



# **Evaluation of Australia's Working Holiday Maker (WHM) Program**



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# 1 Introduction

## 1.1 Background of the WHM Program

Australia's Working Holiday Maker (WHM) program is a temporary migration mechanism to allow young people from nominated countries to travel, work and study in Australia. The WHM migration program includes two visa subclasses (417 and 462). Subclass 417 allows people aged 18-30 years from 19 countries with agreements with Australia (Belgium, Canada, the Republic of Cyprus, Denmark, Estonia, Finland, France, Germany, Hong Kong SAR, the Republic of Ireland, Italy, Japan, the Republic of Korea, Malta, the Netherlands, Norway, Sweden, Taiwan, and the United Kingdom) to experience culture and lifestyle through an extended holiday and incidental employment—the visa has a special focus on regional Australia. Subclass 462 allows tertiary educated persons aged 18-30 years with functional English from five other countries (Chile, Thailand, Turkey, the United States, and Malaysia<sup>1</sup>) to holiday in Australia and supplement their travel funds through short-term employment.

The WHM program commenced in 1975 at the same time as an Australian visa system was introduced. At this time reciprocal arrangements began with the United Kingdom (UK), Canada and Ireland. Arrangements were subsequently established with Japan (1980), the Netherlands (1981), the Republic of Korea (1995), Malta (1996) and Germany (2000). Although there are specific arrangements with these countries, the scheme was applied globally during the period from its commencement to 2000 and applicants from other countries were considered where there might be a benefit both to the applicant and Australia (DIMA, 2000a). After July 2000, however, the program was restricted to the countries with specific arrangements. In 2001, six countries (Sweden, Norway, Denmark, Greece, Italy and France) joined the program. Other nations including Spain, Singapore, Malaysia, Hong Kong, Taiwan, Israel, Cyprus, Austria, Switzerland and Finland entered the program from 2002 and the United States (US) in 2007.

The WHM program has both economic and social benefits; its guiding principle is to encourage cultural exchange and closer ties with arrangement countries, to enhance the cultural and social development of young people, and to promote mutual understanding between Australia and other nations (DIAC, 2008a). While this objective is social in nature, WHMs have three major positive effects on the Australian economy. First, this program is an important part of the tourism industry. Second, WHMs contribute towards macroeconomic demand for labour and the current account surplus to the extent that they spend more money domestically than they earn in Australia. Third, the WHM program supports the efficiency of the microeconomic labour market by providing supplementary labour for industries needing short-term flexible or casual workers. Thus, Australian employers have access to a larger pool of seasonal or casual workers and are less likely to resort to recruiting illegal workers, among other strategies.

Whilst Harding and Webster (2002) examined the effects of WHM program on the Australian labour market, and notwithstanding the official views regarding the aims of the program, little is currently known regarding the flows of WHMs and the effects of their temporary movement on the economy and on regional and non-regional labour markets in Australia—there is scant empirical research into the demographic, economic and employment characteristics. While it is generally thought that the WHM program is beneficial, it is possible that it detracts from the local economy by increasing competition in labour markets. The issue of whether the program aggravates the difficulty of Australians—especially youth, full-time students, and lower skilled unemployed—in getting jobs is

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<sup>1</sup> The Malaysian arrangement commenced on 1st February 2009, and so does not fall within the scope of this research. Iran formerly held a Working Holiday arrangement, but this officially ceased on 30 June 2007.

critical. Thus, any displacement or replacement types of Australians in the labour market by WHMs need to be fully explored.

Strong and sustained economic growth in Australia over the last decade has led to a recognised skills shortage, particularly in high-level professional and some trade occupations (Tan and Richardson, 2006; Department of Treasury, 2007; Hugo, 2007; Richardson, 2007). This is not unique to Australia, but part of a global phenomenon reflecting ageing populations and the international mobility of the labour force (Lester, 2008). Working Holiday Makers (WHMs) appear to be important contributors to the Australian labour force, as well as contributors to Australian social and cultural life, and their potential role in Australia's development warrants careful enquiry. It is likely that they differ from other migrants in their geographic dispersion, the types of employment they seek, and their overall flexibility and mobility in the labour market. However, there is little systematic knowledge about this group, viewed as a labour force, as a source of economic stimulus in regional areas, and as a cultural force. Thus, the increasing number of WHMs coming to or departing from Australia, particularly since 2000, invokes the question, how should Australia factor this category of 'temporary migration' into its immigration and socio-economic development policy thinking and planning?

At present, there is only scant research into the experiences of education and training that WHMs have obtained in Australia. These experiences may impact upon their decisions to leave or remain in Australia. Little is known about the intentions of these temporary migrants to Australia—whether they intend to revisit Australia in the foreseeable future. The extent to which WHMs perceive their temporary entry as a pathway to staying in Australia on a long-term basis (e.g., through subclass 417 visa holders applying for second WHM visa) remains to be analysed.

A range of issues about the motivations of WHMs travelling to and from Australia, their mobility in Australia, their experiences of living, working and studying in Australia, and the effects of their temporary flows and movement on the economy and on labour markets at national, state and regional levels are the focus of this report.

### ***Basic requirements***

To be eligible for a WHM visa application, applicants need to meet the following requirements (DIAC, 2008a):

- hold a passport issued by an eligible country or region;
- be aged between 18 and 30 (inclusive) at the time of applying;
- not have dependent children;
- meet health, character and financial requirements;
- not have previously entered Australia on a WHM visa (unless applying for a second WHM visa<sup>2</sup>);
- be outside Australia when applying and when the visa is granted (unless applying for a second WHM visa);
- apply within 12 months of intended travel to Australia.

WHM visa holders can:

- enter Australia within 12 months of the visa being granted (if applying outside Australia);

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<sup>2</sup> To be eligible for a second Working Holiday visa, applicants must have worked in an eligible regional Australian area for a minimum of three months (or 88 days) while on their first Working Holiday visa—such work must be undertaken in a 'specified' field or industry in a designated regional area (e.g. plant and animal cultivation, fishing and pearling, tree farming and felling, mining, and construction).

- stay in Australia for up to 12 months from when they first enter Australia (a further 12 months' stay is possible if applicants qualify for a second WHM visa);
- leave and re-enter Australia any number of times while the visa is valid;
- work in Australia for up to six months with each employer; or
- study for up to four months.

### ***Changes in size and composition of the WHM program since 2000***

The trend in the growth of the numbers of, and composition of, WHMs coming to Australia is shown in Table 1.1 below. In 2007-08, 134,388 WHMs came arrived—an increase of 71% compared to 2000-01 level. Between 2000-01 and 2007-08, the number of Working Holiday visa arrivals increased by 8% a year on average. This figure is less than half of the growth rate (17%) over the period 1983-1999 (Harding and Webster, 2002). The majority of WHMs (99.8%) came from the 24 WHM arrangement nations. The top four origin countries were the UK (28,960), South Korea (26,758), Germany (15,380) and Ireland (14,617). They accounted for 64% of the total WHM visas granted in 2007-08. A very few (337 persons) of WHM visas were granted to applicants from other nations. The countries of origin of WHMs are overwhelmingly European. An earlier study (Harding and Webster, 2002) showed that over the period from the mid-1980s to 2000 about half of the WHM visas arrivals came from the UK, followed by those from Japan and Ireland. Whist the UK has remained the largest source country of WHMs, the absolute numbers and proportional compositions of WHM origins have changed markedly since 2000. The dominance of the British has been reduced from around two-thirds (62%) to some one-fifth (22%) since 1983-84. Note that Korean and Germany have increased in significance in the WHM flow, having replaced Ireland and Japan in 2003-04, and since then becoming the second and third largest source countries.

**Table 1.1 Number of WHM visa arrivals by nation, since 2001-02**

<b>Citizenship</b>	<b>2001-02</b>	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b>
UK	37,868	37,392	34,672	28,910	27,044	27,326	28,960
South Korea	2,848	4,858	7,856	14,563	20,086	24,146	26,758
Germany	5,514	6,603	8,626	10,176	10,973	13,979	15,380
Ireland	10,065	10,032	11,851	12,014	11,736	12,004	14,617
Japan	9,293	9,148	9,488	9,490	8,862	9,683	9,684
France	1	1	787	3,836	5,449	6,918	9,108
Canada	5,515	5,642	6,121	6,324	6,391	6,194	6,964
Taiwan	0	0	0	167	613	1,666	4,656
Sweden	2,005	2,542	2,515	3,099	3,444	3,686	3,643
Netherlands	4,663	3,616	2,912	2,705	2,679	3,054	3,335
Italy	0	1	506	1,679	2,240	2,838	3,151
US	2	3	2	2	2	4	1,670
Denmark	864	1,006	1,120	1,240	1,252	1,270	1,073
Hong Kong	7	42	89	186	281	705	995
Belgium	0	0	0	309	725	798	897
Finland	8	251	643	758	861	896	866
Norway	307	647	615	620	605	561	657
Chile	0	0	0	0	14	275	534
Iran	0	0	29	239	483	1,035	417
Estonia	0	0	0	1	156	276	414
Thailand	0	0	0	0	29	126	181
Malta	75	66	72	93	89	100	83
Others	47	50	1134	68	125	321	345
<b>Total</b>	<b>79,082</b>	<b>81,900</b>	<b>88,017</b>	<b>96,479</b>	<b>104,139</b>	<b>117,861</b>	<b>134,388</b>

Data source: Department of Immigration and Citizenship, Visa Arrival Statistics, unpublished data.

Table 1.2 below presents the trend in the median length of stay of WHMs by country of origin. Length of stay has shown a negative trend since the beginning of the 21<sup>st</sup> century. By 2007-08, the variation between countries ranged from 145 days for half of the Danish WHMs to 359 days of stay for half the German WHMs.

**Table 1.2 Median length (days) of stay for WHM visaed arrivals by country**

Citizenship	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
UK	223	219	214	206	207	209	201
South Korea	302	299	293	288	275	275	243
Germany	191	199	330	376	252	383	359
Ireland	279	278	274	250	267	243	220
Japan	274	280	277	272	263	261	231
France	321	119	170	202	211	210	203
Canada	187	189	181	183	180	180	173
Taiwan				266	259	269	229
Sweden	155	152	153	154	148	153	152
Netherlands	177	180	182	187	180	179	169
Italy		356	244	201	199	203	199
US	147	44	199	357	250	256	165
Denmark	152	150	148	152	145	140	145
Hong Kong	98	236	260	270	259	271	218
Belgium				206	209	219	201
Finland	236	183	207	205	191	190	182
Norway	160	175	168	174	161	163	165
Chile					209	261	203
Iran			268	298	314	305	199
Estonia				284	274	260	232
Thailand					337	342	289
Malta	257	251	258	267	244	294	227

Source: This and following tables, Working Holiday Maker Survey, 2008—except where noted.

## 1.2 Aims of this Paper

This paper evaluates the WHM Program from a policy, economic, and labour market perspective. The main objective is to gain a better understanding of the profile of WHMs and to make a comprehensive evaluation of the economic, labour market, and social effects of the current WHM program. The specific aims are to evaluate:

- the demographic, economic and employment characteristics of WHMs;
- the effects on regional and non-regional labour markets of the WHM program;
- the economic effects of the WHM program; and
- the attitude of business to the WHM program.

## 1.3 Sources of data

The evaluation is primarily based on data collected from two 2008 surveys: the Working Holiday Maker (WHM) Survey, and the Working Holiday Makers' Employer (WHME) Survey.

Earlier surveys of WHM and WHME were conducted in 2000. Although there were some common questions with the 2000 surveys, there are major differences in methodology in the 2008 surveys. For instance, the 2008 WHM Survey was an internet survey compared with a face to face survey conducted at airport departure lounges in 2000 WHM Survey.

Research examining the 2000 WHM Survey confirmed the positive economic benefits of WHMs as casual workers and tourists, and provided important profiling information about WHMs. Since that time, there have been major changes to the WHM program, including a 150% growth in arrivals, an additional eleven countries participating in the program, the introduction of a second Working Holiday visa, and the extension of work and study rights (from three months to six and four months respectively).

Regarding the employer surveys, the major change in the WHM program between the 2008 survey and the 2000 survey is the extension of work rights. There are also new concerns that working holiday makers could be displacing young Australians from work (particularly in regional Australia). The Australian labour market as a whole has been experiencing very low

levels of unemployment in recent years. In this environment it is important to identify the role of WHMs in addressing the labour needs of business. Finally, the 2008 survey includes employers' feedback on the operation of the program. Analysis of the collected information will influence any future program policy changes.

### 1.3.1 Description of the 2008 WHM Survey

The WHM survey includes 19,888 WHMs during the period late August to Mid-October 2008. The sample accounted for 14.8% of the total WHM arrivals in 2007-08. The surveyed population was all WHMs who came to Australia on a 417 or 462 visa and departed Australia between January 2007 and August 2008. As the WHM Survey was conducted via the Internet, only persons who completed their visa application online (around 99% of 417 and 462 visa holders) and who provided a valid email address were included. Efforts were also made to exclude respondents where it was obvious that the email address related to a migration agent. The dominant group (19,525 persons, or 98.2%) of WHMs surveyed were on 417 visas (Table 1.3), with most on their first visa and only a small proportion (9.7%) on their second WHM visa.

**Table 1.3 Visa subclasses of WHMs**

Visa subclass	No. of respondents	%
<b>417</b>	19,525	98.2
<i>1st 417</i>	17,632	88.7
<i>2nd 417</i>	1,893	9.5
<b>462</b>	363	1.8
<b>Total</b>	19,888	100.0

### 1.3.2 Description of the 2008 WHMs' Employers Survey

The target population of the WHM survey was all businesses that employed WHMs and so businesses from a wide range of industries were surveyed. For a small business the contact person was the owner, for a large organisation it was the regional manager.

In the computer assisted telephone interviews Survey, employers were questioned about the number of young workers and the number of WHMs employed in the past year. Employers were also asked to comment on their experiences with WHMs, their attitudes to WHMs (relative to local workers) and the importance of WHMs to their business viability.

The contact details for the employers were initially provided by participants in the concurrent survey of WHMs. Approximately 1000 employers were approached to participate in the survey. A stratified simple random sample of 501 employers responded to the survey. Stratification was on the basis of regional/non-regional areas. Therefore businesses surveyed were evenly distributed between urban areas (49.5% of those surveyed) and regional areas (50.5% of those surveyed).

More than one-third of the businesses surveyed were small, with total employees of fewer than 20 persons (Table 1.1). More than 70% of the businesses employed fewer than 100 persons. The structured survey questionnaire covered the following topics:

- business size and industry;
- perceptions of skill shortages in the area;
- number of WHMs employed and the work that they did;
- the importance of WHMs to business viability;
- their attitudes to WHMs compared with young local workers; and
- their views on the operation of the WHM Program.

In coding industry, the WHE survey used the divisional structure of the ANZSIC 2006

Industry classifications – with an expansion of the single category of Accommodation and Food Services into the four categories of Accommodation; Café, Restaurant, Take Away Food Services; Pub, Tavern, Bar; and Club (hospitality).

More than one-third of the businesses were small, with total employees of fewer than 20 persons (Table 1.4). More than 70% of the businesses employed fewer than 100 persons.

**Table 1.4 Size of business**

No. of employees	No. of businesses	%
1-4	23	4.6
5-19	161	32.1
20-99	177	35.3
100-499	96	19.2
500 or more	43	8.6
Don't know	1	0.2
<b>Total</b>	<b>501</b>	<b>100.0</b>

The 500 businesses surveyed involved broad fields of industry (Table 1.5). The main industries were: ‘agriculture’ (22%), ‘accommodation’ (20%), and ‘café, restaurant, take away food services’ (18%).

**Table 1.5 Industry sectors of employers surveyed**

	No. of businesses	%
Agriculture, Forestry and Fishing	108	21.6
Accommodation	98	19.6
Café, Restaurant, Take Away Food Services	91	18.2
Manufacturing	35	7.0
Retail Trade	23	4.6
Arts and Recreation Services	18	3.6
Professional, Scientific and Technical Services	16	3.2
Pub, Tavern, Bar	13	2.6
Administrative and Support Services	13	2.6
Information Media and Telecommunications	12	2.4
Wholesale Trade	11	2.2
Health Care and Social Assistance	11	2.2
Club (hospitality)	10	2.0
Other services	9	1.8
Construction	7	1.4
Education and Training	7	1.4
Transport, Postal and Warehousing	5	1.0
Rental, Hiring and Real Estate Services	5	1.0
Mining	3	0.6
Financial and Insurance Services	3	0.6
Electricity, Gas, Water and Waste Services	2	0.4
<b>Total</b>	<b>500</b>	<b>100.0</b>

Note: One business excluded as industrial sector unknown.

## 2 Basic Profile of WHMs

### 2.1 Demographic characteristics

A total of 19,888 WHMs were sampled in the 2008 Survey (Table 2.1). Ninety-eight per cent of the WHMs surveyed were from 24 countries that have WHM arrangements with Australia. A small number (337 persons) of WHMs were apparently from other 47 other countries, but this was due to their holding dual citizenship with an arrangement partner. The first eight countries in the table 2.1 account for 80% of the total population surveyed, with one-fifth coming from Korea, followed by 14% from Germany and 12% from the UK. Due to their

proportional preponderance, analysis in many sections of this report focuses on these eight countries.

**Table 2.1 Citizenship and Gender of WHMs surveyed**

Country	Male	Male (%)	Female	Female (%)	Total	% Total
Korea	2,288	56.1	1,790	43.9	4,078	20.5
Germany	1,266	44.7	1,567	55.3	2,833	14.2
UK	1,132	46.1	1,325	53.9	2,457	12.4
France	942	52.2	864	47.8	1,806	9.1
Japan	368	26.2	1,039	73.8	1,407	7.1
Canada	518	41.2	740	58.8	1,258	6.3
Netherlands	557	49.3	573	50.7	1,130	5.7
Italy	581	62.7	345	37.3	926	4.7
Ireland	355	50.4	349	49.6	704	3.5
Sweden	289	42.2	396	57.8	685	3.4
Taiwan	153	26.3	428	73.7	581	2.9
Hong Kong	106	30.5	242	69.5	348	1.7
Belgium	147	54.2	124	45.8	271	1.4
US	67	31.0	149	69.0	216	1.1
Finland	65	31.0	145	69.0	210	1.1
Denmark	92	52.6	83	47.4	175	0.9
Iran	118	71.1	48	28.9	166	0.8
Estonia	53	41.4	75	58.6	128	0.6
Norway	32	37.6	53	62.4	85	0.4
Thailand	7	15.9	37	84.1	44	0.2
Chile	18	78.3	5	21.7	23	0.1
Malta	10	58.8	7	41.2	17	0.1
Others	1986	55.2	154	44.8	340	1.9
<b>Total</b>	<b>9,350</b>	<b>47.0</b>	<b>10,538</b>	<b>53.0</b>	<b>19,888</b>	<b>100.0</b>

Note: Forty-nine countries are categorised as “Other”.

Most WHMs (88%) were between 20 and 30 years old (Table 2.2). WHMs aged 18-19 or older than 30 account for only 9% and 3% of the sample, respectively. Japan had a relatively older group of WHMs, with about 70% above 25 years old. The Netherlands, Canada and Germany had relatively younger groups of WHMs, with the proportions of people younger than 25 years at 72%, 65% and 64%, respectively.

**Table 2.2 Age characteristics of WHMs surveyed (%)**

Country	Age 18-19	Age 20-24	Age 25-30	> 30	No. of respondents
Korea	1.4	52.7	44.7	1.2	4,078
Germany	16.6	47.4	33.1	2.9	2,833
UK	10.3	38.4	45.8	5.5	2,457
France	6.7	57.0	34.8	1.5	1,806
Japan	1.1	28.6	60.5	9.8	1,407
Canada	13.4	51.6	33.4	1.7	1,258
Netherlands	19.8	52.5	26.1	1.6	1,130
Italy	5.4	41.8	49.1	3.7	926
Others	8.4	42.1	46.3	3.1	3,993
<b>Total</b>	<b>8.5</b>	<b>46.1</b>	<b>42.2</b>	<b>3.2</b>	<b>19,888</b>

Note: Sixty-three countries are categorised as “Other”.

The proportion of females sampled (53%) was slightly greater than males (47%) (Table 2.1 above). This was especially apparent for Japanese, with 74% females. In contrast, only 37% participants from Italy were female.



Table 2.3 shows the educational attainments for WHMs from different countries. Most WHMs (98%) had at least finished high school; more than half (54%) had university degrees; and 21% had completed non-school qualifications other than university degrees. Of the eight main countries, WHMs from Korea, France, and the UK had higher proportions of people with university degrees than the average (54%). The percentages for these three countries were nearly 70% for Korea, 66% for France, and 54% for the UK. In contrast, German WHMs had the smallest percentage (32%) of people possessing university degrees, while they had the biggest proportion (41%) of people who completed only high schooling.

**Table 2.3 Highest completed level of educational attainment of WHMs surveyed (%)**

Country	University degree	Trade qualification	Other post-school qualification	Completed high school	Did not complete high school	No. of respondents
Korea	69.7	4.9	5.9	16.3	3.2	4,030
Germany	32.2	15.0	11.5	40.9	0.4	2,808
UK	54.3	10.4	22.6	12.4	0.3	2,451
France	65.9	5.6	11.4	12.6	4.5	1,791
Japan	49.9	8.7	19.8	17.0	4.6	1,380
Canada	45.5	8.4	20.9	24.7	0.4	1,258
Netherlands	46.1	14.2	11.2	27.9	0.6	1,126
Italy	47.1	6.5	10.8	32.4	3.1	923
Other	55.8	7.2	10.9	25.0	1.1	3,977
<b>Total</b>	54.0	8.7	12.7	22.7	1.9	19,744

Note: Sixty-three countries are categorised as "Other".

More than one third (36%) of the surveyed WHMs were studying for another qualification (Table 2.4). This was particularly the case for young people (aged 18-25 years). The highest proportions of people pursuing another qualification came from Germany (54%), Canada (45%) and the Netherlands (4%). In striking contrast were the Japanese, of whom only 15% were studying for another qualification.

**Table 2.4 Are you studying for another qualification?**

	Yes (%)	No (%)	No. of respondents
<b>(a) by sex</b>			
Female	34.5	65.5	10467
Male	36.7	63.3	9,281
<b>(b) by age group</b>			
18-20	75.3	24.7	1,690
20-25	42.1	57.9	9,116
25-31	21.5	78.5	8,314
>31	18.6	81.4	628
<b>(c) by country</b>			
UK	27.2	72.8	2,449
Germany	54.1	45.9	2,814
Korea	34.0	66.0	4,033
Canada	44.6	55.4	1,257
France	28.4	71.6	1,790
Japan	14.7	85.3	1,386
Netherlands	44.5	55.5	1,126
Italy	32.1	67.9	920
Others	34.9	65.1	3,973
<b>Total</b>	35.5	64.5	19,748

Of those WHMs currently studying, almost three-quarters (72%) WHMs were studying for a university degree (Table 2.5). This is especially true for young age groups, and for people from Germany (90%), the Netherlands (83%), and Korea (72%).

**Table 2.5 What level of qualifications were you studying, by sex, by age, by country?**

	University degree (%)	Trade qualification (%)	Other post-school qualification (%)	Completing high school (%)	No. of respondents
<b>(a) by sex</b>					
Female	71.1	12.9	15.3	0.7	3,462
Male	73.5	13.2	12.1	1.2	3,277
<b>(b) by age group</b>					
18-20	85.6	6.2	7.4	0.9	1,218
20-25	76.7	11.1	11.2	0.9	3,705
25-31	55.0	21.3	22.7	1.0	1,708
>31	45.4	25.0	28.7	0.9	108
<b>(c) by country</b>					
UK	53.4	28.0	18.6	0.0	644
Germany	90.2	4.9	4.5	0.4	1,460
Korea	71.8	16.2	10.9	1.1	1,325
Canada	64.8	13.6	21.4	0.2	543
France	61.8	11.2	22.7	4.3	489
Japan	28.0	33.9	37.1	1.1	186
Netherlands	82.9	7.2	9.3	0.6	484
Italy	67.0	9.4	19.9	3.6	276
Others	72.7	11.9	14.9	0.5	1,332
<b>Total</b>	<b>72.3</b>	<b>13.0</b>	<b>13.7</b>	<b>0.9</b>	<b>6,739</b>

The Survey asked why WHMs came to Australia. The multiple answers to this question are arranged in order of their popularity in Table 2.6. The principal reasons were: ‘travel around Australia’ and ‘experience living in Australia’. Other main reasons included: ‘always want to visit’, ‘want to work in Australia’ and ‘be recommended by friends or relatives’.

**Table 2.6 Principal reasons for WHMs coming to Australia**

Reasons	No. of responses	%
Travel around Australia	13,411	67.4
Experience living in Australia	13,029	65.5
Always want to visit Australia	10,580	53.2
Work in Australia	9,599	48.3
Recommended by friends or relatives	6,576	33.1
Feel that Australia is a safe place to visit	4,336	21.8
Study in Australia	4,127	20.8
Visit friends or relatives	4,032	20.3
Influenced by books and travel guides	2,605	13.1
Visit several other countries in the region	2,423	12.2
Surf	2,368	11.9

Note: Percentages in the Table were calculated by using the ‘No. of the respondents’ divided by the total number (19,888) of WHMs surveyed. Only reasons that have been selected or given by more than 1% of WHMs are included in this Table.

Both the average and median lengths of stay of WHMs in Australia were 8 months (Table 2.7), but the pattern varied by country. Japanese tended to stay the longest stay (10.4 months on average; median 11 months), followed by Koreans (9.7 months on average; median 10 months). Canadians and people from the Netherlands stayed for relatively shorter periods of just over 6 months.

**Table 2.7 Length (months) of stay of WHMs (%), by country**

Country	<						No. of respondents	Average length (months)	Median length (months)
	1m	1-3m	4-6m	7-9m	10-12m	>1 Year			
Korea	1.0	5.7	14.9	25.9	42.4	10.1	4,078	9.7	10
Germany	0.8	16.8	30.5	25.0	23.8	3.1	2,833	7.2	7
UK	1.3	17.0	25.8	21.1	28.0	6.8	2,457	7.8	7
France	1.3	19.8	28.1	21.8	25.4	3.7	1,806	7.1	7
Japan	2.1	7.2	12.3	16.3	46.6	15.4	1,407	10.4	11
Canada	1.4	22.4	32.4	21.1	20.2	2.5	1,258	6.5	6
Netherlands	1.2	16.5	42.7	22.7	15.3	1.7	1,130	6.4	6
Italy	0.8	20.1	30.9	20.3	25.1	2.9	926	7.0	6
Other	1.6	18.4	27.6	19.9	26.0	6.6	3,993	7.6	7
<b>Total</b>	1.2	14.9	25.5	22.2	29.7	6.5	19,888	8.0	8

Notes. (1) m = months.

## 2.2 Employment circumstances

Table 2.8 below details the occupations in which WHMs worked during their stay in Australia. Over one quarter (27%) of their jobs were 'farm hand', followed by 'waiter' (13%), 'cleaner' (8%) and 'kitchen hand' (5%). These four occupations together make up more than half (53%) of the jobs undertaken by WHMs. The other half encompassed a wide range of occupations, with less than 5% in each.

**Table 2.8 Occupations of WHMs in Australia**

<b>Occupation</b>	<b>No. of jobs</b>	<b>%</b>
Farm hand	7,806	27.0
<i>Farm Hand - Fruit, vegetable or nut picking</i>	5,685	19.6
<i>Farm Hand - Other duties</i>	2,121	7.3
Waiter	3,660	12.6
Cleaner	2,409	8.3
<i>Cleaner - Other duties</i>	1,299	4.5
<i>Cleaner - Room attendant</i>	1,110	3.8
Kitchen hand	1,536	5.3
Bar attendant	1,335	4.6
Sales assistant	1,058	3.7
Receptionist	834	2.9
Storeperson	729	2.5
General clerks	611	2.1
Other miscellaneous labourers and related workers	530	1.8
Sales representative	503	1.7
Cook	451	1.6
Engineer	410	1.5
<i>Engineer - Mechanical</i>	232	0.8
<i>Engineer - Civil</i>	133	0.5
<i>Engineer - Mining</i>	45	0.2
Computer professional	400	1.4
Children's care workers	318	1.1
Telemarketer	317	1.1
Other process workers	297	1.0
Chef	260	0.9
Accountant	240	0.8
Truck Driver	229	0.8
Nurse	201	0.7
<i>Nurse - Registered</i>	165	0.6
<i>Nurse - Enrolled</i>	36	0.1
Travel and tourism agents	187	0.7
<i>Tour guide</i>	131	0.5
<i>Other travel and tourism agents</i>	56	0.2
Construction and plumber's assistants	171	0.6
Hand packers	164	0.6
Marketing and advertising professionals	160	0.6
Keyboard operators	137	0.5
Meat and fish process workers	136	0.5
Teacher	159	0.5
<i>Primary/elementary school</i>	88	0.3
<i>High/secondary school</i>	71	0.2
Gardener	129	0.4
Secretaries and personal assistants	114	0.4
Sportspersons, coaches and related support workers	111	0.4
Other	3,352	11.6
<b>Total</b>	<b>28,954</b>	<b>100.0</b>

Note: Table includes the occupations where the number of WHM jobs in the occupation is greater than 100. When the number of jobs in a certain occupation is less than 100, the occupation is categorised as “Other”.

“Accommodation and food services” (especially ‘accommodation’, and ‘café, restaurants, take away food) and “agriculture, forestry and fishing” were the two dominant industries that employed WHMs (Table 2.9 below), at 35% and 26% respectively.

**Table 2.9 Industries of WHMs' jobs in Australia**

<b>Industry</b>	<b>No. of jobs</b>	<b>%</b>
Accommodation and food services	9,484	34.6
<i>Accommodation</i>	1,918	7.0
<i>Café, restaurants, take away food</i>	5,934	21.6
<i>Pub, tavern, bar</i>	1,120	4.1
<i>Club (hospitality)</i>	512	1.9
Agriculture, forestry and fishing	7,069	25.8
Manufacturing	1,259	4.6
Administrative and support services	1,164	4.2
Retail trade	1,143	4.2
Construction	992	3.6
Health Care and Social Assistance	878	3.2
Education and Training	707	2.6
Financial and insurance services	617	2.2
Transport, postal and warehousing	615	2.2
Information media and telecommunications	615	2.2
Professional, scientific and technical services	572	2.1
Arts and Recreation Services	555	2.0
Wholesale trade	459	1.7
Other services*	378	1.4
Electricity, gas, water and waste services	278	1.0
Mining	276	1.0
Public Administration and Safety	201	0.7
Rental, hiring and real estate services	183	0.7
<b>Total</b>	<b>27,445</b>	<b>100.0</b>

Note: \*According to ANZSIC (2006), industries under "Other services" include repair and maintenance, personal and other services, private households employing staff, and undifferentiated goods and service-producing activities of households for own use.

WHMs were employed in different occupations before they came to Australia. The main occupations included: 'general clerk' (7%), 'waiter' (7%), and 'sales assistant' (6.0%). Each of other occupations attracted less than 3% of WHMs (Table 2.10).

**Table 2.10 Occupations of WHMs before they came to Australia**

<b>Occupation</b>	<b>Number</b>	<b>%</b>
General clerks	808	7.3
Waiter	726	6.5
Sales assistant	662	6.0
Computer professional	339	3.0
Bar attendant	282	2.5
Receptionist	264	2.4
Nurse - Registered	233	2.1
Designers and instructors	211	1.9
Tour guide	203	1.8
Marketing and advertising professionals	197	1.8
Secretaries and personal assistants	171	1.5
Sales representative	155	1.4
Computing support technicians	149	1.3

<b>Occupation</b>	<b>Number</b>	<b>%</b>
Accountant	138	1.2
Sportspersons, coaches and related support workers	138	1.2
Bank worker	133	1.2
Hotel and motel managers	122	1.1
Check out operators and cashiers	119	1.1
Accounting clerks	117	1.1
Project and program administrators	116	1.0
Chef	114	1.0
Storeperson	111	1.0
Human resources professionals	108	1.0
Other	5,507	49.5
<b>Total</b>	<b>11,123</b>	<b>100.0</b>

Note: Table includes the occupations with more than 100 WHMs. When the number of WHMs working in a certain occupation is less than 100, the occupation is categorised under "Other".

A comparison of Table 2.8 with Table 2.10 reveals that the degree of agreement between WHMs' previous occupations in their home country and their occupations in Australia does not appear to be high. This can be interpreted to mean that they worked in very different occupations in Australia from their occupations in their home country and this occupational pattern did not vary significantly with their job changes in Australia. For instance, while 27% of their jobs in Australia were 'farm hands', less than 1% used to be 'farm hands' before their working holiday. Moreover, their jobs in their home country spread across a broad spectrum of occupations. While over half of WHMs jobs in Australia were concentrated in the top four occupations listed in Table 2.8. In contrast, the top four of their occupations in their home country account for only 23% of all occupations listed in Table 2.10.

Approaching employers directly was an important way by which WHMs found jobs (Table 2.11). Other main methods included using 'employment/labour hire agency' (17%), being 'helped by families/friends' (15%), using 'backpacker hostel' (14%), and the 'internet' (13%). Altogether, more than three quarters (79%) of their jobs were found by these five methods.

**Table 2.11 Methods WHMs used to find jobs**

<b>Method</b>	<b>No. of jobs</b>	<b>%</b>
Approached employer directly	5,802	20.2
Employment/labour hire agency	4,859	16.9
Helped by family/friends	4,317	15.0
Backpacker hostel	3,955	13.8
Internet	3,639	12.7
Word of mouth	2,158	7.5
Newspaper advertisement	1,698	5.9
Already arranged before coming to Australia	1,011	3.5
Harvest trail	843	2.9
Other source of employment (not websites)	426	1.5
<i>Noticeboard</i>	78	0.3
<i>Through previous employer</i>	51	0.2
<i>Employer approached me</i>	38	0.1
<i>Other media advertisement</i>	32	0.1
<i>Other (not elsewhere counted)</i>	227	0.8
<b>Total</b>	<b>28,708</b>	<b>100.0</b>

More than one third (39%) of the 28,971 jobs were 'liked' by WHMs. Another one third (34%) were 'okay'. On the other hand, 11% of the jobs were not liked, while 17% of the jobs were described as 'didn't really care, it was just a job'.

### **3 Labour Market Contribution of WHMs to the Australian Economy**

Econometric models were used to examine the WHM decision to take employment; the number of hours worked per day; the wage received per hour; and levels of job satisfaction. These models support the view that WHM labour market activities are a mixture of labour supply and demand side factors.

WHMs are more flexible, and are less concerned with longer-term labour market issues, such as career development, than is the regular Australian workforce. They are also much more likely to be young and single. Thus, some characteristics that often appear as important for the regular workforce (including permanent immigrants) do not appear to influence employment prospects for WHMs. On the other hand, several characteristics are common to both WHMs and other individuals in the Australian labour market. For instance, English language proficiency, and higher levels of education improve the probability of being employed; those WHMs who came to Australia to work are (12%) more likely to be employed; WHMs who study are (6-8%) less likely to be employed. For each month of residence in Australia, there was a 3% increase in the probability that WHMs were employed. This suggests that increasing the length of WHMs' stay can enhance their employability in Australia.

The models for hours worked per day find that there are common influences for males and females: country, occupation and industry, how long they have been employed in their current post, their previous job, if they are studying or receiving on-the-job training and their location. Other factors have sex-specific effects: e.g., age and region for females, education and marital status for males. Similarly, the influence of the wage rate on hours worked is limited: it has no impact for females, but has a negative impact for males. Equally, characteristics and factors usually associated with labour market activity are less important for WHMs. For instance, as with the general community, education plays a significant role in the probability of WHMs being employed, but has little effect on hours supplied. The models conclude that male and female WHMs who are likely to work fewer than average hours include those employed in public administration, education, and training; who work as cleaners or waiters; who live in urban areas in South Australia and are studying. In addition, females WHMs from Japan, Taiwan, and Korea, who are younger than the average, also work fewer hours, while males tend to work fewer hours the longer they are in Australia.

The factors that influence the level of wages for WHMs differ from those for the general population, and for permanent immigrants. For WHMs, education and English proficiency played a very small role. In contrast, the literature for immigrant labour market outcomes demonstrates that English language ability and education level strongly influence the wage rate. The WHM who receive the highest wages are likely to be from the UK; have held a job for longer than average; work in the ACT, Tasmania, or the NT; receive on-the-job training; are closer to the beginning of their stay than the end; and work in the Agriculture, forestry and fishing industries.

Occupation and industry played the dominant role in affecting levels of job satisfaction: the literature recognises that in the general population, job control, self-expression, and working conditions (which are not measured in the survey), contributed to job satisfaction to a greater extent than personal WHM attributes. Job satisfaction was higher for those with less education (for both males and females). This differs from the general literature on job

satisfaction, which finds that increased job control improves job satisfaction, and higher education is associated with jobs with higher job control. The likely explanation for this result is that WHMs generally worked in relatively low skilled jobs, which are more compatible with the expectations and experience of people with lower levels of education. About 10% of WHMs disliked their job, which is probably higher than the general population or recent immigrants. Given the proportion who are in low-skilled and relatively low paid employment, this is not surprising.

#### 4 Other Economic Contribution of WHMs to the Australian Economy

Approximately 36% of WHM jobs in Australia were paid at \$14 per hour or less (Table 4.1). The Federal Minimum Wage set by the Australian Fair Pay Commission in 2007 was \$13.74 per hour). Nearly half (47%) were paid at an hourly rate ranging between \$15 and \$19. Only a small proportion (6%) had an hourly pay rate over \$25.

**Table 4.1 Hourly rate of wage paid to WHMs, by age group**

Hourly rate (\$)	No. of jobs	%
<10	1,417	5.8
10–14	6,984	28.9
15–19	11,453	47.3
20–24	2,841	11.7
25–29	760	3.1
30–49	608	2.5
>=50	143	0.6
<b>Total</b>	<b>24,206</b>	<b>100.0</b>

Note: 355 WHM who reported zero wages are excluded.

Table 4.2 details the distribution of hourly wages that WHMs earned. The average wage for all employed WHMs was \$16.20 per hour, with only \$1 difference between males and females. There was, however, significant variation between age groups (the older the WHMs, the higher their hourly wage) and between countries. Of the eight main origin countries, people from the UK were paid the highest hourly wage (average \$19.40), followed by Canada (\$18.40), France (\$15.90), Germany (\$15.80), and Italy (\$15.7). By contrast, those from Japan and Korean received the lowest average hourly wages—\$13.60 and \$13.90 respectively.

**Table 4.2 Hourly wages of WHMs, by gender, age group, and country**

	Mean	No of jobs
<b>(a) gender</b>		
Female	15.8	13,022
Male	16.7	11,184
<b>(b) age group</b>		
18-19	14.9	1,862
20-24	15.6	11,001
25-30	16.8	10,565
>30	18.1	778
<b>(c) country</b>		
UK	19.4	3,225
Germany	15.7	3,210
Korea	13.9	5,065
Canada	18.4	1,555
France	15.9	2,058
Japan	13.6	1,814
Netherlands	15.3	1,185
Italy	15.8	866
Others	17.3	5,228



	Mean	No of jobs
<b>Total</b>	16.2	24,206

The hourly wage rates for all age groups increased when they moved from their first job to the second, but there were no simple increasing or decreasing trends within and between age groups when they moved from the third job onwards (Table 4.3). There were variations between countries when jobs were changed sequentially, for example, the wage rates exhibited an increasing trend from the 1<sup>st</sup> job to the 5<sup>th</sup> job for people from the UK, Germany, Canada, and Korea, but exhibited a decreasing trend when they moved from the 7<sup>th</sup> job to the 8<sup>th</sup> or later jobs. On the other hand, the wage rates were relatively stable for people from France and Italy as they progressed from the 1<sup>st</sup> job to the 5<sup>th</sup> job.

**Table 4.3 WHMs average hourly wage (by jobs, gender, age, and country)**

	1st job	2nd job	3rd job	4th job	5th job	6th job	7th job	8th job or more
<b>(a) gender</b>								
Female	15.5	15.9	16.0	15.9	15.8	16.0	16.1	15.7
Male	16.7	16.7	16.6	16.9	16.0	16.5	17.3	17.0
<b>(b) age group</b>								
18-19	14.7	15.0	15.1	15.5	15.1	15.7	15.3	15.5
20-24	15.4	15.6	15.8	16.3	15.9	16.2	18.2	16.5
25-30	16.9	17.1	16.7	16.3	16.1	16.3	16.0	16.1
>30	18.5	18.5	18.4	17.8	15.3	16.3	16.0	16.0
<b>(c) country</b>								
UK	19.7	19.4	19.4	18.8	18.7	18.5	19.6	19.0
Germany	15.6	15.8	15.6	15.9	15.2	16.3	16.7	15.1
Korea	13.7	13.8	14.3	14.8	14.8	14.7	14.6	15.8
Canada	18.1	18.9	18.6	18.3	17.1	18.9	18.4	16.3
France	15.8	16.1	15.6	15.9	15.9	15.7	15.5	14.7
Japan	13.0	13.9	14.0	14.6	14.1	14.9	15.6	14.9
Netherlands	15.3	15.4	15.3	14.9	13.2	14.6	17.1	17.5
Italy	15.8	16.1	15.7	16.0	15.9	15.2	17.0	15.6
Others	17.6	17.5	16.7	16.5	15.9	15.9	15.8	17.0
<b>Total</b>	16.1	16.3	16.2	16.3	15.9	16.2	16.7	16.2

Table 4.4 illustrates the pattern of WHMs' daily working hours. On average, they worked 7.3 hours per day during their job tenure. Men worked 0.5 hours more than women, at 7.5 hours per day. There was virtually no difference between age groups. People from the UK, Germany, the Netherlands, France and Canada worked for longer hours than the average, while people from Japan and Korea worked for fewer hours than the average.

**Table 4.4 Hours that WHMs worked each day (by gender, age, country)**

	Mean	No of jobs
<b>(a) gender</b>		
Female	7.0	14,539
Male	7.5	12,123
<b>(b) age group</b>		
18-19	7.2	2,123
20-24	7.2	12,086
25-30	7.3	11,573
>30	7.2	880
<b>(c) country</b>		
UK	7.7	3,654
Germany	7.5	3,817
Korea	6.8	5,155
Canada	7.3	1,690

	Mean	No of jobs
France	7.4	2,319
Japan	6.6	1,955
Netherlands	7.6	1,382
Italy	7.1	977
Others	7.4	5,713
<b>Total</b>	<b>7.3</b>	<b>26,662</b>

In general, people worked for an average 7.2 hours per day on their first two jobs, and gradually increased their hours in later jobs (Table 4.5). Table 4.5 (a) shows a clearly increasing trend of hours worked per day with changes in their jobs for both men and women. Table 4.5 (b) shows that for all age groups, the hours worked per day increased as people moved from the 1<sup>st</sup> to the 5<sup>th</sup> job, but from the 6<sup>th</sup> or later jobs the trend became volatile. Daily hours worked varied significantly between countries, as apparent in Table 4.5 (c). For most of the eight main countries (except for the Netherlands and Italy), people increased their working hours when they moved from the 3<sup>rd</sup> job to the 6<sup>th</sup> job.

**Table 4.5 WHMs hours of work (by job, gender, age, country)**

	1st job	2nd job	3rd job	4th job	5th job	6th job	7th job	8th job+
<b>(a) gender</b>								
Female	7.0	7.0	7.2	7.2	7.4	7.4	7.3	7.4
Male	7.5	7.5	7.7	7.9	8.0	8.1	8.2	7.8
<b>(b) age group</b>								
18-19	7.1	7.1	7.3	7.5	7.8	7.9	7.4	7.9
20-24	7.2	7.2	7.3	7.4	7.6	7.7	7.7	7.6
25-30	7.2	7.2	7.5	7.6	7.8	7.7	7.8	7.6
>30	7.1	7.2	7.3	7.3	7.9	7.7	7.4	7.5
<b>(c) country</b>								
UK	7.7	7.7	7.8	7.9	7.9	8.0	7.7	7.8
Germany	7.5	7.4	7.3	7.6	7.9	7.8	7.5	7.7
Korea	6.8	6.7	6.9	7.4	7.5	7.7	7.5	7.4
Canada	7.3	7.2	7.3	7.4	7.5	7.7	7.4	6.8
France	7.4	7.3	7.5	7.6	7.8	8.1	8.1	7.4
Japan	6.4	6.5	7.0	6.8	7.1	7.4	7.9	7.3
Netherlands	7.6	7.5	7.9	7.3	8.1	7.8	7.3	8.8
Italy	6.9	6.9	7.4	7.1	7.9	8.3	7.9	7.2
Others	7.3	7.3	7.5	7.5	7.6	7.3	7.8	7.8
<b>Total</b>	<b>7.2</b>	<b>7.2</b>	<b>7.4</b>	<b>7.5</b>	<b>7.7</b>	<b>7.7</b>	<b>7.7</b>	<b>7.6</b>

More than two-thirds (69%) of WHMs worked during their stay (Table 4.6). This percentage varied only slightly across origin countries, except for the relatively lower percentages for the Netherlands (63%) and Italy (62%). Those who worked, for both men and women, had 2.3 jobs per person during their stay, and 52 days in each job. The average number of jobs worked per person did not vary much across countries, but the average tenure ranged from 35 days for people from the Netherlands to 61 days for Koreans.

**Table 4.6 WHMs who worked in Australia, mean of jobs held, and mean length of job**

Country	No. of WHMs worked	%	Mean No. of jobs (per person)	Mean No. of days worked (per job)
Korea	2,939	72.1	2.0	61
Germany	1,874	66.1	2.5	38
UK	1,797	73.1	2.4	56
France	1,237	68.5	2.4	51
Japan	974	69.2	2.3	59
Canada	884	70.3	2.2	59
Netherlands	714	63.2	2.2	35

Country	No. of WHMs worked	%	Mean No. of jobs (per person)	Mean No. of days worked (per job)
Italy	573	61.9	2.1	52
Other	2,759	69.1	2.4	51
<b>Total</b>	13,751	69.1	2.3	52

Table 4.7 shows the number of jobs that WHMs had during their working holidays. Out of all WHMs who worked, 40% held 1 job, 28% held 2 jobs and 15% held 3 jobs. A small proportion (17%) held more than 3 jobs per stay. The number of jobs held and the number of days worked per job are negatively related. For instance, WHMs who had only 1 job worked 73 days, while those who had 5 jobs worked only 36.6 days per job.

**Table 4.7 Number and length of WHM jobs**

Jobs worked	No. of WHMs	% of total WHMs	Mean No. of days worked (per job)
1	5,500	40.0	72.9
2	3,885	28.3	59.2
3	2,069	15.1	47.7
4	1,099	8.0	43.5
5	562	4.1	36.6
6	284	2.1	38.7
7	143	1.0	33.3
8	100	0.7	34.7
9	38	0.3	27.9
10	33	0.2	31.2
>10	38	0.3	-
<b>Total</b>	13,751	100.0	52.0

Earning is a function of the hourly wage rate, the hours worked on each job, days worked on each job, and the number of jobs. The average total earnings of WHMs who worked in Australia was \$4,638 (Table 4.8). Men earned more than women on average, at \$5,119 and \$4,183 respectively. The total earnings varied significantly between age groups, and between countries. Older WHMs earned more than their younger counterparts. For instance, people aged 25-30 years earned \$5,556 on average, which was 2.3 times the earnings (\$2,435) of people aged 18-19 years. Of the eight main countries, only people from the UK and Canada earned more than the average, at \$6,865 and \$5,654 respectively. People from the Netherlands earned the least (\$2,956).

**Table 4.8 Distribution of WHM earnings in Australia, (by gender, age, country)**

	Average earning (\$)	No. of jobs
<b>(a) gender</b>		
Female	4,183	10,482
Male	5,119	9,918
<b>(b) age group</b>		
18-19	2,435	1,684
20-24	4,064	9,409
25-30	5,556	8,701
>30	6,494	606
<b>(c) country</b>		
UK	6,865	2,331
Germany	3,244	2,698
Korea	4,338	4,695
Canada	5,654	1,310
France	4,186	1,676
Japan	3,782	1,502
Netherlands	2,956	1,066

	Average earning (\$)	No. of jobs
Italy	4,431	671
Others	5,229	4,451
<b>Total</b>	4,638	20,400

#### 4.1 Expenditure patterns

The average total expenditure of the WHMs in the year 2007-08 was \$13,218 (Table 4.10). There are variations in the levels of average total expenditure by age, gender and country. Men spent more on average than women (\$14,170 and \$12,312 respectively). Younger people spent less than older people, e.g. 25-30 years age group spent 1.7 times more than 18-19 years age group. Of the eight main countries, those from the UK, Korea and Japan spent more than the average, while those the other five countries spent less than the average. People from the UK spent the most on average (\$15,824), while Italians spent the least (\$10,767 on average).

**Table 4.9 Total expenditure of WHMs in Australia by country**

	Mean (\$)	No. of respondents
<b>(a) gender</b>		
Female	12,312	8,270
Male	14,170	7,868
<b>(b) age group</b>		
18-19	8,911	1,461
20-24	12,131	7,515
25-30	15,141	6,664
>30	16,536	498
<b>(c) country</b>		
UK	15,814	2,042
Germany	10,931	2,283
Korea	14,112	3,274
Canada	12,326	1,112
France	11,359	1,363
Japan	14,190	1,093
Netherlands	11,854	1,007
Italy	10,767	714
Others	14,012	3,250
<b>Total</b>	13,218	16,138

Table 4.10 presents the ranges of the total expenditure of WHMs during their recent working holiday in Australia. Most (88%) spent less than \$25,000 in their working holiday. Half spent between \$5,000 and \$14,999 during their stay.

**Table 4.10 Total expenditure of WHMs in Australia**

Expenditure (AUD)	No. of respondents	%
1-4,999	2,263	13.9
5,000-9,999	4,239	26.1
10,000-14,999	3,898	24.0
15,000-19,999	2,146	13.2
20,000-24,999	1,715	10.6
25,000-29,999	550	3.4
30,000-34,999	578	3.6
35,000-39,999	155	1.0
40,000-44,999	264	1.6
45,000-49,999	44	0.3
50,000 and above	289	1.8
<b>Total</b>	16,247	100.0

Notes: (1) 106 WHMs who reported zero expenditure are excluded.

### 4.1.1 Structure of expenditure

Almost all (98%) of the total expenditure (\$13,218) of WHMs was on four items: accommodation, tuition fees, tourism, and transportation. These four items accounted for 33%, 25%, 21%, and 18% of total expenditure respectively (Table 4.11). The biggest expenditure was on accommodation (\$4,405 per WHM). The expenditure on these four items followed a consistent pattern: men spent more than women and younger age groups spent less than the older age groups. For instance, people 25-30 years old spent 1.7 times more on ‘accommodation’ than people aged 18-19 years.

Expenditure on each of the four items varied significantly between origin countries. People from Japan, Korea and the UK spent more than the average, while people from the other five countries spent less than the average. The Japanese spent the most (\$5,538) on accommodation, while the Germans spent the least (\$3,544). On education fees for courses studied in Australia, people from Japan and Korea spent more than the average, at \$3,949 and \$3,570 respectively, while people from the other six countries spent much less than the average, with people from Canada, the Netherlands, the UK, Germany and Italy investing \$1,000 less than the average. People from the UK, Korea, and the Netherlands spent more than the average on ‘Tourism’, while people from the other five countries spent less than the average, with the Japanese spending the least (\$2,246). People from the UK, the Netherlands, Germany, and Canada spent slightly more than the average on ‘Transportation’, with UK spending the most at \$2,736. People from the other four countries spent less than the average, with Italians spending the least at (\$1,932).

Table 4.11 shows the range of WHMs’ expenditure within each of the four items in Australia. Most (91% of the total of 15,386 persons) spent less than \$10,000 on accommodation. Over three quarters (76%) spent less than \$6,000. Some (4,389 persons) enrolled in fee-paying courses during their holidays in Australia with one third (33%) spending less than \$2,000. Another one third (37%) spent between \$2,000 and \$4,000; 18% spent between \$4,000 and \$6,000; and 11.6% spent over \$6,000. More than half (52% of the total 15,320 persons) spent less than \$2,000 on transportation, with another 30% spending between \$2,000 and \$4,000. Nearly half (46% of the total 15,106 persons) spent less than \$2,000 on tourism during their working holiday, followed by 31% who spent between \$2,000 and \$4,000, and 13% who spent between \$4,000 and \$6,000. Only 10% spent more than \$6,000 on tourism.

**Table 4.11 Expenditure on accommodation, transport, tourism and tuition fees for study in Australia (% of total)**

Expenditure (\$)	Accommodation (%)	Tuition (%)	Tourism (%)	Transport (%)
< 2,000	24.0	33.2	46.2	51.8
2,000–3,999	29.4	37.4	30.6	29.9
4,000–5,999	22.5	17.7	13.0	10.7
6,000–7,999	10.8	5.7	3.8	3.1
8,000–9,999	4.5	2.0	1.9	1.3
10,000–11,999	4.7	2.3	2.4	2.0
>12,000	4.1	1.7	2.1	1.2
<b>Total</b>	100.0	100.0	100.0	100.0

Notes: Authors’ calculations

### 4.2 Job creation

The aggregate expenditure of each WHM was \$13,218 in 2007-08. This figure is less than the aggregate net expenditure (\$16,314) per WHM in the WHM Survey 2000 (Harding and Webster, 2002). The gross contribution of the total number of 134,388 WHMs to expenditure

in the Australian economy in 2007-08 is estimated to be \$1,776.3 million (Table 4.12).<sup>3</sup> This figure suggests an increase of total expenditure by 39% on the basis of 2000 expenditure level (1.3 billion). This compared to an increase by 70% in the total arrivals of WHMs at the level (79,237 persons) in 2000 (Harding and Webster 2002). This indicates that the increased amount of total expenditure to the economy in 2007-08 is a result of increased number of WHMs, rather than from any addition of individual expenses.

**Table 4.12 Gross contribution of the WHMs to expenditure in economy**

	Expenditure (\$ million)	% of Total
Accommodation	592.0	33.3
Tuition	434.9	24.5
Tourism	380.6	21.4
Transportation	324.0	18.2
<b>Total</b>	<b>1,776.3</b>	<b>97.5</b>

Notes: Authors' calculations

The gross contribution to expenditure on accommodation was about \$592 million, with about \$434.9 million on tuition, about \$380.6 million on tourism, and about \$324.1 million on transportation. The aggregated contribution to expenditure from the major four items accounted to 98% of the overall expenditure of WHMs. Specifically, expenditure on accommodation, tuition, tourism, and transportation accounted for 33%, 25%, 21% and 18% of the total expenditure, respectively.

Gross jobs created by the WHMs can be directly derived from their gross income (wage) earned while in Australia. The aggregate mean earning per WHM who worked in Australia was \$4,638 in 2007-08. This figure is less than half of the total average earning (\$9,916) per WHM in the WHM Survey 2000 (Harding and Webster, 2002).

WHMs were asked to specify the major categories of spending across major commodity groups. This information provides an indication of the types of jobs that WHMs created in Australia. It can be deduced that most of these jobs lied in the 4 sectors: accommodation, tuition, tourism, and transportation. It is noted that expenditure on accommodation made up one-third of the total expenditure in the 2008 WHM Survey. This proportion is much less than that (66%) of expenditure on hospitality relative to all spending in the 2000 WHM Survey (Harding and Webster, 2002). This suggests that the dominance of expenditure to the 'Accommodation' sector, and accordingly job creation in this sector, has been largely reduced since 2000-01.

The average full year job earning per Australian worker was estimated to be \$25,537.2 (Table 4.12). This enables us to roughly estimate total employment generated at 0.518, using the 'total expenditure per WHM' divided by 'full year job earning per Australian worker' in the 'Accommodation' sector, for the year 2007-08. This calculation was based on the aggregate total expenditure of WHMs and earning level, and assumed that 'full year job earning per Australian worker' in the 'Accommodation' sector was a proxy of 'expenditure per job' in Australia. This implies that each WHM arrival might create 0.518 full-time equivalent (FTE) jobs. This figure is less than the job creation capability (0.613 FTE) of WHMs in 2000.

<sup>3</sup> We assume that tourism, accommodation and the economy as a whole had spare capacity and met the extra demand from the WHM by expanding production to match. At the same time, we assume that they took on extra workers to supply the extra demand, and paid them average wages. These are quite strong assumptions, but reasonable as a first cut.

**Table 4.12 Expenditure effects of WHMs on total employment**

	2000 WHM Survey <sup>2</sup>	2008 WHM Survey
Total expenditure (\$) per WHM (i)	16,314	13218.0
Full year job per output (\$) in hospitality sector (ii)	26,628	25,537.2 <sup>3</sup>
Implied full year jobs per WHM: (i)/(ii)	0.613	0.518
<i>Accommodation/Hospitality jobs</i>	0.414	0.172
<i>Education jobs</i>		0.127
<i>Tourism jobs</i>		0.111
<i>Transportation jobs</i>		0.094
Other sectors	0.209	0.013

Notes: (1) Authors' calculations. (2) Harding and Webster (2002). (3) Full year job earning per Australian worker was estimated by using 'average weekly earnings' (\$491.1) in the 'accommodation' sector for August 2008 multiplied by 52 weeks (2008).

The average of 0.518 jobs (per year) per WHM arrival in the four major industrial sectors was disaggregated by multiplying the associated proportions in their total expenditure. This came up with an average of 0.172 FTE jobs per WHM in the 'Accommodation' sector, 0.127 FTE jobs in 'Education' sector, 0.111 FTE jobs in 'Tourism', and 0.094 FTE jobs in 'Transportation' sector. These figures show a striking change in sectoral/industrial distribution of jobs arisen from WHM visits to Australia. The apparent change is that the jobs created in 'Accommodation' sector was decreased by more than 1.4 times, compared to the jobs created (0.414) in the same sector in 2000. By contrary, more jobs (0.345) were generated in other industries (especially education, tourism, and transportation) than the number of jobs (0.209) in other industry category in 2000.

In absolute terms, 134,388 WHM arrivals in 2007-08 created a total number of 69,559 FTE jobs in Australia's economy. These jobs were mainly distributed in four major industries: 23,181 in 'Accommodation', 17,029 in 'Education', 14,903 in 'Tourism', 12,688 in 'Transportation', and 1,758 in 'other' sectors.

The 2008 WHM Survey shows that about 69% of WHMs were employed during their stay. On average, each of WHMs who worked while visiting Australia took 2.3 jobs per stay at 52 days (or 2.39 months) per job.<sup>4</sup> This implies that 134,388 WHMs in 2007-08 took the equivalent of 46,421 jobs. This equivalent number of jobs was calculated as follows:

[1] *FTE jobs each WHM taken = Total months of work per WHM/11 (being the total months per year a full-time worker works) = jobs each WHM worked \* months of each job per WHM worked/11.*

[2] *Total FTE jobs taken by WHMs = total No. of WHMs \* FTE jobs each WHM taken.*

Net number of jobs created by the WHM arrivals equals the jobs they created less the jobs they took. Therefore, the net contribution to (fulltime equivalent) employment was about 23,138 jobs.

## 5 Effects on Regional and Non-regional Labour Markets

The Department of Education, Employment and Workforce Relations (DEEWR) undertakes skill shortage research on an ongoing basis. DEEWR defines skill shortages as occurring "when employers are unable to fill, or have considerable difficulty filling, vacancies for an occupation (or specialised skill needs in the occupation) at current levels of remuneration and conditions of employment, and in a reasonable location" (DEEWR, 2008a, p.25). The research outcomes from the DEEWR Survey of Employers who have Recently Advertised

<sup>4</sup> The number of months was calculated by dividing '52 days' by 21.75 days for valid working days of a month in a year. In comparison, each WHM took an average of 2.87 jobs per stay at 1.96 months per job (Harding and Webster, 2002).

(SERA) are widely used in Australia as a guide to understanding the issue of skill shortages for the nation, states and territories. DEEWR also conducted Regional Skills in Demand Surveys (RSDS) in 40 regions across Australia during 2006 and early 2007. Based on the RSDS surveys, DEEWR reports on recruitment difficulties across a range of occupations and industries, with the occupations and industries being broken down at the most broad level according to the ABS standard classifications.

Many employers have claimed that it is difficult to attract young workers or keep existing tradespersons in the horticultural industry. This is mainly due to the hard physical nature of the work and the low pay compared with other jobs. Also, employers have found it difficult to find suitable applicants for the positions because of their lack of qualifications, their lack of experience, or their poor work ethic (DEEWR, 2008b). Nonetheless, the size of enterprises experiencing difficulty in finding workers was usually small, spanning certain occupations (DEEWR, 2007).

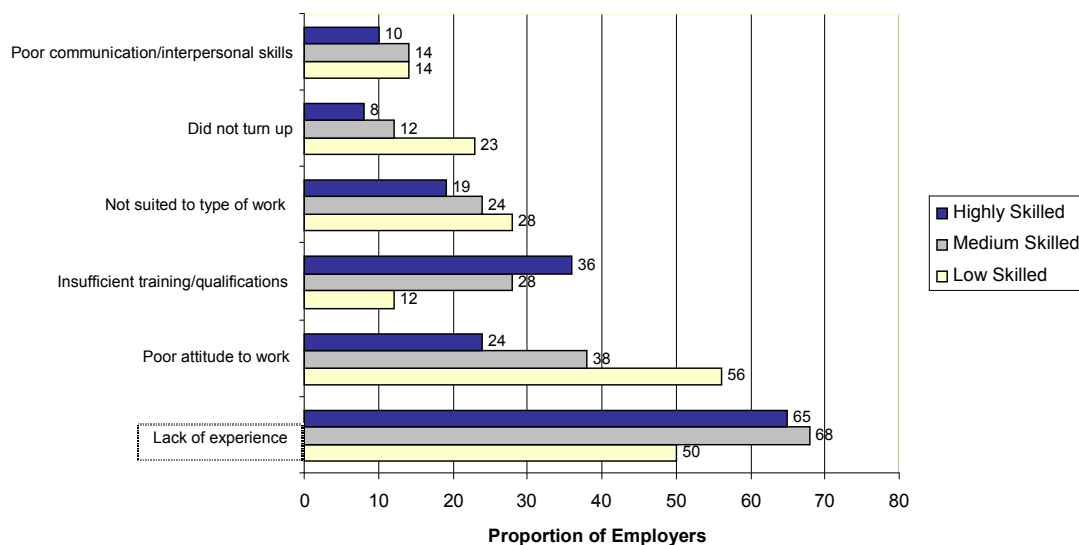
According to DEEWR, the recruitment in the 'Construction' industry was most difficult, with 16% of the vacancies unfilled. This was followed by 'Property and Business Services' and 'Finance and Insurance', at 11% and 10% unfilled vacancies, respectively. The industries that had least difficulty filling vacancies were 'Agriculture, Forestry and Fishing', 'Education', 'Mining', and 'Accommodation, Cafes and Restaurants', with the proportion of vacancies unfilled at 5% for the first two industries and 6% for the latter two industries.

The most difficult to fill occupations were semi-skilled occupations, including 'Tradesperson and Related Workers' and 'Advanced Clerical and Service Workers'. More than a quarter of such occupations experienced difficulty filling vacancies. It was relatively easier to fill vacancies from low skilled occupations, such as 'Intermediate and Elementary Clerical, Sales and Service Workers', and 'Labourers and Related Workers'. These occupations had less than 15% of vacancies that were difficult to fill.

The most common reason for applicant unsuitability was they do not have sufficient work experience (Figure 1). This problem ranked higher when recruiting high and medium skilled workers. In contrast, for low skilled workers, the main problem employers had with applicants was their poor attitude to work.



**Figure 1: Reasons for Applicant Unsuitability by Skill Level of Occupation (Per cent)**  
(Source: DEEWR 2007)



### Job vacancy

The ABS conducts surveys of job vacancies using a sample of about 5,000 employers selected from the ABS Business Register. Overall, Australia had 171,500 job vacancies at the survey date in 2007 (Table 5.1). The 'Property and Business Services' sector had the largest number (40,900) of job vacancies, accounting for nearly one quarter (24%) of the total vacancies. There were 30,200 (18%) job vacancies in the 'Retail Trade' industry. Other industries that had relatively large job vacancies were 'Manufacturing' (16,300), 'Health and Community Services' (14,700) and 'Accommodation, Cafés and Restaurants' (10,100).

**Table 5.1 Australian job vacancies by industry, 2007**

Industry	No. of job vacancies ('000)	%
Mining	4.9	2.8
Manufacturing	16.3	9.5
Electricity, Gas and Water Supply	1.0	0.6
Construction	7.7	4.5
Wholesale Trade	8.9	5.2
Retail Trade	30.2	17.6
Accommodation, Cafés and Restaurants	10.1	5.9
Transport and Storage	4.4	2.6
Communication Services	2.3	1.4
Finance and Insurance	8.9	5.2
Property and Business Services	40.9	23.8
Government Administration and Defence	8.0	4.7
Education	4.5	2.6
Health and Community Services	14.7	8.6
Cultural and Recreational Services	3.6	2.1
Personal and Other Services	5.5	3.2
<b>Total</b>	<b>171.5</b>	<b>100</b>

Source: ABS, Job Vacancies, Industry, Australia, Cat. No. 6354.0. Note: Industry classification in this Table was based on ANZSIC 1993. 'Agriculture, Forestry and Fishing' was not reported.

## 5.1 Employment patterns of WHMs

Of a total of the 29,182 jobs at which WHMs worked, 41% were in regional areas, with the remaining close to 60% in urban areas (Table 5.2). A striking feature is that ‘farm hand’ (including fruit and vegetable pickers, and other duties) accounted for the largest share (26%) of the total jobs, with most ‘farm hands’ (86%) located in regional areas. The second biggest occupation was ‘waiter’ at 12% of the total jobs, with 78% located in the urban areas. The third largest industry that employed WHMs was ‘property and business services’. WHMs were employed in five main occupations associated with this industry: ‘sales assistant’ (3.4%), ‘receptionist’ (3%), ‘store person’ (2%), ‘sales representative’ (2%), and ‘telemarketer’ (1%). Together, ‘Property’ related jobs accounted for 11% of the total jobs of WHMs.

**Table 5.2 Distribution of occupations in which WHMs worked, by region.**

	Regional	Urban	Total No. of jobs	Regional (%)	Urban (%)	Total (%)
Accountant	14	225	239	0.0	0.8	0.8
Bar attendant	530	803	1,333	1.8	2.8	4.6
Chef	70	190	260	0.2	0.7	0.9
Cleaner	873	1429	2302	3.0	4.9	7.9
<i>Room attendant</i>	569	541	1,110	1.9	1.9	3.8
<i>Other duties</i>	304	888	1,192	1.0	3.0	4.1
Computer professional	22	342	364	0.1	1.2	1.2
Cook	106	344	450	0.4	1.2	1.5
Engineer	87	318	405	0.3	1.1	1.4
<i>Mining</i>	17	27	44	0.1	0.1	0.2
<i>Mechanical</i>	48	180	228	0.2	0.6	0.8
<i>Civil</i>	22	111	133	0.1	0.4	0.5
Farm hand	6,579	1,052	7,631	22.5	3.6	26.1
<i>Fruit, vegetable pickers</i>	4,915	769	5,684	16.8	2.6	19.5
<i>Other duties</i>	1,664	283	1,947	5.7	1.0	6.7
Kitchen hand	433	1,075	1,508	1.5	3.7	5.2
Nurse	51	148	199	0.2	0.5	0.7
<i>Registered</i>	41	122	163	0.1	0.4	0.6
<i>Enrolled</i>	10	26	36	0.0	0.1	0.1
Pharmacist	10	11	21	0.0	0.0	0.1
Property and business services	477	2,703	3,180	1.6	9.2	11.0
<i>Sales assistant</i>	170	810	980	0.6	2.8	3.4
<i>Receptionist</i>	126	652	778	0.4	2.2	2.7
<i>Storeperson</i>	118	492	610	0.4	1.7	2.1
<i>Sales representative</i>	52	446	498	0.2	1.5	1.7
<i>Telemarketer</i>	11	303	314	0.0	1.0	1.1
Teacher	32	127	159	0.1	0.4	0.5
<i>Primary school</i>	22	66	88	0.1	0.2	0.3
<i>High schools</i>	10	61	71	0.0	0.2	0.2
Tour guide	75	56	131	0.3	0.2	0.4
Truck driver	11	58	69	0.0	0.2	0.2
Waiter	795	2,767	3,562	2.7	9.5	12.2
Other	1,669	5,700	7,369	5.7	19.5	25.3
<b>Total</b>	<b>11,834</b>	<b>17,348</b>	<b>29,182</b>	<b>40.6</b>	<b>59.4</b>	<b>100.0</b>

Table 5.3 shows the regional/urban distribution of industries in which WHMs worked. Some forty percent (40%) of the total jobs were located in regional areas, while 60% were located in urban areas. ‘Accommodation and food services’ and ‘Agriculture, forestry and fishing’ were the largest sectors that offered jobs to WHMs. Jobs relating to ‘Accommodation’ accounted for about one-third (33%) of the total jobs, with 68.8% being located in urban areas, and the remaining third (31%) in regional areas. Jobs in ‘Café, restaurant, and take

away food’, particularly those in the urban areas, made up the largest share (63%) of jobs in the ‘Accommodation’ sector. A significant proportion of the total jobs (23%) were related to ‘Agriculture’, with most (87%) located in regional areas.

**Table 5.3 Distribution of industry in which WHMs worked, by region**

	Regional	Urban	Total No. of jobs	Regional (%)	Urban (%)	Total (%)
Agriculture, forestry, and fishing	5,758	879	6,637	20.2	3.1	23.3
Mining	69	127	196	0.2	0.4	0.7
Manufacturing	241	640	881	0.8	2.2	3.1
Electricity, gas, water, and waste services	39	224	263	0.1	0.8	0.9
Construction	188	749	937	0.7	2.6	3.3
Wholesale trade	118	333	451	0.4	1.2	1.6
Retail	160	818	978	0.6	2.9	3.4
Accommodation & Food services	2,907	6,410	9,317	10.2	22.5	32.7
<i>Accommodation</i>	1,027	783	1,810	3.6	2.7	6.4
<i>Café, restaurant, take away food</i>	1,286	4,598	5,884	4.5	16.1	20.7
<i>Pub, tavern, bar</i>	434	679	1,113	1.5	2.4	3.9
<i>Club (hospitality)</i>	160	350	510	0.6	1.2	1.8
Transport, post and warehousing	65	423	488	0.2	1.5	1.7
Information media and telecommunications	35	504	539	0.1	1.8	1.9
Financial and insurance services	17	573	590	0.1	2.0	2.1
Rental, hiring and real estate services	43	110	153	0.2	0.4	0.5
Professional, scientific and technical services	36	280	316	0.1	1.0	1.1
Administrative and support services	33	411	444	0.1	1.4	1.6
Public administration and safety	22	148	170	0.1	0.5	0.6
Education and training	121	523	644	0.4	1.8	2.3
Health care and social assistance	148	613	761	0.5	2.2	2.7
Arts and recreation	87	225	312	0.3	0.8	1.1
Other services	1,374	3,040	4,414	4.8	10.7	15.5
<b>Total</b>	<b>11,461</b>	<b>17,030</b>	<b>28,491</b>	<b>40.2</b>	<b>59.8</b>	<b>100.0</b>

## 5.2 Do WHMs work in jobs where there are ‘labour market shortages’?

In the 2000 WHM Survey (Harding and Webster, 2002), 78% of WHMs were employed in low skill occupations: ‘Intermediate Clerical, Sales and Service Workers’, ‘Intermediate Production and Transport Workers’, ‘Elementary Clerical, Sales and Service Workers’, and ‘Labourer and Related Workers’, with 37% employed as ‘Labourers and Related Workers’, and 24% were employed in ‘Elementary Clerical, Sales and Service’ occupations. In this survey, specific occupations that attracted more than 4% of WHMs were: fruit picker (16%), waiter (11%), elementary service worker (11%), office secretary (7%), other labourers and related workers (7%), and builder’s labourer (6%), elementary sales (5%), sales assistant (5%) and nurses (4%). These occupations together employed over 70% of WHMs. The ‘Accommodation, Cafes and Restaurants’ industry was the biggest employer, employing over a quarter (27%) of all WHMs. Other industries that employed WHM were: Personal and Other Services (12%), Retail Trade (10%), Agriculture, Forestry and Fishing (10%), Property and Business Services (8%) and Health and Community Services (8%).

Based on the findings from the 2000 WHM Survey, WHMs did not help alleviate skill shortages. This is because the majority of their jobs were located in capital cities; moreover, WHMs were not employed in the major occupation group ‘Tradespersons and Related Workers’ which had been experiencing the most difficulty in filling vacancies.

From the analysis of the 2008 WHM Survey so far, occupations that employed more than 4% of WHMs were: fruit/vegetable picker (20%), waiter (12%), other duties of farm hand (7%), cleaner (8%), kitchen hand (5%), bar attendant (5%). Altogether, these occupations employed 66% of WHMs. The WHMs’ major occupations were consistently ‘fruit/vegetable picker’ and ‘waiter’, and the percentage rose from 27% in the 2000 Survey to 32% in 2008 Survey. In the 2008 Survey, WHMs were more likely to work in lower skilled occupations than the preferred occupations of the 2000 Survey.

In the 2008 Survey, WHMs’ jobs were found to be further concentrated in two main industry sectors: ‘Accommodation’ (33%) and ‘Agriculture’ (23%). This is particularly the case for ‘Agriculture’, where the percentage of agricultural jobs relative to the total jobs increased from 10% in 2000 to 23% in 2007-08. Over one third of WHM employed in the agricultural sector worked as ‘Labourers and Related Workers’. Thus, WHMs, no doubt, help fill vacancies and alleviate skill shortage problems in this major occupation group. With 20% of WHMs employed as fruit/vegetable pickers, they, too, help fill the need for farm hands, an occupation which is on the NSNL.

### 5.3 Employers’ perspective

Employers utilised WHMs to work in occupations or industries where there are shortages in local labour market. This was demonstrated by the information collected in the WHME Survey. More than 80% of the multiple responses from the employers stated that they found it to be ‘very difficult’ (49%) or ‘somewhat difficult’ (32%) to find workers from the local market. The principal reasons, as listed in Table 5.4, were: (1) ‘there are not enough local workers’ (38%); and (2) ‘local workers do not have the right skills’ (26%). Other important reasons included: ‘there are better paid jobs in other industries’ (14%), ‘locals do not want to work’ (10%), and ‘locals are not interested in this type of work’ (10%). These reasons explicitly reflect the fact that both ‘absolute’ (i.e., not enough workers) and ‘relative’ (i.e., people do not have the required skills) labour shortages co-exist in the local labour market.

**Table 5.4 Reasons why employers find it difficult to recruit workers from the local labour market**

	No. of multiple responses	%
There are not enough local workers	154	38.2
Local workers do not have the right skills	105	26.1
There are better paid jobs in other industries	58	14.4
Locals don't want to work	42	10.4
Locals are not interested in this type of work	38	9.4
People have to travel a long way to get to the job	26	6.5
Locals are not reliable	20	5.0
The work is too physically demanding	19	4.7
Hours	17	4.2
Tight labour market	16	4.0
Most of the work we offer is only short term or seasonal	15	3.7
Need workers who speak a language other than English	11	2.7
Transient population	8	2.0
Not enough money	7	1.7
Other nec	6	1.5

Over half (51%) of businesses employed less than 20 WHMs (Table 5.5). About one third (33%) employed 20 to 99 WHMs. A relatively small proportion (11%) hired 150 WHMs or more.

**Table 5.5 Number of WHMs employed**

No of WHMs employed by business	No of businesses that employed WHMs	%
1-9	171	36.9
10-19	66	14.2
20-29	50	10.8
30-39	26	5.6
40-49	16	3.4
50-59	30	6.5
60-69	13	2.8
70-79	11	2.4
80-89	5	1.1
90-99	1	0.2
100-149	23	5
150-199	15	3.2
200-249	15	3.2
>250	22	4.7
Total	464	100

WHMs are of importance in meeting the needs of some businesses. In 43% of businesses surveyed, 20% or more employees are WHMs (Table 5.6) and in 28% of businesses surveyed, at least half the employees are WHMs.

**Table 5.6 Proportion of WHMs each firm hired in 2007-08**

% of WHMs out of total employees in business	No. of business	%
0-9	133	28.1
10-19	69	14.6
20-29	83	17.5
30-39	41	8.6
40-49	15	3.2
50-59	32	6.8
60-69	24	5.1
70-79	29	6.1
80-89	24	5.1
90-100	24	5.1
Total	474	100

Note: Percentages are calculated using 'No. of businesses' divided by the total number of firms (474) which employed WHMs.

The main methods that employers used for finding WHMs included 'through family and friends' (27%), 'word of mouth' (17%), the government supported 'harvest trail' web-site (17%), and 'employment/labour hire agency' (13%) (Table 5.7). These main methods used by employers are somewhat different to the methods that WHMs used for finding jobs. Only a small proportion of businesses (11%) offered jobs to WHMs before they entered Australia. Most WHMs' jobs (88%) were arranged after their arrival.

**Table 5.7 Main methods used to hire WHMs**

	No. of businesses	%
Through family and friends	137	27.3
Word of mouth	85	17.0
Harvest Trail	84	16.8

	No. of businesses	%
Employment / labour hire agency	64	12.8
Approached by the employee directly	43	8.6
Newspaper advertisement	41	8.2
Website: Seek.com.au	36	7.2
Already arranged before coming to Australia	2	0.4
Other	9	1.8
<b>Total</b>	<b>501</b>	<b>100.0</b>

#### 5.4 Business' View of the WHM Program

Table 5.8 shows the features of the WHM program that businesses disliked. The biggest problem was the 'short maximum stay'. Some businesses were also concerned with visa restrictions, such as rules around the extension of visa. Half of the businesses (53%) were happy with the WHM program and had no special dislikes about the program.

**Table 5.8 Features of WHM program that businesses dislike**

	No. of businesses	%
Features of the program businesses dislike		
<i>The maximum stay is too short</i>	146	29.1
<i>Visa restrictions*</i>	21	4.2
<i>Tax and superannuation**</i>	20	4
<i>There is too much paper work</i>	14	2.8
<i>Difficult to check/verify paper work</i>	11	2.2
<i>More information</i>	6	1.2
<i>Difficult to sponsor / getting them back</i>	6	1.2
<i>Training problems</i>	5	1
<i>Age limit</i>	4	0.8
<i>Young WHMs don not have tax file numbers</i>	1	0.2
<i>Other NEC</i>	9	1.8
No dislikes	265	52.9
Don't Know	5	1

Notes: \* Such as 6 months, designated industry and location, rules around extensions. \*\* Have to pay more tax compared with local workers, and have to pay the super guarantee.

Table 5.9 shows the features of the WHM program that businesses liked. The top three features welcomed by employers were 'easy process', 'single employer extension to 6 months' and 'provides workforce'. Nearly two-thirds (65%) of employers said they had 'no special likes' towards the program.

**Table 5.9 Features of WHM program that businesses like**

	No. of businesses	%
Features of the scheme businesses like		
<i>Provides workforce</i>	26	5.2
<i>Easy process</i>	40	8
<i>Single employer extension to 6 months</i>	33	6.6
<i>Work unlimited hours</i>	6	1.2
<i>Second year extension for farmwork</i>	20	4
<i>Brings people to Australia</i>	5	1
<i>Encourages cultural exchange</i>	11	2.2
<i>Other NEC</i>	20	4
No specific likes	323	64.5
Don't Know	17	3.4

## 5.5 Working in farm and non-farm jobs

More than 40% of the total number of WHMs (19,766) of WHMs related to farm work (Table 5.8). Slightly more farm work was offered to women. People who worked on farms were mainly from Korea, Germany, the UK and France, accounting for 23%, 17%, 9% and 9% respectively of farm related jobs.

**Table 5.9 Did any of your jobs in Australia involve working on farms?**

	Yes	% of 'Yes' in Total	No	% of 'No' in Total	Total (No. of Respondents)
<b>(a) gender</b>					
Female	4,057	20.5	6,404	32.4	10,461
Male	3,983	20.2	5,322	26.9	9,305
<b>(b) age group</b>					
18-19	746	3.8	944	4.8	1,690
20-24	3,708	18.8	5,422	27.4	9,130
25-30	3,402	17.2	4,919	24.9	8,321
>30	184	0.9	441	2.2	625
<b>(c) country</b>					
UK	645	3.3	1,803	9.1	2,448
Germany	1,399	7.1	1,421	7.2	2,820
Korea	1,874	9.5	2,168	11.0	4,042
Canada	313	1.6	942	4.8	1,255
France	740	3.7	1,059	5.4	1,799
Japan	719	3.6	668	3.4	1,387
Netherlands	505	2.6	622	3.1	1,127
Italy	292	1.5	627	3.2	919
Others	1,553	7.9	2,416	12.2	3,969
<b>Total</b>	<b>8,040</b>	<b>40.7</b>	<b>11,726</b>	<b>59.3</b>	<b>19,766</b>

## 6 Effects on the Career Path Prospects for Unemployed Australians

### 6.1 Characteristics of Australia's workforce in the jobs similar to WHM jobs

No specific surveys have been done in Australia regarding temporary Australian workers employed in any industries or occupations. Therefore, the analysis in this section is based on data from the 2005 ABS Survey of Education and Training Experience, with the aim of identifying the characteristics of Australian workers in the types of jobs which WHMs typically undertake. A distinct feature of WHMs' jobs is that many of them work in low-skilled occupations. Low-skilled occupations include: "Intermediate clerical, sales and service workers", "Intermediate production and transport workers", "Elementary clerical, sales and service worker", "Labour and related workers". In the WHM survey, these low-skilled occupations accounted for around 71% of WHM jobs, compared to 42% of the total workforce in Australia. Accordingly, a comparison of the relevant characteristics of workers in these defined low-skilled occupations is presented below.

Table 6.1 shows that Australian workers in low-skilled occupations are considerably younger and are more likely to be female, compared with the whole workforce: more than one third (35%) are aged between 18 and 30 years and more than half (54%) are female. Since many of these workers are employed on a part-time basis, they undertake considerably fewer hours of work per week than the total workforce (Table 6.2). For instance, of the total workforce just 19% work 1 to 20 hours per week. In contrast, 30% of WHMs work these weekly hours. Low-skilled jobs are also over represented in the "retail trade" (23%), 'transport storage' (7%), and "accommodation, café and restaurant" (7%) industries, compared with the industrial sectors of the whole workforce (Table 6.3 below).

**Table 6.1 Workers in low skilled occupations, Australia, 2005 (%), by age and gender**

	Workers in low skilled occupations (%)	Total workforce (%)
<b>(a) gender</b>		
Male	45.8	53
Female	54.2	47
Total	100	100
<b>(b) age group</b>		
15-19	14.1	8.4
20-24	12.2	9.8
25-29	8.9	9.3
30-34	9	11.2
35-39	11	11.9
40-44	11.2	12.4
45-49	11.5	12.7
50-54	9.2	10.2
55-59	7.5	8.1
60-64	3.8	4.1
65+	1.6	2
<b>Total</b>	<b>100</b>	<b>100</b>

Data source: ABS cat.no.6274.0 Survey of Education and Training Experience, 2005, Confidentialised Unit Record File.

**Table 6.2 Hours worked per week, Australia, 2005 (%)**

Hours	Workers in low skilled occupations	Total workforce (%)
<1	0.8	5.6
1-20	29.5	19.1
21-35	15.7	11.9
35-40	35.7	35.6
41+	18.3	27.8
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Data source: ABS cat.no.6274.0 Survey of Education and Training Experience, 2005, Confidentialised Unit Record File.

**Table 6.3 Industry of workers, Australia, 2005 (%)**

Industry	Workers in low skilled occupations	Total workforce (%)
Agriculture, forestry	2.9	3.5
Mining	1.2	1.3
Manufacturing	10.9	10.4
Electricity, gas and	0.6	0.9
Construction	5.1	8.1
Wholesale trade	5.0	4.3
Retail trade	23.1	14.9
Accommodation, cafes	6.7	4.6
Transport and storage	7.1	4.5
Communication service	2.2	1.7
Finance and insurance	2.9	3.5
Property and business	8.1	11.5
Government administration	5.2	6.0
Education	3.7	7.9
Health and community	9.6	10.6
Cultural and recreation	2.3	2.6
Personal and other service	3.6	3.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Data source: ABS cat.no.6274.0 Survey of Education and Training Experience, 2005, Confidentialised Unit Record File.



In the Australian labour market, workers in low-skilled jobs have shorter job tenure than the overall workforce and are more mobile. For example, more than a quarter (26%) have worked for two or more employers in the last year, compared with less than a quarter (25%) of the whole workforce. As shown in Table 6.4, one in five workers (22%) employed in low-skilled jobs have less than 1-year job tenure, compared with less than one in six workers (16%) for the whole workforce.

**Table 6.4 Cumulative duration of employment in current occupation with current employer, Australia, 2005**

Duration	Workers in low skilled occupation (%)	Total workforce (%)
<3 months	8.6	6.0
3-6 months	4.5	3.3
6-12 months	8.6	6.4
1-2 years	10.4	8.5
2-10 years	41.1	39.0
10+ years	26.8	36.8
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Data source: ABS cat.no.6274.0 Survey of Education and Training Experience, 2005, Confidentialised Unit Record File.

Finally, workers in low-skilled occupations are less likely to hold university degrees and vocational qualifications (i.e., Adv. Dip/Dip, Cert.1-4) (Table 6.5). The percentages of low-skilled-job workers who “did not complete a secondary school”, did not achieve ‘highest level of secondary school’, or ‘did not attend secondary school’ are all greater than workers in these categories for the whole workforce, at differences of 12%, 6% and 2%, respectively.

**Table 6.5 Highest level of educational attainment of workers, Australia, 2005**

Educational attainment	Workers in low skilled occupation (%)	Total workforce (%)
University degree	7.3	22.8
Adv.Dip/Dip	7.4	9.4
Cert.I-IV	17.5	19.7
Highest level of secondary school	23.3	17.5
Did not complete secondary school	39.3	27.0
Did not attend secondary school	5.3	3.7
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Data source: ABS cat.no.6274.0 Survey of Education and Training Experience, 2005, Confidentialised Unit Record File.

## 6.2 Do WHMs displace local workers?

This section considers this issue from the employers’ perspective. Most employers (82%) stated that WHMs are ‘very important’ (55%) or ‘important’ (28%) for running of their businesses (Table 6.6), while 17% of employers said WHMs are ‘not important’ to their businesses. The principal reason for WHMs’ importance was because ‘it is difficult to get local workers to do these jobs’ (57.9%) (Table 6.7 below). Other important reasons were because WHMs are ‘willing to work in short term, or seasonal jobs’ (18%), ‘hardworking’ (15%), ‘skilful’ (10%), and ‘reliable’ (9%).

**Table 6.6 Importance of WHMs for the running of business**

	No. of business	%
Very important	273	54.49
Important	138	27.54
Not important	87	17.37
Don't Know	2	0.4
Refused	1	0.2

**Table 6.7 Reasons why WHMs are important for the running of business**

	No. of business	%	
They bring useful skills	41	10.0	
It is difficult to get local workers to do these jobs	238	57.9	
They are hardworking	60	14.6	
They are reliable	35	8.5	
They are willing to work in short term or seasonal jobs	74	18	
They have a go at any task	8	1.9	
They are good value for money	3	0.7	
They speak a language other than English	17	4.1	
Other	55	13.4	
	<i>Flexibility</i>	<i>11</i>	<i>2.7</i>
	<i>Fill the gap</i>	<i>20</i>	<i>4.9</i>
	<i>Culture</i>	<i>21</i>	<i>5.1</i>
	<i>Other NEC</i>	<i>3</i>	<i>0.7</i>
Don't Know	2	0.5	

More than 90% of the 501 surveyed employers tried to recruit local youth to do the same kinds of jobs that WHMs do. Only 10% of employers replied that only WHMs can do certain kinds of jobs.

Table 6.8 shows how employers compared WHMs with local youth on a range of characteristics. From the employers' point of view, WHMs are more motivated, hardworking, skilful, honest and reliable. They are more willing to work in lower paying jobs, with flexible hours, and in the types of jobs employers want workers for. Also, employers thought it was much easier to find WHMs to fill job vacancies than local workers. One drawback of employing WHMs was the extra paper work associated with the employment process compared with local workers. Also WHMs usually lacked access to transport, compared with local youth.

**Table 6.8 Degrees of attributes of WHMs compared with local youth**

	Much more (%)	More (%)	About the same (%)	Less (%)	Much less (%)	Can't say Refused (%)	Total (%)
How motivated WHMs are	30.5	33.5	27.7	5.8	0.4	2.0	100.0
How skilled WHMs are	9.2	17.6	57.9	11.2	1.2	3.0	100.0
How hardworking WHMs are	22.6	33.3	36.3	5.4	0.4	2.0	100.0
How honest and reliable WHMs	13.6	20.6	55.1	8.4	0.8	1.6	100.0
How easy to contact WHMs	7.8	15.8	60.7	11.4	2.8	1.6	100.0
How willing to work in lower paying jobs are WHMs	13.8	33.1	31.5	2.2	0.2	19.2	100.0
How willing to work the hours you want are WHMs	27.2	38.5	30.7	2.6	0.4	0.6	100.0
How willing to work on types of jobs you want are WHMs	20.4	35.5	41.1	0.4	0.0	2.6	100.0
How easy to find WHMs to fill job vacancies	33.5	28.1	22.8	6.0	1.4	8.2	100.0
Level of paperwork involved in employing WHMs	6.0	30.1	59.9	1.4	1.4	1.2	100.0
Level of transport access for WHMs	1.0	3.0	63.5	17.2	10.0	5.4	100.0

Nearly two-thirds (65%) of businesses that employed WHMs did not value their ability to speak a foreign language, but one third considered the ability to speak a foreign language as being 'important' (22%) or 'very important' (13%).

Most (91%) businesses recognised the importance of speaking good English in their workplace, while only 9% of employers perceived speaking good English at work to be ‘not important’. More than one third (36%) of employers considered WHMs to have ‘satisfactory English in all or almost all situations’, while half (52%) said WHMs have ‘satisfactory English in most situations’ (Table 6.9). Some employers (13%) considered communication with WHMs to be difficult because they perceived that WHMs’ English is ‘satisfactory only in some situations’, or ‘rarely or never satisfactory’.

**Table 6.9 Rating of ability of WHMs to speak English**

	No. of businesses	%
Satisfactory in all (or almost all) situations	162	35.5
Satisfactory in most situations	236	51.8
Satisfactory in some situations	51	11.2
Rarely or never satisfactory	5	1.1
Can't say	2	0.4
Total	456	100.0

### 6.3 Number of unemployed people/youth directly displaced by WHMs

During the period from July 2007 to June 2008, 189,233 people aged 15-24 were unemployed, with the unemployment rate at 9.13% (ABS, 2008). One in five (or 38,133) unemployed people in this age group were unemployed for more than 6 months. Over the same period, 173,282 people aged 18-29 were unemployed, with the unemployment rate at 6.04%.

**Table 6.10 Educational attainment of youth (18-30) employed in low-skill casual work vs. Australian unemployed youth (2005)**

Educational attainment	Workers in low skilled occupation	Total workforce
Did not attend secondary school	1.8	1.9
University degree	6.7	15.6
Adv.Dip/Dip	5.2	6.0
Cert.1-5	13.5	15.9
Highest level of secondary school	38.1	31.6
Did not complete secondary school	34.8	29.1
Total	100.0	100.0

Data source: ABS cat.no.6274.0 Survey of Education and Training Experience, 2005, Confidentialised Unit Record File.

## 7 Mobility

### 7.1 Initial location choices: Urban and regional location

Table 7.1 shows the locations of WHMs in order when they stayed in Australia. More than three quarters (78%) of Working Holiday migrants (19,883 persons) chose urban areas as their initial place to visit or reside in. NSW is the biggest first destination of WHMs coming to Australia (Table 7.2). More than forty percent (42%) of them chose NSW as the initial place to start their holiday, working or studying in Australia.

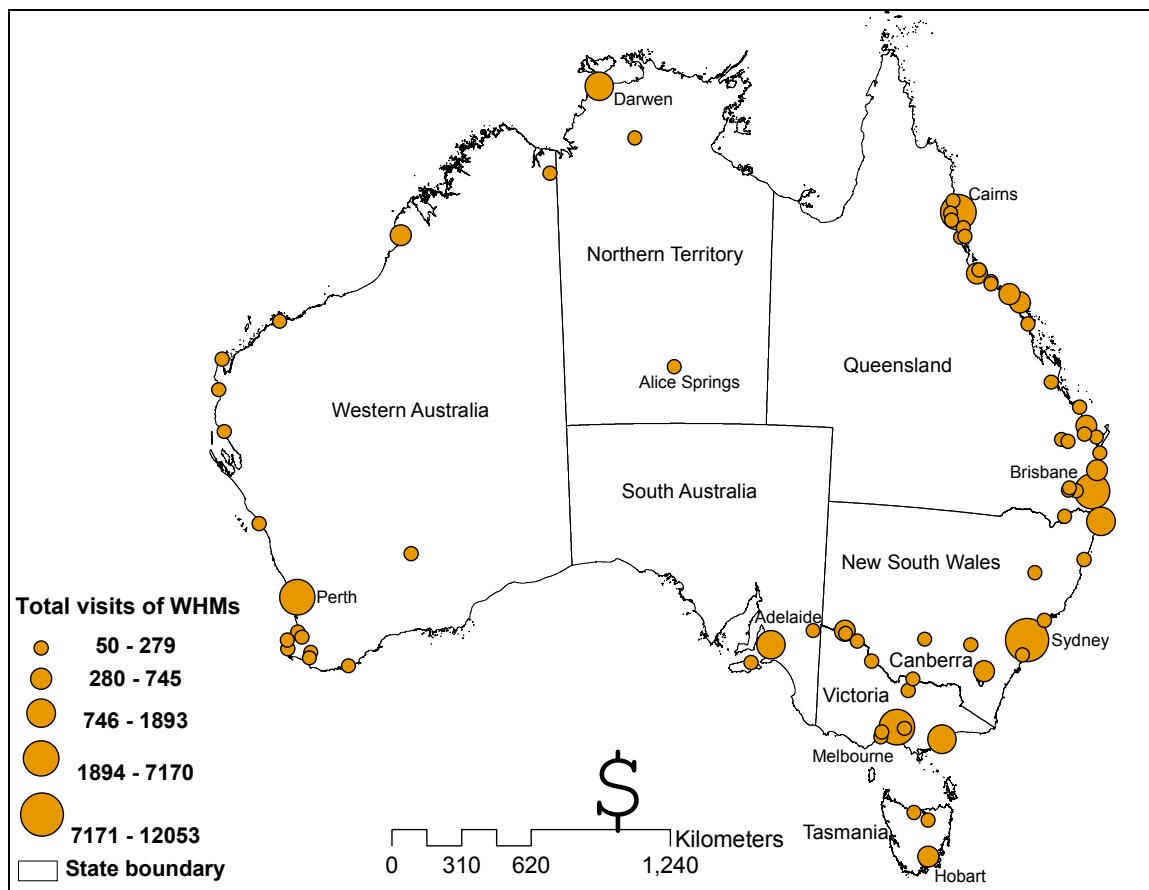
**Table 7.1 Location choices of WHMs’ movements between urban and regional areas**

	Regional area (%)	Urban area (%)	Total (%)	Total WHMs
1st location	21.7	78.3	100.0	19,883
2nd location	43.3	56.7	100.0	12,027
3rd location	50.8	49.2	100.0	8,462
4th location	55.2	44.8	100.0	5,861
5th location	58.8	41.2	100.0	3,890

	Regional area (%)	Urban area (%)	Total (%)	Total WHMs
6th location	62.9	37.1	100.0	2,548
7th location	62.9	37.1	100.0	1,635
8th location	65.0	35.0	100.0	1,070
9th location	66.4	33.6	100.0	705
10th location	61.2	38.8	100.0	456

New South Wales (NSW) is the primary initial destination of WHMs: more than forty percent (42%) chose NSW as the initial place to start their holiday, to working or to studying. A striking feature of the data is that a growing proportion of WHMs left NSW and selected other States (especially regional areas in Queensland and Western Australia) as their second or subsequent location. Eighty-two major locations that received 50 or more visits of WHMs are presented in Figure 2: Sydney, Melbourne, Brisbane, Perth and Cairns are the top five destinations.

**FIGURES 2: MAJOR LOCALITIES WHICH WHMs VISITED**



Source: Constructed by the authors from the WHM Survey, 2008

**Table 7.2 Spatial distribution of location choices of WHMs among States**

	QLD (%)	NSW (%)	VIC (%)	WA (%)	NT (%)	SA (%)	TAS (%)	ACT (%)	Total (%)
1st location	25.4	42.4	14.7	12.1	1.8	2.3	0.7	0.6	100.0
2nd location	33.6	24.3	20.0	11.8	4.3	3.1	2.1	0.7	100.0
3rd location	35.3	20.1	17.1	12.5	6.9	4.7	2.9	0.5	100.0
4th location	35.9	16.7	14.8	14.1	9.4	4.8	3.5	0.8	100.0
5th location	33.7	13.6	14.4	15.0	12.2	6.1	4.0	1.1	100.0
6th location	36.1	12.0	13.0	16.2	11.2	6.3	4.1	1.1	100.0

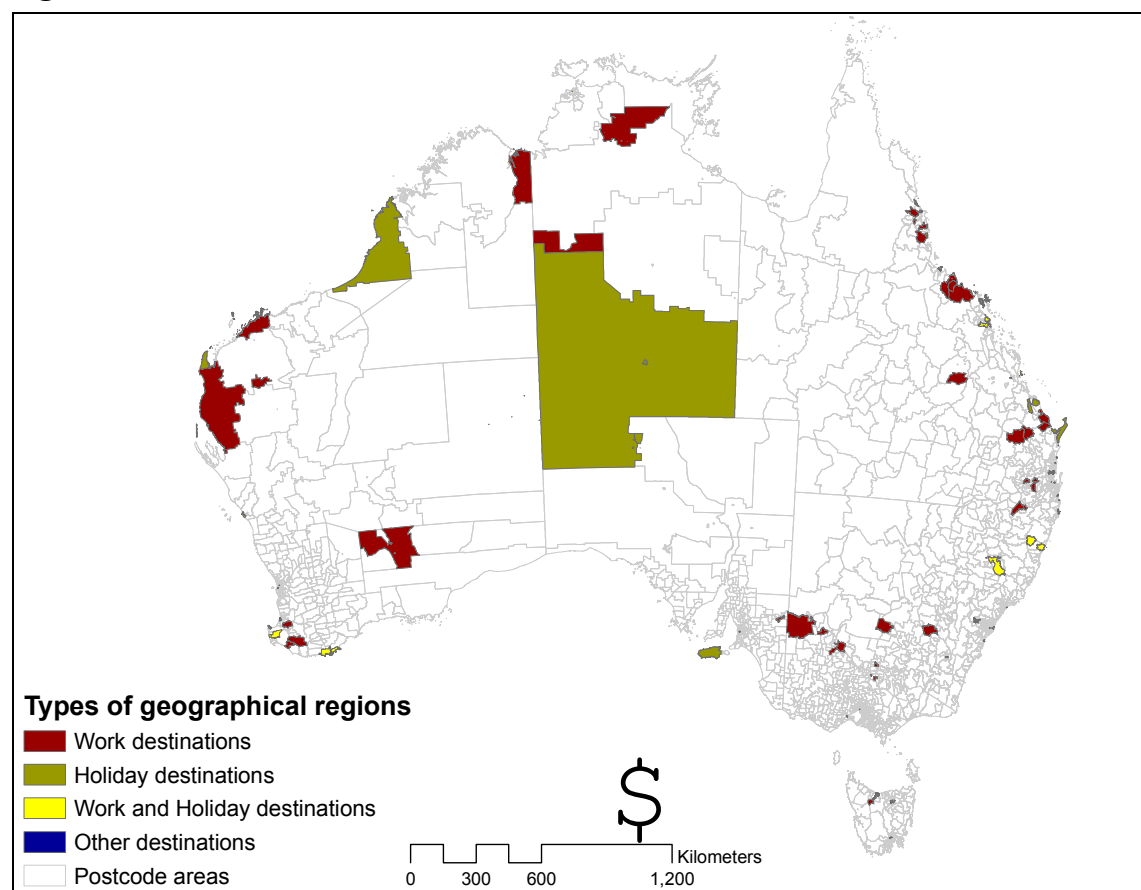
	QLD (%)	NSW (%)	VIC (%)	WA (%)	NT (%)	SA (%)	TAS (%)	ACT (%)	Total (%)
7th location	33.5	12.4	12.1	16.1	13.3	6.8	3.8	2.1	100.0
8th location	33.8	12.0	11.1	15.6	13.2	8.6	4.2	1.5	100.0
9th location	32.6	12.9	11.6	14.3	13.3	7.7	4.7	2.9	100.0
10th location	32.8	9.6	13.9	19.5	13.6	5.1	3.5	2.1	100.0
<b>Total</b>	31.3	27.3	15.9	12.9	5.8	3.8	2.2	0.8	100.0

## 7.2 Subsequent movements between urban and regional areas

The majority of WHMs (12,027 persons) stayed in 2 locations. About every 1 in 5 WHMs (3,890 persons) used to live in 5 locations. With the number of locations growing, the number of WHMs demolished quickly. For instance, only 456 WHMs stayed in 10 localities.

The 2008 WHM Survey asked people about their main reasons for visiting specific places while taking holidays in Australia. This information was used to calculate the percentages of their answers to each specific reason (from the total responses) to reasons for visiting a particular locality. We selected 60% as the cut-off point for defining whether or not a location was a primary destination for holiday, for work, for both holiday and work, or for others (including study, visiting families, etc.). In this way, we re-classified the Australian geographical regions into four types: (1) those that are primarily holiday destinations; (2) those that are primarily work destinations; (3) those that are a mix of both holiday destinations and work destinations; and finally (4) those that are primarily destinations for study, for visiting families or for other purposes. The four Australian geographical regions newly identified and quantified are shown in Figure 3. Seventeen areas in Type 1 (i.e., holiday destinations) account for 21% of the total number (82) of major places visited by WHMs in Australia. Thirty-four areas fall into Type 2 (i.e., work destinations), making up 42% of the major places where the WHMs stayed. Twenty-six locations in Type 3 (i.e., both holiday destinations and work destinations) account for 32% of the overall major locations visited by the WHMs. Five locations fall into Type 4 (i.e., other destinations), taking a minor percentage (6%) of the total major locations.

**Figure 3: RECLASSIFIED AUSTRALIAN GEOGRAPHICAL REGIONS**



Source: Constructed by the author from the WHM Survey, 2008

In the sequential movements, growing proportions of WHMs left urban areas for regional areas. The percentage of people living in urban areas consistently dropped from 78% in their first location to 34 in the 9<sup>th</sup> location for those who changed 9 times of residential places. Consequently, many WHMs moved to regional areas. For instance, only about one in five (22%) of WHMs selected regional areas as their first destination in Australia. The proportion doubled (to 43%) in their second location, and further increased to around two-thirds (66%) in their 9<sup>th</sup> location. These figures show a clear trend of urban-to-regional movements of WHMs in Australia.

There was a big difference in time frames that WHMs spent in their accommodation between urban and regional areas. People seemed to stay for relatively shorter periods (1 week to 3 months) in the regional areas than in the urban areas (3 to 12 months) (Table 7.3).

**Table 7.3 Time spent at accommodations while visiting Australia, by region**

	Regional area (%)	Urban area (%)	Total (%)
1 to 2 weeks	39.4	25.5	31.3
From 2 up to 4 weeks	19.2	16.3	17.5
From 1 up to 3 months	26.4	23.5	24.7
From 3 up to 6 months	10.5	18.0	14.9
From 6 up to 12 month	4.5	16.7	11.6
<b>Total (%)</b>	100.0	100.0	100.0
<b>Total no. of accommodations</b>	24,033	33,366	57,399

### 7.3 Holiday as distinct from work destinations

‘Tourism’ was the principal reason that WHMs gave for visiting most States and Territories, with the highest percentage of this motivation behind visits to NT and TAS. ‘Work’ was the second most important reason for WHMs to visit all states, but particularly WA and QLD. Visiting family or friends was another important reason that WHMs came to Australia.

Tourism and work were the most popular reasons for WHMs to visit Australia, regardless of the geographical location of the destinations. Almost half of WHMs visited urban or regional areas for tourism purposes, at 45% and 47%, respectively (Table 7.4). In the urban areas, some one in four WHMs stated ‘work’ as the reason to visit, while 15% gave the reason as visiting their families or friends, and about 11% said they wanted to study. A much higher proportion of WHMs (40%) who visited the regional areas indicated ‘work’ to be an important reason than those visiting urban areas, making regional areas more likely to be ‘work destinations’ than urban areas. Unlike those that visited the urban areas, only a small proportion of WHMs visiting rural areas gave ‘visiting family or friends’ (7%) or study (3%) as reasons.

**Table 7.4 Reasons for visiting, by region**

Reason	Urban (%)	Regional (%)
Tourism	44.6	47.1
Work	26.0	40.2
Visit family / friends	14.9	7.2
Study	10.8	2.6
Other	3.7	2.9
<b>Total (%)</b>	100.0	100.0
<b>No. of visits</b>	33,066	23,743

Note: Includes places stayed at for over one week. Urban and regional areas are defined according to the “Regional Australia Postcode List” (DIAC 2008).

## 6 Conclusion

Australia’s Working Holiday Maker (WHM) program has increased in size and impact. Since 2000, major changes to the WHM program have included a 71% growth in arrivals, the addition of 17 new countries participating in the program, the introduction of a second WHM visa, and the extension of work and study rights (to 6 and 4 months respectively). Of the 24 arrangement countries, eight countries (Korea, Germany, the UK, France, Japan, Canada, the Netherlands, and Italy) account for 80% of WHMs surveyed in 2008—with about equal proportions of males and females. Most WHMs are relatively well educated—having at least finished high school—and more than half held a university degree, and more than one third were studying for another qualification. Thus they fit the profile of people targeted by the scheme: diverse nationalities, but young and educated with many still studying.

WHMs come from a variety of work backgrounds and generally do different types of jobs in Australia compared to their employment at home. They are geographically mobile, mainly flowing from urban to regional areas, especially in Queensland, Western Australia and Victoria. They work in a variety of low skilled/low paid jobs, including in the regions, which are not connected to their longer term career aspirations or home employment. Those that are keen to work were better educated, more proficient in English and stayed longer than those who gave other reasons for coming under the WHM visa.

The major source country for WHMs is the UK. Those from the UK have, on average, the highest hourly wages, total earnings and expenditure—and they work the most hours. WHMs

from Japan and Korea have a different profile: they have relatively high expenditure, but do not work a great deal, but place more emphasis on studying in Australia.

WHMs, on average, tend to spend more than they earn, and thus, on balance, make a small net positive contribution to the demand for Australian workers. In 2007-08, the 134,388 WHMs were estimated to take a total of 21,681 FTE jobs, and create a total of 28,448 FTE jobs in Australia's economy, thus their net contribution to employment was about 6,767 FTE jobs—i.e. every 100 WHM arrivals creates about 5.0 net FTE jobs in Australia. The net impact of the WHMs was positive for both the economy and for employment, but the WHM remains more a tourism export program than a labour supply program. Nonetheless, WHMs do supply labour, and employers who use the program generally welcome it and feel that the quality of worker they can hire is high relative to those available from the local labour market, given the pay and conditions on offer.

The supply of WHM labour is of particular value to employers in the regions, especially agricultural enterprises who employ them to pick produce and to supply general farm labour. WHMs' jobs were concentrated in two main industry sectors: "Accommodation" (33%) and "Agriculture" (23%). The majority (69%) of jobs in the former industry were located in urban areas, while many jobs (87%) in the latter industry were situated in regional areas.

With the main exception of regional agricultural work, WHMs do not make any significant contribution to the reduction of labour or skill shortages. Most of the jobs they occupy are low skilled and in the cities. In these jobs, they compete with the local low skill labour force and with local students who seek similar sorts of jobs while they study.

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