

A REVIEW OF
LITERATURE

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Assessing the economic contribution of refugees in Australia

by Richard Parsons of
Richard Parsons Pty Ltd Social Research and Consultancy

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About the author

Dr Richard Parsons is an independent social researcher specialising in the social and community dimensions of business. His research interests are community and stakeholder engagement, sustainability and climate change, qualitative evaluation, and the role of language in constructing meaning. He has a PhD in organisational communication from the University of Queensland, a Master of Business Administration, and an honours degree in Economics and Public Policy.

Contact email: rp.socialresearch@gmail.com

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Introduction

“We are ready to work and pay taxes... I don't want to be a burden. I want to be part of the community”

Amir, an Iraqi asylum seeker, quoted by Morton, 2013

Background and rationale

Well-informed debate on contentious issues such as migration policy needs a solid understanding of the facts underlying those issues. Currently in Australia the costs and benefits of refugee settlement are poorly understood among the general population. The result is a debate based more on preconceived, ideological positions than on balanced consideration of the facts. This paper seeks to outline the facts that are available and to identify what further knowledge and insights might be instructive.

The contribution that refugees make in Australia is usually described in terms of intangible notions such as enhancing multiculturalism and cultural diversity. While many people may see these concepts as desirable goals, their intangibility makes it difficult to demonstrate and articulate their virtues. Many reports and papers describe both tangible and intangible contributions that refugees make in Australia, but currently there is no agreed way to assess this contribution. Knowledge is therefore largely intuitive and anecdotal – we know that refugees contribute to the Australian economy through employment, business, and other activities, but we do not know the extent or value of this contribution, or how to assess it holistically.

This gap enables the public and media to focus on alleged negative consequences and financial costs of refugee settlement. In particular, those arriving by boat have received increasing opposition in Australian opinion polling and public sentiment over the last four decades (Phillips and Spinks, 2010). The resulting uneven debate tends to perpetuate what Courtney (2013) describes as an “island-nation mentality which fears invasion by sea”, belying the fact that the number of ‘unauthorised’ boat arrivals in Australia is small compared to the US and parts of Europe (Phillips and Spinks, 2010). Such a mentality is perpetuated by language characterised by derogatory terms, such as ‘bogus asylum seeker’ and ‘queue jumping’ (Phillips and Boese, 2013). The debate, in other words, appears to be biased by misinformation, myth, and misplaced assumptions.

Common assumptions – or myths – are that refugees are an economic burden on society, taking much and giving little, and that they take immigration places away from skilled workers who would make a bigger contribution (Stevenson, 2005). In order to interrogate these assumptions and portrayals, there is a clear need for documentary evidence with factual information regarding the economic contribution that refugees make in Australia.

This review emerged from a sense among staff at the Multicultural Development Association (MDA) that current arguments mounted in support of refugee settlement sometimes fail to carry sufficient influence over public debate. Possible such arguments can be grouped into three categories: legal, moral, and economic. Organisations such as MDA draw on aspects of all three, but rely especially on the individual stories of refugees themselves and the moral weight that these stories convey.

Legal arguments can be effective at ensuring that Australia meets its obligations under international law, but do not generate wide public support for refugees themselves. *Moral* arguments are those that appeal to people's sense of justice, fairness, or duty of care, and typically draw on emotional experiences and personal stories. Moral arguments may confirm humanitarian values among those already sympathetic towards refugees, but may not effectively counter xenophobia or misinformation.

Economic arguments, in contrast, may potentially complement legal and moral arguments by offering a factual evidence base. At present, however, it is not clear that this economic evidence base exists.

The purpose of this review, therefore, is to explore existing research on the economic contributions of refugees, particularly in Australia but also elsewhere. It seeks to answer the following questions:

1. How is economic contribution assessed in existing research; i.e., what does it include and what does it exclude, and why? Does it include economic measures exclusively, or does it try to quantify other forms of contribution, e.g. social and civic contributions?
2. If evidence exists suggesting that refugees make a substantial economic contribution to Australia, why is this not more widely known and what needs to happen to change perceptions?
3. If evidence exists suggesting that refugees impose a net cost to Australia, what further research needs to be done to identify the barriers to refugees making a greater economic contribution?
4. If there is not enough evidence either way, where should further research be concentrated to assess economic contribution?

Refugees and migrants

This review is concerned mainly with the economic contribution made by refugees. Yet herein lies a challenge, because much research on the economic impact of refugee settlement tends to subsume refugees within broader research on migrants (RCOA, 2010). The Department of Immigration and Citizenship's (2011) report, *Migrant economic outcomes and contributions*, for example, contains statistics only for skilled and family migrants, without explaining why humanitarian migrants are excluded. Detailed modelling by the Productivity Commission (2006) and Econtech (2006) examines the economic impact of migration, but both reports focus on *overall* migration.

Research relating specifically to refugees appears to be sparse, leaving debates more open to unsubstantiated claim and counterclaim. Yet a common distinction within popular representations is to portray refugees negatively and all other migrants positively. For example, research in Europe found that, while migrants are increasingly framed as economically 'useful', refugees are often viewed as 'burdensome' (Boese, 2009).

Carrington, McIntosh, and Walmsley (2007), comparing the costs and benefits of migrants in Australia, list multiple ways in which migrants contribute economically to Australia, but do not identify the different ways in which different categories of migrant might make these contributions. Instead, they propose that refugees are mostly just as motivated to 'do well' as are other migrants. Hugo (2011), in contrast, is able to distinguish the two by using country of origin as a proxy indicator. That is, Australia's humanitarian settlers tend to originate from distinctly different countries than its skilled migrants.

What is an 'economic contribution'?

It is difficult and perhaps misleading to isolate the economic dimension of life from other dimensions. 'Employment', for example, is commonly categorised as an indicator of economic performance, yet paid work also often has other dimensions: it is a core social practice of most communities, it can be a means of cultural expression, and it contributes to an individual's sense of identity. Voluntary work, conversely, is most often conceptualised as a social act, but it also can have economic dimensions.

Not surprisingly, then, studies on economic contribution often incorporate consideration of social and civic contribution. Studies that focus exclusively on economic impact usually note that a fuller analysis would require exploration of non-economic factors. For the purposes of this review, therefore, economic contribution is understood multidimensionally, to incorporate various possible ways of

conceptualising 'contribution'. Most importantly, it is stressed that, just because something cannot be given a quantifiable value does not mean it is not a contribution.

The economic contribution of refugees in Australia – a review

Refugees, in common with other migrants, bring labour, skills, and in some cases funds to Australia, and they increase the overall demand for goods and services. In terms of both supply and demand sides, therefore, refugees represent a potential economic contribution. While few would dispute this contribution, the labelling of refugees as burdens on society seems to derive from a belief that any such contribution is dwarfed by the social benefits they receive (Stevenson, 2005). This belief in turn may stem from an assumption that refugees do not readily or willingly integrate into Australian work and business culture.

MDA's own work has found the reverse to be true, that "securing meaningful and sustainable employment is a vital part of successful settlement" (MDA, 2011-2012, p. 26). Experience suggests that refugees in Australia engage heavily in job searching and vocational education, often accept work below their levels of experience and education, and commonly undertake voluntary work (MDA, 2012b). A survey of 227 male refugees found that a majority was willing to take low-skilled work regardless of qualifications, experience, and education (MDA, 2012c). In terms of outcomes, almost 80% of the 1,200 jobseekers working with the MDA's Employment and Training Services team from 2002 to 2012 achieved employment and training places (MDA, 2011-2012, p. 26). Further, in response to 30 advertised work placement positions for refugees and migrants in office administration, MDA received 300 applications (MDA, 2011-2012, p. 29).

Authorship and perceptions of independence

If these findings are accurate, why does the myth of refugees as burdens on society persist? Part of the problem may be irresponsible media reporting and populist party politics, but equally the identity of the messenger may be significant here, since a perception of bias may exist. In other words, politicians, media reporters, and some members of the general public may not easily be persuaded by research that paints refugees in a favourable light if they perceive that research to emanate from an organisation whose business is to support refugees. Research that is perceived to be 'independent' may carry more weight in the mind of the reader, even if it is methodologically less rigorous.

As a way of organising the research on the economic contribution of refugees in Australia, therefore, it is useful to distinguish between two thematic categories: those that implicitly seek to show that refugees do make a contribution to Australia, and those that examine or model economic impacts quantitatively. The principal studies in each category are identified in Table 1 and Table 2 respectively.

AUTHOR(S)	DATE	TITLE
Graeme Hugo	2011	Economic, social and civic contributions of first and second generation humanitarian entrants
Refugee Council of Australia (RCOA)	2010	Economic, civic and social contributions of refugees and humanitarian entrants: A literature review
Kerry Carrington Alison McIntosh Jim Walmsley	2007	The social costs and benefits of migration into Australia
Rob Stevenson	2005	Refugees and economic contributions

Table 1: Key works that implicitly seek to show that refugees do make a contribution to Australia

AUTHOR(S)	DATE	TITLE
Access Economics	2008	Migrants Fiscal Impact Model: 2008 update (and earlier iterations)
Productivity Commission	2006	Economic impacts of migration and population growth
Econtech Pty Ltd	2006	The economic impacts of migration: A comparison of two approaches
Sue Richardson Frances Robertson Diana Ilsley	2001	The labour force experience of new migrants

Table 2: Key works that examine economic impacts quantitatively

While it may be tempting to infer that the second category is more rigorous, objective, and perhaps therefore more truthful, this is not the intention of making the distinction. The point is to highlight the different approaches that authors use when investigating the question of economic contribution. Both approaches may be rigorous in their own ways, but begin from implicitly different notions of 'value'.

The first approach has a relatively broad understanding of 'value', including non-quantifiable benefits such as the contributions that refugees make to social and community capital. This approach may result in more holistic findings, and may be more effective at countering misplaced assumptions, but could be perceived as looking for evidence that exaggerates benefits and downplays costs. Also, it cannot measure every impact that it identifies, making it harder to quantify contribution. The second approach applies a narrower definition of 'value', limiting itself to quantifiable, financial measures. This approach may be perceived as being more objective, independent, or apolitical, and may result in more balanced findings, but it relies on conventional economic indicators and accounting conventions, and it inevitably overlooks significant, non-quantifiable ways in which refugees may contribute economically. These comparisons are summarised in Table 3.

	WORKS THAT IMPLICITLY SEEK TO SHOW THAT REFUGEES DO MAKE A CONTRIBUTION TO AUSTRALIA	WORKS THAT EXAMINE OR MODEL ECONOMIC IMPACTS QUANTITATIVELY
Understanding of 'value'	Relatively broad.	Relatively narrow.
Advantages	May result in more holistic findings. May be more effective at countering misplaced assumptions.	May be perceived as being more independent. May result in more balanced findings.
Disadvantages	May be perceived as looking for findings that exaggerate benefits and downplay costs. Unable to measure some impacts.	Relies on conventional economic indicators and accounting conventions. Excludes significant, non-quantifiable ways in which refugees may contribute.

Table 3: Comparing approaches to assessing economic impact

Notwithstanding these distinctions, one of the overriding messages from existing research is that a proper understanding of the economic impacts of refugee settlement requires analysis over a relatively long time period.

A long-term perspective

Any study of economic contributions of refugees needs to take a long-term perspective. It is simply not meaningful to describe contribution at a fixed point in time, or over a short period, because it may take many years, or even generations, for a person's economic contributions to be fully realised. Indeed, many migrants are substantially motivated to move not so much for their own benefit but for that of their children (Hugo, Khoo, and McDonald, 2006). Carrington, McIntosh, and Walmsley (2007) find that many of the benefits of migration accrue to the second generation, whereas the first generation tends to bear the costs (personal and social, as well as economic). Hence, for example, Professor Graeme Hugo's report for the Department of Immigration and Citizenship (2011) investigates the contributions of first *and second* generation humanitarian entrants in Australia, a timescale that corresponds approximately to the post-war period of migrations.

Carrington et al. (2007) find that most costs of migration for the host country arise during the early integration stages, associated with "issues that tend to fade in the longer term" (p. xii). It is intrinsically costlier to resettle refugees than other migrants, simply because refugees have moved involuntarily and, while they may bring labour and skills, they are usually unable to bring physical resources (Hugo, 2011). Cost, however, constitutes only part of the equation for long-term, net contribution of both refugees and other migrants.

In early stages of settlement, refugees experience higher unemployment and lower workforce participation than other migrants (Hugo, 2011). Hugo (2011), Koleth (2009), MDA (2011-2012), and O'Dwyer (2011) identify some typical barriers that refugees can face in securing work:

- lack of local workplace knowledge and experience
- unfamiliarity with recruitment processes (e.g., writing resumes, answering selection criteria, interviews, presentations)
- not having qualifications recognised
- having to learn a new language
- low levels of literacy
- lack of education.

These authors and others document barriers at length, so for the purposes of this paper, it is perhaps adequate to illustrate just one issue: the educational deficit. The Productivity Commission (2006) notes that, from 2000-2004, only about 27 per cent of humanitarian migrants had post-school qualifications, compared to about 50 per cent for family migrants and about 80 per cent for skilled migrants. This indicates that many refugees are competing for lower-skilled jobs relative to other migrants. It is perhaps not surprising, therefore, that a survey of 8,576 migrants in the first five years of settlement found that humanitarian migrants are far more likely to be studying than are family or skilled migrants (ASRG, 2011).

What all this means is that it is illogical to compare economic contributions between these groups at one point in time, since they are at different stages of their educational and working lives on average. This point is illustrated further in Box 1.

Box 1

A question of accounting?

Although it may sound counterintuitive, a refugee may make a larger fiscal contribution than a skilled migrant in the long term. To illustrate this scenario, Cully (2012) compares a fifteen-year-old refugee and a forty-year-old skilled migrant worker. Applying the direct accounting approach used by Access Economics and the Commonwealth Budget, the skilled migrant worker yields the larger fiscal benefit. Conversely, applying the net present value approach, we must account for the longer working life ahead of the refugee, and hence the relative benefit depends on the earnings profiles of each person. This has significant policy implications in terms of determining comparative allocations under each migration category.

In addition, people from culturally and linguistically diverse backgrounds may be vulnerable to exploitation and unfair working conditions, may experience discrimination on the basis of race, religion or ethnicity, and may be disadvantaged by Australia's shift from an industrial economy to a service-based economy (Koleth, 2009). Refugees who have experienced trauma can face additional barriers to employment. Finally, women may be disproportionately disadvantaged by household and child-rearing responsibilities and by cost and access to childcare (O'Dwyer, 2011; Reiner, 2010).

Yet these systemic factors may not present permanent, insurmountable barriers, and are characteristic of first-generation migrants more than of subsequent generations (Koleth, 2009). As the Refugee Council of Australia (RCOA, 2010, p.3) notes, "There may be short-term costs as refugees are resettled and adjust to their new surroundings but once successful integration has occurred refugees are able to quickly make permanent cultural, social and economic contributions..."

The popular representation of refugees as 'burdensome' may reflect a perception that they impose a disproportionately high cost on Australia's social security budget. Again, interrogating the truth of this claim requires a long-term perspective. The Productivity Commission (2006) reports findings of Access Economics in 2004 that humanitarian migrants do indeed have the highest dependency on social security of all migrants for the first ten years. However, this dependency diminishes thereafter, and is surpassed by other migrant groups by 20 years, particularly by family migrants who become eligible for pensions, but also by some classes of skilled migrants.

Further evidence suggests that, while newly-arrived refugees are represented disproportionately in unskilled jobs, and some remain trapped there, many achieve occupational mobility over time and across generations (Hugo, 2011). RCOA (2010) also notes that studies outside Australia have found that, having overcome early settlement barriers, refugees rapidly reach parity in earnings with the rest of the population. Hence it would be misleading to consider the economic costs and benefits without acknowledging that the balance of these costs and benefits shifts over time. Indeed, Liebig (2006) proposes that "outcomes of the second generation can be viewed as the 'benchmark' for the long-term success of integration policy".

In discussing the literature, therefore, it is important to understand not only the *content* (i.e., the nature and extent of contributions) but also the *processes* used to determine the nature and extent of contributions, in particular the timescales used to make assessments.

Making an economic contribution

This section discusses the economic contribution of refugees in Australia, as documented in various reports and papers. Consistent with the above distinction between two thematic categories, it summarises findings of works that implicitly seek to show that refugees do make a contribution to Australia, while the following section outlines works that examine or model economic impacts quantitatively.

In the spirit of a long-term perspective, it is useful to begin by considering that, according to RCOA (2010), 740,000 refugees and humanitarian migrants have settled in Australia since Federation. Hugo (2011) cites a figure of around 700,000 since 1945, of which 438,000 have settled since 1978. The first formal resettlement programme began with Australia's agreement in July 1947 to admit at least 12,000 displaced persons annually from refugee camps in Eastern Europe (Liebig, 2006).

RCOA identifies various ways in which refugees contribute economically:

- expanding consumer markets for local goods
- opening new markets
- bringing in new skills
- creating employment

- filling empty employment niches
- increasing economies of scale
- fostering innovation and flexibility
- supplying labour and stimulating labour markets in ageing populations
- stimulating economic growth in regional areas.

While these functions can all be labelled 'economic', RCOA's report also identifies civic and social contributions of refugees, acknowledging the overlaps between these dimensions. Hence documenting the extent of economic contribution is a complex task. The authors note that there is a relative lack of rigorous research into the long-term economic impacts of humanitarian entrants into Australia, with fiscal measures typically being limited to initial resettlement costs and short-term economic return. They also propose that, as refugees increase their labour-force participation rates over time, tax revenues increase commensurately – although they do not provide figures for this proposition. Finally, they argue that refugees are often entrepreneurial, as evidenced in the prominent presence of people from refugee family backgrounds among Australia's billionaires. The RCOA report, in summary, paints a favourable picture, but relies extensively on assertion, anecdote, and success stories.

Carrington, McIntosh, and Walmsley (2007), whose study concerns all migrants, also adopt a broad notion of 'contribution' that includes social benefit. They state that they have brought together material from 49 different data sets and other research, as well as conducting their own studies, to document a range of social costs and benefits, including economic contributions. Their main conclusion is that "the social benefits of migration far outweigh the costs, especially in the longer term" (p. xi). They also propose various ways in which migrants make economic contributions, some of which mirror RCOA's list and some of which are different, perhaps deriving from the broader scope that includes all migrants:

- investment in housing
- transformation of urban areas
- creation of new businesses
- supply of products
- provision of new and different skills
- entrepreneurial activities
- opening business opportunities with the rest of the world
- help to ameliorate critical skills shortages in regional areas.

Hugo's (2011) report is perhaps the most comprehensive of recent times. His study makes the following points in terms of refugees' participation in the workforce:

- Over time, unemployment and participation rates of refugees converge toward those of the Australia-born, especially by the time of the second generation.
- Many recently-arrived refugees do not secure jobs commensurate with their qualifications.
- Recently-arrived refugees aged between 15 and 24 have a higher proportion of attendance at an educational institution than for other migrants and the Australia-born.
- Recently-arrived refugees work disproportionately in unskilled jobs on low incomes, but often have high occupational mobility over time.

In other words, Hugo's research suggests that refugees face substantial obstacles to employment in the early stages of settlement, but can be highly successful in the long term. These findings are supported elsewhere in the literature. Hugo has also researched other dimensions of economic

contribution at length, focusing on contribution through business ownership, through filling certain employment niches, and through linkages with origin countries. These are now discussed in turn.

According to Hugo, humanitarian settlers have a higher incidence of **business ownership** than other migrant groups, suggesting a high propensity towards entrepreneurship. The proportion of refugees that receives their main income from their own business is significantly higher than for any other migrant category. O'Dwyer (2011), meanwhile, found that 41% of refugees considered themselves 'likely' or 'quite likely' to own a business in Australia within the next 5 years, compared to 39% for other migrants. Hugo notes that proportions vary considerably across countries of origin, with the highest proportions being among established communities such as those from Hungary, Romania, and Lebanon. Nevertheless, some recent arrivals also have relatively high levels of business ownership – leading examples are those from Somalia, Iran, and Iraq.

Another form of economic contribution that Hugo identifies is refugees' role in **filling labour market niches** that are not filled by other migrant groups, most notably in regional areas. Case study research suggests that the availability of unskilled and semi-skilled work in regional areas is a significant enticement for refugees seeking work, for example in abattoirs (MDA, 2012a; VSPC Secretariat, 2009). Nevertheless, Hugo concedes that effort is needed to remove factors that force refugees disproportionately into unskilled jobs, such as discrimination and lack of skills recognition.

Hugo also discusses at length the contribution that refugees make by **establishing development and trade linkages** with origin countries. Practices that develop these linkages include sending remittances to families and communities, and supporting Australia's development assistance to low income countries.

Remittances can have a substantial role in the economic development of origin countries, argues Hugo, because they directly target the grass-roots level. While accurate figures are elusive, it is estimated that remittances constitute two percent of the Gross Domestic Product (GDP) of developing countries (Hugo, 2011). Provost (2013) reports that the total of remittance money has tripled in the last decade, topping \$530bn in 2012. Some developing countries, she notes, receive more in remittance money than they do in aid, and in some countries remittances are a substantial proportion of GDP – for example, 47% in Tajikistan and 31% in Liberia.

Hugo reports that humanitarian migrants, despite having higher unemployment levels than both skilled and family migrants, have the highest proportion that sends remittances home to relatives. While official figures do not disaggregate refugees from other migrants (RCOA, 2010), among Hugo's own survey respondents 70 percent had at some time sent money to their homeland, with even those on very low incomes sending substantial sums home.

In other work, a study among refugees in Adelaide (Njuki, 2009) found that 61 percent of the 252 respondents regularly send money – on average \$200 per month – and that this money was supporting around five people each. A survey among 1,688 refugees and other migrants by O'Dwyer (2011), meanwhile, found that 25% of those on a humanitarian visa reported sending money overseas, compared to 16% of those on other visas. Official remittances from Australia totalled US\$3 billion in 2009 (Ratha, Mohapatra, and Silwal, 2011), though the actual figure may be double (Hugo, 2011, p. 201).

In earlier work, Hugo (2005) documents examples where refugees, as well as sending remittances, have acted as a source of foreign direct investment (FDI), and as liaisons for FDI between their host countries and their countries of origin. Studies suggest that Australia's intake of refugees and other migrants has increased trade and investment links. However, there has been little attempt to quantify this impact, leaving evidence mainly in the realm of the anecdotal, and particularly concentrating on

India and Vietnam (Hugo, 2005; RCOA, 2010). There is an assumption that trade links must be beneficial, but there is no evidence.

Remittances, together with development and trade linkages, may constitute an economic contribution, therefore, but this has not been proven, and the extent to which these activities benefit Australia, as opposed to origin countries, is not discussed in the literature. For example, while it makes sense intuitively to argue that sending money to poor communities overseas relieves some burden on the Australian aid budget, it could be countered that money sent overseas is money not being spent in the Australian economy. If a refugee chooses *not* to send remittances, does the Australian economy in fact benefit? Complex relationships may be at work here, and more research is needed to understand: (1) the impact of remittances on the host country (i.e., Australia); (2) the scale of FDI that can be attributed to refugees.

Stevenson (2005), who draws on various studies and modelling exercises, derives similar findings to those of Hugo, RCOA, and Carrington et al. His main points are that:

- Immigrants to Australia (including refugees) make a positive economic contribution within five years of arrival, becoming net contributors to both Commonwealth and local government revenues.
- Many refugees are skilled professionals.
- Immigration has negligible effects on average living standards, prices, wages, and the balance of payments.
- Immigration does not lead to an increase in unemployment.

The reason for an overall neutral impact on these key indicators, Stevenson argues, is the balancing effect of various demand and supply pressures. Migrants and refugees might need government support in the short term, but this is balanced by the increased demand for goods and services, by the number of jobs needed to produce those goods and services, by investing in new business, and by participating in the labour market.

Nevertheless, much of Stevenson's study relies on assertion rather than evidence; for example: "The Vietnamese who arrived in Australia ... have turned out to be one of the most hard-working and productive sections of Australian society" (Stevenson, 2005, p. 10). Similarly: "Often the offspring of refugee arrivals, or those who arrive young enough to adjust well to Australian society, are extremely motivated, productive and successful as they adjust and settle quickly" (Stevenson, 2005, p. 11).

Beyond the above four works, most attempts at assessing the extent of economic contribution appear to be limited to case studies at the local level. Stilwell (2003) estimates that Afghan settlers in the town of Young, NSW, contributed between \$2.4 million and \$2.7 million to regional development from mid-2001 to 2003. Quantitative assessments are, however, rare, leaving later authors (e.g., ASRC, 2012; Hugo, 2011) to rely substantially on Stilwell's claim.

Local-level case studies are mostly qualitative only. *Settlement Works* (MDA, 2012a), for example, documents the crucial role that refugees have played in the local economy of Rockhampton (Qld). It particularly cites the case of Teys Meatworks, which "would find it very hard to continue production at sustainable levels" (MDA, 2012a, p. 18) without the 306 refugees that it employed as at February 2012.

Settlement Works notes the following findings as evidence that refugees have made an economic contribution:

- Refugees have been willing to relocate to a regional city to obtain employment.
- Refugees have been willing to accept jobs that many other Australians would reject.
- Employers have recorded relatively high retention rates among refugees.

Carrington et al. (2007) undertook community studies in the regional cities of Toowoomba (Qld) and Shepparton (Vic), and in the urban suburbs of South Brisbane (Qld) and Darebin (Vic). The studies are qualitative exercises of documenting the benefits and costs that migration has brought to each community, largely in terms of social capital. Their studies' participants identified the following economic benefits of migration, some of which they attributed to refugees specifically:

- contributing to the composition of regional economies (Shepparton)
- contributing to local economic prosperity (Toowoomba, Darebin)
- meeting regional skilled and unskilled labour shortages (Toowoomba, South Brisbane)
- enhancing economic diversity (Darebin)
- introducing innovative ways of doing business (Darebin).

Economic costs were generally considered short-term issues associated with early settlement, and include:

- a perceived risk of long term welfare dependency (Shepparton, Toowoomba);
- pressure on regional infrastructure and support services (Toowoomba, South Brisbane).

In summary, economic contribution can be disaggregated in various ways, with no agreed way of identifying categories of contribution. Furthermore, while some of these categories could be quantifiably measured, others are more intangible and unquantifiable. Clearly, this makes the task of describing the nature and scope of refugees' economic contribution to Australia challenging. Hence the literature here tends to make vague assertions, relying on anecdotal evidence and on adjectives such as 'substantial' and 'considerable' to describe contribution in the absence of actual data. The other category of work analysed here – quantitative studies – can be seen, therefore, as a way of resolving this challenge by narrowing the definition of contribution to quantitative indicators.

Quantitative studies

Comprehensive, long-term statistical data on the economic contribution of refugees and migrants is non-existent, with data being sparsely collected and limited in scope. The Australian Bureau of Statistics' key publication is the *Labour force status and other characteristics of migrants*, but this has not been published since 2004. Strangely, it is also limited by defining migrants as those who arrived after 1984, were aged 15 years and over on arrival, and had permanent Australian resident status (ABS, 2004). Further, most of the data refer not to long-term impacts but to a single point in time (2004). One useful table, however, compares main source of income for different visa categories. It estimates that 43% of migrants on humanitarian visas received their main source of income from wages or salary, compared with 39% from a government pension or allowance. The comparable figures for skilled migrants are 70% and 6% respectively, and for all migrants 58% and 16% respectively, suggesting that humanitarian migrants are disproportionately reliant on government benefits. New socio-economic data are due to be published by ABS during 2013.

Richardson, Robertson, and Ilsley (2001) studied the labour force experience of new migrants under different visa categories, comparing those who arrived between September 1993 and August 1995 (cohort 1) with those who arrived between September 1999 and August 2000 (cohort 2). For both cohorts, six months after arrival, humanitarian migrants have much higher levels of unemployment than other migrant groups. However, after three and a half years, humanitarian migrants had the "most spectacular fall" in unemployment of all migrants, although 31% remained unemployed. This leads the authors to conclude that "initial unemployment rates give little indication of subsequent success in attaining economic independence" (Richardson, Robertson, and Ilsley (2001, p. 49). Nevertheless, three and a half years can hardly be considered to constitute a long-term study.

More recently, three modelling exercises have attempted to quantify the economic impact of migrants in Australia over time, comparing visa categories; these have been produced by Access

Economics, the Productivity Commission, and Econtech Pty Ltd. These works must be seen as distinct from those described above, since they explicitly measure only financial concepts. Hence they could be seen favourably as more 'pure' forms of assessing economic impact, or unfavourably as applying a highly restrictive understanding of economic life.

Perhaps the most extensive quantitative modelling in Australia is the Migrants Fiscal Impact Model. This model was originally developed by the Department of Immigration and Multicultural Affairs (DIMA) and the Department of Finance and Administration. It was then updated by Access Economics from 2001 to 2008, in work commissioned by the Department of Immigration and Citizenship. The original model projected impacts only for five years, while the 2001 update extended to ten; however, even this cannot be considered sufficiently 'long-term' in the sense described above. The 2008 update, however, extends to 20 years.

The 2001 model (Access Economics, 2001) projected that, for migrants under the humanitarian category, expenses would still outweigh revenues after ten years. This compares with family migrants, for whom revenues would outweigh expenses from year six, and with skilled migrants, for whom revenues would outweigh expenses from year one. The 2008 model (Access Economics, 2008) found that the contribution for refugees becomes positive after 12 years, reaching a net operating surplus of \$4.3m per 1,000 permanent migrants at 2007-08 prices. This model presents various other projections of revenues and expenses that relate to the economic impact of refugee settlement in Australia. A small selection of these is reproduced below, taking only the figures after 20 years (Table 4).

EXPENSE/REVENUE	REFUGEES	ALL PERMANENT MIGRANTS
Social security expenses	\$3,162,900	\$2,526,500
Health expenses	\$1,359,000	\$1,377,800
Direct tax	\$9,112,000	\$11,599,700
Indirect tax	\$636,600	\$1,385,800

Table 4: Projected expenses and revenues for refugees and all permanent migrants after 20 years, per 1,000 migrants, at 2007-8 prices. Source: Access Economics (2008).

While the dataset is larger than the above four categories, these figures suggest that, after 20 years, the overall economic impact of refugees is neither significantly positive nor significantly negative, relative to all migrants. However, such models should be treated with caution, as they are inherently products of the assumptions underpinning them.

In 2006, the Productivity Commission (2006) investigated the economic impacts of migration and population growth. While it does not present comparable figures for humanitarian or family migrants, it found that, if skilled migration were increased by 50 per cent, economic benefit (in the form of higher living standards) would take 12 years to materialise. Conversely, Econtech (2006) used a different modelling framework to conclude that higher living standards would eventuate after just six years. However, Econtech used real consumption per capita to estimate living standards, whereas the Productivity Commission used gross national product per capita.

By way of comparison, RCOA (2010, p. 9) finds that "the net economic contribution of humanitarian entrants is positive after about a decade". Stevenson (2005), meanwhile, claims that refugees make a positive contribution to the economy within five years of arrival, although he does not explain the methodology used to derive this figure.

These disparities illustrate the significance of understanding the assumptions underlying any modelling or evaluation exercise, as discussed previously. The various models are not measuring the

same thing, and hence arrive at divergent conclusions. Furthermore, even a timescale of 20 years may not provide a sufficiently comprehensive impression on which to form a genuinely long-term, multigenerational understanding. Although this evidence is limited, it suggests that the labour market integration of second generation migrants in Australia is stronger than that in European OECD countries, and indeed stronger than that for native-born Australians (Liebig, 2006).

Finally, it is worth noting that, while these models all indicate that refugees do make an economic contribution, this contribution is on average lower than that of many other migrant categories, at least over the timescales typically projected. The finding that refugees are overrepresented among the underemployed, low-paid, low-skilled, and casualised labour force is reflected in findings from the other category of studies above (RCOA, 2010). The fact remains that, as suggested by the ABS figures, refugees on average have employment levels considerably below other migrant categories, with relatively high levels of unemployment even after ten years of resettlement (ASRG, 2011; Koletch, 2009; Liebig, 2006). Anecdotal evidence suggests that higher long-term unemployment may derive from, among other factors, lack of education opportunities among some communities and barriers for women who adopt a traditional role in the home.

Even if it is possible to 'prove' that refugees make a substantial contribution in the very long term (across generations), therefore, systemic constraints may be delaying the process of turning refugees from net revenue recipients into net revenue contributors. It is not the purpose of this paper to discuss these constraints and barriers to work, some of which were identified above, but it is relevant to highlight their role in influencing the time that it takes for refugees to realise their economic potential. Meanwhile, it is apparent that the overall impression of refugees' economic contribution is influenced significantly by the methodological approach used to derive that impression.

Redefining 'contribution'

Clearly, more work is needed to provide a quantitative evidence base of refugees' economic contributions, and to understand in what capacities refugees make the most significant contributions. Yet, as Carrington et al. (2007) point out, many of the costs and benefits of migration to Australia are unquantifiable.

Anecdotal evidence should not be dismissed, especially if it is the only form of evidence available. Indeed, research from the field of behavioural decision-making suggests that, when an issue is highly sensitive or controversial, people tend to rely on emotion more than on rationality (Wilson and Arvai, 2006). Additionally, quantitative studies can provide a misleading impression of objectivity, disguising their often implicit assumptions. While quantifiable evidence might provide a basis for rational opinion-forming, therefore, developing broader notions of 'contribution' itself may help to counteract some of the negative emotional responses that pervade public debate.

MDA's own research provides further ways of thinking about the meaning of 'contribution'. When refugees themselves have been asked what they think constitutes 'success', they have cited outcomes beyond conventional, quantifiable measures. For example, *The power of 10* (MDA, 2012b) documents ten stories of migrants (mostly refugees) looking for work upon settlement in Australia. Contributors speak not only of conventional career success, but also of the perceived need to contribute in other ways, such as volunteering and serving the local community. This is supported by the finding that, whereas government defines successful settlement in terms of *systemic* outcomes such as social participation and economic well being, refugees think about successful settlement in terms of *life* outcomes such as personal happiness and community connectedness (ASRG, 2011).

Similarly, an evaluation of a programme designed to assist refugee and migrant youth who are disengaged from school found that participants themselves saw success not only in terms of securing

employment. Rather, they also valued personal development, acquisition of life skills, restoration of hope for the future, and the development of skills in job readiness (Heaslop, 2013).

Hence, in addition to making further effort to measure what is quantifiable, it may be useful to explore ways to document these less tangible outcomes more rigorously, with a view to being able to communicate them more effectively. The following section discusses one way of doing this.

Documenting non-economic contributions: Five Capitals

As explained earlier, it is difficult and perhaps misleading to isolate economic contribution from other dimensions. Research indicates that the contributions that refugees make have multiple dimensions, some of which can be measured quantitatively and some of which cannot. An example of the latter is the relatively high level of civic contributions that many refugees make to their local communities and to Australia broadly, especially through local government and particularly among second generations (Hugo, 2011). A narrow quantitative approach is inadequate for capturing these forms of contribution.

Carrington et al. (2007) emphasise the interrelationships of economic impacts with other impacts by adopting a 'four capitals' approach to assessing costs and benefits of migration. The four capitals are:

- Human capital
 - Work, welfare payments, workplace skills and education
 - Physical and mental health
 - Leisure and recreation
- Social Capital
 - Community life and civil society
 - Social networks and neighbourhood
 - Culture and diversity
 - Crime and justice
- Produced and financial capital
 - Housing Infrastructure
 - New businesses, goods and services
- Natural capital
 - Environmental impact
 - Population impact
 - Sustainability

The methodological principle of adopting this approach is to provide a framework to monitor, evaluate, or assess whether each area of 'capital' is augmented, unchanged, or diminished as a result of migration into Australia. Many organisations now adopt a variation of this model, known as the Five Capitals model, which is similar but treats produced and financial capital separately (Forum for the Future, 2011). The Five Capitals model focuses attention on the overall 'health' and interconnectedness of a system, and is increasingly influential in the literature on regional and community development (Brereton and Pattenden, 2007).

Implementing the Five Capitals model typically involves identifying the most significant, or key, impacts – perhaps just one, two, or three for each 'capital' – rather than trying to include everything. These impacts may be selected through a process of stakeholder engagement that might include interviews, focus groups, surveys, and workshops. Each selected impact would be, in effect, an indicator of refugees' contribution. Over time, data may be collected to inform progress against each indicator. Progress can be either measured quantitatively, or described qualitatively, or both.

The model simply provides a structure or framework in which to organise this information, and an underlying rationale. There is no universal way to apply the model, as it must be developed to suit the context and the priorities of stakeholders. It could be used not only to document existing contribution, but also to identify where more effort is needed in order to improve contribution levels.

The above categories may not all be equally relevant in practice, therefore, and comprehensive consideration of each category is beyond the scope of this paper. Nevertheless, to illustrate the value of developing this broader notion of contribution, the topic of volunteering merits deeper discussion.

Volunteering

A substantial degree of economic contribution occurs through volunteering, which forms a key part of the integration process for many refugees (MDA, 2012b; RCOA, 2010). Most authors classify volunteering as a social and civic, rather than economic, contribution. This reflects the persistent challenge of valuing non-paid work in western society. Yet, while volunteering may not involve financial transactions, it can be seen as an economic (as well as social) contribution in the sense that it may constitute a proxy for financial transactions.

Relatively high levels of volunteering are found among refugee communities. O'Dwyer's (2011) survey found that a third of participants were actively involved in local groups, and that 29% were doing some form of volunteer work. Hugo's (2011) research finds various motivations for this activity:

- to provide a pathway to employment
- to gain confidence
- to participate in the broader community
- to learn more about host communities.

Hugo notes that, while estimates exist of the economic value of volunteering in Australia, there are no refugee-specific data. Further, estimates of the amount of volunteering may be conservative, as they often overlook 'informal' voluntary work such as caring for relatives and supporting other newly-arrived refugees. These are activities that refugees from collectivist-based societies tend to view more as community obligations rather than as 'voluntary work', which is a largely western construction. Hence figures from the 2006 census, suggesting that first-generation humanitarian migrants have lower levels of volunteering than do the Australian-born, may be misleading, since the census question emphasised formal volunteering through organisations.

More research is needed, therefore, to calculate or estimate the economic value of volunteering, both formal and informal, although it must be recognised that much of the 'value' of volunteering is realised in intangible ways (e.g., developing support networks, building social capital) that can never be fully accounted for quantifiably.

International perspectives

A comprehensive review of studies beyond Australia is outside the scope of this paper, but this section presents some selected findings for comparison. The purpose here is briefly to compare the situation in Australia with that in other economically similar countries that have significant refugee intakes.

Perhaps the most striking finding is that research internationally appears somewhat sparser than that in Australia. Even Hugo (2011)'s extensive report says little about similar research overseas. Hugo does draw parallels between the economic contribution of refugees in Australia and in other rich nations such as the United States, Canada, and European countries. He notes that, in all these countries, refugees have lower occupational, employment, and earnings outcomes than do other migrant and non-migrant groups, even after allowing for key determinants of disadvantage (e.g., English language ability, education, and work experience). Hugo's study identifies a broad body of research finding that refugees everywhere face larger obstacles to economic integration than do other immigrant groups.

Much other literature from overseas again suffers from a lack of specific focus on refugees, leaving us to rely on research on migrants in general. RCOA's report (2010) quotes a UK Home Office study estimating that migrants contributed £2.5bn more in taxes than they received in benefits and services in 1999-2000. Drawing on the same figures, Refugee Action (UK) (2013) claims that, without migrants' contributions, the average UK taxpayer would have paid an extra penny in every pound in income tax. Stevenson (2005), similarly, notes that Treasury Minister Ruth Kelly stated that migrants had accounted for 10% of UK GDP in 2001.

A study of 19 countries in the EU, covering the period 1993-2008, examined the economic relationship between welfare and immigration. This was motivated by the proposition that expected income may partly drive people's decision to migrate. The study, which again did not distinguish between migrant groups, found no statistically significant evidence for the 'welfare magnet hypothesis' – the idea that relatively generous unemployment benefits encourage migration (Giulietti et al., 2011).

The RCOA report also cites research revealing that migrants arriving in Canada during the 1990s accounted for over 70% of economic growth during that decade, and notes that the refugee background of most of Hong Kong's residents, having fled from mainland China, is thought to be a significant factor contributing to its economic success. Finally, RCOA credits Vietnamese refugees with revitalising many US neighbourhoods in the 1970s, and Cuban refugees with the rebirth of Miami's economy in the 1960s.

In Canada, Nadeau (2011) reports that most empirical studies have found that "immigration has little or no impact on domestic labour markets and government fiscal balance". Liebig (2006) reports somewhat higher employment rates for Canada's humanitarian migrants than in Australia, but notes that figures are not fully comparable because of different compositions of the refugee populations.

Also in Canada, DeVoretz, Pivnenko, and Beiser (2005) conducted a study concluding that "refugees do not constitute a major drain on the economy" (p.30), though they perform less well economically than independent migrants. From 1980-2001, employed refugees earned an income equal to that of family migrants, both at the time of arrival and in each successive year of residence. In contrast, refugees who received social assistance remained at very low incomes for many years, suggesting that employment prospects are a key determinant of economic outcomes. Other factors found to influence economic experiences were whether a refugee was privately sponsored, and local job market conditions. Consistent with many Australian studies, they also propose that, for immigrants as a whole, it takes ten years to achieve full economic potential.

In the USA, Nadadur (2009) argues that 'undocumented immigrants' impose a fiscal cost at the state and local levels, but have a net positive impact at the national level, suggesting that the issue is about efficient allocation of resources between different levels of government. Furman and Gray (2012) list ten ways in which immigrants contribute to the US economy. For example, they note that immigrants are 30% more likely to start a business than non-immigrants, that small businesses owned by immigrants employed an estimated 4.7 million people in 2007, and that the purchasing power of Latinos and Asians will reach \$1.5 trillion and \$775 billion respectively by 2015.

As in Australian-based studies, many assertions are made about the economic contribution of refugees. For example, UNHCR (2002, p. 8) asserts: "Refugees can also make an important economic contribution by creating new businesses and jobs, filling labour market gaps, and helping to improve productivity". It goes on to argue that refugee resettlement is critical to the economic success of industrialised countries because refugees can help to fill labour force gaps created by ageing populations. In contrast, Nadeau (2011) finds that, while immigration can help to address problems associated with population ageing in Canada, "only extreme and probably unpalatable increases in immigration" could actually provide a solution. Again, therefore, care must be taken to distinguish assertion from evidence-based research.

Conclusions

Summary of findings

The two categories of work reviewed here – those that implicitly seek to show that refugees do make a contribution, and those that examine or model economic impacts quantitatively – produce different impressions. The former, while acknowledging challenges, present an overwhelmingly positive portrayal of refugees' contribution to Australia. These portrayals describe economic contributions not only through labour force participation but also through entrepreneurial activity, filling labour market niches, and developing international trade links; and they document not just economic benefit but also social and civic contribution such as through volunteering and community participation.

Quantitative studies, meanwhile, adopting a notion of contribution that is limited to fairly standard economic indicators, and applying a shorter time horizon, also suggest that refugees make an economic contribution, but only after a number of years. While there is considerable disparity in the findings between (and within) the two categories of work, **no model or study indicates that refugees impose a burden over the long term.**

Returning to the original research agenda, we can now provide a summary answer to each question in turn, and identify where further effort might be usefully targeted and what further lines of enquiry might be fruitful (see Table 5).

RESEARCH QUESTION	SUMMARY ANSWER	SUGGESTIONS FOR FURTHER EFFORT/ENQUIRY
1. How is economic contribution assessed in existing research; i.e., what does it include and what does it exclude, and why? Does it include economic measures exclusively, or does it try to quantify other forms of contribution, e.g. social and civic contributions?	Economic contribution is assessed in various ways, with no clear consistency of approach. Quantitative modelling excludes many contributions, while other studies attempt to include social and civic efforts but rarely produce incontrovertible evidence.	<ul style="list-style-type: none"> – Quantitative modelling needs to be updated and extended. – Work is needed to make the quantitative evidence base broader. – Qualitative studies need to be integrated into a summary of key messages that are easily communicated. – More research is needed on the impact of remittances and trade linkages. – More research is needed on the nature of economic contribution that derives from business ownership.
2. If evidence exists suggesting that refugees make a substantial economic contribution to Australia, why is this not more widely known and what needs to happen to	Some of the evidence clearly shows that refugees make a substantial economic contribution to Australia, but only when a long-term perspective is analysed. There is also extensive reliance on	<ul style="list-style-type: none"> – The evidence needs to be presented in a clear, concise manner. – Better ways are needed to document and communicate non-quantifiable economic

RESEARCH QUESTION	SUMMARY ANSWER	SUGGESTIONS FOR FURTHER EFFORT/ENQUIRY
change perceptions?	anecdote, assertion and story-telling.	contributions, e.g. volunteering and unpaid community support. – Consider developing a Four/Five Capitals approach.
3. If evidence exists suggesting that refugees impose a net cost to Australia, what further research needs to be done to identify the barriers to refugees making a greater economic contribution?	There is no evidence suggesting that refugees impose a net cost to Australia in the long term, although research on how long it takes for refugees to become net contributors is inconclusive. Short-term costs reflect systemic constraints that present significant barriers to refugees.	– Investigate further how long it takes, on average, for refugees to start becoming net contributors to Australia. – Identify what pathways to economic independence are most effective for refugees (e.g., employment services, business support, language tuition.)
4. If there is not enough evidence either way, where should further research be concentrated to assess economic contribution?	There is a considerable body of literature already, but much of it subsumes refugees under the general banner of 'migrants'.	More work is needed to distinguish the specific long-term contributions of refugees from those of migrants in general.

Table 5: Summarised answers to research questions

These points and other key messages emerging from this review are summarised in the Appendix.

In short, the evidence suggests that refugees do make significant economic contributions to Australia, although substantial barriers may be constraining and delaying contributions. Additionally, much more research is needed to understand the scale of such contributions and the processes through which they actually take place. The remainder of this final section reconsiders the literature, encouraging a deeper reflection on some of the assumptions therein.

Reflections

While the contributions that authors identify can all be considered 'economic', some are less tangible than others, and therefore more difficult to quantify. For example, it is very difficult to prove conclusively that refugees have increased economies of scale, as RCOA (2010) claims, or that similar contributions could not have been made through non-refugee migration. Hence much literature claims that contributions have occurred not by providing evidence but through anecdotal evidence and by making simple assertions. For example, ASRC (2012, p. 28) states: "Vietnamese refugees who arrived during the 1970's and 1980's brought with them myriad business and cultural knowledge and skills which have developed into vital trade links with much of South-East Asia, undoubtedly boosting our economy and improving our wealth. The same is true for more recent arrivals". Similar statements from Stevenson (2005) were quoted above. All of these assertions may be true, but they would carry considerably more weight if they were supported by research evidence.

A common manifestation of this type of assertion is made by attributing an entrepreneurial disposition to refugees. As noted above, many authors (e.g., Carrington et al., 2007; Hugo, 2011; O'Dwyer, 2011; and RCOA, 2010) all assume entrepreneurship or business ownership to constitute evidence of economic contribution. The association of refugees with entrepreneurship appears to be based on the implicit proposition that such skills flow from "the need to set up and establish themselves in a new environment" (RCOA, 2010, p.3), or the argument that refugees are by nature people with a relatively high propensity to taking risks. Indeed, many refugees come from cultural backgrounds where independent business is the sole means of income, and upon arrival in Australia perceive self-employment as presenting fewer barriers than employment.

Evidence of this entrepreneurship is typically given by noting that people from refugee backgrounds constitute a relatively high proportion of Australia's billionaires (e.g., RCOA, 2010), or by listing famous people from refugee backgrounds (e.g., ASRC, 2013). Yet personal wealth and success are not necessarily reliable indicators of economic *contribution*, as they may alternatively indicate ability to minimise taxation, appetite for capital accumulation, and/or a stridently individualistic character. Perhaps the main message here is that people who are financially independent are giving to the state rather than taking from it. High levels of business ownership could suggest cultural predispositions towards entrepreneurship among refugees, or alternatively could result from barriers to employment (RCOA, 2010). Either way, the proposition that refugees make a relatively high economic contribution by virtue of their entrepreneurial spirit requires closer examination. Of particular importance would be to understand the *nature* of the economic contribution that derives from business ownership and entrepreneurship.

More convincing may be the argument that refugees make relatively high contributions because they tend to achieve higher than average levels of education and employment. RCOA (2010) notes that studies indicate a relatively high level of educational and employment achievement among refugees and their families, citing for example children of refugees from Poland, Hungary, and Vietnam. Yet these studies also find that such achievement is a feature more generally among migrants from non-English speaking backgrounds, suggesting that high achievement is not necessarily unique to refugee families and may derive partly from multilingualism. More work is needed, therefore, to understand the factors influencing educational and employment achievement. While most studies compare migrants according to the categories of 'humanitarian', 'family', and 'skilled', these categories mask enormous diversity.

Finally, this review's focus on economic dimensions – in the broadest sense of 'economic' – does not imply that economic arguments should dominate public communications or policy discussions. Boese (2009) notes that the economic benefits of migration are frequently cited as a counterargument against political fears of xenophobia in many western countries, even though outcomes are often unsatisfactory. This has led to an 'economistic' language of costs and benefits becoming commonplace in immigration policy in Australia, and to migration and refugee policy being promoted based on the presumed rationality of 'economic opportunities'. The danger in isolating economic factors in this way, argues Boese, is that it overlooks the wider context in which settlement takes place, notably contributions made via social and civic participation.

Reliance on purely economic arguments for refugee settlement may provide a convincing case because of their apparent rationality and objectivity, but viewing refugees through an exclusively economic lens risks promoting the idea that refugees themselves may be dispensed with when no longer 'needed'. As Hugo (2011) reminds us, the prime motivation for Australia accepting refugees has always been a humanitarian one, deriving from signing the *1951 United Nations Convention for the Status of Refugees* and the *1967 Protocol Relating to the Status of Refugees*. The appropriate place for economic considerations is at best *alongside* ethical, humanitarian principles, not as a final determinant of refugee policy.

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Appendix: Key messages emerging from this review

Evidence of economic contribution

- There is no evidence that refugees impose a net cost to Australia in the long term.
- Research suggests that refugees start to make a net economic contribution somewhere between five and 20 years after arrival in Australia.
- Refugees' dependency on social security is surpassed by that of other migrant groups after 20 years.
- Refugees have a higher incidence of business ownership than other migrant groups.
- Refugees play a critical economic role in unskilled and semi-skilled work in regional areas.

Evidence of systemic constraints on economic contribution

- Humanitarian migrants have the highest dependency on social security of all migrants for the first ten years after arrival.
- While refugees can be highly successful in the long term, they are overrepresented among the underemployed, low-paid, low-skilled, and casualised labour force.
- Quantitative modelling suggests that refugees' economic contribution is on average lower than that of many other migrant categories over the timescales projected.

Research issues

- A thorough understanding of the economic impacts of refugee settlement requires analysis over a relatively long time period.
- Existing research can be divided into two methodological categories, each with advantages and disadvantages: studies that implicitly seek to show that refugees do make a contribution to Australia, and studies that examine or model economic impacts quantitatively.
- Economic contribution takes several forms; comprehensive studies include both quantitative and qualitative dimensions, and apply a broad definition of 'economic'.

Areas where further research is needed

- Much advocacy-oriented research is based on assertions that are difficult to verify or refute; more work is needed to investigate the accuracy of these assertions.
- Existing research on how long it takes for refugees to become net economic contributors is inconclusive, reflecting the different assumptions and methodologies being applied.
- Much research subsumes refugees within broader research on migrants; more work is needed to distinguish the long-term contributions of refugees specifically.
- Comprehensive, long-term (i.e., intergenerational) statistical data on the economic contribution of refugees and migrants is non-existent.
- More research is needed to assess the economic value of non-quantifiable contributions such as volunteering.
- Remittances and other linkages to origin countries may be a significant form of contribution, but the extent to which they benefit Australia is not well understood.