

A Critical Analysis of Employing Immigrant Workers in Australia

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Abstract—Despite the ongoing consideration of the cross cultural management, little research has been conducted on the specific context. This paper will focus on the immigrant worker who holding 457 visas in Australia. Under this context, filling job vacancies and saving the training costs of company could be the obvious benefits for employing immigrant workers. However, it is also important for the HRM research to pointing out the risk of FIFO. FIFO becomes a barrier for establishing work and family relationships. Furthermore, cultural diversity is controversial problem for employing immigrant workers. Lastly, this paper provides few recommendations for risk management of employing immigrant workers.

Keywords—cultural diversity; immigrant workers; human resource management; cross cultural management

I. INTRODUCTION

Historically, Australian major population shared 43.1% which originated from the first generation immigration and second generation immigration, and for now because of immigration policy, the number of other ethnic also immigrant to Australia [5]. Traditionally, a part of other ethnic immigrants entry Australia as refugee, but currently Immigration policy prefers the high skill and professional workers who take the work visa as temporary immigrant entering Australia for the job vacancies, which visas types exceed the permanent visas as refugee. In addition, Australia economy rapidly develops, and it caused skilled labour shortage in some industry such as mining industry [4]. The authority of Australia stated that between 2007 and 2010, the development of Australian economy remained in a stable state, while other advanced economies groups fell into recession. As a result, Australia has become a very attractive country, with a dramatic increase in population and strong migration, particularly during the boomed of mining industry [6]. Thus, the guest workers who take 457 Visas are increasingly important for the mining industry. For example, the data from DIAC (2012) [8] showed that the most 457 visa workers work in the Western Australia and 61% immigrant workers come from UK, Philippines and South Africa. 457 Visa was conducted in 1996 (Oke, 2010) [14]. It means that Australia companies can recruit the employees who come from other countries and hold skills to working from four weeks to four years. This kind of workers can apply the permanent visa after working two years [20]. In the Deegan report (2007) [3], it required that 457 Visa can ensure that skilled guest workers can work in a tighter labour

market. It emphasizes that 457 Visa can really benefits on Australia, and safety is important during the work. In addition, the goals of ACT 2007 are imposing transaction about the worker who working under unlawful condition and requirements in the Australia. Although there are pools of regulation protect rights and obligation of both local companies and guest workers, some immigrant workers still work under minimum wages and lack of health care but paying full taxation in the practice [10], because the process such as monitoring, enforcement and sanction are complex for the department [11]. In this report, it will discuss three benefits and several risks of immigrant workers (457 Visa) and then given the recommendations.

II. THREE POSSIBLE BENEFITS FOR EMPLOYING IMMIGRANT WORKERS

A. The first benefit is filling the job vacancies

Employing immigrant workers who apply the 457 Visa can have directly positive impacts on filling the job vacancies. According to Bahn (2013) [4], it explained that some field such as mining and construction industry having been meeting the ever-increasing development during 2011 to 2012. In particular, these industrial expansions of development happened in Western Australia and Queensland. At the same times, mining industry has significant contribution in Australian economy. Thus, the demand of skilled workers becomes rapidly increased. However, at the same time, Australia suffered from the shortage of labor, for instance, skilled workers such as engineering, project manager are lacked in the mining industry [2]. Because of the shortage of local skilled labor, some mining companies have to decline the business in Australia [3]. Moreover, drilling, project manager and engineering share a vital part of the works in the mining field.

Furthermore, attracting native or local employees worked for the mining company become challenge. Most of them are not willing to work under the poor conditions. Therefore, immigrant workers coming from poor conditions prefer to work at mining companies.

Then, employing immigrant workers can effective filling job vacancies in short time. Australia labor shortage can be solved, and immigrant workers cannot only result in

promoting the growth of Australia economic development but also boost the growth of population [18].

B. Immigrant workers saving the costs of training for company

As well as filling the job vacancies, employing immigrant workers can also decrease the cost of training and development for the company. Although the immigrant workers who holding the 457 Visa always experience the critical arguments [4], the supporters of immigrant workers suppose that skilled immigrant can help Australia to catch up the fleet development of economy, and the reason is that Australia economy cannot fully and immediately satisfied the needs of labor only according to training and developing the local workers in mining industry [9][15][16]. Under this background, employing skilled immigrants not only decline the cost of training for local workers and also effectively satisfy the needs of Australia labor markets.

In addition, according to networks, the immigrant workers who hold 457 Visas have similar skill can save the extra fees for the immigration agencies [4]. In the practice, commonly company will not pay too much for training and development of the skilled workers. Even the ACTU try to improve the training benchmark for the 457 Visa immigrant workers, and Fair work commission required companies have to spend at least 2% total gross wages as training expenditure on the training and development for immigrant workers [17]. Even though fair work commission has this regulation about ensuring the basic training for skilled workers, there is still having flexibility for enforcing this regulation. Thus, comparing with training local workers, company has more freedom to control and decrease the cost of training immigrant workers.

C. Immigrant workers hold different cultures and resources are beneficial on company development.

For the company, employees come from different culture work together for achieving same goals. Although diversity races might become barriers for organizations such as employee commitment [12], skilled immigrant workers who come from diversity culture are meaningful for the management and development within organization. First of all, immigrant workers from diversity ethics can naturally brings more variously resources such as attitudes, idea, experience, knowledge engage into a firm. Consequently, these various resources directly improve the creativity and the quality of decision making of the company, and it also enhancing the innovation and ability of problem solving in management [12]. According to the research [19], the process of decision making needs various idea which comes from employee, and this it would be a appropriate decision. Immigrant workers can naturally bring more idea, concept and value for the manager when he making decision. Furthermore, under the FIFO workforce, local workers and immigrant workers work and live together. There are more chances that groups can communicate with each other. According to [21], if this can be managed well, this situation can effectively improve job satisfaction. Then indirectly promote the employee performance. In general, skilled immigrant workers who hold

457 Visas can make company become competitive in the mining industry. For example, compare local worker, immigrant workers tend to be more hard-working because some work condition is poor, but they still willing to work [4]. This can have positive impacts on job balance within organization.

III. RISK FOR HIRING IMMIGRANT WORKERS HOLDING 457 VISAS

A. FIFO brings more challenges for immigrant workers and company management.

In the mining industry, fly-in and fly-out work style also makes several problems for the immigrant workers, which bring challenges for the human resource management. FIFO required employee work and live with other workers during the work times, then after finish the shifts, they can fly back to home for staying few days. The biggest problem of FIFO for the immigrant workers is lack communication and relationship with family. ABC premium News (2012) [1] report that interviewee who is a wife of mining worker complain about FIFO that makes them seriously lack of communication, and it is important for the relationship with spouse and children. Nowadays, social development makes people too busy to fully communicate with each others. It will increase the isolation of workers with family and friends. This isolation will influence emotion of workers and result in decreasing the positivity and motivation of immigrant workers.

Except that, the companies also have to consider the costs of transportation for immigrant. If immigrant workers do not go back home during the tow-weeks break time, they have to face a problem that where they can go. Under this condition, there is a risk that should be considered by human resource management and public management. The safety problem for both immigrant worker and natives should be involved in management. The government limits the working visa for oversea workers because of the consideration about public safety. Temporary immigration might lead to lack of belonging for the immigrants, so it is possible that immigrant increased the risk for the crime rate in the host country. As immigrant workers, they might be lack of the responsibility for the host country. In contract, if they go back home, the transportation fees will increased, this also makes a consideration that how to ensure the compensation for HRM.

Furthermore, it is also crucial for government and company to considering whether immigrant might have negative impact on the native job market. As mentioned before, in recent years Australian attract a larger number of immigrants. This would fill the job vacancies, but if government cannot make a balance between native workers and immigrants, immigrants will threaten the native job market.

B. Culture diversity brings negative impacts on the management of company.

Whether Culture diversity can bring more benefits than risks is a controversial problem. This report already mentions above that culture diversity are beneficial on company

development, however, in fact, there is a doubt that culture difference within an organization will also make problems for the management. Commonly, the problem caused by culture difference can be various such as misunderstanding, discomfort or even the conflicts of language [12]. Specifically, in the mining company, when company recruit and selected the 457 Visa skilled immigrant workers, they focus on the ability and skill of candidates. For the ability of adaption and acceptance is lack of attentions. Thus, the immigrant skilled worker come to Australia such a new environment and works under poor conditions with diversity background members, they might be hard to adapt the various cultures [13]. For example, the lack of language can become a barrier for communication and establishing relationships with local workers and other workers. These factors make more possibly happened conflicts or misunderstanding among employees and company [12].

Meanwhile, it becomes difficulty for immigrant workers that live with workers. If this situation does not manage well, it will influence the work confidence of immigrant workers and result in low employee performance.

IV. DISCUSSION

To sum up, under rapid development of the Australian economy, the local labor market cannot satisfy the demands. Thus employing immigrant worker who take 457 Visas become a good choice for the company. Its advantages are filling the job vacancies, saving the training costs and the fees of migration agencies and bring new resource into organization. Although these benefits make the number of immigrant workers continually increased, they also have considerable risks for the firm. Fly-in and fly-out is the common work style in Australian mining industry, which makes employee feel isolation with family and friends, especially for the immigrant workers work in a foreign country. For the public management, it is also having safety problem. Except that, Culture diversity not only has positive impacts but also bring negative influence on the management. Authority also needs to consider making a balance between native and immigrant. However, if the company and government manage and protect well, immigrant workers will have big contribution on Australian economy.

Based on the analysis of the employing immigrant workers in Australia, this paper also suggest that immigrant workers needs to be considered by the public, for the globalization and the rapid development of internet accelerate the flow of employees. A number of countries involved in management of immigrant worker, at present, the human resources management is not only facing the employees as mentioned above, who can endure hard conditions and still work hard, but also needs to manage more technical talent, corporate executives and others, who has bargaining power to the company. Working in the oversea, this kind of talent needs not only a higher salary, but also the development of career. When discuss employing immigrant workers, the company always simple suppose that it is the resource exchange. It is important to treat immigrant workers as human. After oversea workers satisfied their work, they took more contribution to the company. Meanwhile, if they have high satisfaction about

present work, it is beneficial for the public management. When we talk about the benefit of hiring immigrant workers, we need notice that it is harmful for the home country. Technical talent who immigrate to other countries will bring the brain drain. Especially, for the technical industry, the most part of talent are pay-oriented. If host country offer high welfare and compensation, employee will flow into the host country. For the home country, the brain drain will have negative impact on the development of industry. According to the investigation, over hundreds million immigration from about tow hundreds different countries flow into Australia since 2011. There are 191,000 of them from China and 163,000 from India. These two countries are shared the largest population of Australian migrants. Therefore, it is important to consider that how to deal with the lager immigrant from China and India. At the same time, facing the national strategy of The Silk Road Economic Belt and the 21st-Century Maritime Silk Road, it is important for the further research to considering the brain drain for the industry. In the particular, the development of mining and manufacturing industry cannot accept the amount of brain drain. It is a challenge for these countries.

V. RECOMMENDATION ABOUT RISK MANAGEMENT

There are two risks: FIFO work style makes employee feel isolation and culture diversity might have negative influences on confidence of immigrant workers. Through finding the risk, HR department should have some measurements for preparation and control these risks.

First of all, HR department should give more supports for the immigrant workers. For example, establishing a widely and strong Internet service in the workplace can effectively help employee have a chance to communicate with families and friends, such as online social media and Face Time. Providing Internet service can also establishing some entertainment resource for the immigrant workers.

Secondly, HR department can also build a network via Internet to contact and give feedback with family of immigrant workers. It records that the current situation for the workers. It can decrease the worry between family and workers.

Thirdly, HR organizes regular parties in the workplace or out of workplace. For example, holding Christmas parties in the workplace can provide for the immigrant workers who do not go back home, and this parties could also be a great chance for all workers to communicating and knowing about their different cultures. In addition, internal organization conference about profession can also encourage employee to share knowledge, experience and skills. This can help immigrant workers find confidence in a new workplace.

Fourthly, when the new immigrant workers come into organization, it is possible that HR department supply some information about the new environment and Australia culture, such as brochures.

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