

## Discussion Paper

### *Issues confronting Australian women from culturally diverse backgrounds: Progress to date and what needs to be actioned to address the remaining issues?*

February 2019

*Author: Stephen Koukoulas, Market Economics*

As the recent whitepaper *Defining the Concept of Economic Security for All Women* identified, “Australian women of culturally and linguistically diverse (CALD) backgrounds face a range of specific challenges which often impact negatively on their economic and financial security.”

This discussion paper highlights a number of those challenges and notes potential policy changes that would go some way to address these issues, although it should be noted that women from CALD backgrounds have diverse experiences and backgrounds including length of time in Australia since arriving, the migration pathway, the level of exposure to Australian systems, English Language proficiency and socioeconomic status.

One particular issue confronting many migrant women is the formal recognition of education and other qualifications and skills obtained before migrating to Australia.

For women coming to Australia under the skilled immigration program, this is somewhat less of a concern given the nature of the criteria for a successful application - skills.

Women who arrive through refugee and other pathways confront extreme difficulty having their skills and qualifications recognised once in Australia as skills were rarely one of the criteria used to approve their immigration status. In many instances, there are no formal means where qualifications from the home country can be verified or benchmarked against qualifications in Australia, meaning those qualifications in the home country are never transferred to the Australian workforce.

Either that or there is a lack of understanding of the process to gain Australian based recognition of their education and skills. There is also a problem that the country from which they have fled as a refugee is unwilling to offer any assistance when help is sought.

Given the difficulty many migrant women have in getting their qualifications recognised, they have a tendency to work in low income, low skill, insecure and low status jobs, rather than maximising their income in the area of their vocational expertise.

The ability to break out of this position is further restricted as skill enhancement and therefore fresh employment opportunities in such sectors is limited, which is a constraint that entrenches the low levels of financial security for many of these women.

### **Employment is the key driver of financial security**

A well established and irrefutable determinant of economic security is paid employment. Economic and financial security improves as workers maximise the use of their skills, experience and expertise. Academic literature shows that for any given occupation, those with greater experience have a higher income than those with lesser experience.

Any under-utilisation of skills not only has a negative influence on the economy and productivity more broadly, but for the individual concerned there is the unnecessary circumstance of low pay, low superannuation and vulnerability brought on by a lower level of financial security.

The Federation of Ethnic Communities' Councils of Australia has undertaken a series of research reports and it found recently arrived migrants, especially women, confronted particular difficulties and barriers to obtaining employment of any type, but specifically that matched their skills and experience.

The barriers to entry to an appropriately rewarding occupation were high.

### **Barriers to employment and job insecurity**

These barriers were predominantly gaining recognition for the skills and qualifications earned overseas; English language proficiency; observations of employer discrimination with regards to speaking accent; broader experience of discrimination; and a lack of job and social networks for seeking and securing future employment.

The overall impact of these and other problems meant many recent immigrant women found themselves in low-skilled, low-paying jobs. FECCA noted CALD women were over-represented in manufacturing, food services, cleaning and labouring, occupations that are open to casual working conditions. These industries tend to be dominated by low pay and a high degree of employment insecurity.

Language difficulties and a lack of understanding of Australian employment and wages laws leaves makes it difficult for women in these areas to negotiate the terms of their employment, including wages, hours worked, leave entitlements and superannuation.

### **Childcare**

Whatever the level of employment for many CALD women, access to childcare has a particularly constraining effect of a woman's ability to maintain paid employment and as a result, undermines financial security.

Misunderstandings and complexities negotiating hours and conditions to accommodate childcare often leads CALD women to leave the paid workforce altogether when they have children.

The impact on the individual of this loss of engagement with the paid workforce because of the absence of accessible and affordable childcare is clearly undesirable, but it also has negative consequences for the economy as it leads to a lower workforce participation.

Many migrant women arrive in Australia without a close or extensive family network, which further reduces the ability of women to tap family contacts for childcare and other assistance.

### **Initial Recommendations**

- Establish a body that confirms the educational attainment and other qualifications and skills obtained overseas by CALD women. Transfer these qualifications to an Australian standard. Reduce the red tape to fast track this process
- Expand the English language programs to encourage fluency in speech, reading and writing and that are offered at times that suit the working and family obligations of the individual
- Education and basic facts on employment and other labour market laws, regulations and entitlements. Included in this would be the rules surrounding bullying, sexual harassment and discrimination
- For low skilled CALD women, establish a vocational training program for those unemployed or in insecure work. This may extend to 'industry specific' English language skills
- Basic financial literacy training, so CALD women are fully aware of the banking structure, savings, credit cards, mortgages and superannuation policies