

INTRODUCTION

Besides its responsibility for managing the entry of people to Australia, the Department of Immigration and Multicultural Affairs is also concerned with the settlement of migrants and refugees after their arrival in Australia. Accordingly it funds a range of immigrant settlement services that includes English language training, assistance with translating and interpreting, Migrant Resource Centres, the Community Settlement Services Scheme and the provision of settlement information.

The National Integrated Settlement Strategy (NISS) is the Department's planning framework for its delivery of settlement services. As stated in its Settlement Services Guide (2000), the main objective of the NISS is to provide and help migrants and refugees access essential settlement services so that "they become independent, productive members of the community as quickly as possible" (p.11).

This study has been undertaken within the context of the NISS to assist in assessing the settlement outcomes of migrants and refugees, and particularly to examine what constitutes successful settlement outcomes and what factors contribute to these outcomes.

Terms of reference

The terms of reference for the study are:

1. To develop a set of indicators of potential and actual settlement success; and
2. To establish a set of benchmarks against which the settlement indicators can be compared. The benchmarks are to be based on data for native-born Australians.

Secondary objectives are to examine which indicators are important measures of settlement success and what factors contribute to successful settlement outcomes as measured by these indicators.

Data and methodology

Data from the Department's first Longitudinal Survey of Immigrants to Australia (LSIA1) are used to develop settlement indicators relating to the first 3½ years of settlement, specifically at 6 months, 18 months and 42 months after arrival. Respondents in LSIA1 are offshore visaed primary applicant migrants (persons who made the application to immigrate). The indicators are based on weighted data for the 3618 primary applicant migrants who participated in all three waves of the survey.

Indicators of longer-term settlement are based on the experiences of overseas-born Australians with longer duration of residence. These are obtained from the 1996 Census of Population and Housing, supplemented by the 1999 Labour Force Status and Other Characteristics of Migrants Survey and the 1997 Survey of Mental Health and Wellbeing, two national sample surveys conducted by the Australian Bureau of Statistics. Equivalent

measures based on the native-born Australian population are obtained as benchmarks against which the settlement indicators can be compared. Equivalent measures based on the total Australian population are also provided for comparison.

LSIA1 data on primary applicant migrants are also used to examine the relative importance of the various indicators and the factors that contribute to successful settlement outcomes as measured by a set of key indicators. Multivariate statistical analyses are undertaken to examine settlement outcomes during the early years of settlement according to migrants' on arrival characteristics and socioeconomic situation.

Outline of the report

Chapter 1 of the report discusses the four dimensions of immigrant settlement examined in this study and introduces the set of settlement indicators for each dimension. Chapter 2 presents the indicators of early settlement experience obtained from the three waves of LSIA. The longer-term settlement indicators obtained from the 1996 Census and ABS sample surveys are discussed in Chapter 3. Comparisons are made with the native-born Australian population and the total Australian population to show how long before former migrants attain parity with these populations according to the outcome measures. Chapter 4 discusses the findings of the analyses of LSIA1 data on the factors and migrant characteristics that are associated with positive outcomes during the early years of settlement. Drawing on the findings of the previous three chapters, Chapter 5 provides an assessment of the indicators as measures of social and economic participation and settlement success. The report concludes in this chapter with a discussion of the uses and limitations of the indicators and benchmarks and some recommendations for further research.

CHAPTER 1. INDICATORS OF IMMIGRANT SETTLEMENT

In a feasibility study of immigrant settlement indicators, researchers in Canada have suggested that there are many dimensions to immigrant settlement. These include linguistic, economic, occupational, social and cultural adaptation and physical and mental wellbeing (Neuwirth et al 1989). Previous studies of immigrant settlement in Australia have also considered a number of indicators of social and economic adjustment such as labour force participation, employment and unemployment rates, occupational status, income, home ownership, English language proficiency and citizenship rates (Khoo et al. 1994; Wooden et al. 1994). In addition, several studies have examined the factors related to immigrant success in the labour market (for example, Cobb-Clark and Chapman 1999; VandenHeuvel and Wooden 1999; Williams et al 1997).

To develop a set of indicators of potential and actual settlement success of immigrants requires a conceptual framework for examining immigrant settlement outcomes. DIMA's *Settlement Services Guide* describes settlement success as 'active economic and social participation in Australian society as self-reliant and valued members' (p.9). This definition of settlement success accords with recent statements of wellbeing applicable in more general contexts. Indeed, the value of this standard is that it can readily be applied to all residents of Australia, not just to new settlers. The definition is in keeping with the concepts of wellbeing espoused by Nobel Prize winner, Amartya Sen. Sen (1982: 334) places his emphasis on human functioning and having the capability to function. From this perspective, the definition of wellbeing includes but extends beyond the narrower concepts of material wellbeing or living standards. For example, to achieve full participation in Australian society, proficiency with English is an essential capability. Likewise, good health, mental and physical, is an important capability or resource. This approach implies that there are many dimensions to wellbeing or that wellbeing needs to be measured across a range of domains or spheres of life (Brownlee 1990: 55-57).

In keeping with this standard, this study examines immigrant settlement outcomes in terms of four dimensions of wellbeing with a number of indicators for each dimension:

1. Social participation
 - English proficiency
 - Participation in education and training (young adults)
 - Australian citizenship
2. Economic Participation
 - Labour force participation
 - Employment and unemployment rates
 - Occupation
3. Economic wellbeing (living standard)
 - Income
 - Income from pension and allowance

Housing occupancy status

4. Physical wellbeing
 - Physical health
 - Mental health

Indicators of social participation

The indicators considered in this study are very broad indicators of social participation rather than measures of direct involvement in social or community activities. They include the ability to communicate with the wider society and contribute to its social and political processes. The main indicators of social participation that are examined in this study are:

- English proficiency
- Participation in education and training (for young adults)
- Australian citizenship

English is the language of commerce, instruction and almost all daily interchange in Australia. Therefore, proficiency with the English language is clearly an important indicator of the ability of immigrants to participate fully in Australian society. Restrictions upon social intercourse and the formation of work and friendship networks apply if a person living in Australia is unable to communicate adequately in the English language. For such people, networks will be confined very largely to people speaking the same language. Hence, while proficiency in speaking the English language is not in itself a measure of social participation, it is a very good indicator of the likely capacity of people to participate in Australian society.

Participation in education is an important component of social participation that is particularly relevant to young people under age 25. It is also an investment in human capital. A significant proportion of young people aged 15-24 in Australia are enrolled in secondary school or tertiary institutions to acquire the skills for successful participation in the labour market. It is important that new settlers of this age group are able to participate equitably in education and training since it is likely to contribute to their integration into the labour force.

Citizenship provides rights and entitlements not available to non-citizens. These include the right to vote, the entitlement to apply for a permanent position in the public service or the armed forces, the protections provided by an Australian passport and the right to enter and leave Australia without a visa. The rights and entitlements of citizens can all be seen as elements of social participation. Citizenship is available to permanent residents of Australia after a two-year period of residence.

Indicators of economic participation

The main indicators of economic participation examined in this study are:

- Labour force participation
- Employment and unemployment
- Occupational status
- Job satisfaction

Participation in the labour force is the most important form of economic participation. The first indicator, the labour force participation rate, measures the percentage of people who are in the work force.

Among those who participate in the labour force, the employment rate is a measure of their success in finding paid work. It has been suggested that “from the immigrant’s point of view, successful immigration is very often about success in the labour market” (Wooden, 1994:218).

The occupational distribution of those who are employed is an indicator of their level of skill. For migrants, occupational distribution is also an indicator of their integration into the labour market. Migrants who have integrated into the labour force successfully would have an occupational distribution that is similar to that of the native born with the same demographic characteristics and skill level.

Satisfaction with current employment is considered as a summary indicator of successful employment outcome. It is an indicator that the migrant has found employment that is commensurate with his skill and qualifications.

Indicators of economic wellbeing

Economic wellbeing is an important settlement outcome. Settlement success and long-term integration into the community are hindered if immigrants are concentrated among the disadvantaged. The main indicators of economic wellbeing examined in this study are:

- Income
- Income from government pensions and allowances
- Home ownership

Income is usually the primary indicator of economic wellbeing. The income indicator used in this study is a relative measure based on the average weekly earnings of adults in full time employment. In August 1996 (the time of the 1996 Census and during the initial settlement period of the cohort of immigrants interviewed in LSIA1) the average weekly earnings of adults (males and females) in full time ordinary time employment was \$678.80 (ABS 1998). The percentage with a weekly income greater than this amount is used as a measure of positive outcome in terms of income and economic wellbeing.

Whether a person receives income from the government in the form of a pension or an allowance is also a useful indicator of economic wellbeing. When the government

pension or allowance forms the main source of income, the person can be considered to be in a less favourable economic position. Since DIMA describes settlement success as active economic and social participation in Australian society as self reliant and valued members of the community, an indicator based on the receipt of government pension or allowance as the main source of income is also an indicator of reliance on government assistance.

In Australia, home ownership is frequently used as an indicator of economic wellbeing. It is the primary way in which Australians accumulate wealth. The importance of home ownership is recognised by government through exemption of the family home from capital gains taxes and from social security assets tests. While many wealthy people may rent, renting, in general, is associated with lower socioeconomic status.

Indicators of physical wellbeing

To be a productive member of society, one needs to be in good health. Immigrants are assessed on their health status in their application for migration. However, the health requirement may be waived for migrants in the Preferential Family category and humanitarian entrants. Therefore, the health status of some migrants in these categories may not be as good as that of other migrants. Humanitarian entrants may also have lower mental health if they have been through traumatic situations before migration.

The main indicators of physical wellbeing considered in this study are:

- Physical health
- Mental health
- General health

The first indicator is based on the presence of long-term conditions such as arthritis, asthma, diabetes, high blood pressure, heart problems, hearing problems, blindness or similar long-term conditions that restrict physical activities.

The second indicator is based on the General Health Questionnaire (GHQ). The GHQ is an instrument widely used to determine minor psychiatric disturbance, and has been used for screening in clinical settings, and as an indicator in large health surveys. The types of mental health states that it picks up are depression, anxiety, social dysfunction and somatic symptoms

The third indicator is a self-assessment of general health status. Migrants interviewed in LSIA are asked to assess their general health and their responses are used for this indicator.

Settlement success is indicated by positive outcomes in these indicators. Since outcomes are likely to differ for different groups of migrants, the indicators presented in this study take into account the migrant's age on arrival, sex and migration category.

Benchmarks

DIMA's specifications are for the settlement indicators to be compared against benchmarks based on the Australian-born population. This assumes that settlement success is achieved when migrants reach parity with native-born Australians as measured by the indicators of social and economic participation and economic and physical wellbeing. An alternative set of benchmarks based on the total Australian population is also provided.

Where the indicator examined is specific to the migrant population – such as citizenship take-up rates – the total overseas-born population with more than 10 years residence may be used as the basis for benchmarking.

Summary

The study proposes to examine four dimensions of immigrant settlement, with a set of indicators for each dimension. The four dimensions are social participation; economic participation; economic wellbeing and physical wellbeing. Indicators of social participation include English proficiency, participation in education among young adults and Australian citizenship. Indicators of economic participation include the labour force participation rate, employment and unemployment rates and occupational status. Indicators of economic wellbeing include income, income from government payments and home ownership. Indicators of physical wellbeing include measures relating to both physical health and mental health. The indicators are compared against benchmarks based on the Australian-born population, the total Australian population or the overseas-born population with more than 10 years residence.