



Migrants in the NSW Labour Market

Summary

- In the year to October 2007, around 31 per cent of NSW residents aged 15 years and over were born overseas, with almost three quarters of these born in other than the main English speaking countries (OTMESC).
- Migrants from OTMESC accounted for over half the rise in the NSW population between 1996 and 2006 (where the country of birth was known). The rise in the number of migrants from China was around 48,400 or 74 per cent.
- Employed males from OTMESC are less likely to be working full-time than those born in the main English speaking countries (MESC) or Australia. However, females born in OTMESC are more likely to be working full-time than those born in MESC or Australia.
- The unemployment rate of OTMESC migrants has fallen from over 15 per cent in the early 1990s to 5.9 per cent, which is a little higher than those born in Australia (4.8 per cent).
- Persons born in North Africa and the Middle East have the highest unemployment rate (9.8 per cent).
- Labour force participation of OTMESC migrants is higher than in the late 1990s, but remains well below that of other groups.
- Compared to 20 years ago, the participation rate of males born in OTMESC is around eight percentage points lower while for females born in OTMESC the participation rate is around three percentage points higher.
- Just under half (49 per cent) of migrants arrived in Australia with a non-school qualification and 54 per cent of those had their qualification recognised in Australia.

Introduction

The ABS Labour Force Survey indicates that in the year to October 2007, there were 5.5 million persons *aged 15 years and over* in NSW of whom 1.7 million or 31 per cent were born overseas. Migrants born in the main English speaking countries (MESC) comprised nine per cent of the NSW population aged 15 plus while migrants born in other than the main English speaking countries (OTMESC) comprised 22 per cent. The main English speaking countries (apart from Australia) are defined by the ABS as being the UK, Ireland, US, Canada, New Zealand and South Africa.

Population growth

As Table 1 indicates the population of NSW rose by 533,158 or 8.9 per cent between 1996 and 2006. The number of persons whose country of birth was not stated increased by 255,268. Where the country of birth was known, migrants from OTMESC accounted for 55 per cent of the increase in the NSW population. Migrants from OTMESC grew by 16.0 per cent between 1996 and 2006 compared to only 2.8 per cent for migrants from MESC and 2.6 per cent for Australian born.

**Table 1: NSW Persons - Country of Birth
1996, 2001 and 2006 Census**

	1996	2001	2006	Change 1996 to 2006	
				Number	%
Australia	4,394,218	4,450,680	4,507,960	113,742	2.6%
MESC	441,012	455,568	453,508	12,496	2.8%
OTMESC	947,945	1,019,511	1,099,587	151,642	16.0%
Not stated	212,370	385,409	467,638	255,268	120.2%
All persons	5,997,541	6,313,169	6,530,699	533,158	8.9%
<i>Individual countries</i>					
United Kingdom	288,611	275,130	265,322	-23,289	-8.1%
China	65,490	85,363	113,904	48,414	73.9%
New Zealand	87,966	105,708	106,344	18,378	20.9%
Viet Nam	61,148	63,019	63,770	2,622	4.3%
Philippines	47,215	52,241	57,627	10,412	22.1%
India	28,658	37,887	57,036	28,378	99.0%
Lebanon	52,303	53,225	55,756	3,453	6.6%
Italy	66,090	60,657	55,135	-10,955	-16.6%
Hong Kong	38,886	37,543	38,307	-579	-1.5%
Greece	41,155	36,882	35,027	-6,128	-14.9%
Korea, Republic of (South)	21,884	27,944	33,173	11,289	51.6%
South Africa	20,925	28,588	32,825	11,900	56.9%
Germany	32,388	31,577	30,853	-1,535	-4.7%
Fiji	22,551	27,083	28,578	6,027	26.7%
Malaysia	20,441	21,065	23,391	2,950	14.4%
Indonesia	17,559	21,011	21,826	4,267	24.3%

In terms of individual countries, migrants from China easily recorded the largest increase in population in the 10 years to 2006 with a rise of 48,414. The next largest

increases were migrants from India (28,378), New Zealand (18,378), South Africa (11,900) and South Korea (11,289).

In terms of percentage increases, migrants from Iraq recorded the largest rise with 117 per cent or 11,080 persons. The second highest was India (99 per cent) then China (74 per cent), Thailand (63 per cent or 4,725 persons), Bosnia and Herzegovina (58 per cent or 2,642 persons), and South Africa (57 per cent).

Employment

In the year to October 2007, 57 per cent of migrants aged 15 years and over were employed, compared to 63 per cent of those born in Australia. For migrants from MESC the proportion employed was 64 per cent and for migrants from OTMESC the proportion was 54 per cent.

The proportion of employed males who are working full-time (35 or more hours per week) is the highest for those born in MESC followed by Australian born and then those born in OTMESC (see Table 2). For employed females, those born in OTMESC have the highest proportion working full-time, followed by those born in MESC and then Australian born.

**Table 2: Proportion of Employed Persons Working Full-time,
Year to October 2007**

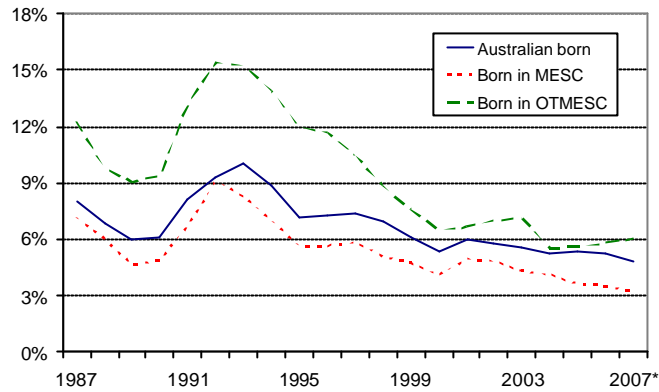
	Males	Females	Persons
Australian born	85%	54%	71%
Born in MESC	89%	59%	76%
Born in OTMESC	81%	65%	74%
Total	85%	56%	72%

Source: ABS Labour Force Survey, unpublished data

Unemployment

Over the past 20 years the unemployment rate for MESC migrants has been consistently lower than for Australian born persons which in turn have been lower than those of OTMESC migrants (see Chart 1). The differential between rates of OTMESC migrants and those of the other two groups was greatest with the recession in the early 1990s when the unemployment rate of OTMESC migrants exceeded 15 per cent. However since then the unemployment rate of OTMESC migrants has declined significantly and by 2004 the rate for OTMESC migrants was almost the same as those born in Australia.

In the year to October 2007, the average unemployment rate for OTMESC migrants was 5.9 per cent compared to a rate of 4.8 per cent for Australian born and 3.1 per cent for MESC migrants.

Chart 1: Unemployment Rates – Annual Averages

*2007 figure is the 10 months to October 2007

Source: ABS Labour Force Survey, unpublished data

Table 3 shows the unemployment rates and participation rates for persons from various regions and countries. Persons born in North Africa and the Middle East have the highest unemployment rate and the second lowest participation rate while those born in Southern and Eastern Europe recorded the lowest labour force participation. Persons born in the regions of Oceania and Antarctica, Southern and Central Asia and Sub-Saharan Africa recorded above average labour force participation.

**Table 3: Unemployment and Participation Rates
By Birthplace, Year to October 2007**

	Unemployment Rate	Participation Rate
Australia born	4.8%	66.1%
Born overseas	5.1%	59.9%
Oceania and Antarctica	4.3%	75.2%
New Zealand	3.6%	76.8%
Rest of Oceania and Antarctica	5.5%	72.5%
North-West Europe	3.5%	57.5%
UK and Ireland	3.3%	60.2%
Germany	9.6%	43.3%
Netherlands	3.8%	48.1%
Rest of North-West Europe	3.3%	54.4%
Southern and Eastern Europe	4.3%	41.1%
Italy	3.7%	31.9%
Greece	5.9%	24.6%
Former Yugoslav Republic	5.1%	50.9%
Rest of Southern and Eastern Europe	3.8%	46.9%
North Africa and the Middle East	9.8%	48.1%
Lebanon	8.4%	44.7%
Rest of North Africa and the Middle East	10.6%	50.4%
South-East Asia	5.8%	70.4%
Viet Nam	8.1%	64.0%
Malaysia	3.7%	78.2%
Philippines	6.5%	77.9%
Rest of South-East Asia	4.4%	66.5%
North-East Asia	5.8%	59.0%
China (excludes SARs and Taiwan Province)	7.4%	57.7%
Rest of North-East Asia	3.6%	60.9%
Southern and Central Asia	6.2%	75.2%
India	6.7%	76.7%
Rest of Southern and Central Asia	5.5%	73.4%
Americas	4.1%	71.4%
Sub-Saharan Africa	3.0%	76.5%

Source: ABS Labour Force Survey, unpublished data

For migrants, likelihood of obtaining employment rises with increased English language skills, length of residence and education.

For persons born in some countries the low participation rate is a reflection of their older age profile. For example, the proportion of persons aged 15 years and over who are at least 65 is 51 per cent for those born in Italy and 46 per cent for those born in Greece. In contrast the proportions are only 17 per cent for all persons and 19 per cent for all migrants.

The data in Table 3 are for persons aged 15 years and over while Table 4 shows the unemployment rates and participation rates for persons aged 15 to 64 for birthplace regions (data for individual countries are not available). For persons aged 15 to 64,

migrants from North Africa and the Middle East have the lowest participation rates, followed by migrants from Southern and Eastern Europe and North-East Asia.

**Table 4: Unemployment and Participation Rates
By Birthplace Region, Persons Aged 15 to 64,
Year to October 2007**

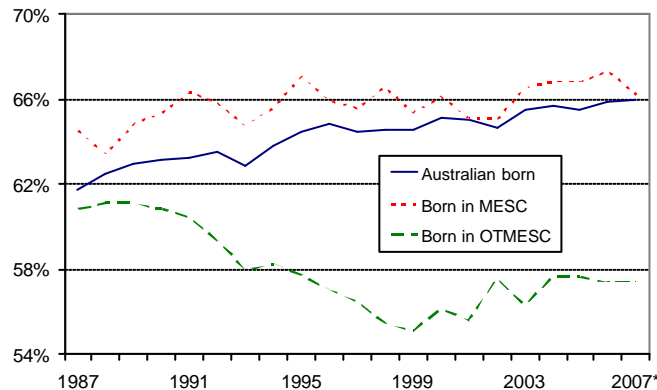
	Unemployment Rate	Participation Rate
Australia	4.9%	76.4%
Oceania and Antarctica	4.3%	80.9%
North-West Europe	3.6%	75.6%
Southern and Eastern Europe	4.4%	62.6%
North Africa and the Middle East	10.0%	53.2%
South-East Asia	5.8%	75.3%
North-East Asia	5.8%	65.1%
Southern and Central Asia	6.3%	79.6%
Americas	4.1%	78.4%
Sub-Saharan Africa	3.1%	82.5%
Total	4.9%	74.9%

Source: ABS Labour Force Survey, unpublished data

Participation rates

As shown in Chart 2, compared to 20 years ago, the participation rates of Australian born persons and migrants born in MESC are around four to five percentage points higher whereas the participation rate of migrants born in OTMESC is around the same magnitude lower. Between 1999 and 2004 the participation rate of OTMESC migrants moved higher to a greater degree than the other two groups and since 2004 has been fairly flat at just under 58 per cent. In the year to October 2007, the participation rates for Australian born, MESC migrants and OTMESC migrants were 66.1 per cent, 66.4 per cent and 57.5 per cent respectively.

Chart 2: Participation Rates – Annual Averages

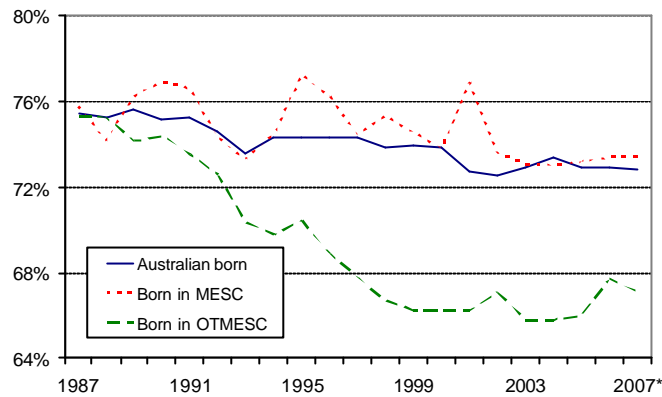


*2007 figure is the 10 months to October 2007

Source: ABS Labour Force Survey, unpublished data

Chart 3 indicates that the male participation rates for all three groups are lower than 20 years ago. For OTMESC migrants the decline has been much more substantial, although the rate was higher in 2006 and 2007 than a few years earlier.

Chart 3: Male Participation Rates – Annual Averages

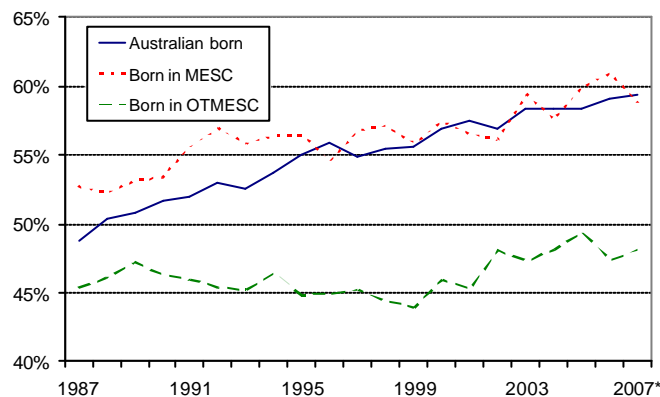


*2007 figure is the 10 months to October 2007

Source: ABS Labour Force Survey, unpublished data

The female participation rates for MESC migrants and Australian born rose strongly between 1987 and 2007 as illustrated in Chart 4. For OTMESC migrants the female participation rate at the end of the 1990s was similar to that in 1987, although since then the rate has generally trended up. In the year to October 2007 the female participation rate for OTMESC migrants was 48 per cent, which was 11 percentage points lower than MESC migrants and Australian born.

Chart 4: Female Participation Rates – Annual Averages



*2007 figure is the 10 months to October 2007

Source: ABS Labour Force Survey, unpublished data

Qualifications

According to national data from the ABS *Labour Force Status and Other Characteristics of Migrants* survey of November 2004, just under half (49 per cent) of migrants arrived in Australia with a non-school qualification. Of these, 57 per cent

arrived with a bachelor degree or higher and 54 per cent had their qualification recognised in Australia.

The proportion who had their qualifications recognised in Australia was 60 per cent for those with a bachelor degree or higher and 49 per cent for those with a certificate qualification.

Migrants with a post school qualification obtained in Oceania and Antarctica and in North West Europe were most likely to have had their qualification formally recognised in Australia (79 per cent and 77 per cent respectively), while those with a qualification obtained in North East Asia and in South East Asia were least likely (40 per cent and 42 per cent respectively).

Note – the November 2007 *Labour Force Status and Other Characteristics of Migrants* survey is scheduled for release in May 2008.

Type of visa

According to national data from the ABS *Labour Force Status and Other Characteristics of Migrants* survey of November 2004, 25 per cent of the migrants to Australia had a temporary visa on the most recent arrival to live in Australia and had obtained a permanent visa by November 2004. The other types of visas on most recent arrival to live in Australia were 21 per cent skilled, 23 per cent family, 4 per cent humanitarian, 2 per cent other, 9 per cent status not determined, and 17 per cent were either born in New Zealand or were citizens of New Zealand before migrating to Australia.

Not surprisingly, migrants with a skilled visa had the lowest unemployment rate (4.2 per cent) and the highest labour force participation (82 per cent).