

MYAN policy brief on meaningful employment for young people from refugee and migrant backgrounds

Executive Summary

- Young people from refugee and migrant backgrounds are an incredibly diverse group, due to multiple intersecting factors including country of origin, cultural background, migration stream, socioeconomic status, gender, sexuality, faith, age on arrival, level of English proficiency, prior education, family structures, and workforce experience.
- Young people from refugee and migrant backgrounds face additional barriers to meaningful employment compared to their Australia-born, non-immigrant counterparts, including racism and discrimination, a lack of foundational skills and social capital, interrupted education, and a lack of recognition of qualifications and work experience obtained overseas, and lack of familiarity with and culturally competent employment services.
- Overcoming these barriers require investment in labour market reforms, and community-based and wage subsidy initiatives that enable young people from refugee and migrant backgrounds to become informed about the Australian careers landscape, gain meaningful work experience and know their rights, as well as building cultural competency in workplaces and broader society.

About MYAN

As the national peak body for multicultural youth, mental health and wellbeing is a priority topic for MYAN. We work in partnership with young people, government and non-government agencies at the state and territory and national levels. We ensure that the voices and experiences of young people from refugee and migrant backgrounds are recognised in policy and practice.

For young people in Australia, employment is a crucial step towards adulthood. Secure and stable employment enables ongoing economic security and a positive sense of identity and allows young people to contribute to the Australian economy and community in meaningful ways.[i] However, entry-level opportunities for young people in Australia have narrowed significantly, and pathways into the labour market have become more complex and difficult to navigate.

Understanding the Issue

‘One in four young Australians is from a refugee or migrant background. Their engagement as active citizens in Australian society, including their meaningful economic participation, has significant and long-term benefits for them, their families and communities, and for a diverse, socially cohesive Australia.’

Young people experience higher levels of unemployment than any other age group. **The national unemployment rate for those aged 15 to 24 years is consistently double that of the average national rate for 15 to 64 year olds.**[ii] Not only are there now fewer full-time jobs available than a decade ago, but the rate of underemployment for young Australians has reached a 40-year high. Alongside higher rates of youth unemployment, precarious employment[iii] is also on the rise.

As of December 2022, the unemployment rate for young people aged 15-24 is at 7.6%^[iv]

The costs associated with poor employment outcomes for refugee and migrant background young people include low income and poverty with reliance on Government income support payments, health care costs, feelings of exclusion and the loss of social and community integration. ^[v]

Though all young people in Australia can face challenges related to high levels of unemployment and underemployment upon leaving high school, young people from refugee and migrant backgrounds face additional barriers that can exclude them from engaging meaningfully with Australia's labour market.

This cohort represents a significant proportion of Australian youth, with 25% of people aged 15-25 born overseas. Meaningful economic participation has significant benefits for young people from refugee and migrant backgrounds and their families both in the short- and long-term, and fosters a diverse and socially cohesive Australia. However:

- **Recently arrived migrants have consistently had higher rates of unemployment than those born in Australia** with 2021 data demonstrating an unemployment rate of almost 8% for migrants arriving within the last 5 years compared to 5% in the Australian born population.^[vi]
- Students from refugee and migrant backgrounds are almost **25% less likely to find full-time employment after graduation** compared to Australian-born students.^[vii]
- Discrimination and pre- and post-migration trauma affects meaningful employment participation.^[viii]
- Compared to pre-COVID-19 levels, **employment is 8% lower for young people born overseas** compared to 1% lower for Australia-born youth by December 2020.^[ix]

Barriers to securing meaningful employment include:

Racism and discrimination: Young people from refugee and migrant backgrounds face discrimination often in looking for employment, in the interview and job selection process, and in the workplace. In a large mixed methods study, refugees were more likely to experience racial discrimination and bullying in the workplace than others. ^[x]

Interrupted education and non-recognition of qualifications: Young people from refugee and migrant backgrounds may experience interruptions to their education.^[xi] For those who have obtained qualifications, they may only rarely or sometimes use their skills or educational qualifications in their job, years after arrival in Australia, with qualification being irrelevant or unrecognised cited as reasons for lack of use.^[xii]

Lack of 'foundational' skills and social capital: Young people from refugee and migrant backgrounds may lack the English language skills and local work experience necessary to find employment in Australia. They can also lack social capital, including social networks to help them 'get ahead'. ^[xiii]

Limited cultural competency within employment services: Job agencies cannot effectively respond to the needs of young people from refugee and migrant backgrounds, resulting in employment services placing people from refugee and migrant backgrounds in generic jobs without considering their experiences, qualifications or preferences.^[xiv]

Lack of familiarity with employment services and the Australian system: This can include a lack of awareness of the job market, selection criteria, and limited contact with members of the workforce. Evidence suggests young people from refugee and migrant backgrounds feel unsupported in getting job ready.^[xv] They may also be unfamiliar with employment options and pathways, as well as Australian workplace laws (exposing them to a greater risk of workplace exploitation). ^[xvi]

This is a critical social and economic issue. Lack of participation from young people from refugee and migrant backgrounds can lead to serious economic and social consequences (i.e., loss of social cohesion, poor health and wellbeing, and reduced financial welfare).[xvii]

Enabling access to meaningful employment can safeguard young people from refugee and migrant backgrounds from ongoing cycles of disadvantage.

As well as improving their financial circumstances and quality of life, stable employment that matches their skills and interests gives young people greater self-confidence and sense of purpose and broadens their social connections in the community. Additional benefits include the creation of additional direct and indirect jobs, increase in average salaries, increase in consumer spending and annual tax revenue and a decrease in worker shortages in key industries. **Policies that successfully create parity of labour force participation between young migrants and the Australian-born population could increase the size of the Australian economy by \$44 billion from 2022-23 to 2031-32 and create 54,000 Full-Time Equivalent (FTE).[ix]**

Targeted support for young people from refugee and migrant backgrounds is the most effective way for this group of young people to access the Australian workforce.

Initiatives that facilitate better access to employment and address the employment challenges faced by this group of young people typically include the following elements:

- Integrating Australian work experience
- Career guidance
- English language initiatives
- Personalised assistance such as casework and mentoring
- Targeted support for employers

Policy Alternative: Employment Empowers Program

The Centre for Multicultural Youth's (CMY) Employment Empowers program supports newly arrived young people from refugee and migrant backgrounds between 18-25 years old to connect with volunteer mentors who support them to develop job-readiness and find meaningful employment in Australia.

CMY partners with organisations that employ program participants in placement roles, which benefits both the employer partners as they are able to build upon diversity in their own workplaces, and also provide opportunities to young people from refugee and migrant backgrounds. Past employers include: Maurice Blackburn Lawyers, AFL Victoria, Momentary Film, Blackrock and Moonee Valley Local Learning. Due to the competitive application process, the Employment Empowers program is selective in accepting participants with an impressive work ethic and who are committed to work and learn.

In the 2020-2021 reporting period, the Employment Empowers program supported **63 young people from refugee and migrant backgrounds to gain employment**, with 96 mentor-mentee matches and 7 new employment partnerships established. Program participants are reported to have increased their self-confidence, created professional networks and built a foundation for their working life in Australia.

Policy Recommendations

1. Ensure young people from refugee and migrant backgrounds have opportunities to learn about the Australian careers landscape and gain meaningful work experience

- Develop a National Youth Employment Strategy to ensure access to meaningful and secure employment for all young people, with targeted approaches and wraparound support for young people who face additional barriers (including those from refugee and migrant backgrounds)
- Continue to invest in community-based programs that aim to equip young people with skills for job-readiness and provide them with mentoring and meaningful work experience
- Invest in paid internships in a variety of industries to assist workers with little to no prior experience in the workforce to develop skills and gain experience – including those from refugee and migrant backgrounds

2. Support employers to build culturally competent workforces and protect workers from discrimination, exploitation and unsafe working conditions

- Fund wage subsidy programs that incentivise businesses to hire people from disadvantaged backgrounds, including young people from refugee and migrant backgrounds
- Invest in labour market reforms that ensure that all workers are protected with adequate contracts, job security and sick leave benefits
- Develop initiatives that educate workers about their rights in the workplace (including anonymous reporting of exploitative/unsafe work practices) with a focus on ensuring content is accessible to young workers and workers from refugee and migrant backgrounds

3. Address underlying issues preventing young people from refugee and migrant backgrounds from participating in the workforce, including racism

- Adopt the Australian Human Rights Commission's (AHRC) National Anti-Racism Framework and ensure that adequate resources are made available to deliver on the Framework's recommendations

Sources

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