

# **State of the Nation: Employment**

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## **A Report on people of non-English speaking backgrounds by the Federal Race Discrimination Commissioner Chapter 4 - Employment Introduction**

All studies of postwar Australian immigration agree that employment is the key to successful immigrant settlement in Australia.

The major finding in this chapter is that, while experience varies for different birthplace groups at different times, a disproportionate number of immigrants of non-English speaking background are experiencing unequal labour market outcomes when compared with other immigrants and the Australian born.

While there has been an improvement in some dimensions of immigrant labour market performance over time, immigrants of non-English speaking background are carrying an increasingly inequitable burden of unemployment in the 1990s compared with the 1970s. This is particularly the case for women, young people and refugees. In short, the gap in unemployment rates between the Australian born and those born in non-English speaking countries has widened considerably in the last 20 years. The needs of the second generation cannot be overlooked either, and examples in this chapter of discrimination on the basis of visible difference and non-Anglicised names provide some evidence of this.

Unequal labour market outcomes raise the questions of whether the labour market is meritocratic and fairly reflects differing abilities or whether racial discrimination is playing a role in determining immigrant labour market outcomes. There is evidence of the latter and this is presented in this chapter. Moreover, changes in industrial relations and vocational education and training hold the potential for newer, more subtle forms of discrimination to emerge in coming years. The trend of increasing discrimination of an indirect nature is cause for concern. These developments, if left unchecked, may prevent people of non-English speaking background from taking job opportunities appropriate to their abilities.

This chapter begins with a review of some of the literature on the labour market and immigrants of non-English speaking background in Australia and discusses the issue of labour market disadvantage. The following section provides a statistical overview of employment, unemployment and labour market participation in the past two decades. Next, there is consideration of the inter-relationship of race discrimination with Labour Market Programs, trade unions, and private and public sector employment. Additionally, there is discussion of some key policy initiatives in the area of enterprise bargaining. A discussion of the factors that inhibit research on racial discrimination follows, together with a section on the need for further research and investigation of the complexities of racial discrimination. The concluding section considers the future directions for policy and research and makes recommendations to resolve the problems identified.

## **The literature on the labour market and immigrants in Australia**

### **Questions of labour market disadvantage**

From being a relatively unresearched area, labour market studies of immigrants proliferated rapidly from the late 1970s onwards. Since 1975 the literature on employment and unemployment has gone through a fairly pronounced shift. At the beginning of the 1980s it was still possible to dispute that there was, in fact, any long-term structural disadvantage affecting workers of non-English speaking background, although it should be noted that some commentators, as early as 1978, were drawing attention to the disproportionate burden of unemployment carried by people of non-English speaking background (Matheson, in Bowen 1978, p. 195).

The key authors on industry restructuring were Stricker and Sheehan (1981), who argued that in the late 1970s the concentration of migrants in the contracting manufacturing sector and their under-representation in expanding sectors, as well as their inability to transfer between these sectors, represented a worsening employment market for this group.

These findings were questioned by others, most notably Kriegler and Sloan (1984) and Bonnell and Dixon (1982). The latter used an econometric model to examine Stricker and Sheehan's hypothesis and found that: Apart from the statistics for 15-19 year olds, there was little evidence suggesting a deterioration in the labour market position of migrants relative to non-migrants, (1982, p. 19).

These findings were criticised by, among others, Morrissey and Trompf (1986) and Issaris et al. (1986), who argued that with disaggregated data Bonnell and Dixon did, in fact, show substantial workplace displacement resulting from structural change for particular birthplace groups. Issaris et al. pointed out that Bonnell and Dixon's own calculation for 1971-76

showed that structural change had, for example, eliminated 5.9 per cent of jobs held by those born in former Yugoslavia. Issaris et al. also argued that most of Bonnell and Dixon's analysis concentrated on the period 1971 to 1976 and that the section dealing with the period after 1976 distinguished only between Australian born and all overseas born rather than Australian born and those born in non-English speaking countries.

Using 1971 and 1976 Census data, Collins (1978) argued that the Australian labour market was segmented along the lines of gender, ethnicity and Aboriginality. In other words, there were six segments of the Australian labour market: males born in Australia and the major English speaking countries; males of non-English speaking background; females born in Australia and the major English speaking countries; females of non-English speaking background; Aboriginal men; and Aboriginal women. The exception to this rule was immigrants born in Northern European countries, who tended to demonstrate a labour market profile similar to that of the Australian born.

Each segment was very different, with workers born in Australia and immigrants of an English speaking background over-concentrated in the best, highest paid jobs in the male and female labour markets. Males born in Australia and the major English speaking countries dominated what Piore (1979) called the 'primary' labour market: that is, well-paid jobs requiring significant education and training and with good conditions, considerable autonomy and access to career paths. Their female counterparts were usually at the bottom rung in this primary labour market. In contrast, males and females of non-English speaking background tended to be over-concentrated in semi-skilled and unskilled jobs in the blue collar sector, or 'secondary' labour market where tasks were monotonous, autonomy non-existent, pay low, conditions bad, and promotion prospects limited (Lever-Tracy & Quinlan 1988).

Once in the secondary sector of the labour

market, immigrants of non-English speaking background have tended to be stuck there, regardless of their subsequent Australian education and training (Chapman & Iredale 1990). As Turpin put it, 'segmentation in the labour market has the effect of placing culturally distinct waves of migrants in the least desirable occupational structures, making it difficult for them to break out of this employment pattern' (1986, p. 22). Despite changes to Australian immigration intakes in the last two decades, these patterns of labour market segmentation have proved very resilient. Immigrant workers from non-English speaking backgrounds have found it hard to break the 'factory fodder' stereotype, despite being better qualified than their counterparts of the first three postwar decades (Castles & Miller 1993).

### Immigration and class

In the last decade immigration intakes have been progressively reduced, with entry increasingly limited to those with higher skills and qualifications. One consequence of this is that many immigrants of non-English speaking background arriving in Australia in the last decade have been highly skilled and qualified professionals, technicians and managers. This is particularly the case for 'Asian' immigrants, who have made up the majority of immigrants entering Australia in the 1990s (Collins 1994). This change has been facilitated by the Department of Immigration and Ethnic Affairs through the Business Migration Program, which was designed to stimulate economic growth in Australia. A large proportion of recent business migrants have come from Asian countries (Borowski 1992).

In 1990-91 eight out of the top 10 source countries of Australia's migrants were Asian (Inglis 1992, p. 25). Furthermore, 15.7 per cent of all Asian born immigrants were professionals (Awasthi & Chandra 1993, p. 23, Table 15). Despite discrimination from professional bodies many of these Asian born immigrants have moved into 'primary' sector jobs where hitherto few immigrants from non-English speaking backgrounds were to be found. These trends

were confirmed by 1991 Census data, which showed that 30 per cent of Japanese and Taiwanese born men were managers or administrators in 1991, compared with 16 per cent of the Australian born. The major occupational category of the Malaysian born was 'professional', which employed 34.2 per cent of Malaysian born males and 21.8 per cent of Malaysian born females, more than double the proportion of all Australians in the work force in this occupation. Malaysian born immigrants were also over-represented in the para-professional occupations and under-represented in the blue collar occupations and lower paid white collar jobs (BIMPR 1994, p. 20). Asian immigrants born in Hong Kong and Malaysia tend to cluster in the finance and business sectors of the economy while the Chinese and Thai born are concentrated in the personal and recreational services, including the restaurant and tourist industries.

Asian born immigrants with the greatest proportion earning more than \$16,000 per year are those born in Sri Lanka (51.9 per cent), India (51.6 per cent), Burma (47.9 per cent), the Philippines (43.8 per cent) and Singapore (43.8 per cent). In contrast, Asian born residents earning more than \$16,000 per year - with the exception of the Taiwanese - are those born in Cambodia (29.6 per cent), Vietnam (29.8 per cent), Korea (31.5 per cent) and China (34.5 per cent). The lower incomes of the latter group can be largely explained by the higher proportion of unemployed and those employed in the manufacturing sector.

Indochinese men and women - particularly those from Vietnam who arrived as refugees - are concentrated in low-skilled jobs in the declining manufacturing industry (Khoo et al. 1993, p. 9), with Vietnamese women over-represented at eight to 12 times the rate of Australian born women in the declining clothing industry (Castles et al. 1988, pp. 82-5). Many women of non-English speaking background - particularly those from European countries who have been in Australia for more than 20 years - have been victims of recession and reduced tariffs that have decimated the

Australian clothing, footwear and textiles industries. Older generations of these immigrants - particularly those from Southern and Eastern Europe - who were the factory fodder for manual manufacturing jobs in the 1950s and 1960s are today victims of economic restructuring: one recent study found that immigrant workers aged 35 years and over were at least twice as likely to be unemployed as their Australian born counterparts (HREOC 1993, p. 260).

### Unemployment

Collins noted that immigrants of non-English speaking background appeared to bear the greatest burden of the 1974-75 and 1982-83 recessions in terms of disproportionately high unemployment rates (1991, pp. 115-119). Recent studies have confirmed that this is also the case in the 1990s recession. Ackland and Williams conclude that in the last three recessions, immigrants of non-English speaking background have fared worse in the labour market than either those from an English speaking background or those born in Australia (1992, p. 28). Jones and McAllister (1991) reviewed the unemployment experience of immigrants up to 1989 to find that unemployment rates for the Lebanese and Vietnamese born were about four times greater than the rate for Australian born people. They also found that immigrants of non-English speaking background who were recently arrived suffered an unemployment rate two to three times higher than immigrants of English speaking background who arrived during the same period. They were also over-represented in long-term unemployment in the last decade (ABS 1994). The unemployment experience is explored in more detail below.

### Hidden unemployment

Official unemployment rates do not include the 'hidden unemployed'; that is, those without jobs but who are not counted in official statistics. This occurs partly because of the very narrow definition of 'unemployed' used in the surveys. A person is counted as 'unemployed' only if

they had not worked at all in the week prior to the survey and had actively sought work during the previous month and were available to start work (Norris 1993, p. 207). Consequently those with casual work, discouraged job seekers, those who are not aware of their entitlement and those who have a spouse or partner who is employed may not register with the Commonwealth Employment Services as unemployed.

Because of its very nature, hidden unemployment is difficult to measure.

Nevertheless, estimates of the 1974-75 recession suggested that hidden unemployment was so large as to double official unemployment rates, with immigrants of non-English speaking background reported to be two to three times more likely to be included in the hidden unemployed (Stricker & Sheehan 1981, p. 71). In later recessions hidden unemployment has disproportionately affected immigrants of non-English speaking background (Collins 1991, pp. 115-19).

As Wooden concluded in a more recent report on hidden unemployment in the 1990s, 'if discouraged job seekers were included as part of the unemployed... 1.8 percentage points would be added to the official unemployment rate for the Australian born, while the rate for immigrants would be increased by 2.9 percentage points' (1993, p. 41). If the immigrant rate is disaggregated, the real unemployment rate for immigrant men and women of non-English speaking background would be even higher than 2.9 percentage points above the official rate.

According to Junor et al., there is evidence to suggest that a proportion of women of non-English speaking background 'have been pushed out of the work force entirely, into the ranks of "hidden unemployment"' (1994, 56).

### Women

In the early postwar years the immigration program favoured men over women and the majority of women who came to Australia

arrived dependent on husbands and fathers (Fincher et al. 1994). For many immigrant women of non-English speaking background, settlement in Australia meant entering into paid work for the first time in their lives: two-thirds of immigrant women surveyed in separate studies in Sydney (Cox et al. 1975, p. 3) and Melbourne (Storer [ed.] 1976, pp. 30-72) had not worked before coming to Australia. They entered a labour market that was highly segmented on gender lines: Power (1975, p. 222) had shown that for the period 1911 to 1971, between half and three quarters of women were employed in occupations where more than half the workers were women while one-third were employed in occupations where over 90 per cent of workers were women. Until the late 1970s the majority of female immigrants of non-English speaking background were employed in factories in the clothing, white goods and manufacturing industries (Collins 1991, pp. 78-87). By 1980 women of non-English speaking background were still concentrated in blue collar manual occupations: 37 per cent were in such jobs, compared with 17 per cent of the Australian born (Alcorso 1991).

1991 Census data showed that immigrant women of non-English speaking background were still concentrated in the lowest-paying jobs, although Asian born women proficient in English were more likely to be employed as professionals (Alcorso & Harrison 1993, pp. 25-6, Table 2).

Immigrant women of non-English speaking background - particularly those without Australian qualifications and whose English language skills are perceived as poor - are also the most vulnerable to changes to the industrial relations environment that have accompanied award restructuring (Yeatman 1992) and enterprise bargaining (Collins 1990). Recent changes to vocational education and training have also disadvantaged immigrant women of non-English speaking background (Collins 1995, Junor et al. 1994, Stephens & Bertone 1995), so that they are less likely to participate in new workplace-based training opportunities

if still in employment or to avail themselves of retraining if retrenched. A recent study of immigrant women in the food, vehicle manufacturing, and metals and engineering industries concluded:

Unless companies and industry... can exercise some imaginative and creative planning in the provision of work-based training, our data suggests that for many workers - particularly for many NESB women workers - the opportunity to participate in skill enhancement in their workplaces will be nothing more than a mirage (Stephens & Bertone 1995, p. 167).

In deteriorating labour market conditions, immigrant women of non-English speaking background have been vulnerable to unscrupulous management practices and were under-represented in - and often poorly represented by - trade unions (Storer [ed] 1976). The situation has not improved markedly in recent times. One 1993 study of immigrant women found that management was encouraging racial tensions between women workers in an opportunist way: 'Racial tensions were... fostered by working arrangements... management was using racial differences to create a power structure' (The Healthy Working Women's Project 1994). Another found that employer ignorance or discrimination was a barrier to the access of immigrant women to training (Junor et al. 1994). In these circumstances, immigrant women need strong trade union support and representation. But very few trade union officials are women, and fewer still are of non-English speaking background, and trade union representation of the problems immigrant women face in the labour market leaves much to be desired (Bertone & Griffin 1992).

Because of their occupational concentration, immigrant women of non-English speaking background have suffered reduced participation rates and high unemployment rates as a result of economic restructuring and government policies that have reduced levels of tariff protection to the manufacturing sector in general and the textiles, clothing and footwear industry in particular.

Recent figures indicate that the work force participation rate of immigrant women of non-English speaking background has *decreased* by 4 per cent between 1973 and 1991, while the participation rate of Australian born women for the same period has *increased* by 13 per cent (Alcorso 1995).

Studies show that 40,000 people, mostly immigrant women of non-English speaking background, have lost their jobs in the clothing industry since 1989. One consequence of these changes is the marginalisation of employment for those who remain in jobs, with many moving into outwork. For every factory machinist today, it is estimated that there are 14 working from home. Outworkers receive only one-third of the factory pay rate and none of the minimum conditions (Byrne & Cosic 1995, Kilic & Delaney 1995).

### Refugees

Approximately 15 per cent of the net settler intake for the years 1947 to 1980 were refugees (Collins 1991, p. 47), with the two major refugee waves being the Eastern European World War II refugees in the late 1940s and the Indochinese refugee intake in the second half of the 1970s. Today the Polish and the Vietnamese account for one-third of the total refugee intake, significantly larger than any other birthplace group. Other notable refugee flows include the 6000 Jewish refugees who escaped from Europe on board the *Dunera* before the outbreak of World War II, refugees from the Soviet invasions of Hungary in 1958 and Czechoslovakia in 1968; Lebanese refugees in 1976 to 1978, and Poles during the Solidarity years in the early 1980s. In addition to these refugee movements, smaller numbers of refugees have found settlement in Australia following political turmoil in places such as the former Soviet Union, Chile, El Salvador, East Timor, Iran, Iraq, Sri Lanka, Irian Jaya and, more recently, Bosnia Herzegovina.

Refugees have suffered - like other immigrants - from racism and prejudice in Australia (HREOC 1991). They also appear to have had

the greatest difficulty in gaining employment in Australia in the last two decades (Ethnic Affairs Commission of NSW 1980, Viviani 1984). Miller (1986a) found that male refugees had a 10.5 per cent higher probability of being unemployed in their first year compared with non-refugees, while female refugees had a 5.8 per cent higher probability of being unemployed. Wooden and Robertson (1989) found that Asian male refugees who arrived between 1983 and 1987 had a 20 to 30 per cent higher probability of being unemployed than Asian males who entered in other categories. Refugees also experience greater downward employment mobility than other immigrants when pre- and post-migration employment are compared (Iredale & D'Arcy 1992). This is evident in the disproportionately high unemployment rates - four to five times higher than the average - that Vietnamese people experience in Australia (Viviani et al. 1993). One recent study, which reviewed 15 studies of the immigrant employment experience, concluded, 'Refugees do the worst of all immigrant groups' (Wooden 1994, p. 222). However, the recent labour market experience of refugees, as discussed later, gives ground for legitimate questions about whether it is the migration experience of refugees as such or the continuing labour market disadvantage of groups happening to have a high refugee component that explains these results.

### People living in rural and remote areas

Immigrants of non-English speaking background living in rural and remote areas are likely to experience additional disadvantages compared with immigrants who are urban based. Conner and Heilpern (1991, p. 8) have noted that this area remains under-researched despite small scale studies, such as the settlement of Sikh banana growers in Woolgoolga (Gilhotra 1984), Italians in the Queensland cane fields (Borrie 1954), Sicilian farmers in the Murrumbidgee Irrigation Area (Huber 1980), the Greek born in Renmark, South Australia (Hugo 1975) and the Eastern and Northern European settlement in the Ovens Valley in Victoria (Zubrzycki 1964).

Conner and Heilpern (1991, p. 8), using Australian Bureau of Statistics have noted that some rural towns have relatively high numbers of people born in non-English speaking countries. Among these towns are Morwell and Shepparton in Victoria, Devonport and Burnie in Tasmania, Mareeba and Hinchinbrook in Queensland, Port Hedland and Bunbury in Western Australia, Whyalla and Mount Gambier in South Australia, Alice Springs in the Northern Territory, and Griffith and Albury in New South Wales.

While many of the ethnic communities in country areas are ageing, employment and discrimination can still be an issue and Conner and Heilpern (1991, pp. 47, and 51-65) note the difficulties as well as the successes of the Greek and Dutch born in Albury, the Italian and Chinese born in Toowoomba, and the Polish and Maltese born in Moe and Morwell.

### **Causes of labour market disadvantage**

There is broad agreement among most commentators about the existence of labour market disadvantage for immigrants of non-English speaking background. These are that:

- unemployment rates are, in general, higher among overseas born workers than among the Australian born;
- workers of non-English speaking background have a higher unemployment rate than the Australian born group and also a higher rate than workers from English speaking countries other than Australia;
- among those of non-English speaking background there are considerable variations based on a number of criteria such as country of origin, gender, length of residence and refugee or non-refugee status. (See Miller 1982; Inglis & Stromback 1984; Chapman & Miller 1985; Castles et al. 1986, 1988; Wooden & Robertson 1989.)

More recently, the debate has shifted away from the question of the *existence* of labour market disadvantage to its *cause*.

There is broad agreement in the available literature that restructuring of the industries in which immigrant workers were traditionally employed has contributed to disadvantage. There is also widespread agreement that the level of English language proficiency is an important determinant of labour market success. Some would argue, however, that in a multicultural society such as Australia this proficiency is being over-emphasised and that its over-emphasis is symptomatic of a preoccupation with deficiencies of the individual rather than deficiencies of societal structures.

Thus there has been considerable disagreement in the literature between those who see the individual's location in the labour market being determined by her or his level of 'human capital' (for example, the skill and education levels that employers value) and those who see the labour market as being segmented by class, gender, ethnicity and race. Generally, those who argue the latter case have used descriptive, qualitative approaches while those who take the former view have more often (but not always) adopted a highly formalised econometric or sociometric methodology. In all of this, too, there has been considerable debate about the influence of racial discrimination in employment practices as a contributory variable affecting unemployment rates.

The role of racial discrimination in creating unequal labour market outcomes has received some coverage in the last 20 years.

In an historical, quantitative analysis of annual income entitled 'Discrimination against Australian Immigrants' Shergold noted that there was a causal relationship between ethnic prejudice and inferior economic position. After taking account of non-discriminatory variables such as 'ability to speak English, qualifications, age, location and employment sector', Shergold concluded that 'discrimination remains an important determinant.' (in Burnley et al. 1985, pp 58-91).

Whitfield (1987) and Jupp (ed. 1986) argued

that racial discrimination must be part of the explanation of the unequal labour force status of immigrants of non-English speaking background. More recently, Collins and Henry (1994, pp. 547-548) reviewed the evidence in Canada and Australia to conclude,

Despite the introduction of a wide range of laws and public policies aimed at protecting the rights of individuals from racial discrimination, ethnic groups that are identified as racial minorities in both countries continue to experience racial bias, receive differential treatment and suffer racial disadvantage. They lack access to, and do not participate fully in, major arenas of life, including employment, education, government, human services and the media.

The evidence on immigrant earnings shows that immigrants of non-English speaking background earn less than other immigrants or the Australian born (Collins 1991, p. 157, Foster et al. 1991, p. 56), and that recent immigrants and immigrants from Asia are more likely to be concentrated in the lower echelons of income distribution than other workers in Australia (Saunders & King 1994, p. 90). However, as demonstrated earlier, it is important to disaggregate the 'Asian' immigrant experience in Australia (Collins 1994).

Some researchers (Evans & Kelley 1986, 1988; Evans et al. 1988, Beggs & Chapman 1988, Chiswick & Miller 1985, Chapman & Iredale 1990) use regression techniques to argue against evidence for racial discrimination. Other researchers, such as Haig (1987), dispute these findings and argue that racial discrimination does play a role in determining immigrants' earnings since workers of non-English speaking background cannot avail themselves of the higher rewards for higher qualifications.

Foster et al. are more emphatic in stating that the evidence on the labour force status of immigrant workers in Australia 'does lend itself to analyses of patterns consistent with discrimination' (1990, p. 61). A number of studies support this view. Haig (1980) studied migrant earnings and found that Southern Europeans earned distinctly less than similar

Australian born workers, while Chapman and Miller (1983) concluded that immigrant workers received lower returns for their education and experience than did Australian born workers. This general view was supported by the Bureau of Labour Market Research (1986, p. 103) in a study of 1981 Census data; it concluded that there was a difference between the earnings of some migrants compared with Australia born workers with similar work and education experiences. Similarly, a study by Stromback and Williams (1985, 36) found that after a consideration of factors such as education, work experience, age and English language proficiency, 'migrants from non-English speaking countries got lower rewards from higher secondary schooling than those from English speaking countries or people born in Australia'.

A similar debate occurs when the unequal incidence of unemployment among people of non-English speaking background is analysed. Researchers such as Brooks and Vockler (1985), Inglis and Stromback (1986), Beggs and Chapman (1988) and Wooden and Robertson (1989) conclude that it is factors such as English language proficiency and period of residence in Australia that explain disproportionately high immigrant unemployment rates. Others, such as Jakubowicz and Castles (1986, 1988), Stromback (1988) and Collins (1995) argue that racial discrimination cannot be dismissed as an explanation for unequal labour market positioning.

An influential overview by Wooden et al. (1990, p. 232) provides a detailed summary of the findings of seven major studies that used multivariate econometric techniques to examine this question of the cause of labour market disadvantage (AIMA 1985; Brooks & Volker 1985; Inglis & Stromback 1986; Miller 1986a, 1986b; Beggs & Chapman 1988; Wooden & Robertson 1989).

The summary provided by Wooden et al. is interesting both for what it contains and for what it omits. First, it makes reference to

differences in findings between these studies but does not comment on the theoretical implications of these differences. For example, all studies found that lack of English language proficiency was a source of labour market disadvantage. However, in contrast to others, Wooden and Robertson (1989) found, that even immigrants of non-English speaking background who spoke English well were disadvantaged. They do not, however, refer to the point that English language proficiency is undervalued in this country when it is possessed by immigrants of *non*-English speaking background compared to immigrants of English speaking background. Further, Wooden and Robertson (1990, p. 241) found,

At all levels of education the Australian born are found to have lower probabilities of unemployment than the overseas born. However... there is evidence to support the hypothesis that post-school educational qualifications do not have as large an effect on employability as do the same level of qualifications obtained in Australia, but only for migrants from a NESB.

In Wooden & Robertson's analysis these phenomena are dismissed under the rubric of barriers to the 'international transferability of human capital' but the question of how these barriers are built and maintained was not examined.

These studies have also been criticised on the technical grounds that the 'control' variables used are almost invariably highly collinear (Morrissey et al. 1992). This criticism was made in relation to Miller's study (1986), whose method is to take as a dependent variable the percentage of the first year of Australian labour market activity spent unemployed. The following are his control variables: years of schooling; birthplace; aggregate unemployment rate; year of entry to the labour market; refugee status; pre-migration knowledge of employment opportunities.

The obvious reflection on this list is that refugees have a high probability of truncated or interrupted education, that they come from a

limited number of countries, and that the majority have been in Australia 15 years or less. In other words, at least three (and possibly four) of these control variables are intercorrelated. This raises difficulties at a conceptual level. Is the 'refugee experience' something qualitatively different and more disabling than a 'normal' migration or is the label 'refugee' just a subsummation of a group of other disadvantaging factors such as lack of education? It also presents severe technical problems relating to the estimation of model parameters (see Koutsoyiannis 1977).

In their 1990 survey, Wooden et al. conclude, '...it would be fair to state that all the cross-sectional studies reviewed above have been unable to adequately address the influence of changing demand... (for labour)' (1990, p. 242). However, the experience of the last five years, in particular the failure of the most recent recovery to reinstate even the 1991 level of employment for workers of non-English speaking background, has done a great deal to clarify this issue. As documented in the next section, the fact that the Australian born work force has increased its absolute employment level, even in the contracting manufacturing sector, would appear to mean that some fresh research and policy objectives are called for.

## **Statistical overview of employment, unemployment and labour market participation**

### **Labour market segmentation**

Since the mid-1970s immigrants of non-English speaking background have occupied inferior labour market positions when compared with the Australian born or other immigrants. This has been the case for both men and women.

In February 1995 workers born outside Australia constituted 25.6 per cent of the total labour force. Overall, this group of workers had an unfavourable labour market position compared with the Australian born, with their overall unemployment rate 25.8 per cent higher

and their overall participation rate just over 9 per cent lower. Overseas born workers of non-English speaking background had an unemployment rate over 50 per cent higher than that for the Australian born in February 1995.

Moreover, long-term unemployment formed a much more substantial fraction of the overseas born work force, particularly if one focuses on workers born in non-English speaking countries. By 1993, over 45 per cent of the unemployed workers from this group were classified as long-term unemployed (out of work for 52 or more weeks) and 27.2 per cent were classified as very long-term unemployed (104 or more weeks). The equivalent figures for the Australian born were 34.5 per cent and 17.6 per cent respectively. It should also be noted that overseas born workers from English speaking countries had, overall, long-term and very long-term unemployment rates that were slightly lower in each case than those for the Australian born.

...the unemployment disadvantage affecting workers born in non-English speaking countries, which first became evident in the early 1980s, worsened in the recession that bottomed in 1993, did not ease much (in relative terms) in the subsequent recovery, and intensified further in the recession of the early 1990s.

In 1978 unemployment rates for workers born in Australia, English speaking countries and non-English speaking countries showed no substantial difference. Yet by 1983 workers born overseas had an unemployment rate 35 per cent higher than the Australian born. This gap closed somewhat in the recovery phase, falling to just over 20 per cent in 1986. Thereafter the gap started to increase, with accelerating speed after the recovery peak of 1989. By 1990 it stood at 40 per cent and by mid-1993, it had risen to 60 per cent. The recovery saw the gap narrow to just over 50 per cent by 1995.

The magnitude of the problem in 1995 is illustrated from recent data from the Federal Department of Immigration and Ethnic Affairs (DIEA). In their July 1995 submission to the Senate Employment, Education and Training

References Committee (Volume 7, Submission Number 155, pages 39 and 58-60) DIEA noted the disproportionate burden of long-term unemployment carried by people of non-English speaking background:

It is acknowledged that migrants of non-English speaking background (NESB) experience both higher rates and longer periods of unemployment than migrants of English speaking background (ESB), and the Australian born. Currently around twenty percent of all jobseekers registered as unemployed for 18 months or longer are NESB migrants (compared with their representation in the population as a whole of around 15 percent, and in the labour force of 14 per cent).

These results have been caused by a progressive build-up over twenty years... (and) ...provide a dramatic picture of progressive differentiation in the labour force experience of workers of English speaking background, and those of non-English speaking background.

(There is an)... increasing gap between the unemployment rate of the two groups (which) demonstrates that the recession of the early 1980s initiated this pattern and the recession of the early 1990s confirmed and exacerbated it.

...(the) unemployment rate of workers of non-English speaking background has not only demonstrated a secular rise, both absolutely and relative to other workers, but has also become increasingly volatile, particularly in an upward direction and especially in the contractionary phase of the economic cycle.

...(This pattern is confirmed) in relation to the duration of unemployment (so that) workers of non-English speaking background have not only been pushed into unemployment longer than others during the last two cyclical contractions but have stayed there longer.

Further, the rate of growth in very long-term unemployment of workers of non-English speaking background associated with the cycle of the 1990s has been higher than that associated with the 1980s cycle...

Thus there has been a secular growth in very long-term unemployment in the last two decades for all three groups of workers, although following a cyclical contraction, these tendencies are much more (pronounced today).

This analysis shows that the labour market position of workers born in non-English speaking countries has deteriorated seriously since the late 1970s. Before examining this trend further, however, it is necessary to break down the broad aggregates just presented. This can be done by considering specific country of birth, age, period of residence, gender, and migration category.

### Ethnicity

...(The) aggregate picture just presented hides a great deal of variation by regional grouping and (even more so) by individual birthplace groupings within these regional aggregates. The most frequent source of labour market data, the Australian Bureau of Statistics *Labour Force Survey* (the Survey), gives estimates of unemployment rates for 1991 that differ from the 1991 Census estimates. This difference ranges from 0.9 per cent of the Census figure in the case of the Netherlands born, to 40 per cent in the case of the Vietnamese born and Italian born.

In general, census data have been used here where possible but the two sets of data can be used together to draw two conclusions, providing two assumptions are correct. First, if the Survey data did, in fact, underestimate the unemployment rates of many overseas born groups in 1991, and if that understatement is consistent over time, the 1995 position of these groups is probably much worse than would appear from the survey data. Second, and irrespective of the *level* of unemployment, if the Survey data are accurate over time in an ordinal sense, it can be seen that the economic recovery from the recession of the early 1990s has brought no comfort to many people. For example, it can be calculated from the Survey data that the unemployment rate for the Vietnamese born in February 1995 was 34 per

cent higher than in 1991 and for the Lebanese born it was 25 per cent higher. Although not indicated in the Census data tables, the labour market fortunes of other Indo-Chinese born (such as the Cambodian born), and other Middle-Eastern born (such as the Turkish born), are also problematic.

The other major conclusion from this data relates to the extreme diversity of labour market experience, which is masked by regional aggregates or (even more so) by such aggregates as 'overseas born'. For the three major regional groups of Asia, Europe and Oceania (comprising 93 per cent of overseas born workers), the Asian born had an unemployment rate almost double that of the Australian born, and the Oceania born, 15 per cent higher - yet by contrast the rate for the European born was very slightly lower than that for the Australian born. Variation within these regional groups, however, was generally much higher than it was between them...

These figures, of course, do not explain anything in themselves. They simply indicate that workers from particular countries of origin have sharply different socioeconomic and cultural characteristics and that particular cohorts of immigrants have embarked on the Australian labour market in vastly differing circumstances. Among the most important differences between birthplace groups are those relating to age structure.

### Age

Older populations have proportionately fewer people in the most heavily at risk age group (15-25 years) in unemployment. They also tend to have lower labour force participation rates because many people withdraw from the labour force (either voluntarily or unwillingly) up to 15 years before the 'normal' retirement age of 65 used in compiling labour market statistics.

...(There is a) tendency for unemployment rates to decrease progressively into the older age groups for both Australia and overseas born workers.

...(The) influence of age structure on overall unemployment rates is fairly limited when one separates different birthplace groups.

Unemployment rates for *all* age groups are lower for the Australian born than for other workers, and in proportionate terms, this difference tends to widen after age 25.... This variation in experience becomes even more extreme when the data are disaggregated further....

These statistics demonstrate vividly the variation in labour force experience for different birthplace groups. They also show that the experience of the Australian born is, to varying degrees, better than that of practically every other birthplace group, even when disaggregated by age group....

One important statistical effect of differences in age structure, coupled with the general pattern of an inverse relationship between age and propensity to unemployment is that the labour

market disadvantage of older groups tends to be understated by overall birthplace unemployment figures. In other words, the longer established in Australia is any particular birthplace group, the higher will be its median age (in the absence of high rates of new migration). This means that a declining proportion of that population will be in the age range with the highest unemployment rate (15-24 years) and that what may be interpreted as a convergence towards the 'average' labour market experience over time is, in fact, simply a product of this ageing process...

### **Period of residence**

The age-specific data just discussed are relevant to the question of how the labour market experience of individual birthplace groups changes as the average period of residence in Australia lengthens. It has long been an article of faith in many quarters that the labour market

**Table 1: Rate of unemployment, by Asian birthplace and period of residence in Australia.**

Birthplace	<2	2-5	6-10	>10	All
China	29.6	15.4	16.5	9.4	16.2
Hong Kong	34.2	16.9	9.4	6.5	13.6
Japan	11.3	4.6	4.9	4.3	6.5
Korea	43.0	16.1	11.5	10.9	16.1
Taiwan	53.4	30.2	11.9	8.4	27.5
Burma	40.5	16.4	7.1	8.1	9.9
Cambodia	71.5	55.5	35.3	23.9	39.9
Indonesia	47.3	24.2	18.2	12.2	18.2
Laos	88.0	44.8	29.2	23.6	32.1
Malaysia	37.8	14.5	10.4	6.9	11.8
Philippines	47.0	14.6	12.7	9.7	16.6
Singapore	30.4	14.4	12.3	8.9	11.8
Thailand	29.1	20.2	15.8	11.7	17.9
Vietnam	87.7	52.4	34.0	22.7	39.7
India	48.9	14.5	8.5	7.6	13.0
Sri Lanka	52.7	14.6	6.9	7.2	14.8
Other Asia	56.7	25.3	15.0	10.7	23.3

Source: BIMPR (1995).

experience of individual birthplace groups tends towards a national norm over time (for example, BLMR 1986); the foregoing analysis shows that this has been the case, at least in terms of employment and unemployment. Generally, more established communities have lower unemployment rates.

But there are limits to this process. It has been noted that not one of the major groups of non-English speaking birthplace included in the foregoing analysis has a labour market position equal (in this sense) to the Australian born, once the factor of age structure is standardised. Further the process of movement towards the norm is highly irregular across ethnic communities... The other question, of course, is whether the processes which have operated in the past to the effect that there has been movement towards a norm will continue to operate in the future.

Table 1 provides some information about the process of 'normalisation' for some recently arrived birthplace groups, all of them from Asia.

Table 1 seems to demonstrate that within this group the process is working still, although very unevenly. The unweighted average unemployment rate at less than two years' residence for these groups was 47.5 per cent, dropping to 23.2 per cent after two years, 15.2 per cent after six years and 11.3 per cent after 10 years. On the other hand, and for the group as a whole, the unemployment rate at less than two years residence seemed a very good predictor of the unemployment rate after ten years...

### Migration category

...The labour market disadvantage that is generally held to characterise 'refugee' groups is much more marked in relation to some birthplace groups with high refugee components than it is for people from those birthplace groups who entered Australia in the refugee category *as adults*. (This can be illustrated using figures for)... 1991 and 1993 on the labour market status of all refugees who entered

Australia aged 18 years or more since 1970 and compare these with the equivalents for migrants aged over 18 years who entered in this and all other categories since 1970...

The important conclusion is that people who entered Australia *as adults with refugee status* had unemployment rates substantially higher than those for all immigrants who entered as adults in the period since 1970; in 1991 that rate was 84 per cent higher for men and 21 per cent higher for women; for 1993 the equivalent figures were 37 per cent and 24 per cent. Yet the overall refugee labour market position was markedly better than was the position of West and South-East Asian birthplace groups which between them include a very high proportion of the population admitted as refugees. For example, the unemployment rates for the Vietnamese born and the Lebanese born in 1991 were 249 per cent and 210 per cent respectively of the figure of 15.9 per cent for all refugees who had entered since 1970 aged 18 years and over.

There are a number of possible explanations for this. One is that it is not so much the refugees as their dependants (particularly their children) who suffer the worst labour market disadvantage. This is an explanation given some support by... analysis which shows that for all three groups, which have a very high refugee component, there is a substantial difference between the unemployment rate for workers who were over 18 years old at the time of arrival in Australia and for the labour force as a whole. In all cases, too, youth unemployment rates were substantially above the unemployment rates for the group as a whole, and still more so for all those who entered Australia as adults.

All of this suggests that the social consequences of any birthplace group having a high refugee density are not as simple as might often be supposed. In particular, the experience of such groups *in Australia*, should constitute a much more important focus of inquiry than it has done in the past. Importantly not all refugee groups are similar, in terms of either pre- or post-migration experience... It would be

instructive (but beyond the scope of this chapter) to perform a more detailed analysis that standardised for the size of the refugee component for these birthplace groups and compared the experience of refugees from cultural and regional subgroups within them (such as Christian and Islam, Central and South America).

### Gender

Table 2 shows the unemployment experience of males and females born in Australia, in overseas English speaking countries, and in non-English speaking countries from 1978 to 1993.

The pattern for both men and women of non-English speaking background has been roughly similar, in tendency. The major distinction that emerges from the data is the difference between

the experience of women of non-English speaking background and that of Australian born women. This is much more divergent than is the case for males in these two categories.

Between 1978 and 1993 the unemployment rate for Australian born women only once exceeded the 1978 rate by more than 25 per cent. By contrast, the 1983 rate for women of non-English speaking background was 56 per cent higher than that of 1978, a figure it reached again in 1991 before climbing to 104 per cent of the 1978 figure over the following two years. The difference between unemployment rates for Australian born men and those for men of non-English speaking background stood at 47.6 per cent in 1993, whereas the equivalent figure for women was 81 per cent.

**Table 2: Unemployment rates, by birthplace and gender 1978 to 1993**

Year	Males			Females		
	Aust.	ES country	NES country	Aust.	ES country	NES country
1978	5.8	6.1	5.5	7.4	8.3	8.0
1979	4.7	5.0	5.3	7.5	8.7	7.8
1980	4.8	4.9	6.1	7.4	7.0	8.1
1981	4.5	4.8	5.5	6.9	7.6	8.0
1982	6.1	6.4	7.5	7.1	8.5	8.8
1983	9.8	9.9	12.7	9.3	10.8	12.5
1984	8.1	9.6	10.7	7.9	8.8	10.6
1985	7.5	7.4	9.9	7.8	8.2	9.1
1986	7.5	7.5	8.9	8.2	7.8	10.2
1987	7.2	6.6	9.7	7.9	8.0	10.8
1988	6.4	5.7	6.0	7.0	6.9	9.1
1989	5.3	4.7	6.4	6.9	6.2	8.0
1990	6.7	6.0	8.4	6.8	6.0	10.0
1991	9.2	10.1	14.5	8.1	7.8	12.5
1992	10.7	11.0	14.6	8.9	8.0	14.4
1993	10.7	10.3	15.8	9.0	7.6	16.3

Note 'ES' denotes 'English speaking'; 'NES' denotes 'non-English speaking'. Source: Australian Bureau Statistics (Cat. no. 6255.0 1978 to 1993).

More disaggregated figures reveal that young (15-24 years) Vietnamese born women have an unemployment rate three times that of the equivalent Australian born group and a labour force participation rate less than 60 per cent as great. The pattern for Australian born women, and for women from other English-speaking countries and from Europe, is to have unemployment rates lower than those for men of the same age. For the two birthplace groups with high refugee components (Lebanon and Vietnam), this pattern is reversed, and for most Asian countries with the exception of Malaysia it tends to be weaker than for the European born and those of English speaking background.

### Structural adjustment

Overall, the data presented thus far indicates that for workers born in non-English speaking countries as a whole the recessions of the early 1980s and 1990s had severe and lasting consequences on their labour market position. Moreover the last 20 years have seen an increasing differentiation between the labour market experience of workers of English speaking and non-English speaking background. ... (It is possible for post-1985 to show) that the process of structural adjustment has squeezed larger proportions of overseas born than Australian born workers out of contracting sectors of employment and has absorbed the former into expanding sectors in proportionately far fewer numbers than it has the latter.

The most striking feature... is the different performance of the two groups of workers in the manufacturing sector, which in 1986 employed 17.3 per cent of Australian born and 24 per cent of overseas born workers. The former actually increased their manufacturing work force presence in the last 10 years, whereas the latter lost 12 per cent of their total manufacturing employment in this period. In a similar vein, overseas born workers formed 30 per cent of the construction work force in 1986 and only 25 per cent of a much expanded sectoral work force in 1995. In wholesale and retail trade there were 271,000 additional jobs

for the Australian born between 1986 and 1995, but only 42,000 for the overseas born: a figure that goes some way towards explaining the recent poor labour market performance of women born outside Australia.

From 1986 to 1995 the numbers of people born overseas has fallen in both the manufacturing and recreational, personal and other services sectors while the numbers of those born in Australia and working in these industries has increased...

Overall, from 1986 to 1995 there has been an increase in employment places for all workers. However, employment opportunities for those born overseas have not increased as rapidly as for those born in Australia...

It should be stressed that these figures are only an indication of what has happened to workers born in non-English speaking countries since the overseas born category includes those born in English speaking countries. However, since the labour market experience of those born in English speaking countries compares favourably with the Australian born, there is a strong likelihood that the contrast is sharper than that indicated by the data above.

It should also be observed that the slow rate of absorption of the overseas born into the expanding service sector is not to be explained because of lack of qualifications or experience, at least in the case of newly arrived immigrants, and particularly Asian immigrants. The migrant intake of the 1990s has been characterised precisely by a high proportion of people who have previously worked in managerial, professional and other service occupations.

...(Figures for the) last three years (present) a disturbing picture of overseas born Australians losing their overall share of employment to the Australian born. The trend appears across the majority of occupational groupings with the exception of the professions and salespeople and personal workers. The four major occupations in which overseas born workers were displaced by the Australian born were para-professionals,

tradespeople, labourers and related workers, and clerks.

A number of questions are raised by the trends identified. Have the job requirements in the labour market really changed? And, if so, have workers of non-English speaking background been given the opportunity for training? Has there been a tendency for employers to upgrade job descriptions irrespective of the actual job requirements? And, if so, is this an example of large-scale indirect racial discrimination?

## **Areas of Discrimination**

### **Labour market programs**

In the early 1970s Martin noted that the Commonwealth Employment Service (CES) was not giving 'effective help' to jobseekers of non-English speaking background. She went on to note that 'those from the United Kingdom, from "Eire" and from "Other countries" were more likely to register and to obtain jobs through the CES than were migrants from Greece, Italy or Yugoslavia' (Martin in Encel 1981, pp. 116, 129).

Times have changed since 1978, when the CES displayed a job vacancy card stating 'Preferably no Turks' (CES 1978, p. 144). The Commissioner for Community Relations called for significant changes in the provision of information in community languages when he said in 1977,

Occupational information and counselling should be geared to the understanding of the disadvantaged groups and should be in languages which could facilitate their understanding of labour market operations, of job opportunities and occupational categories. More dissemination of such information including conditions of work and trade unionism is required. (1977, p. 69)

Since the 1970s CES services to people of non-English speaking background have improved but there are still some problematic areas which have been noted from the 1980s to the present.

At a service delivery level there have been complaints about jobseekers not being referred for interviews...

Anecdotal evidence aside there is significant research material to indicate that there remain some problematic areas for jobseekers of non-English speaking background in accessing Labour Market Programs.

One study, commissioned by the Kirby Committee of Inquiry to investigate the extent to which Labour Market Programs were successful in targeting immigrant men and women, concluded that the targeting of immigrants was ineffective and that 'it is doubtful whether non-Anglophone migrants have benefited to any great extent from labour market programs up to, and including, Wage Pause' (Morrissey 1985, p. 23).

In 1986, the then Bureau of Labour Market Research (BLMR) conducted a review of labour market programs to conclude that migrants were under-represented in all labour market programs other than the Community Employment Program (CEP): the overseas born took only 16 per cent of places in non-CEP labour market programs at a time when those born overseas were estimated to account for 28.6 per cent of the unemployed. The BLMR also found that 'the majority of labour market programs are workplace-based schemes, with little emphasis placed on improving English language competence' (BLMR, 1986, p. 149).

The Committee of the Review of Migrant and Multicultural Programs and Services (ROMAMPAS 1986, p. 151) was even more critical. It concluded that:

...the picture that emerges is of the most disadvantaged job seekers being excluded from the very labour market programs under which they are intended to receive preferential treatment because their disadvantage (in this case lack of English) is considered to be too severe for them to achieve success in those programs.

In a more recent study of labour market

programs, Jones and McAllister (1991) reviewed the experience of immigrants as of December 1989 to find that despite higher unemployment rates, the levels of participation of non-English speaking background immigrants in labour market programs designed for the unemployed was not commensurate with their need:

the number of migrants with language/culture disadvantage participating in JOBSTART and JOBTRAIN is broadly in agreement with their share of the disadvantaged in the labour market, but participation is below the expected rate in Skillshare and particularly in Job Clubs and Job Search Training Courses.

These studies of immigrants' access to labour market programs were conducted in the mid to late 1980s, a period of strong economic growth (approximately 4 per cent per year between 1984-89). However, in the first few years of the 1990s, the Australian economy has been hit by the most severe and prolonged postwar recession. The combination of cyclical recession and national and international economic restructuring has resulted in official unemployment rates exceeding 11 per cent. There are few studies to examine how people of non-English speaking background have fared in terms of access to labour market programs over the last four years.

One important study that partly meets this gap, by Junor et al. (1994, 9), is critical of many aspects of Labour Market Programs including the Special Intervention Program (SIP). The authors note that SIP was introduced to prevent jobseekers of non-English speaking background from becoming long-term unemployed by improving their skills in English as a Second Language (ESL). The authors state:

In 1993, 68 per cent of SIP ESL places went to long-term unemployed. Jobseekers who had completed their 510 hours of 'new settler' English had to wait until they became long-term unemployed before they were eligible for further English tuition.

There are many indications that the needs of

women of non-English speaking background, whose labour market fortunes are heading in the opposite direction to the improved outlook for women of English speaking background, are not being met through existing Labour Market Programs. The problems are well documented in the publication 'Beyond pool stirring: non-English speaking background women and labour market programs' commissioned by the Association of Non-English Speaking Background Women of Australia (ANESBWA) as well as by Keating(1994) and the SDC (HREOC, 1995). At the time of going to print there were indications that DEET was giving serious consideration to such recommendations and that positive changes were about to be implemented to strengthen the effectiveness of the Working Nation package (press release from the Hon Simon Crean's [MP] office - 19 October 1995).

### Trade Unions

Immigrants of non-English speaking background have had an uneasy, though changing, relationship with trade unions in Australia. In the first decades of postwar immigration, it has been argued that trade unions were more interested in controlling immigration numbers than meeting the needs of members of non-English speaking background. Recruitment of immigrant members was for little else than to increase union revenue (Collins 1991, pp. 141-5; Quinlan 1983).

Even as recently as 1977 some unions were engaged in closed shop arrangements that effectively excluded immigrant workers from employment in certain industries (Commissioner for Community Relations, Second Annual Report, 1977, 131). However workers of non-English speaking background were prepared to stand up for their rights.

On the other hand, unions were prepared to work for the rights of workers discriminated against because of wartime security or political belief (Lockwood 1990); to establish migrant worker advisory Committees (Murray and White 1982; Ellem 1989; Butler-Bowden

1991); to cooperate in meeting skill needs from overseas in major infrastructure developments (Stuetz 1986); to campaign against racism ("Carpenter and Joiner", April 1990); and to actively campaign for English language classes on the job without loss of pay.

In the Victorian car industry in 1963, 1964, 1965 and 1973 there was a series of strikes led by workers of non-English speaking background in response to low wages, poor working conditions and frustration with both management and union leadership. As Lever-Tracey commented, the industrial action was fundamentally 'a reaction against the failure of some unions to challenge the treatment of workers by particular employers' (1988, p. 144).

In responding to the migrant workers conferences in 1973 and 1975, the 1977 ACTU Congress called for English language classes, trained interpreters, social workers and multilingual information to assist migrant workers. Unions were urged to establish migrant workers' committees at the workplace, encourage the appointment and training of migrant job delegates, and provide multilingual information on union elections and operations. In December 1977 these recommendations were endorsed as ACTU policy (Quinlan 1989; p. 207).

While not servicing all the rights of overseas born workers, there have been significant steps taken in the implementation of policies. These have included, for example, anti-racism training manuals by unions; multilingual health and safety training manuals and general information including videos and tapes; the consolidation of the workplace English language and literacy program; the establishment of migrant worker centres and the organisation of pools of interpreters/translators.

As overall trade union membership has declined in recent years so too has trade union membership of immigrants of non-English speaking background: from 53 per cent to 44 per cent between 1986 and 1992. Nevertheless, immigrants of non-English speaking background had higher trade union

membership rates in 1992 than immigrants from an English speaking background (38 per cent) and the Australian born (39 per cent) (National Multicultural Advisory Council 1995a, p. 16).

Despite their high membership rates, immigrants of non-English speaking background have long been under-represented among full-time trade union officials (Hearne 1976; Collins 1991, pp. 141-8; Nicoloaou 1991). In 1976 the Commissioner for Community Relations noted that 'the gap between trade union officials and the migrant work force was illustrated by the fact that in relation to their numbers, migrants were inadequately represented in the ranks of trade union officials' (1976, p. 23). More recently, with the exception of some unions, such as the Textile, Clothing and Footwear Union and to a lesser extent the Automotive Metals and Engineering Union Vehicle Division, the situation remains a concern (Nicoloaou 1991, Bertone & Stevens 1995). Even though representation has increased in the past two decades (Bertone & Griffin 1992), immigrants of non-English speaking background are still significantly under-represented (Wooden 1995, p. 269). Participation varies according to country of origin, however, immigrant groups who arrived in Australia in the 1950s and 1960s - such as the Italians and Greeks - have a much higher relative proportion of trade union officials than immigrants who arrived in recent decades - such as the Vietnamese - who are grossly under-represented among trade union officials (Bertone & Griffin 1992).

Discrimination from unionists toward members of non-English speaking background has been noted. In a 1991 survey Nicoloaou found that only 6 per cent of workers of English speaking background felt discriminated against by their co-workers, compared with 31 per cent of those of non-English speaking background (1991, p. 202). In relation to whether they felt discriminated against by people in their union at an election, only 6 percent of workers of English speaking background answered in the affirmative; on the other hand, 30 per cent of

workers of non-English speaking background felt discriminated against. Recent RDA cases heard by the Human Rights and Equal Opportunity Commission are relevant here.

The cases... illustrate that the rights of workers of non-English speaking background are not always protected by their unions. However, from the beginning of postwar migration the union movement has co-operated with governments and the community in the development of migration and multicultural policies.

Unions have actively participated in major reviews of migration policies (eg. the Inquiry into the Temporary Entry of Highly Skilled Specialists 1995); the development and implementation of multicultural policies (eg. AMEP Child Care Consultative Forum); the development and expansion of workplace English Language and Literacy (eg. WELL National Consultative group); and the monitoring and development of workplace and community based English language programs (eg. with the ECC of NSW).

The union movement has also been active in co-operating with community organisations in anti-racism campaigns, for example, throughout the Blainey debate and the Gulf War, and it has promoted the ratification of international conventions on the protection of the rights of migrant workers and their families.

Overall it is fair to say that in the past twenty years, taking into account the heterogeneity of the union movement, there are many parts of the movement which have actively supported their immigrant members while specific unions have failed this group significantly.

### **Private sector employment**

Racial discrimination in the private sector is much harder to quantify since there is no requirement for employers to keep ethnicity data.

In the 1970s the Commissioner for Community

Relations noted many examples of employment-related discrimination in the private sector. These ranged from cases of employers banning the speaking of languages other than English in the workplace (1976, p. 35) to an instance of the dismissal of an employee of Indian origin on racial grounds despite five years of loyal and productive contribution to the firm (1979, p. 47). In the recruitment phase the policies of some employers have been particularly insidious. The following is an example.

In one instance:

The employer instructed his staff not to engage non-whites or 'wogs'. Subsequently, three applicants for a sub-professional role in the organisation were interviewed and the least qualified was given the position although the other two applicants were Asians with university degrees. When this was queried the manager stated, 'Well, for a start, she is white. We don't want any of those "Chinesey" people here. They are all dirty and you can't trust them' (Commissioner for Community Relations 1977, p. 122).

In an innovative study in Melbourne between 1983 and 1988, hundreds of carefully matched pairs of written job applications were submitted to employers in response to job vacancies advertised in a major daily newspaper. The application letters were similar in every way; with similar ages, qualifications and experience. The only difference was the name and for applications for secretarial positions there were three standard names throughout the study: the Anglo-Australian secretary was identified by the name Joanne Baker, the Greek secretary by the name Nina Papadopoulos and the Vietnamese secretary by the name Thi Nguyen.

The study defined discrimination as 'differential treatment' of applicants and included the invitation to interview one applicant and to reject the other. The study found that 'The Vietnamese applicant for a secretarial post was denied an interview on one-third of the occasions when employers issued an invitation (or invitations), whereas the Anglo-Australian applicant was so denied at a rate of one in 25.'

In addition the Greek applicant encountered discrimination at two-and-a-half times the rate of the Anglo-Australian applicant (Riach & Rich 1991, pp. 239-256).

In 1992 the President of the Private Industry Group of the Western Australian branch of the Association of Professional Engineers and Scientists Australia, David Calcott, began providing personal casework and advocacy for unemployed engineers of non-English speaking background. Commencing work with such engineers was a personal revelation to Calcott:

When I started I won't say this is prejudice, but I had the... view - oh, poor English skills and so on. I got the shock of my life when I talked to them! I found far from having poor English skills, two-thirds of them had very good English skills. Fifty per cent of them were better qualified than the Australian product!... Every excuse is given not to give the migrant an interview - let alone a job... It wouldn't matter how good their resume was. It's very much a question of just throwing them out.

Calcott described one engineer formally being offered an interview for a Northern Territory engineering position and then being casually told over the phone, 'Look we've written this letter because we have to, under the Equal Opportunity Act (because) you're so qualified, but you'd be wasting your time if you come!' (Hawthorne 1994, 104).

A TAFE Multicultural Education Unit officer in South Australia has remarked, 'The group of NESB women who are having the hardest access to employment are women engineers. They have no problems with recognition of qualifications, background, experience, they have built big dams, but employers are very reluctant to take them on' (Junor et al. 1994, p. 31).

The attitude of private employment agencies in second-guessing the employment preferences of their client employers can be a major barrier for immigrants of non-English speaking background:

One agent described Middle Eastern engineers

as having 'that very dark arrogant look - I mean, to me it is almost evil!...' A second agent said of them, 'If you're in an environment where you have to be underhand, cunning and devious to survive, it takes a long time to get that out of your system...' A third agent reported employer reluctance (on the basis of race) to appoint Asian engineers to supervise Australians. (Hawthorne 1994, pp. 69-70).

Recent suggestions of racial discrimination from a management representative of a large motor vehicle manufacturer were hardly concealed when he predicted that the future work force would be:

White Anglo-Saxon Protestant, and much better educated... There clearly won't be first generation migrants. The people that are coming in now, that we're recruiting now, are all people who've got much higher education standards than they've had previously... (and) they're literate and numerate.

When asked what the future would be for immigrant workers of non-English speaking background who did not have the skills outlined above, the manager replied baldly, 'In trouble!' and when asked about the future of women working at the company, a representative stated that 'I still think that they will be under-represented' (p. 92).

But discrimination in the private sector is not limited to recruitment practices. Unlawful racial discrimination within employment is a problem...

The Queensland judiciary is currently hearing a case where 29 Australian workers born in Latin America have alleged that they had 'been subjected to numerous acts of discrimination, violence, threats and intimidation as well as abusive and provocative language, all racially based' (Matheson 1995, p. 6).

Employers need to be aware of their vicarious liability obligations under s18A of the RDA and to take reasonable steps to ensure that workers are not the subject of racial harassment and discrimination. It is important for employers to

be aware that international events do have national consequences. At the time this report is being written tensions are high in the South Pacific as a result of French nuclear testing. It is not inconceivable that there are Australian workers of French background who are suffering racial discrimination in Australia simply because their fellow workers are unable to distinguish between the actions of the French government and those of French people...

Not all the developments in the private sector are negative ones. An ailing kitchen manufacturing company utilised the skills of their workers of South-East Asian background to redesign their overseas advertising strategy and the results boosted exports, saved the company and led to the recruitment of extra staff. Other companies such as Olympic site contractors and Optus have benefited through proactive strategies utilising the skills and competencies of workers of non-English speaking background (Training for Productivity 1995, 7). However, such examples are not as prevalent as they should be.

### Enterprise Bargaining

A number of the potential pitfalls of enterprise bargaining were outlined in the 1993 *State of the Nation Report* (p. 155-156). These included the lack of training in bargaining for workers; unequal power relations between employers and employees exacerbated by the context of vulnerable industries; and inequitable communication dynamics between employers and workers of non-English speaking background.

Since the 1993 *State of the Nation Report* was written some evidence has become available on the outcomes of enterprise bargaining for workers of non-English speaking background. A report by the federal Department of Industrial Relations, *Enterprise Bargaining*, became available in mid-1995. Two conclusions that can be drawn from this Report are that workers of non-English speaking background have received pay increases but that there was a lack of consultation with them about workplace

bargaining. One way of reconciling this is to conclude that workers of non-English speaking background were swept along in the productivity-wage increase stream without being effectively consulted in the process.

The Department of Industrial Relations report contains a number of methodological limitations, as follows:

- coverage of wage increases could not be measured for all agreements listed;
- a self-completion English language questionnaire was used for all workers including those whose first language was not English; and
- data on women lacked disaggregation to determine the outcomes for women of non-English speaking background.

In the Department of Industrial Relations Workplace Bargaining Survey of 1994 (WBS94) over 11,000 self-completion questionnaires were analysed. Of those workers of non-English speaking background who were able to respond to the questionnaire only 49% at Part VIB agreement workplaces indicated that they were 'given a fair chance to have a say'. In contrast 68% of workers of English speaking background said that they were given 'a fair chance to have a say' (1995, p. 120).

Clearly, responsibility to improve consultations rests, in part, with employers and unions. Responsibility also rests with either the parties who signed the statutory declarations made to the Industrial Relations Commission or the Industrial Relations Commission itself which should not be certifying such agreements if consultation has been inadequate.

Section 170MC of the *Industrial Relations Act* 1988 clearly states,

- (1) The Commission must certify an agreement if, and must not certify an agreement unless, it is satisfied that: [detail of sections (a) to (f) is given]

reasonable steps were taken:

- (i) to inform the employees about the terms of the agreement; and
- (ii) to explain to those employees the effect of those terms; and
- (iii) in particular, to explain to those employees the procedures referred to in paragraph (c) [refers to dispute resolution]; and
- (iv) to inform those employees of the intention to apply to the Commission to certify the agreement, and about the consequences of certification.

Much depends, of course, on the interpretation of 'reasonable steps'. Furthermore in a later part of the Act (s.170MG) it is spelt out that the Commission must protect the interests of women and persons whose first language is not English and it goes on to stipulate that workers be consulted and informed about the agreements (author's underline). In addition, the Act states that,

- (4) If it considers that there has been a failure to consult or explain as mentioned in subsection (3), the Commission must make whatever orders it thinks necessary to remedy the failure and its effects.

The question now is what steps will the parties and the Industrial Relations Commission take to remedy the identified deficiencies of communication with workers of non-English speaking background?

Part of the answer lies in workplace English language programs. However, it is a concern that the Department of Industrial Relations report noted that there was a 'low incidence' of language and literacy clauses being inserted into new agreements (1995, p. xxxiii).

Positive suggestions to redress this situation for women of non-English speaking background

(which could apply equally to men) have been made by Alcorso and Hage (1994), who recommend, among other measures, that governments set and maintain the right to a minimum capacity to bargain by promoting communication skills among women of non-English speaking background, developing their industrial literacy, providing enterprise bargaining liaison officers, ensuring greater protection for shop stewards, and extending interpreter and translating services to unions and employers.

Finally, ANESBWA have questioned the effectiveness of the current 'no disadvantage' tests for Federal enterprise bargaining, and argued that the Federal Government, the Equal Pay Unit and the Industrial Relations Commission should develop a more precise meaning of the term, and prevent the undermining of employment conditions for industries in which vulnerable workers, such as women of non-English speaking background, are concentrated (Evatt 1995, 96).

To ameliorate the limitations of the last survey, it is planned that the 1995 enterprise bargaining survey by the Department of Industrial Relations will canvas a greater number of employees than the 1994 survey and will provide a free interpreting service (in twelve major community languages) to assist workers of non-English speaking background to complete the questionnaire.

### Public sector employment

Compared with the private sector, it is often easier to get insight into racial discrimination in the public sector because federal and State legislation and programs often require public service departments to report publicly on the gender and/or ethnic profile of their work force. Such evidence can be gleaned from departmental reports required by equal employment opportunity legislation and the Office of Multicultural Affairs' Access and Equity Program.

In 1976 the Coombs Royal Commission

expressed concern about discrimination in the public service and stated, 'the fact that any significant group of citizens is seriously under-represented in the proportionate make-up of government employment... must be regarded as *prima facie* evidence of discrimination' (p. 185).

People of non-English speaking background - who constituted over one quarter of the total Australian work force in 1995 - are under-represented in employment in the public sector of the economy, although their representation has increased in the last five years. They are particularly under-represented in the top echelon jobs of the Senior Executive Service.

Data for the period 1989 to 1994 show that the proportion of people of non-English speaking background increased from 12 per cent of total Australian Public Service staff in June 1989 to 15 per cent in June 1994, while the proportion in the Senior Executive Service increased from just over 4 per cent in 1989 to around 9 per cent in 1994 (National Multicultural Advisory Council 1995a, p. 14).

Another dimension of racial discrimination relates to the incorporation of people of non-English speaking background in the decision-making bodies, in the labour market generally, and of government specifically. People of non-English speaking background are under-represented as legislators and government officials in the three spheres of Australian government - Local, State/Territory and Commonwealth. In 1991 they represented only 6.7 per cent of this group, a relative decline compared with 1986 figures. First generation immigrants of non-English speaking background represented under 6 per cent of legislators and government officials appointed by the Commonwealth Government, while second generation immigrants of non-English speaking background represented less than 3 per cent (National Multicultural Advisory Council 1995a, pp. 13-14).

More recent data is not encouraging, with reports suggesting that people of non-English speaking background were more likely to be

retrenched and less likely to gain new public sector jobs than other workers (Matheson 1995). Matheson suggested that there was a decrease in staff of non-English speaking background in 28 Australian Public Service departments and agencies and that only 9 per cent of new appointments were of people of non-English speaking background (p. 7). Another report, by the Public Sector Union, stated that a 'disproportionately high number of Department of Administrative Services staff made surplus recently were union activists, women, and people from non-English speaking backgrounds' (*Canberra Times* 31 January, 1994). Thirty-seven federal government departments and agencies found that few agencies had specific programs to recruit staff with bilingual and bicultural skills, while many agencies had no detailed strategy for using the ethnic media (Matheson 1995, pp. 7-8).

More recent data confirm that these patterns of under-representation of people of non-English speaking background on statutory and non-statutory bodies established by various Commonwealth public sector instrumentalities continue, despite the existence of official government access and equity policy since 1989.

Matheson summarises the data:

- Attorney General's Department had 519 members on statutory/non-statutory bodies, of whom only two were people of non-English speaking background (NESB); during 1994, 142 new appointments were made of whom one was of non-English-speaking background.
- of Foreign Affairs and Trade: 249 members, of whom 12 were of non-English-speaking background.
- Prime Minister and Cabinet: 111 members, of whom 2 were of non-English speaking background; during 1994, 43 new appointments were made of whom none were of non-English speaking background.
- Department of Industry, Science and

Technology: 300 members, of whom 5 were of a NESB, and there was one new appointment in 1994 of a person of non-English speaking background (1995, p. 8).

It is pleasing to note that in response to the identified problems the Minister Assisting the Prime Minister for Multicultural Affairs, Senator Bolkus, and the Minister for Aboriginal and Torres Strait Islander Affairs, Mr Tickner, jointly announced in August this year the establishment of a register containing the names of people from indigenous and non-English speaking background who might be suitable for appointment to Government boards, committees and tribunals.

More generally, recent reports of Australian Public Service departments and agencies have highlighted that 25 per cent were not taking action against workplace harassment, while only 36 agencies out of 82 reported that equal employment opportunity factors were built into staff selection processes (Matheson 1995, p. 7).

Examples of racial discrimination in the public sector, on complaints brought under the Racial Discrimination Act... are not infrequent...

### Stereotyping and Racism

Although the Federal Department of Immigration and Ethnic Affairs has been able to draw on evidence - largely from the work of the Bureau of Immigration, Multicultural and Population Research - from over 10 years of research showing that 'the competing demand and supply side effects of immigration result in a negligible impact on the overall rate of unemployment', myths have persisted. The 'great immigration debate' which emerged in the 1980s has also drawn out two new forms of racism.

Castles et al. (1990) have noted how Geoffrey Blainey in his speeches of 1984 and in his book *All for Australia*, has expressed a 'common sense' form of racism that talks about the threat to national unity presented by immigration. Blainey's argument is that 'common sense'

dictates that the immigration of people whose cultural traditions are supposedly very different will threaten social cohesion.

Castles et al. explain that such 'common sense' assumes that 'people of different cultural backgrounds cannot fit into our society and that they will undermine the established lifestyle, living standards and democratic institutions of resident Australians' (1990, p. 29). Having exposed these enormous assumptions, Castles et al. note that Blainey's argument takes little account of the fact that migrants come to Australia because of what they believe the host society offers. They are hardly likely to undermine that to which they aspire.

Another form of racism is identified by Collins in Lloyd's (1993) argument for the 'rationality' of racism. Lloyd argued that individuals have objective economic and social interests that are affected by immigration in general or by a specific ethnic group of immigrants. Those individuals who suffer real income rise because of immigration - or who think that their real income will rise because of it - are dubbed by Lloyd the economic 'friends' of immigration. Those who experience or expect that their real income will fall because of immigration are economic 'enemies'. These friends or enemies then form coalitions or interest groups to lobby for or against immigration. This behaviour is deemed to be rational, with Lloyd referring to 'natural' friends and 'natural' enemies of Australian immigration in general or immigrants of a particular type.

The great danger of this approach is that it appears to justify anti-immigration or anti-immigrant action and attitudes. It is only 'natural', understandable, rational behaviour of individuals attempting to maximise their actual or perceived living standards. Those who think that they will be worse off because of immigration are rational to actively oppose it or the particular immigrant group that they consider responsible for lowering their income.

Although it is impossible to work out objectively who gains and who loses from

immigration in either the specific or the general components of the immigration intake in particular (Collins 1991, pp. 105-7), Lloyd proceeds as if this can be objectively determined. For example, he asserts that 'immigration of unskilled labour should be strongly opposed by resident unskilled workers (but) strongly supported by skilled labour' (1993). No evidence is given to support this argument, ignoring research (Pope & Withers 1990, Junankar & Pope 1990) that suggests that resident workers gain from immigration with a net increase in jobs. Since Lloyd's analysis rests on individual perceptions of the impact of immigration, some understanding of how prejudice influences such behaviour is required. But Lloyd admitted that he had ignored these factors in his analysis.

### **Obstacles to the study of racial discrimination in employment**

A number of obstacles face researchers who wish to study racial discrimination. One relates to conceptual confusion: for example a report prepared for the International Labour Organisation by the then Australian Bureau of Immigration Research concluded that discrimination 'is difficult to define both within and across disciplines' and that the distinction between discrimination and disadvantage is not clear (Foster et al. 1991, p. 109).

A related difficulty is that of measurement. As the report of the Review of Migrant and Multicultural Programs and Services put it, 'some forms of disadvantage, such as those arising from racial prejudice, might not be susceptible to measurement' (1986). Similarly, some claim that discrimination is conducted in such subtle and surreptitious ways that measurement is too difficult. Others would question this and point to various models (including situation testing) that have been successfully used overseas to measure employment-related discrimination (Brown & Gay 1985, Bovenkerk et al. 1995).

Some of these models, such as situation testing, may be problematic on ethical grounds but

Bovenkerk, in *A Manual for International Comparative Research on Discrimination on the Grounds of Race' and Ethnic Origin* (1992), presents some convincing arguments to counter such objections.

One barrier to research is the lack of ethnicity data collection by employers in the private sector, and to a lesser extent in the public sector. In Northern Ireland the Fair Employment legislation stipulates mandatory data collection. Data can be used in proving racial discrimination, as is the case in Britain (*West Midlands Passenger Transport Executive v Singh*, in Race Discrimination Law Reports, 1988/53). There is a strong argument for considering similar measures in Australia.

There seems to be a lack of research momentum in the field of racial discrimination. Research fosters more research and there has been little opportunity for the snowball effect in which academics pose questions, suggest solutions and generate paradigms that challenge others to respond. Despite the paucity of research to date it is pleasing to note that the Bureau of Immigration, Multicultural and Population Research announced, in 1995, that they are planning to undertake research in this area.

As noted, racial discrimination in employment can take the form of not hiring people of non-English speaking background in the first instance, of not promoting them to levels of employment commensurate with their ability, or of dismissing them before other workers when retrenchments occur. Racial discrimination can also manifest itself in the form of lower wages. There is little research in Australia into any of these dimensions. Unfortunately, Australian government departments have not participated in an international comparative study initiated by the International Labour Organization in order to quantify, via standardised methodology, the extent to which racial discrimination affects chances of gaining employment (Zegers de Beijl 1990, Bovenkerk 1992).

Research initiatives are urgently required to probe into direct and indirect discrimination in

Australia. One suggestion would be for Australia to undertake a study similar to the one the International Labour Organization is currently undertaking in European and North American countries to measure the extent to which an applicant's ethnicity and language affects their chances of gaining employment. Another would be to attempt to investigate the extent to which ethnicity and gender influence an individual's chances of promotion and retrenchment in Australia. Other research areas could include income by ethnicity and income by ethnicity and gender.

Important policy issues also emerge. A National Strategy to Eliminate Racism in the Workplace is currently being drafted by the federal Department of Industrial Relations in consultation with peak unions and representatives of employers, trade unions, government bodies and relevant agencies. It is too soon to judge this important initiative. But a general problem for monitoring public sector discrimination is that 1994 was the last year that federal government departments were required to report on equal opportunities and programs.

One of the great weaknesses of policy to date is that there is no systematic way to monitor improvements in the many dimensions of racial discrimination in the workplace, since there are no benchmarks - or benchmark studies - against which to monitor changes. The introduction of regular benchmark studies to investigate immigrant labour market outcomes across a broad range of activities is required if a trend in direct and indirect racial discrimination can be identified so that an assessment regarding improvement or deterioration over time can be made. These studies should include both private and public sectors of the economy. In particular, investigation into the general impact of the Working Nation initiatives on people of non-English speaking background and research into how they are affected by vocational education and training reforms, enterprise bargaining and economic restructuring is of critical importance. There must also be research designed to investigate the specific circumstances of women,

youth and refugees of non-English speaking background in metropolitan and rural environments before the complexity and extent of racial discrimination in the Australian labour market can be better understood.

## **Conclusions**

In sketching the changing labour market opportunities for people of non-English speaking background in Australia in the last 20 years, it is important not to generalise about disadvantage. Aspects such as gender, age, education, refugee or non-refugee status, period of arrival and English language ability influence how successfully immigrants of different birthplace groups fare in the Australian labour market today, and they must be acknowledged.

Moreover, changing patterns of immigration and changes to the structures and institutions of the Australian labour market in the 1990s are allowing some immigrants of non-English speaking background to gain access to jobs previously denied them. This is particularly the case for many Asian born immigrants who entered Australia in the last decade, who possess language skills and recognised employment qualifications, and who have entered into professional, managerial and technical jobs.

Despite these important exceptions, the overwhelming conclusion is that labour market outcomes for immigrants of non-English speaking background are still inferior to those for other Australians. In many cases labour market opportunities in the last 20 years have deteriorated. This is particularly so for those seeking employment in the manufacturing sector. Women born in non-English speaking countries are at risk in this regard, as are young refugees and immigrants who arrived in Australia in earlier postwar decades.

There is much debate about whether these unequal labour market outcomes are the result of racial discrimination. Despite the protestations of some researchers who disclaim such a possibility, it is impossible to avoid the conclusion from the evidence presented in this

chapter that direct and indirect racial discrimination does indeed contribute to the inferior labour market opportunities for many people of non-English speaking background.

The findings regarding unequal outcomes for people of non-English speaking background in this chapter, and in Chapter 5, suggest that discrimination persists.

Moreover, the relative absence of people of non-English speaking background on advisory bodies and committees that set general labour market policy across a wide range of areas, further increases the possibility that new barriers constraining their employment opportunities may emerge.

The situation is all the more problematic given the dramatic flux in all areas of the Australian workplace in the 1990s.