%)					
Preferential Family/Family	31	32	33	28	32
Concessional Family/Skilled Australian Linked	40	40	39	55	62
Business Skills & Employer Nomination Scheme	48	53	52	40	42
Independent	45	46	46	55	61
Humanitarian	0	1	1	1	1
Total (a)	31	31	31	38	42
English is spoken 'Very Well' (%)					
Preferential Family/Family	9	11	10	10	11
Concessional Family/Skilled Australian Linked	11	11	13	12	14
Business Skills & Employer Nomination Scheme	12	9	11	12	11
Independent	17	18	21	19	17
Humanitarian	4	5	8	3	6
Total (a)	10	11	12	12	13

rather than on government payments had a positive effect on income levels.

However, humanitarian entrants experienced a decrease in weekly median income between the cohorts, reflecting the lower proportion of these migrants receiving some form of earned income. At eighteen months, the weekly median income for Cohort 2 humanitarian entrants was \$204, a drop from the \$217 earned by Cohort 1.

Housing

Finding somewhere to live is a basic settlement requirement and the speed and ease with which new arrivals find appropriate

accommodation are indicators of economic wellbeing.

The vast majority of migrants surveyed in the LSIA reported that they stayed with Australian residents immediately upon arrival.⁴ Table 4.8 shows that within six months, the private rental market became the most significant form of housing tenure, but by eighteen months, some of those who were renting had moved into paying off or owning

⁴ A Beer & S Morphett, *The Housing and Other Service Needs of Recently Arrived Immigrants*, Australian Housing and Urban Research Institute, Melbourne, 2002, p.11.

English is spoken 'Well' (%)					
Preferential Family/Family	20	23	27	19	24
Concessional Family/Skilled Australian Linked	24	30	32	23	19
Business Skills & Employer Nomination Scheme	16	19	20	22	24
Independent	26	28	28	19	18
Humanitarian	16	31	41	15	29
Total (a)	21	26	30	19	22
English is spoken 'Not Well' (%)					
Preferential Family/Family	25	27	23	30	26
Concessional Family/Skilled Australian Linked	20	18	16	9	5
Business Skills & Employer Nomination Scheme	18	16	15	21	21
Independent	11	8	4	7	3
Humanitarian	54	53	43	56	52
Total (a)	26	26	22	22	19
English is spoken 'Not at All' (%)					
Preferential Family/Family	15	7	7	13	8
Concessional Family/ Skilled Australian Linked	5	1	1	1	0
Business Skills & Employer Nomination Scheme	6	3	2	6	2
Independent	0	0	1	0	0
Humanitarian	26	10	7	25	11
Total(a)	12	6	5	8	4

(a) Total is for all migrants represented in this table. Percentages have been rounded and this may result in some slight inconsistency in totals across categories.

a home. Overall, Cohort 2 arrivals had significantly higher levels of home ownership than Cohort 1. Migrants under the Business Skills and Employer Nomination Scheme categories in Cohort 2 had the highest rate of home ownership, with around 63% owning or paying off a home eighteen months after arrival.

Public rental appears not to be a significant tenure for new arrivals generally. Less than 5% of new arrivals in both cohorts were living in public housing at six months after arrival.

However, humanitarian entrants were substantially more reliant on public housing than any other visa category, and this increased from 8% at eighteen months in Cohort 1 to 13% in at eighteen months for Cohort 2. The vast majority of humanitarian entrants not in public housing were concentrated in the private rental market.

Some of the issues for newly-arrived migrants in accessing accommodation were highlighted in the pilot client survey. These included difficulties in finding appropriate and

affordable accommodation; overcrowding, especially in the case of humanitarian entrants living with proposers; and dissatisfaction with public housing. Accommodation problems were particularly evident for humanitarian entrants, who were more likely to be dependent on social security and to have lower levels of income.

The pilot client survey also found evidence that discrimination against some migrants was an underlying barrier to finding somewhere to live. One service provider involved in the study noted that Serbian refugees, as white Europeans, were favoured over African families in the private rental market. It noted that some new arrivals had characteristics that compounded their accommodation difficulties. For instance, many sponsored humanitarian entrants from African countries had large families and there was a general shortage of four or five bedroom houses for rental.

This issue, coupled with social discrimination and pressures on the housing market in rapidly growing urban areas, left some migrants feeling frustrated. Migrant communities with larger families living in regional areas experienced similar difficulties, as large houses were expensive on the private rental market and almost non-existent on the public market.⁵

The level of housing stress, or the proportion of family income spent on accommodation, is also an important indicator of economic wellbeing. Housing stress is generally measured in terms of having to pay more than 40% of gross income in rent or mortgage payments. Around 18% of Cohort 2 families reported housing payments that indicated housing stress, with this figure rising to 29% for humanitarian entrants.⁶

Social participation

English proficiency

Studies based on the LSIA data indicate that English proficiency and the capacity to learn

English are key factors in enabling new arrivals to enjoy positive experiences against the range of settlement indicators. Conversely, the inability to speak English places restrictions on full social and economic participation in Australian society and this in turn exercises an impact on economic and physical wellbeing.⁷

Comments from migrants involved in the pilot client survey support the importance of English language proficiency in the settlement process. Many identified a lack of English language skills as a key difficulty when they first arrived in Australia and noted that even everyday tasks such as opening a bank account or obtaining a driver's licence were difficult. The survey noted that some migrants spoke of feeling useless because they did not know how to go about these tasks and were unable to explain their needs.⁸

Table 4.9 shows the levels of English language proficiency for Cohorts 1 and 2. It indicates that levels of English proficiency improve with length of residence in Australia, and that overall, new arrivals from Cohort 2 possessed significantly higher levels of English proficiency. For Cohort 1, 68% of migrants assessed themselves as speaking English only, or speaking it best, very well or well at eighteen months after arrival. This increased to 77% for Cohort 2.

While the readjusted Migration Program has increased overall proficiency, family stream migrants and humanitarian entrants generally have lower levels of English language proficiency as they are not selected on the basis of their English language skills. Across the cohorts, around 40% of family entrants

⁵ Urbis Keys Young, *Client Survey*, p.11.

⁶ Richardson, Robertson & Ilsey, *Life in a New Land*, p. 41.

⁷ Khoo & MacDonald, *Settlement Indicators and Benchmarks*, p.4.

⁸ Urbis Keys Young, *Client Survey*, p.13.

**Table 4.10: Satisfaction with life in Australia LSIA1 and LSIA2,
All Waves by Visa Category**

Primary Applicants and Migrating Unit Spouses	LSIA 1 (Cohort 1)			LSIA 2 (Cohort 2)	
	WAVE 1 (6 months)	WAVE 2 (18 months)	WAVE 3 (42 months)	WAVE 1 (6 months)	WAVE 2 (18 months)
Very satisfied or satisfied with life in Australia (%)					
Preferential Family/Family	91	90	93	92	95
Concessional Family/Skilled Australian Linked	85	87	90	85	93
Business Skills & Employer Nomination Scheme	90	88	91	97	96
Independent	86	86	92	91	93
Humanitarian	93	91	92	93	93
Total (a)	89	89	92	92	94
Neither satisfied nor dissatisfied with life in Australia (%)					
Preferential Family/Family	8	9	6	7	4
Concessional Family/Skilled Australian Linked	13	12	8	13	7
Business Skills & Employer Nomination Scheme	8	10	8	3	3
Independent	13	12	7	7	5
Humanitarian	7	8	7	6	5
Total (a)	9	10	7	7	5
Dissatisfied with life in Australia (%)					
Preferential Family/Family	1	2	1	1	1
Concessional Family/Skilled Australian Linked	2	2	1	2	0
Business Skills & Employer Nomination Scheme	2	2	2	0	1
Independent	1	2	1	2	2
Humanitarian	1	1	1	1	2
Total (a)	1	2	1	1	1

(a) Total is for all migrants represented in this table. Percentages have been rounded and this may result in some slight inconsistency in totals across categories.

and 80% of humanitarian entrants reported that they either did not speak English well or did not speak English at all six months after arrival. These migrants are a significant client group for DIMIA's AMEP tuition.

Eighteen months after arrival, the proportion of family stream migrants and humanitarian entrants who reported not speaking English at all dropped significantly and the proportion of those who assessed themselves as speaking English well increased. For example, among Cohort 2 humanitarian entrants, the proportion who reported having no English skills at all dropped from 25% to 11% between six and eighteen months after arrival, while those who assessed themselves as speaking English well increased over the same period from 15% to 29%. This indicates that these entrants were experiencing considerable success in learning English in the early settlement period.

Satisfaction with life in Australia

Asking new arrivals about their satisfaction with life in Australia also provides further insight into social wellbeing. In general, both LSIA cohorts were satisfied with their lives in Australia. As table 4.10 indicates, around 90% of new arrivals in all waves of both cohorts stated that they were satisfied or very satisfied with their lives in Australia. Cohort 2 appeared to have marginally higher satisfaction levels than Cohort 1. At both six months and eighteen months after arrival, 89% of Cohort 1 reported being satisfied or very satisfied, while 92% of Cohort 2 reported being satisfied or very satisfied at six months after arrival, rising to 94% at eighteen months. For Cohort 2, the most satisfied of all new arrivals were the business migrants.

Accepting the statistical limitations of the issue of personal satisfaction and any 'honeymoon' effects for new arrivals, most of

these new arrivals were pleased that they made the choice to migrate to Australia and felt that many of their expectations had been met. This included humanitarian entrants, who despite their more difficult circumstances pre-arrival, and generally poorer employment outcomes, were clearly satisfied with their new life in Australia.

Australian citizenship

The take-up rates for Australian citizenship are an important indicator of social participation. Citizenship represents a commitment to Australia and its people and indicates that a migrant has a sense of belonging to a country. Citizenship status also confers rights such as the right to vote that enable greater participation in Australian society.

The great majority of new arrivals intend to become Australian citizens. Most apply for citizenship soon after they become eligible. As is shown in table 4.11, among both LSIA cohorts this tendency was strongest among humanitarian entrants and weaker for business migrants. However, across all visa categories, the proportion of new arrivals who had taken or planned to take citizenship increased over the early settlement period. This suggests that their experiences in the early settlement period had a positive impact on their desire to become Australian citizens.

Among these new arrivals, the major motivations for taking citizenship included: the desire to stay in Australia permanently; to feel a sense of belonging in Australia; to have all the rights of an Australian; to be able to vote; to be able to raise their children in Australia; and a liking for Australia. The most prominent reason for not taking Australian citizenship among both cohorts was a wish to retain the citizenship of their former country of origin.

**Table 4.11: Australian citizenship intentions LSIA1 and LSIA2,
All Waves by Visa Category**

Primary Applicants and Migrating Unit Spouses	LSIA 1 (Cohort 1)			LSIA 2 (Cohort 2)	
	WAVE 1 (6 months)	WAVE 2 (18 months)	WAVE 3 (42 months)	WAVE 1 (6 months)	WAVE 2 (18 months)
Australia citizen or intends to be Australian citizen (%)					
Preferential Family/Family	76	79	84	73	79
Concessional Family/Skilled Australian Linked	85	90	93	87	92
Business Skills & Employer Nomination Scheme	67	73	80	64	72
Independent	78	82	89	81	85
Humanitarian	97	98	100	98	98
Total (a)	80	83	88	78	84
Does not intend to be Australian citizen (%)					
Preferential Family/Family	8	10	8	10	9
Concessional Family/Skilled Australian Linked	3	3	2	3	1
Business Skills & Employer Nomination Scheme	8	9	9	5	6
Independent	3	4	5	6	5
Humanitarian	#	0	(b)	(b)	(b)
Total (a)	5	6	6	7	6
Don't know/undecided intention on being Australian citizen (%)					
Preferential Family/Family	16	11	8	17	11
Concessional Family/Skilled Australian Linked	11	8	4	11	7
Business Skills & Employer Nomination Scheme	24	18	12	31	23
Independent	18	14	7	13	10
Humanitarian	3	1	(b)	2	2
Total (a)	14	10	6	15	10

(a) Total is for all migrants represented in this table. Percentages have been rounded and this may result in some slight inconsistency in totals across categories. (b) Sample size too small for reliable estimation to be made.

Table 4.12: Recent health status - All Waves by Sex LSIA1 and LSIA2 (health status self assessed)

Primary applicants and MU Spouses	LSIA 1 (Cohort 1)			LSIA 2 (Cohort 2)	
	WAVE 1 (6 months)	WAVE 2 (18 months)	WAVE 3 (42 months)	WAVE 1 (6 months)	WAVE 2 (18 months)
Recent health of 'Very Good' or 'Good' (%)					
Male	94	90	87	93	94
Female	87	83	80	91	89
Total (a)	90	86	83	92	91

(a) Total is for all migrants represented in this table.

Table 4.13: Recent health status - All Waves by English speaking proficiency LSIA1 and LSIA2 (health status self assessed)

Primary applicants and MU Spouses	LSIA 1 (Cohort 1)			LSIA 2 (Cohort 2)	
	WAVE 1 (6 months)	WAVE 2 (18 months)	WAVE 3 (42 months)	WAVE 1 (6 months)	WAVE 2 (18 months)
Recent health of 'Very Good' or 'Good' (%)					
Good English Proficiency	94	90	88	95	94
Low English Proficiency	84	77	70	85	82
Total (a)	90	86	83	92	91

(a) Total is for all migrants represented in this table.

Table 4.14: Recent health status - Humanitarian entrants, All Waves by English speaking proficiency LSIA1 and LSIA2 (health status self assessed)

Primary applicants and MU Spouses	LSIA 1 (Cohort 1)			LSIA 2 (Cohort 2)	
	WAVE 1 (6 months)	WAVE 2 (18 months)	WAVE 3 (42 months)	WAVE 1 (6 months)	WAVE 2 (18 months)
Recent health of 'Very Good' or 'Good' (%)					
Good English Proficiency	93	90	84	87	86
Low English Proficiency	80	70	61	71	58
Total (a)	83	77	73	74	68

(a) Total is for all migrants represented in this table.

Physical wellbeing

LSIA data shows that better health is correlated with improvements in English language skills and gaining employment. Since English proficiency and employment are both associated with positive settlement outcomes, physical wellbeing is an important overall factor in the settlement process.⁹

Physical health status

The data for Cohort 1 showed a decline in the health of new arrivals over the early period of settlement. Table 4.12 indicates that overall, Cohort 2 appear to have arrived with slightly better health and to have maintained this level over the first eighteen months.

A number of other variables such as English proficiency and visa category appear to correlate with health outcomes. Table 4.13 shows that new arrivals among both cohorts with low English proficiency were less likely to assess themselves as being in very good or good health and their health issues increased over time. While the correlation may be at least partly a function of the health systems of their countries of birth, new arrivals with lower English proficiency were clearly more likely to face problems with their health.

Humanitarian entrants reported the poorest health outcomes of all new arrivals. In Cohort 2, they also reported significantly poorer health than their Cohort 1 counterparts. Table 4.14 shows that the proportion of Cohort 1 humanitarian entrants reporting less than good health rose across time, from 17% at six months after arrival, to 23% at eighteen months and rising to 27% at forty-two months. Amongst Cohort 2 humanitarian entrants, 26% reported less than good health at six months after arrival and this increased to 32% reporting less than good health at eighteen months. Where entrants suffered multiple settlement disadvantages, such as refugee background and low English

proficiency, they were especially vulnerable to poorer health outcomes.

Mental health status

Measures of physical wellbeing need to include consideration of psychological wellbeing. *The Settlement Experiences of New Migrants* report notes that moving to a new country involves at least nineteen of the forty-three life changes considered to be the most stressful, such as changes in employment and family contact. It is to be expected, therefore, that a significant number of new arrivals would show signs of stress and depression in the early settlement period. Table 4.15 indicates that more than a quarter of new arrivals (26%) in both LSIA cohorts displayed symptoms of significant psychological distress at six months after arrival. By comparison, only 8% of the general Australian population have been found to have psychological distress of a similar level.¹⁰

Humanitarian entrants were much more likely to display psychological distress than other groups of migrants. This is not surprising given the circumstances of their arrival in Australia. This was particularly the case for Cohort 2 entrants, 50% of whom displayed symptoms of significant psychological distress at six months after arrival, increasing to 52% at eighteen months after arrival. Given that good health is correlated with positive outcomes under other settlement indicators, poor health posed a major challenge for a significant number of new arrivals, and especially for humanitarian entrants.

The need for further research

This analysis of the experiences of migrants in the initial settlement period indicates that

⁹ Khoo & MacDonald, *Settlement Indicators and Benchmarks*, p. v.

¹⁰ Richardson, Miller-Lewis, Ngo & Ilsey, *The Settlement Experiences of New Migrants*, p. 25.

Table 4.15: Recent mental health status LSIA1 and LSIA2, All Waves by Visa Category

Primary applicants and MU Spouses	LSIA 1 (Cohort 1)			LSIA 2 (Cohort 2)	
	WAVE 1 (6 months)	WAVE 2 (18 months)	WAVE 3 (42 months)	WAVE 1 (6 months)	WAVE 2 (18 months)
Significant Stress (%) (a)					
Preferential Family/Family	22	20	24	22	16
Concessional Family/SAL	29	24	20	32	18
Business Skills & Employer Nomination Scheme	21	25	23	15	11
Independent	29	24	25	26	28
Humanitarian	33	33	36	50	52
Total (b)	26	24	26	26	23

(a) This uses the threshold method for identifying those experiencing significant stress. This is the method by Professor Sue Richardson in the publication, *Life in a New Land*. (b) Total is for all migrants represented in this table.

humanitarian entrants tend to find it more difficult to establish themselves in Australia and their progress towards full and active economic participation is slower than for other groups of migrants. It appears that pre-arrival factors have had a strong influence on the ease and speed of settlement for the most recent group of humanitarian entrants, although how these factors will affect longer-term outcomes for this group is not yet clear. In this context, further research on the settlement experiences and outcomes for newly-arrived humanitarian entrants would contribute to a better understanding of the patterns of settlement experience for this group, and the interplay of factors affecting longer-term settlement outcomes.

The LSIA data provides extensive information about the settlement experiences of migrants and humanitarian entrants but is limited to the first eighteen months after arrival in Australia. During this period, skilled and family stream migrants appear to be well on their way to successful settlement. However,

it is clear from the same data that eighteen months is only the beginning of the settlement period for humanitarian entrants. LSIA 1 interviewed humanitarian entrants a third time at forty-two months but even at this point humanitarian entrants had an unemployment rate of 32%. Even after ten years in Australia, research indicates that a relatively high proportion of humanitarian entrants are dependent on government payments as their main source of income.¹¹

Better information is needed to track the progress of humanitarian entrants during their first years in Australia. DIMIA is considering a range of ways in which this information could be gathered. Possibilities include existing longitudinal surveys such as the Household, Income, Labour Dynamics Australia survey administered by the Department of Family and Community

¹¹ Khoo & MacDonald, *Settlement Indicators and Benchmarks*, p. 68.

Services which tracks households over many years, Labour Force and other cross sectional surveys conducted by the Australian Bureau of Statistics and other more specific surveys administered by DIMIA itself.

Recommendation 2

That further research be undertaken on the settlement experiences of newly-arrived humanitarian entrants against the indicators for successful settlement.

Longer-term settlement outcomes

Indicators of longer-term settlement outcomes for migrants as a whole show that outcomes generally improve with length of residence. A number of indicators show that migrants overall achieve outcomes similar to the Australian-born population within a time frame of about ten years.¹²

However, there are marked differences between new arrivals' settlement experiences and some migrants require more intensive support and a longer period of time to establish themselves. There are also differences in longer-term outcomes for different communities, with some communities experiencing highly positive outcomes, while other communities struggle with outcomes significantly below national averages.

This is evident in, for example, migrant unemployment rates available from Labour Force Australia data. In February 2003, Australian-born residents had an unemployment rate of 6.6%, with a slightly higher unemployment rate for overseas-born residents of 6.8%. Some migrant communities, such those from Greece (2.4%), the Netherlands (2.8%), Italy (3.9%), the United Kingdom and Ireland (5.2%), and New Zealand (6.3%) had lower unemployment

rates than the Australian-born average. However, migrants from the Middle East and North Africa had double the Australian-born unemployment rate at 13.6%, and those from Viet Nam (10.4%), the republics that made up the former Yugoslavia (10.0%) and China (9.1%) also experienced high unemployment rates.¹³ Against this economic participation indicator, it appears that migrants from English speaking countries or longer-resident communities were faring better than arrivals from refugee backgrounds and some newly-emerging communities. However, further research is needed in this area, as outlined in recommendation 2 above.

Conclusion

The research examined in this chapter indicates that recency of arrival, visa category and English language proficiency have a significant impact on settlement success. This is evident across a range of economic, social and wellbeing indicators, including labour force outcomes, income levels, post-arrival attainment of English language proficiency, and satisfaction with life in Australia.

Reshaping the Migration Program appears to have had a significant positive impact on the proportion of new arrivals who have high levels of English language proficiency, who are able to find work and participate in the labour force and who are generally satisfied with life in Australia.

However, Humanitarian Program caseload changes, together with the marked differences in outcomes between migrant visa categories overall, highlight the challenges for agencies in supporting new arrivals in their programs and services. The Humanitarian Program

¹² Khoo & MacDonald, *Settlement Indicators and Benchmarks*, p. iii.

¹³ ABS, *Labour Force, Australia - February 2003*, catalogue no. 6203.0, ABS, Canberra, 2003, p. 30.

focuses on those people most at risk and in need of protection, many of whom have experienced profound emotional, physical and psychological distress, and disruptions to their education and working lives. The generally more difficult pre-arrival circumstances of the more recent humanitarian entrants are reflected in poorer outcomes against settlement indicators and more needs to be done to target settlement assistance towards this part of the intake, and to better measure the impact of this assistance.