

EXECUTIVE SUMMARY

Since the end of World War II, successive governments have helped more than 800,000 refugees and displaced people of different nationalities and faiths to build new lives in Australia. Our humanitarian migration program – one of the world’s largest – enjoys the backing of all major political parties and broad community support. As Prime Minister Malcolm Turnbull confidently told the UN General Assembly in September 2016, ‘Australia is one of the most successful multicultural societies in the world’.

Australia’s achievement rests in large part on the effectiveness of its post-arrival settlement program. ‘No country has integrated newcomers as well as we have,’ says former immigration department head John Menadue AO. Australia provides refugees with services to help them overcome past trauma and integrate into the community. It offers hundreds of hours of free English classes and provides immediate access to government benefits and public healthcare. The active engagement of a myriad of community organisations helps refugees to build social connections and find their way in a new society. Over time, these resettled refugees and their children make an enormous contribution to the community and the economy.

If there is a weak link in Australia’s settlement record, it is getting refugees into jobs soon after they arrive.

There is overwhelming evidence that employment provides the bedrock for successful settlement. The best way to help humanitarian migrants to build flourishing lives is to help them find work. Yet the current expansion of Australia’s humanitarian program comes at a time of profound changes in the economy that mean many of the jobs taken up by refugees in the past are becoming scarcer.

Two out of five recently arrived humanitarian migrants work as labourers, but the need for labourers in the economy is falling. Refugees may also find jobs as machinery operators or drivers, but demand for workers in these roles is stagnant.

On the best available evidence, 17 per cent of humanitarian migrants are in paid work after being in Australia for 18 months. While employment rates improve with time, to get more refugees into jobs more quickly would be a triple-win: it would benefit vulnerable people, boost the budget and improve social cohesion.

This report identifies five principal barriers to newly arrived refugees finding jobs: limited English, a lack of work experience, poor health, a lack of opportunities for women and having only been in Australia for a short amount time. If we want better employment outcomes then it makes sense to focus on removing these barriers or reducing their impact. There is much that we can learn in this regard from best practice from overseas.



A THREE-PRONGED APPROACH: This report recommends a three-pronged approach to helping refugees settle in Australia by targeting jobs and employment services:

- 1. INVEST IN EFFECTIVE AUSTRALIAN PROGRAMS TO OVERCOME EMPLOYMENT BARRIERS, THROUGH:**
 - a) Providing specialised and intensive case management for humanitarian migrants that integrates initial settlement services, English language programs and employment; and
 - b) Renewed investment in existing programs built on a more accurate evidence base.
- 2. LEVERAGING OVERSEAS BEST PRACTICE, BY:**
 - a) Enhancing private and community sponsorship within the humanitarian program;
 - b) Introducing trial programs for faster recognition of humanitarian migrants' existing skills; and
 - c) Developing microfinance options that could be of particular benefit to women and their families.
- 3. ESTABLISHING A CENTRE OF GRAVITY FOR SETTLEMENT SERVICES, BY:**
 - a) Centralising post-arrival humanitarian and settlement policy within the Department of Social Services; and
 - b) Formalising government priorities in an updated National Settlement Framework.

There is plenty of evidence that settling humanitarian migrants better will have substantial payoffs. Statistics show that refugees are more entrepreneurial than other migrants and that over time they can catch up with others in the job market. But there is potential to accelerate their entry into work to the benefit of all.

If the labour market outcomes for just one year's intake of humanitarian migrants improved by 25 per cent, then over the subsequent decade those new arrivals would be \$465 million better off and the Australian Government would bank \$175 million in budget savings.

To achieve this outcome year on year would compound the benefits, producing additional income for humanitarian migrants of close to \$2.5 billion and a gain of almost \$1 billion for the Australian Government over the subsequent decade.

The rewards from this growing dividend are far more than financial. Expanding employment opportunities for refugees is central to successful integration. Better job outcomes will strengthen social cohesion and help reduce alienation and extremism – not just amongst refugees, but also amongst those established members of the Australian community who might fear or resent the presence of newcomers.

If Australia is to remain a leader in refugee resettlement then we must adapt in the face of change. Political leadership and investment must nurture the public legitimacy that forms the bedrock of the humanitarian program. This report charts the path forward. It explains how our proposed three-pronged approach can improve settlement services, build social cohesion and prosperity, and sustain confidence in Australia's humanitarian program as one of the world's best.