

Migration increases competition for lowskilled jobs

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New research shows that since 2011, the number of jobs created in Australia was equalled by the number of new migrants who found employment, increasing competition in the jobs market.

Published today, the report by Dr Bob Birrell and Dr Ernest Healy of Monash University's Centre for Population and Urban Research, investigated the impact of immigration on the Australian workforce, in the context of a slowing economy.

The authors found that continued high levels of low-skilled migration had negatively impacted on employment levels, labour market participation and working conditions of other Australians. Young people without tertiary qualifications were particularly affected.

Dr Birrell said that while jobs growth had slowed dramatically since 2010, the permanent resident immigration program had increased to record levels in 2012-13.

"The rate of employment growth has roughly halved since 2010, compared to mining boom years. Despite this, the <u>Australian</u> Government has increased permanent immigration levels and encouraged the arrival of temporary workers," Dr Birrell said.

The number of temporary residents - including holders of 457 visas, working holiday visas and students who have work rights, as well as tourists - numbered a million at the end of 2011. This figure does not



include New Zealand citizens who can live and work in Australia without restriction.

The report indicates that the majority of these temporary workers live in urban areas and are competing for low-skilled jobs in areas like retail and hospitality.

Dr Birrell said this finding was related to a decline in workforce participation by younger Australians without post-school qualifications.

"Employment growth is occurring in industries that require tertiary qualifications. In industries like manufacturing, construction, hospitality and retail, which offer entry-level positions, jobs growth is contracting," Dr Birrell said.

"The resulting ferocious competition for employment is exacerbated by the influx of low-skilled migrants. Anecdotal reports of exploitation of temporary migrants, who might be more willing to work at below award wage for example, indicated just how challenging it is for younger Australians to find work."

"The Impact of Recent Immigration on the Australian Workforce" is available on the <u>Centre for Population and Urban Research</u> website.

Provided by Monash University

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