# **CHAPTER 2. INDICATORS OF EARLY SETTLEMENT EXPERIENCE**

Immigrants' settlement experiences during the first few years after immigration are important to successful settlement. Studies of return migration have shown that it usually occurs within the first few years after arrival (Lukomskyj and Richards 1986; Struik and Ward 1992; Hugo 1994). This chapter examines the settlement indicators relating to the first 3-4 years of settlement. The indicators are based on the experiences of the first cohort of primary applicant migrants who participated in all three waves of the Longitudinal Survey of Immigrants to Australia (LSIA1)<sup>1</sup> and relate to three time points – 6 months, 18 months and  $3\frac{1}{2}$  years after arrival in Australia.

The indicators are examined according to migrants' sex, age on arrival and migration category and show the diversity of outcomes experienced by migrants arriving in very different circumstances.

# **Indicators of social participation**

#### English proficiency

Three indicators of English proficiency can be obtained from LSIA data. These are proficiency in speaking, writing and reading English. Proficiency is defined as the ability to speak, write or read English 'well' or 'very well'. Included in this group are migrants who indicate that English is their best or only language of communication.

Figures 2.1-2.6 show the indicators by migration category and age on arrival. Entrants in the Humanitarian category have lower levels of English proficiency than other migrants although their English speaking proficiency indicator records considerable progress during the early years of settlement. Among the various age groups, migrants aged 25-34 are the most proficient on all three indicators. The indicators also show that young migrants improve their English more quickly than older migrants.

The indicators suggest that entrants in the Humanitarian category and women in the Preferential Family category are particularly in need of opportunities to learn or improve their English during the early years of settlement in order to communicate with other Australians and to participate fully in the community. The indicators by age on arrival also show that migrants aged 45-64 may need assistance with improving their English during the early years of settlement.

<sup>&</sup>lt;sup>1</sup> The LSIA1 respondents were principal applicants for immigrant visas, who arrived in Australia during the period September 1993-August 1995. The indicators in this chapter are based on respondents who participated in all three waves of LSIA1. There have been changes in the selection criteria in a number of visa categories in the Family and Skill components of the Migration Program since the survey was conducted. Therefore, more recent cohorts of immigrants are likely to have different on arrival characteristics and settlement experiences from the migrants described in this study (see for example the study forthcoming from DIMA (Richardson et al. 2001) comparing the second LSIA cohort (LSIA2) with the first.)







Source: Appendix Table A2.1







Source: Appendix Table A2.1.







Source: Appendix Table A2.2.







Source: Appendix Table A2.2.







Source: Appendix Table A2.3.







Source: Appendix Table A2.3.

## Participation in education

The indicator for participation in education is obtained for migrants aged 15-24 years on arrival. This is the age group in which participation in gaining post-school qualifications is highest. The focus on this age group also allows for a comparison with the Australian resident population in educational enrolment in the transition years to work force participation.

Participation in education by migrants aged 15-24 increases during the early years of settlement, according to LSIA1 data. Primary applicant migrants in this age group are mainly in the Preferential Family or Humanitarian categories so the indicator is shown for these two groups only (Figure 2.7). Humanitarian entrants have the highest rate of participation in education. They may perceive a greater need for further education or retraining prior to entry into the labour force.

Since there are few primary applicant migrants aged 15-17 on arrival, it is more relevant to focus on the 18-24 age group for this indicator. Indicators for smaller age categories are presented in Table 2.1.





Source: Appendix Table A2.4.

Sex and age at arrival	6 months	18 months	3.5 years
Males	%	%	%
15-17	91	70	64
18-19	25	31	32
20-21	5	16	17
22-24	4	13	16
Total 15-24	13	19	21
Females			
15-17	45	46	23
18-19	9	6	12
20-21	13	3	6
22-24	6	15	21
Total 15-24	10	13	17

#### Table 2.1. Percentage participating in education by sex, age at arrival and period after arrival.

Source: Longitudinal Survey of Immigrants to Australia, Waves 1-3.

## Citizenship

The citizenship indicator is examined for migrants at  $3\frac{1}{2}$  years after arrival since a twoyear period of residence is required for citizenship. Two out of three primary applicant migrants in LSIA1 – the same for both men and women – had become Australian citizens or applied for citizenship at  $3\frac{1}{2}$  years after arrival<sup>2</sup>.

The indicators show that humanitarian entrants have the highest rate of citizenship, with over 90 per cent having become or applied to become Australian citizens (Figure 2.8). The most common reasons given are that they plan to settle permanently, they feel Australian and want to bring up their children here. Citizenship take-up rate is also highest for migrants aged 35-64 on arrival and lowest for those aged 65+ (Figure 2.9).

<sup>&</sup>lt;sup>2</sup> The difference between this figure and that based on 1996 Census data for overseas-born residents with 3-5 years residence shown in Figure 3.2 may be due to two factors. First, it is based on only primary applicants in LSIA1 while the census figure is based on all overseas-born residents. Second, New Zealanders are excluded from LSIA1 while the census figure includes New Zealanders.





Source: Appendix Table A2.5a

Figure 2.9. Per cent who are Australian citizens or have applied for citizenship at 3½ years after arrival, by sex and age on arrival.



Source: Appendix Table A2.5b

## **Indicators of economic participation**

## Labour force participation

The first indicator of economic participation is the labour force participation rate. Table 2.2 shows this indicator from LSIA1 for men and women by age on arrival and migration category at 6 months, 18 months and 3½ years after arrival. Among migrants in the Business/Employer Nomination category, men aged 25-44 on arrival and women aged 35-44 on arrival have participation rates that are nearly 100 per cent at 18 months after arrival.

Participation rates increase during the early years of settlement for all age groups and migration categories. The largest increase is observed for humanitarian entrants although they still have the lowest participation rates at  $3\frac{1}{2}$  years after arrival.

Indicators are shown in Figure 2.10 for all men and women aged 18-44 on arrival by migration category. Men in all migration categories have high participation rates at  $3\frac{1}{2}$  years after arrival. However, there is more variation in the indicator by migration category among women, with those in the Skill categories having much higher participation rates than those in the Humanitarian and Preferential Family categories.

# **Employment and unemployment rates**

As noted in Chapter 1, employment is an indicator of labour market success. LSIA1 data indicate that migrants' employment rates also vary considerably by sex, age on arrival and migration category but show increases with duration of residence for all age, sex and migration categories (Figures 2.11 and 2.12). Male and female migrants in the Business/Employer Nomination categories have close to full employment soon after arrival. Independent skill migrants also have high employment rates by 18 months after arrival.

Humanitarian entrants have very low employment rates on arrival but show considerable progress according to this indicator with duration of residence. Nonetheless, their employment rate at 3<sup>1</sup>/<sub>2</sub> years after arrival is still low compared with the rates for other migrants.

Unemployment rates are shown in Table 2.3. Since these are complementary to employment rates (the two rates add to 100 per cent), the patterns observed are the reverse of the indicator on employment rates. Unemployment rates are high for all migrants at 6 months after arrival, with the exception of migrants in the Business/Employer Nomination category, but decline with length of residence. The indicators show that migrants in the Independent category achieve low unemployment rates within 3½ years of settlement although migrants in other categories continue to have relatively high rates.

The unemployment rate indicators are also obtained for migrants aged 15-44 on arrival according to their educational qualifications (Table 2.4).

-			Visa Category			
			Business Skills			
Sex and age	Preferential Family	Concessional Family	& Employer Nomination	Independent	Humanitarian	Total
Sex and age	Ганнту	Failiny	Nommation	Independent	Humannanan	Total
Male			6 months after			
15-24	60	67	-	89	36	57
25-34	82	86	96	90	68	84
35-44	93	86	87	87	55	82
45-64	64	83	69	-	52	65
Total (15+)	67	85	85	90	54	74
Female						
15-24	33	-	-	60	18	33
25-34	44	63	95	81	26	49
35-44	43	67	77	86	30	48
45-64	13	51	54	-	20	16
Total (15+)	35	64	76	81	32	39
Male			18 months after	arrival		
15-24	69	81	-	96	57	69
25-34	86	89	99	95	74	88
35-44	98	89	98	89	75	89
45-64	69	92	83	-	62	73
Total (15+)	71	89	95	93	67	79
Female						
15-24	34	-	-	80	36	35
25-34	48	71	85	81	39	54
35-44	55	65	97	90	30	56
45-64	6	78	59	-	22	13
Total (15+)	38	70	84	83	30	43
Male			3.5 years after	arrival		
15-24	71	94	-	100	78	75
25-34	94	91	96	93	83	92
35-44	92	94	99	91	84	91
45-64	57	79	87	-	58	65
Total (15+)	73	90	95	93	75	81
Female	10	20	20	20	, 0	01
15-24	43	-	-	100	57	45
25-34	49	74	77	78	44	54
35-44	56	91	90	82	49	62
45-64	11	79	63		19	16
Total (15+)	42	81	79	80	39	47

Table 2.2. Proportion in the labour force by visa category, sex and age at arrival: primary applicants
at 6 months, 18 months and 3.5 years after arrival.

Source: Longitudinal Survey of Immigrants to Australia, Waves 1-3.







Source: Appendix Table A2.6



Figure 2.11. Employment rates: migrants aged 15-64 on arrival by period of residence and migration category



Source: Appendix Table A2.7







Source: Appendix Table A2.8

-			Visa Category Business Skills			
	Preferential	Concessional	& Employer			
Sex and age	Family	Family	Nomination	Independent	Humanitarian	Total
Male			6 months after	arrival		
15-24	33	26	-	10	81	36
25-34	28	28	-	24	78	31
35-44	18	39	2	38	80	35
45-64	74	49	5	-	100	65
Total (15+)	33	36	2	27	83	36
Female						
15-24	46	-	-	-	100	46
25-34	37	38	-	28	82	36
35-44	38	43	-	36	91	42
45-64	79	17	-	-	89	70
Total (15+)	41	39	-	29	88	41
Male			18 months after	arrival		
15-24	20	5	-	8	41	22
25-34	16	13	2	11	50	17
35-44	20	22	4	15	62	24
45-64	44	32	3		70	41
Total (15+)	21	20	3	12	56	22
Female						
15-24	37	-	-	-	34	34
25-34	14	21	-	5	42	14
35-44	25	17	-	6	39	21
45-64	37	21	23	-	62	42
Total (15+)	22	19	4	5	43	21
Male			3.5 years after	arrival		
15-24	16	4	-	-	30	17
25-34	15	5	1	3	30	11
35-44	2	10	2	10	38	12
45-64	49	23	4	-	62	39
Total (15+)	17	10	2	5	37	15
Female						
15-24	23	-	-	-	23	21
25-34	14	7	-	2	37	12
35-44	19	16	-	-	36	18
45-64	31	17	5	-	86	41
Total (15+)	18	11	1	2	39	17

Table 2.3. Per cent unemployed of those in the labour force, by visa category, sex and age at arrival:
principal applicant migrants at 6 months, 18 months and 3.5 years after arrival.

Source: Longitudinal Survey of Immigrants to Australia, Waves 1-3.

Sex, age on arrival		Unem	oloyment rat	te
and educational attainment		Wave 1	Wave 2	Wave 3
	%	%	%	
Males aged 15-44				
Bachelor degree or higher		33	17.6	10.2
Other post-school qualifications		28	19	12
Without post-school qualifications		52	33	26
Total		36	22	15
Females aged 15-44				
Bachelor degree or higher		37	19	7
Other post-school qualifications		26	8	12
Without post-school qualifications		59	31	29
Total		41	21	17
Total aged 15-44				
Bachelor degree or higher		34	18	9
Other post-school qualifications		28	16	12
Without post-school qualifications		55	32	27
Total		38	22	16

Table 2.4. Per cent unemployed of those in the labour force by qualification at arrival and sex:	
Waves 1-3.	

Source: Longitudinal Survey of Immigrants to Australia, Waves 1-3.

# **Occupational distribution**

Two indicators of occupation distribution are examined. The first is the proportion of migrants who are employed in skilled occupations, which include the managerial, professional, para-professional and trades occupations (Table 2.5); the second is the occupational distribution of employed migrants (Table 2.6).

The first indicator shows little change during the early years of settlement. Differences are mainly by migration category, between those that are assessed for skills and those that are not.

There is also not much change in the occupational distribution of employed male migrants during the first  $3\frac{1}{2}$  years of settlement, with about 20-25 per cent employed in each of the professional, trades and labourer occupation groups. Among women, the proportion employed as professionals declines between 6 months and  $3\frac{1}{2}$  years after arrival while the proportion employed as labourers increased. This may be related to more women entering the work force in the unskilled occupational group after the initial settlement period.

# Job satisfaction

An indicator of job satisfaction is available from LSIA data. Employed migrants were asked in the survey how they felt about their job. Those who indicated that they 'love it' or 'like it' were classified as being very satisfied with their job.

As shown in Figure 2.13, the job satisfaction indicator varies considerably by migration category. It shows that job satisfaction increases for some groups but decreases for others during the first 3<sup>1</sup>/<sub>2</sub> years of settlement.

	Visa Category					
	Preferential Co	oncessional	Business			
Sex and age	Family	Family	& ENS	Independent Hum	nanitarian	Total
Male			6 months after arrival			
15-24	30	-	-	88	17	38
25-34	38	57	90	75	10	57
35-44	44	75	93	73	20	66
45-64	24	76	99	-	-	66
Total (15+)	37	66	94	75	14	58
Female						
15-24	16	-	-	91	-	21
25-34	25	53	100	76	-	42
35-44	29	49	88	98	-	50
45-64	22	63	95	-	-	50
Total (15+)	24	53	94	81	-	40
Total						
15-24	22	22	-	89	17	30
25-34	33	56	92	75	9	53
35-44	38	70	92	79	18	61
45-64	23	73	98	-	-	63
Total (15+)	31	63	94	76	12	53
Male			18 months a	fter arrival		
15-24	34	49	-	80	8	36
25-34	36	51	96	82	12	57
35-44	56	69	89	92	21	70
45-64	31	74	98	-	5	55
Total (15+)	38	62	93	84	13	58
Female						
15-24	10	-	-	76	24	17
25-34	24	51	88	80	7	39
35-44	26	44	76	85	-	38
45-64	27	56	90	-	8	42
Total (15+)	22	50	81	81	7	35
Total						
15-24	22	58	71	79	12	27
25-34	30	51	94	82	11	51
35-44	40	64	87	90	14	59
45-64	31	71	97	100	6	53
Total (15+)	30	59	91	84	12	50

Table 2.5. Proportion in skilled occupations\* by visa category, sex and age at arrival: Employed principal applicants by length of residence.

Source: Longitudinal Survey of Immigrants to Australia, Waves 1-3.

			Visa Ca	ategory		
	Preferential Co	oncessional	Business			
Sex and age	Family	Family	& ENS	Independent Hur	nanitarian	Total
Male		3.5 years after arrival				
15-24	32	72	-	80	22	36
25-34	48	61	90	82	26	62
35-44	58	67	92	82	32	67
45-64	43	70	99	-	37	64
Total (15+)	46	65	93	82	28	60
Female						
15-24	17	-	-	90	24	23
25-34	24	48	100	84	6	39
35-44	28	50	82	94	4	41
45-64	23	51	87	-	22	35
Total (15+)	23	51	87	86	10	36
Total						
15-24	24	81	71	83	22	29
25-34	37	57	91	82	21	54
35-44	43	63	91	85	24	59
45-64	37	67	97	100	34	58
Total (15+)	35	61	92	83	23	52

Table 2.5 (continued). Proportion in skilled occupations by visa category, sex and age at arrival:
Employed principal applicants by length of residence.

*Source: Longitudinal Survey of Immigrants to Australia, Waves 1-3.* \*Includes managerial, professional, para-professional and trades occupations.

Sex and occupation group	6 months	18 months	3.5 years
Male	%	%	%
Managers & Administrators	10	8	11
Professionals	25	24	23
Para-Professionals	3	4	4
Tradespersons	21	22	22
Clerks/Sales/Service workers	12	12	10
Plant/Machine Operators & Drivers	9	11	12
Labourers & Related Workers	21	20	18
Total	100	100	100
Female			
Managers & Administrators	4	5	8
Professionals	24	18	17
Para-Professionals	7	8	8
Tradespersons	6	5	4
Clerks/Sales/Service workers	37	34	35
Plan/Machine Operators & Drivers	5	7	6
Labourers & Related Workers	18	24	24
Total	100	100	100

Table 2.6. Occupational	distribution of emp	loyed migrants b	by sex and period of arrival.

Source: Longitudinal Survey of Immigrants to Australia, Waves 1-3.



Figure 2.13. Per cent satisfied with their job: employed primary applicant migrants by sex, migration category and period of residence.



Source: Appendix Table A2.9

## Indicators of economic wellbeing

#### Income

As mentioned in Chapter 1, the income indicator is a relative measure based on the average weekly earnings of adults in full time employment. Migrants whose income is above the average weekly earning of adults in full time employment can be considered to have done better than average in terms of economic wellbeing. Figure 2.14 shows the proportion with income above the average weekly earning at the time of the survey.

There are very large differences by migration category according to this indicator. Over 60 per cent of male migrants in the Business and Independent categories in LSIA1 had incomes above average weekly earnings at  $3\frac{1}{2}$  years after arrival compared with 10 per cent of men in the Humanitarian category. Similar differences are observed among women.

# Income from government payments

The indicator obtained from LSIA1 is the percentage receiving *any* government pension or allowance regardless of whether these payments are the main source of income. Nearly all humanitarian entrants receive a pension or allowance during the first 18 months of settlement, but the proportion declines between the second and third years of settlement (Figure 2.15). The reverse pattern is observed among Preferential Family migrants. A large proportion of Family and Skill migrants receiving some pension or allowance are receiving the basic family allowance.

An indicator showing the proportion receiving unemployment allowance (Jobsearch or Newstart) is also available from LSIA (Figure 2.16). This indicator essentially reflects the level of unemployment and corresponds with the pattern of unemployment shown by the unemployment indicator. Very high proportions of entrants in the Humanitarian category receive the allowance during the first 18 months of settlement, but the proportion then declines sharply over the next two years as many begin to find employment.

A comparison of Figures 2.15 and 2.16 provides an indication of the proportion of migrants receiving pensions and allowances other than the unemployment allowance.

#### Home ownership

The third indicator of economic wellbeing is home ownership. The percentage of migrants living in their own home (owned outright or being purchased) during the early years of settlement is shown in Figure 2.17 by migration category. Home ownership rises quite quickly during the early years of settlement for migrants in all migration categories, although differences by migration category are maintained.

The home ownership indicator by sex and age on arrival is shown in Figure 2.18. Migrants aged 35-44 have the highest rate of home ownership within  $3\frac{1}{2}$  years of settlement, with 50 per cent living in their own homes.



Figure 2.14. Per cent with income above average weekly earnings: by migration category and period of residence.



Source: Appendix Table A2.10







Source: Appendix Table A2.11



Figure 2.16. Per cent who received unemployment allowance: by migration category and period of residence.



Source: Appendix Table A2.12



Figure 2.17. Per cent living in own home: by migration category and period of residence.

Source: Appendix Table A2.13



Figure 2.18. Per cent living in own home: by age on arrival and period of residence.



Source: Appendix Table A2.14

## Indicators of physical wellbeing

## Physical health

The first indicator refers to the presence of a long-term health condition (Figure 2.19). Differences by migration category are likely to reflect the waiver of the health requirement for migration for some migrants in the Preferential Family and Humanitarian categories. The increase shown by this indicator for migrants in these two categories is of some concern.

The indicator by age on arrival is shown in Appendix Table 2.15. As expected, young migrants are less likely to have a health condition than older migrants.

#### Mental health

The second indicator is a measure of mental health status based on the General Health Questionnaire (GHQ). The GHQ comes in four versions of different length (ranging from 12 questions to 60 questions). The shortest, GHQ-12 is typically used in surveys and is used in LSIA1. A Likert scoring system is used to score the responses.

The indicator of mental health status is the mental health score. The score ranges from 0 to 36. A low score indicates high levels of mental health and wellbeing and a high score indicates low levels of mental health and wellbeing. For all Australians aged 18 years and over, the score was 9.1, broadly at the high end of mental health and wellbeing.

The scores for male and female migrants at 6 months after arrival are 8.4 and 8.9 respectively, which are below the Australian average. Therefore migrants have better mental health on average soon after arrival than the Australian adult population. The scores increase to 8.9 and 9.5 respectively at  $3\frac{1}{2}$  years after arrival.

Differences by migration category are also observed for this indicator (Figure 2.20). The scores for female humanitarian entrants remain unchanged during the early years of settlement, but those for men in this migration category increase after the first 18 months.

The indicator by age on arrival shows that scores are lowest for migrants aged 15-24 and highest for those aged 45-64 (Figure 2.21).

# General health

This indicator is based on self-assessment of general health. Migrants in LSIA1 who say that their health is good or very good are considered as having good health. Although over 90 per cent of all migrants report having good health at the initial interview, there is a clear declining trend in the indicator over time for both men and women (Figure 2.22).

There is not much difference between migrants in the Family and Skill categories, but a noticeably lower proportion of humanitarian entrants report having good health, particularly among women.







Source: Appendix Table A2.15







Source: Appendix Table A2.16







Source: Appendix Table A2.16







Source: Appendix Table A2.17

# **Other indicators**

Two indicators of settlement success from the migrants' perspective that are available from LSIA are:

- satisfaction with life in Australia
- permanent settlement intention

Since these indicators are based on migrants who participated in all three waves of the survey, they overestimate the level of settlement success. Some migrants who are not happy during the early years and are able to return home or emigrate to another country will not have participated in all the three waves. Migrants who are not very satisfied with their life in Australia are also less likely to participate in all three waves of the survey. Five per cent of the original sample had left Australia permanently by the third wave and 4 per cent refused to participate in further interviews (VandenHeuvel and Wooden 1999).

# Satisfaction with life in Australia

Over 90 per cent of primary applicant migrants are satisfied with their life in Australia. Changes in the life satisfaction indicator during the early years of settlement are shown in Figure 2.23 for men and women by migration category and in Figure 2.24 by age on arrival.

According to this indicator, migrants in some visa categories become less satisfied over time while others become more satisfied. Migrants aged 35-44 on arrival are less likely to be satisfied with life in Australia.

# Permanent settlement intention

This indicator is based on the proportion of primary applicant migrants who say that they do not intend to return to their former home country or emigrate to another country. More than 90 per cent of the migrants say they intend to settle permanently.

Intention to settle permanently is highest among migrants in the Family and Humanitarian categories and lowest in the Business/Employer Nomination categories (Figure 2.25). There is not much difference in this indicator for men by age on arrival, but a lower proportion of younger women than older women intend to settle permanently (Figure 2.26).







Source: Appendix Table A2.18







Source: Appendix Table A2.18







Source: Appendix Table A2.19







Source: Appendix Table A2.19

# Summary

The indicators based on data for primary applicant migrants from LSIA1 point to the diversity in settlement outcomes experienced during the first  $3\frac{1}{2}$  years after arrival by male and female migrants in the different visa groups.

According to the three indicators of social participation examined, humanitarian entrants do not do as well as other migrants in terms of English language proficiency. However, they have the highest rate of citizenship at  $3\frac{1}{2}$  years after arrival. Of migrants aged 15-24 years, those in the Humanitarian category also have the highest rate of participation in education.

According to the indicators of economic participation, migrants in the Skill and Business categories perform better than the others since they are assessed for migration on their qualifications and occupational skills. They are more likely to participate in the labour force, to be successful in gaining employment, to be employed in skilled occupations and to be satisfied with their job.

The indicators of economic wellbeing also show that Skill and Business migrants are more likely to rank well in terms of level of income and home ownership and are less likely to be receiving government support payments. Humanitarian entrants are the most disadvantaged according to these indicators although the proportion receiving the unemployment allowance declines with length of residence as more migrants gain employment.

The indicators of physical wellbeing also show that humanitarian entrants have less positive settlement outcomes compared with other migrants. There is a significant increase in the proportion with a physical condition between 1½ and 3½ years after arrival and an increase in the mental health scores of male humanitarian entrants. Migrants who show better health outcomes are those in the Preferential Family category or who are younger. They have the lowest mental health scores and better mental health on average.

The next chapter discusses the same set of indicators in relation to longer periods of settlement, extending to more than 15 years.