

**THE WORKING HOLIDAY MAKER SCHEME AND THE
AUSTRALIAN LABOUR MARKET**

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Wednesday, 15 August 2001

Acknowledgements

This study was commissioned by the Department of Employment, Workplace Relations and Small Business and the Department of Immigration and Multicultural Affairs as part of the Commonwealth Government's response to the Joint Parliamentary Standing Committee on Migration inquiry into working holiday makers.

The authors would like to thank Chris Alexandrou and Richard Bridge (DEWRSB), Chris Dorrian (DIMA) and Peter Dawkins (Melbourne Institute of Applied Economic and Social Research) for useful comments and assistance on the project. The survey of working holiday makers was expertly undertaken by Briscoe Research and we would like to thank Rosy Briscoe and her team of field interviewers. This survey would not have been possible without the co-operation from the airport authorities from Sydney, Brisbane, Perth and Cairns and we are very appreciative of their assistance. Thanks are also due to OzInfo and their staff of interviewers who carried out the employer survey and Jacinta Den Besten undertook the informal survey of job placement services. All errors remain the responsibility of the authors.

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Executive summary

Introduction

By the end of 2000, Australia had reciprocal working holiday maker (WHM) arrangements with eight foreign countries which permitted young (18 to 30 years of age) holiday makers to reside in Australia for a period of up to 12 months and to supplement their funds through incidental employment.

The eight arrangement countries were the United Kingdom (UK), the Republic of Ireland, Canada, Japan, the Republic of Korea, the Netherlands, Malta and Germany.

In 1997, the Joint Standing Committee on Migration (JSCM 1997, p xviii) recommended that the Government undertake further research on the labour market impact of WHMs.

This paper aims to estimate the effects on the Australian labour market of the existing WHM scheme and to make some estimates of the effects of extending the scheme to other countries. In doing so, this paper examines the profile of WHMs and their employment activities.

Characteristics

During 1999-2000, about 79 900 WHM residents arrived in Australia.¹ The overwhelming majority came from the seven WHM arrangement countries (excluding Germany which joined the scheme on 1 July 2000) and only a few hundred visaed residents arrived from non-arrangement countries.

Since 1983-84, around half the Working Holiday visas arrivals in any year have been from young people born in the United Kingdom. Japan and Ireland are the next most common source countries. By 1999-2000, about 50 per cent of WHMs stayed 12 months in this country. Over the past 16 years, there has been a positive trend in both the number of WHM arrivals and the length of stay.

According to the survey conducted as part of this study, the typical WHM is a young man or woman from an English-speaking country who is better educated than the average

¹ This includes multiple entries. During 1999/2000 there were 67 495 first entry WHM arrivals.

member of the Australian workforce but is prepared to undertake jobs that are disproportionately low skilled.

About a third of WHMs had completed a bachelor degree, and an additional 27 per cent had only completed secondary school. About one sixth were part way through a post-secondary qualification. There were a few differences between countries. WHMs' level of post school qualifications compared very favourably with the educational profile of Australian residents working in typical low skill casual jobs.

Two thirds of the WHMs who came to Australia had been working in the two years prior to arrival. One third had been studying. The main type of prior work was professional work (43 per cent) followed by trade or craft work and clerical work (both 14 per cent).

Work in Australia

Eighty five per cent of WHMs engaged in paid employment during their visit. Of those who engaged in employment, about 50 per cent held two jobs. Nearly one third of WHMs who worked held only one job during their visit to Australia, and just over half the WHMs held only one or two jobs.

Overall the average number of jobs per WHM arrival was 2.9.

Seventy eight per cent of WHM jobs involved lower skill work in the job categories: Intermediate clerical, sales and service workers, intermediate production and transport workers, elementary clerical, sales and service worker, labourer and related workers. This compares with 46 per cent across the whole workforce.

The main occupations are fruit picker, waiter, elementary service worker, office secretary, labourers & related workers, and builder's labourer. A few differences appear between countries. Canadians are more likely to be employed as waiters, and there is a higher proportion of people from the Netherlands employed as fruit pickers. Those from Ireland are more likely to be employed as a builder's labourer or in more professional occupations (other professional and tradesperson).

These jobs were located mainly in the eastern states as well as Western Australia, with the highest proportion in New South Wales. In all states except Queensland, the majority

of jobs were in the capital cities. In Queensland, the jobs were more evenly spread throughout the state.

The most usual hourly pay was about \$10 per hour, although there was quite a variation in the hourly rate. Some of the WHMs who reported no pay, received payment in kind (board and lodging), particularly when working in a private home or hostel.

Reasons employers hire WHMs

Objectively WHMs are disadvantaged compared with local youth for they cannot work for any single employer for longer than three months. Accordingly, one would expect that employers would prefer local youths for all non-seasonal and temporary jobs, unless the WHMs have compensating personal or skill advantages.

Often WHMs get jobs at the same time that local youth remain unemployed and this suggests that they possess some desirable qualities vis-a-vis many local unemployed youth. Results from our three surveys suggest that the WHMs do not engage in more assertive job search techniques and only a minority have compensating advantages. For example, some employers believed that WHMs were more motivated than local youth and 14 per cent needed workers who could speak a foreign language, but on balance, they did not regard WHMs as more skilled (even though they are objectively more qualified on average), more honest, better spoken or harder working. On the other hand, some employers spoke of the difficulties of contacting WHMs and the extra paper work involved in short term workers.

Our surveys found that employers generally hire WHMs because they make themselves available. Local unemployed youth do not hold a strong interest in these jobs and are not as prepared to relocate for employment as the WHMs.

Employment displacement effects

The most likely person who has been displaced in a job will be similar to existing workers in the casual low skill sector. Each WHM currently takes an average of 2.87 jobs per stay at an average of 1.96 months per job. This means that each WHM fills 0.511²

² This has been derived by multiplying 2.87 by 1.96 (total months of work per WHM) and dividing by 11 (being the total months per year a full-time worker works).

effective full year positions in the economy which implies that an annual intake of 80 000 occupies the equivalent of 40 909 full year jobs.

If the WHM scheme did not exist, only a fraction of these jobs would be likely to be taken by long-term unemployed Australian youth. About three quarters of low skill casual jobs are taken by full-time students and mature age women. Only one quarter of low skill casual jobs are taken by people who are similar in age group to unemployed youth and are not students.

Accordingly, if Working Holiday visas did not exist and the supply of WHM labour was withdrawn (assumed to be 80 000), there would be 40 909 more casual full year jobs, but only an estimated 10 100 of these jobs would be taken by unemployed youth. This calculation does not take account of the jobs generated by WHMs spending.

Employment generation effects

The contribution WHMs make to aggregate employment flows directly from their levels of expenditure. Total expenditure is the spending on goods and services in Australia using income from all sources. This includes funds the new arrival brought in with their person (travellers' cheques and cash), less funds they left the country with plus any electronic funds they collected whilst here plus any wages they earned in Australia. Net funds is the total (foreign) money brought into Australia less the total amount taken out i.e.

Total expenditure = Net funds + total wages.
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Net funds = Funds arrived with – funds departed with + electronic fund transfers from overseas
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On average, net funds per WHM was A\$6 398. This is similar to the Bureau of Tourism Research estimates of the level of net expenditure by non-WHM tourists aged 20-29 years who stay at least 29 nights. Total wages earned is \$9 916 per WHM and accordingly, total expenditure per WHM was \$16 314. Total expenditure by 80 000 WHM arrivals is accordingly estimated to be A\$1.3 billion annually.

The level of expenditure (output) per employed worker in the industry group accommodation, café and restaurants was \$26 628 in June 2000. This allows us to estimate total employment generated at 0.613 full year jobs using the following formula.

Gross employment generated =

$$\frac{\text{total expenditure}}{\text{expenditure per job}}$$

Net effect on employment

While we estimate that 0.511 Australians are displaced in employment by each WHM on average, 0.613 Australians gain a job through their total spending. Most jobs will be created in the same tourism and hospitality industries where WHMs work.

The net impact of each WHM on average accordingly is an additional 0.102 full year jobs.

	\$
Net funds per WHM	6398
+ wages per WHM (\$3455 × 2.87jobs)	9916
=Total expenditure per WHM	16314
Implied full year jobs generated per WHM	0.613
- Implied full year jobs worked per WHM (1.96 months × 2.87 jobs ÷ 11)	0.511
=Net addition to full year employment	0.102

This means that for an annual intake of 80 000 WHMs, about 41 000 effective full-year jobs will be taken by WHMs, but about 49 000 effective full year jobs will be created through the WHM expenditure. This indicates that about 8 000 effective full year jobs are created by an intake of 80 000 WHM.

Effects of an extension of WHM scheme

Estimates of the number of young people from non-WHM designated countries who would seek to enter Australia on a Working Holiday visa if the opportunity was available

have been extrapolated from comparative trends in WHM source countries. We have estimated the aggregate employment effects of extending the WHM scheme to seven countries, namely Italy, Germany, Switzerland, Denmark, Israel, Singapore, and USA.³

During 1994-95 to 1996-97 the percentage of source country youth who chose to visit Australia on a tourist visa was almost the same for WHM and non-WHM countries (about 0.02-0.03 per cent). Working Holiday visas, where applicable, raise this percentage by about 0.1 percentage point. Accordingly, our best deduction is that extending Working Holiday visas to additional countries will result in additional youth seeking to enter the country rather than a substitution of visa types, other things considered.

If we assume that the long stay tourist rate remains the same, that European countries have that same WHM-long stay tourist multiple (around three) as the UK, that USA has the same (around three) as Canada and that Singapore has the same (around four) as Japan, then extending the WHM scheme to an additional seven countries would add an extra 52 000 WHMs a year. This estimate is a projection based on the given assumptions; it is not a forecast of what will happen and we expect that many unforeseen events will occur to influence WHM arrivals. In particular, cultural groups take time to learn about and avail themselves of new schemes and we would expect a slow take up rate from new countries. Nevertheless, this figure will underestimate demand, to the extent it does not allow for population and economic growth in the source countries. If these additional WHMs have the same pattern of spending and employment as existing WHMs, this would lead to an addition of 5 300 full year jobs.

³ Even though Germany has now been included in the WHM scheme, it has not been included in the calculation for this study.

1. Background

a. Introduction

By the end of 2000, Australia had reciprocal working holiday maker arrangements with eight foreign countries which permit young (18 to 30 years of age) holiday makers to work full-time or part-time in Australia for short periods of time, but for a maximum of three months with the one employer.⁴ The eight arrangement countries were the UK, the Republic of Ireland, Canada, Japan, the Republic of Korea, the Netherlands, Malta and Germany. The arrangement with Germany came into effect on 1 July 2000. Since 1 July 2000, only citizens of arrangement countries have been eligible to enter Australia on working holiday visas. Young Australians are offered similar working holiday opportunities in the countries with which reciprocal arrangements are in place.

The intention of the Working Holiday Maker (WHM) scheme is to encourage young people to holiday in Australia and to supplement their funds through incidental employment. The ultimate aim is cultural, and the focus is to foster understanding about Australia and encourage young Australians to learn more about their host countries. It is argued that working (temporary residence) holidays enable young people to develop their understanding of Australian people beyond what they would gain through a mere visit. Australians also benefit from exposure to foreign workers. Further details of the scheme are included in Appendix A.

While the goals of the scheme are social in nature, there are two major incidental economic effects. First, overseas visitors contribute towards macroeconomic demand for labour and the current account surplus to the extent they spend more money domestically (from their foreign income sources) than they depart with. That is, they have a positive expenditure balance. While most tourists clearly leave Australia with a positive expenditure balance, the WHM scheme may also increase the expenditure balance, to the extent that it encourages additional people, who have a positive expenditure balance, to come to Australia. In many cases it may do this by attracting young travellers to Australia over alternate destinations. However, countervailing factors are also likely to operate.

The scheme, for example, may cause young travellers to reduce the level of foreign money if they believe that they can rely upon earning money in Australia to sustain them. Second, overseas working visitors may contribute to the efficient operation of the microeconomic labour market by providing specialist skills or a more flexible labour supply. However, the WHM scheme may also detract from the local economy by lowering young people's net export contribution or by unnecessarily increasing competition in already overcrowded labour markets.

To the extent that the number of young Australians departing for reciprocal countries increases, the net costs or benefits of the scheme will decrease. However, in practice, the numbers currently entering Australia are much greater than the numbers leaving.

In 1997, the Joint Standing Committee on Migration (JSCM 1997, p xviii) recommended that the Government undertake further research on the labour market impact of WHMs. This paper aims to estimate the effects on the Australian labour market of the existing WHM scheme and to make some estimates of the effects of extending the scheme to other countries. Specifically, the issue of whether the scheme aggravates Australia's unemployment problem, especially with respect to youth, is addressed.

The remaining sections of this paper discuss the effects of extending the scheme to some non-arrangement countries on the number of visas issued, the supply of labour, the types of Australians who might be displaced in the labour market by WHMs and the impact of the scheme on the aggregate demand for labour. The number and type of Australian WHMs departing for temporary residence in some of the eight other arrangement countries are taken as given and are not considered in the analysis.

b. Data sources

Three dedicated surveys were conducted for this study.

1. An exit survey conducted in the departure lounges of five international airports: Sydney, Brisbane, Perth, Melbourne and Cairns. 1 001 holders of Working Holiday visas were personally interviewed by trained staff. Respondents were randomly chosen and only four per cent refused to be interviewed. The main reason for refusals was lack of time as they were rushing for a flight departure. It is unlikely that these

4 The scheme excludes New Zealand as the existing bilateral arrangement with Australia gives full reciprocal working rights to permanent residents of all ages from both countries.

refusals will introduce bias into the results. Because these interviews were held at their point of departure from Australia, information obtained related to their completed spell of residence. The main task of this survey was to get a labour supply profile of the WHM, details of jobs they had obtained and an estimate of the net and total expenditure while in Australia.

The distribution of survey respondents was governed by the popularity as a point of departure and permission by the airport authorities. Table B 1 in Appendix B show that compared with the actual rates of departure, Sydney, Melbourne and Cairns were under sampled and Brisbane and Perth were over sampled.

2. A survey of all employers nominated by the 1 001 WHMs. Details were asked about WHMs' first three jobs. This gave 1 869 valid responses and after allowing for duplicated employers (16.3 per cent), and employer details with too little details (place of employment not listed in the white pages, employer too big to locate relevant supervisor, employer ceased business) for where jobs were taken, 598 valid phone numbers were obtained. All 598 employers were phoned for an interview. Up to six call backs were allowed for. Some 181 declined to be interviewed (not interested), 24 were found to be invalid numbers, 82 did not recall ever hiring a young foreign worker, five did not answer, four were fax numbers or were only answered by a machine, three had a language barrier and two were engaged on every call back. The remaining 297 (49.7 per cent) were interviewed. The main task of this survey was to find out why employers hired WHMs when they carry the disadvantage of having a prospective short job tenure unlike unemployed Australian youth. We also asked the employer what they did and did not like about the existing WHM scheme.
3. An informal survey of employment agencies. Forty six employment agencies operating in the main WHM employment areas were phoned about their views on why they thought employers hired WHMs/backpackers. Twenty-four said they had backpackers approach them on a regular basis and these agents were interviewed.

In addition, secondary data sources were consulted: Data from the Bureau of Tourism Research International Visitors Survey, Department of Immigration and Multicultural Affairs, Australian Bureau of Statistics and a 1994 Survey of WHM by the Bureau of

Immigration, Multicultural Affairs and Population Research (Murphy 1995). This study included a survey of the interrupted spells of 438 WHMs (part way through their stays) and 103 employers who commonly employ WHMs.

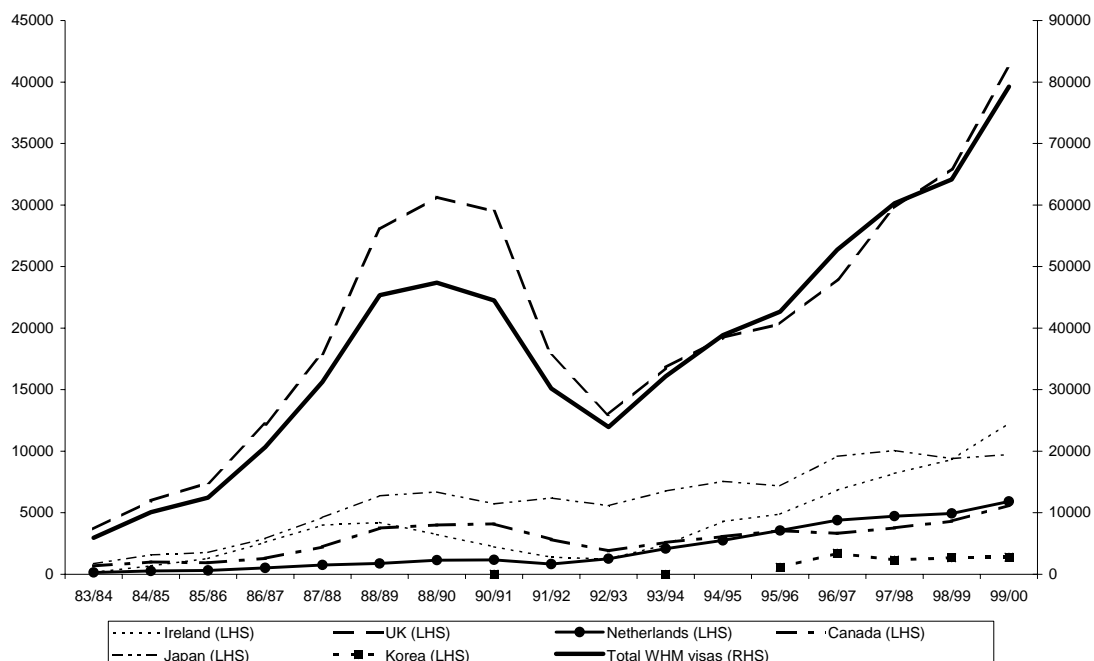
2. WHM and tourist arrivals

a. Trends in WHMs and tourist visas

WHM temporary residents by country and length of stay

During 1999-2000, 79 900 WHM residents arrived in Australia. The overwhelming majority came from the seven arrangement WHM countries (excluding Germany) and only a few hundred Working Holiday visa holders arrived from non-arrangement countries. Figure 1 shows that since 1983-84 around half the Working Holiday visa arrivals in any year have been from young people born in the United Kingdom. Japan and Ireland are the next most common source of WHM residents with shares of approximately 14 per cent each. Canada and the Netherlands currently provide 5 to 8 per cent of WHMs each and Korea 2 per cent. A negligible number were born in Malta. Between 1983-84 and 1998-99, the number of Working Holiday visa arrivals grew by 17.2 per cent a year on average. However, arrivals, especially from the UK, Canada and Ireland, appear to be positively correlated with the level of economic activity in the major industrialised economies.

Figure 1. Number of Working Holiday maker visa arrivals by country, 1983-84 to 1999-2000.



Source: Appendix C, Table C 1.

Table 1 shows the trend in the median length of stay by country of origin. Average stays are presented in Table C 2 (Appendix C). Both the median and average stay lengths have shown a positive trend in the 16 years to 1999-2000. During 1983-84, about 50 per cent of all WHMs stayed for 7 months. The variation between countries ranged from 6.5 months for about half the WHMs from Japan, to 8 months stay for half the WHMs from the Netherlands. By 1999-2000, about 50 per cent of all WHMs were staying for one year. About half of all WHMs from Ireland, UK, Malta and Korea stay for the maximum of 12 months. About half the WHMs from the Netherlands and Canada stay the shortest time (8.5 and 10 months respectively). Average stays are slightly lower than the median indicating a left hand skew in the frequency distribution of stay lengths. The estimated average stay for all WHMs was 9 months in 1999-2000. UK, Ireland and Korea have the longest average stays (over 9 months) and The Netherlands has the shortest stay (7.2 months). Similar to the medians, however, there is relatively little variation between countries. Most Working Holiday visaed arrivals stay close to the maximum time permitted.

Table 1. Median Length of stay for working holiday makers total and selected countries (months), 1983-84 to 1999-2000

Year	Ireland	UK	Nether-lands	Malta	Canada	Japan	Korea	Total
83-84	6.89	7.36	7.98	7.48	6.59	6.75		7.16
84-85	8.51	8.40	10.44	7.48	6.52	6.60		7.88
85-86	10.73	8.34	11.14		6.83	6.83		8.16
86-87	12.00	9.14	9.63		6.74	6.74		8.71
87-88	12.00	10.56	10.03		6.97	6.90		9.57
88-89	12.00	10.90	10.87	7.93	6.97	6.57		9.70
89-90	12.00	10.90	8.89	11.10	7.28	8.80		10.08
90-91	12.00	9.54	9.55	7.59	7.64	12.00	7.48	9.58
91-92	10.90	9.55	11.69	12.00	8.18	12.00		9.97
92-93	12.00	11.43	10.40	12.00	8.80	12.00		11.85
93-94	12.00	10.90	8.35	12.00	9.27	12.00	12.00	10.78
94-95	12.00	11.42	9.22	8.06	9.64	11.26		11.15
95-96	12.00	11.88	8.67	12.00	9.60	9.88	8.68	10.99
96-97	12.00	12.00	8.48	12.00	10.43	12.00	10.87	12.00
97-98	12.00	12.00	8.98	9.49	10.51	12.00	12.00	12.00
98-99	12.00	11.97	8.72	12.00	9.63	10.82	12.00	11.88
99-00	12.00	12.00	8.43	12.00	9.90	11.32	12.00	12.00

Source: Department of Immigration and Multicultural Affairs, Visa Arrival Statistics.

Source countries for young tourists

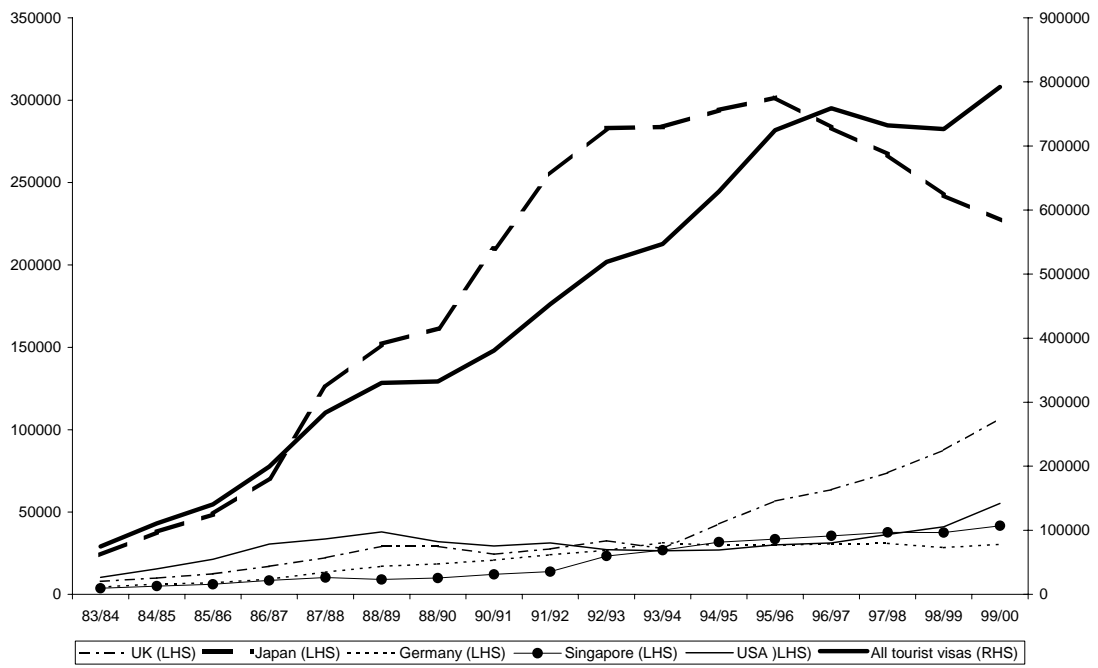
WH visaed arrivals are classified as temporary residents. However, most young people wishing to visit Australia for recreational purposes arrive on a normal tourist visa. There

were about 790 000 tourist arrivals aged 18 to 30 years in 1999-2000 of whom about half (52 per cent) came from WHM countries (see Appendix C Table C 3 and C 4). These visitors were in addition to the 79 000 WHM temporary resident arrivals described above. Since 1983-84, around a third of all tourist visa arrivals in this age group have come from Japan and around one tenth from the United Kingdom. The remaining half came mainly (in numerical order) from the USA, Singapore, Germany, Switzerland, Italy, Denmark, South Africa and India. Between 1983-84 and 1998-99, the number of tourist visas for people aged 18 to 30 years has been growing at 16.4 per cent a year. However, as indicated in Figure 2, tourist arrivals appear to be less affected by the level of economic activity than the WHM arrivals.

The length of stay for all tourists aged 18 to 30 years has remained fairly constant over the period 1983-84 to 1999-2000 at 2 weeks for most people. Table C 5 and C 6 (in Appendix C) however reveal that this average masks considerable variation between countries. Japan has consistently recorded the lowest stay by half its tourists (one week) and Israel the longest (4 to 6 months). Other countries with stays at about 2.5 months were Switzerland and Denmark. The length of stay for about 50 per cent of tourists from Singapore was 2 weeks and for the USA and India it was less than three weeks. Visitors from most other countries enjoyed stays of about one month. By 1999-2000, the median length of stay had decreased a little. The stays by 50 per cent of WHMs were 4 months for Israel, 2 months for Switzerland, just over one month for Denmark and the Netherlands, and just over two weeks for India and the USA. Most other countries were about 3 weeks.

In both the seven arrangement WHM countries (excluding Germany) and the ten non-WHM countries, the average length of stay for tourist visa holders generally decreased over the period 1983-84 to 1999-2000 as the total numbers rose.

Figure 2. Number of arrivals with a tourist visa for people aged 18 to 30, main countries, 1983-84 to 1999-2000



Source: Appendix C Table C 3 and C 4.

b. Estimated effects on visas of an extension of the WHM scheme

Estimates of the number of young people from non-WHM designated countries who would seek to enter Australia on a Working Holiday visa if the opportunity was available have been extrapolated from comparative trends in WHM source countries. Table 2 presents a summary of the proportion of youth in the most common source countries who chose to visit Australia for extended stays of between 3 and 12 months. During 1994-95 to 1996-97 the percentage of source country youth who chose to visit Australia on a tourist visa was 0.027 per cent for WHM countries and 0.022 per cent for non-WHM countries. If Working Holiday visas are included, the combined percentage for WHM countries rises to 0.130 per cent.

Table 2. Youth arrivals as a percentage of youth population in source countries^(a), 1994-95 to 1996-97

Arrival type	7 WHM countries	8 non-WHM countries ^(b)
Tourist staying 3 to 12 months	0.027	0.022
Tourist staying 3 to 12 months <u>plus</u> WHMs	0.130	

Note: ^(a) Visas are for 18 to 30 year olds. Population includes only 20 to 29 year olds. Missing population data has been estimated by extrapolation.

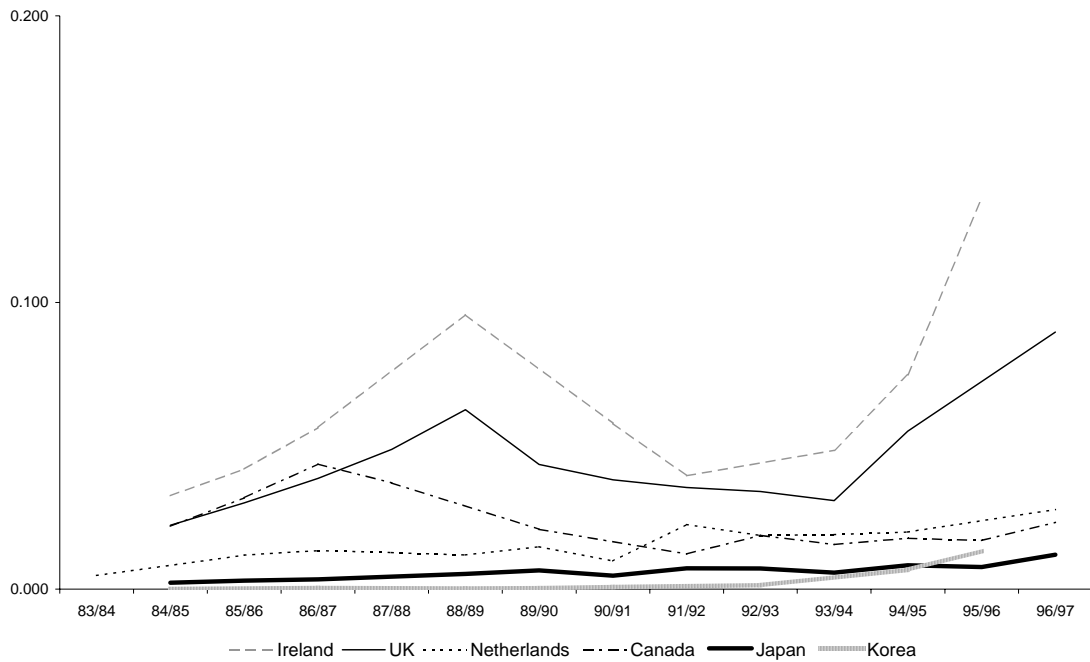
^(b) Italy, Germany, Switzerland, Denmark, Israel, Singapore, USA, South Africa.

Sources: Department of Immigration and Multicultural Affairs, Visa Arrival Statistics and United Nations Yearbooks.

Extending Working Holiday visas to additional countries may result in additional youth seeking to enter the country rather than a substitution of visa types, if the comparable percentages for extended tourist stays across the two groups is due to common systematic socio-economic factors. The fact that the average percentage of youth arriving as (long stay) tourists is similar between the two types of countries suggests there are common factors and that WHMs may add to demand for travel to Australia rather than just alter the composition of visa types.

However, important differences exist between countries. Figure 3 to 5 show that there is considerable variation across countries in the proportion of youth who enter Australia via either as a WHM or a long stay tourist. Accordingly, it is probably not reasonable to assume that the introduction of Working Holiday visas will have the same effect on each country. Compared with other youth, Irish and Dutch youth are considerably more likely to take a Working Holiday visa compared with a tourist visa.

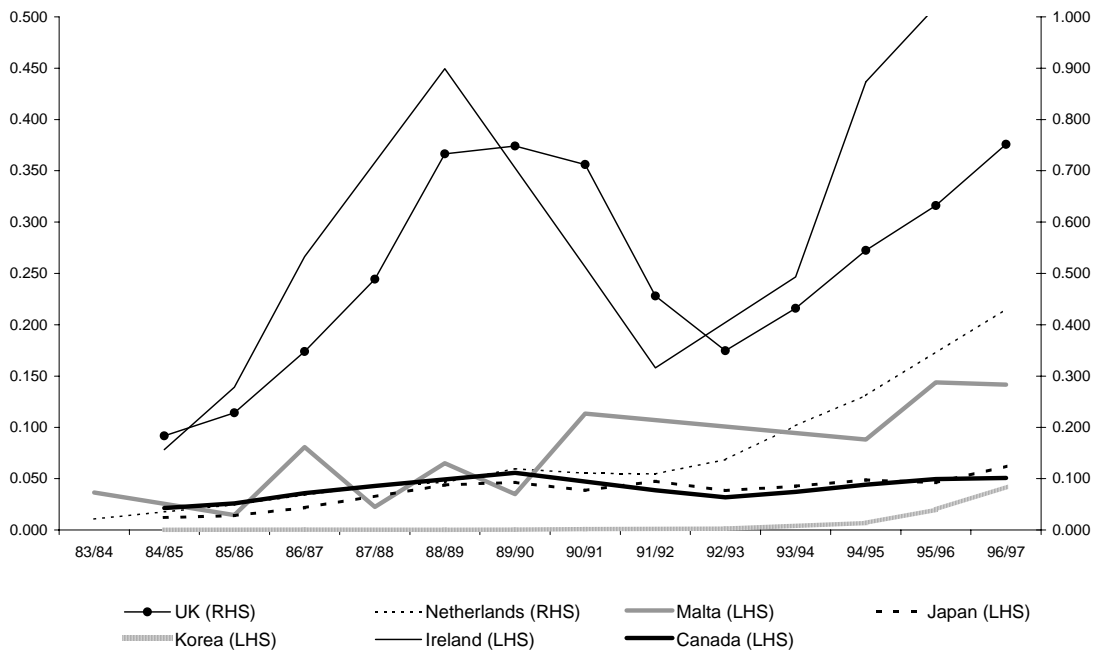
Figure 3. Percentage of source country youth* staying on tourist visa 3 to 12 months, WHM countries, 1983-84 to 1998-99



Note: * Visas are for 18 to 30 year olds. Population includes only 20 to 29 year olds. Missing population data has been estimated by extrapolation.

Sources: Department of Immigration and Multicultural Affairs, Visa Arrival Statistics and United Nations Yearbooks.

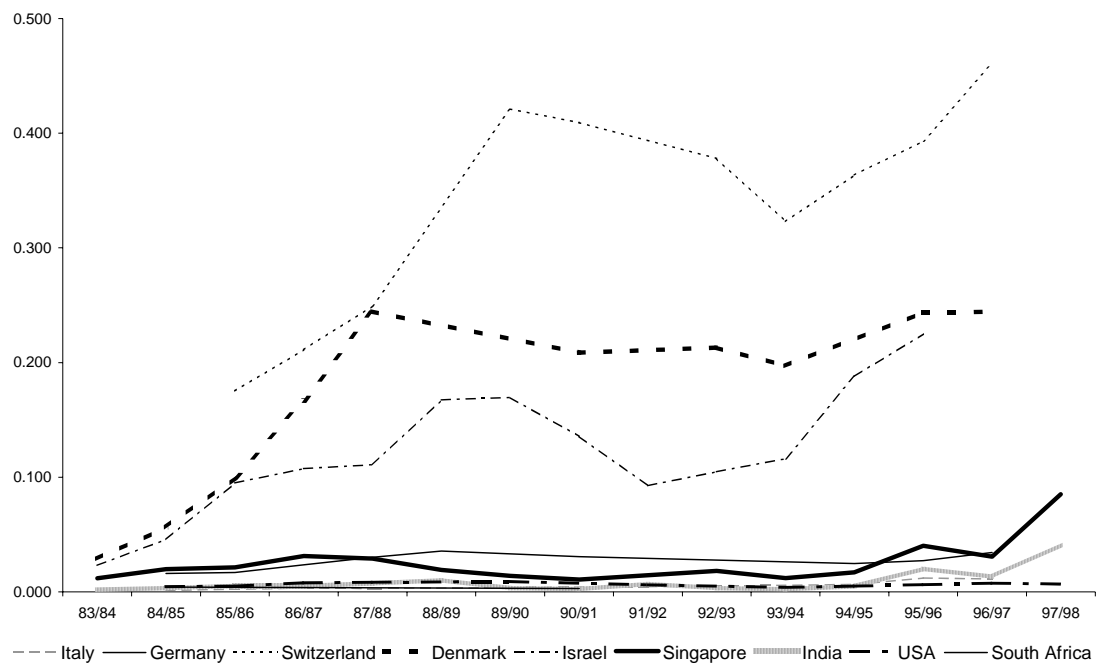
Figure 4. Percentage of source country youth* staying on tourist visa 3 to 12 months or Working Holiday visa, WHM countries, 1983-84 to 1998-99



Note: * Visas are for 18 to 30 year olds. Population includes only 20 to 29 year olds. Missing population data has been estimated by extrapolation.

Sources: Department of Immigration and Multicultural Affairs, Visa Arrival Statistics and United Nations Yearbooks.

Figure 5. Percentage of source country youth* staying on tourist visa 3 to 12 months, non-WHM countries, 1983-84 to 1998-99



Note: * Visas are for 18 to 30 year olds. Population includes only 20 to 29 year olds. Missing population data has been estimated by extrapolation.

Sources: Department of Immigration and Multicultural Affairs, Visa Arrival Statistics and United Nations Yearbooks.

Table 3 shows the relative frequency of travel to Australia by youth from the main WHM countries. Broadly speaking it shows that the countries with higher tendencies to arrive as long stay tourists are also the countries more likely to arrive on a Working Holiday visa. Working Holiday visas are considerably more popular than a tourist visa for arrivals who intend to stay over three months.

Table 4 presents the estimated annual WHM arrival rates for selected non-WHM countries if we assume that:

- long stay tourist rates remain the same;
- the European countries have that same WHM-long stay tourist multiple (around three) as the UK;
- the USA has the same (around three) as Canada; and
- Singapore has the same (around four) as Japan.

The seven selected non-WHM countries include Italy, Germany, Switzerland, Denmark, Israel, Singapore, and USA. These estimates represent the numbers who are expected to arrive after knowledge about the scheme becomes widespread within the

source country. It does not take into account any socio-economic change that has been making long stay travel more common for youth around the industrialised world.

The introduction of the scheme takes many years for word of mouth and experience to make it a popular travel choice for youth. As the time series (see Section 2) shows, it could well take 5 to 10 years before numbers achieve this level. These estimates assume a certain level of knowledge of the scheme within the culture.

This method predicts that extending the WHM scheme to these seven countries would add an extra 52 000 WHM to the economy each year in addition to the 80 000 currently arriving. Over half of these youth would arrive from Switzerland, Germany and the USA.

Table 3: Ratios of long stay tourist^(a) and Working Holiday visas to youth population by country, 1996-97

Year	Ireland	UK	Netherlands	Malta	Canada	Japan	Korea
Tourist visas as a proportion of youth 20 to 29 years	0.127	0.089	0.028	0.040	0.023	0.012	0.022
WH visas as proportion of youth 20 to 29 years	1.238	0.286	0.187	0.102	0.078	0.050	0.020
Ratio WHM to tourist	9.75	3.19	6.75	2.55	3.35	4.20	0.91

Notes: ^(a) 3 to 12 months.

Table 4: Estimated youth (20-29 years) population who would arrive as a WHM, 7 selected non-WHM countries per annum

Country	Percentage of youth arriving as long stay tourist (1996-97)	Estimated percentage of youth arriving as WHM	Average youth population (1996-97)	Estimated WHM applications
	(a)	(b)	(c)	(b) × (c)
Italy	0.01	0.03	8,958,733	3,012
Germany	0.03	0.10	10,969,381	11,274
Switzerland	0.46	1.38	958,988	13,257
Denmark	0.24	0.73	767,902	5,628
Israel	0.23	0.68	883,900	6,003
Singapore	0.03	0.04	491,300	220
USA	0.01	0.03	36,566,827	12,294
Total				51,688

* Note: percentages have been rounded to two decimal points.

3. Effects on the supply of labour

a. WHM supply of labour

According to the survey of departing WHMs, the broad picture of the typical WHM is a young man or woman from an English speaking country who is better educated than the average member of the Australian workforce but is prepared to undertake jobs that are disproportionately low skilled.

Basic characteristics

There were slightly more females than males sampled in the survey (54 per cent and 46 per cent respectively). Table 5 shows that the proportion of female WHMs was higher from Ireland (62 per cent) and the Netherlands (59 per cent) and lower in Korea (43 per cent) although the overall number of WHMs surveyed from Korea was small.

WHMs surveyed were mainly from the United Kingdom (57 per cent). Equal groups of about 10 per cent each were from Canada, Ireland (Eire) and the Netherlands. These compare to Working Holiday visas issued during 1998-99 of 51 per cent to the United Kingdom, seven per cent to Canada, 15 per cent to Ireland and eight per cent to the Netherlands. The survey over samples people from other countries particularly at the expense of people from Japan and Korea.

Table 5. Basic characteristics of WHMs surveyed (percentage)

Country	Male (%)	Female (%)	Percentage from each country	Percentage Working Holiday visas 1998-99	Number surveyed
United Kingdom	45.7	54.3	57.4	51.4	575
Japan	46.9	53.1	3.2	14.6	32
Korea	57.1	42.9	0.7	2.1	7
Canada	46.4	53.6	9.7	6.7	97
Ireland (Eire)	37.8	62.7	9.8	14.5	98
Netherlands	41.4	58.6	9.9	7.7	99
Other ^(a)	54.8	45.2	9.2	0.0	92
TOTAL	45.6	54.4	100.0	100.0	1001

^(a) Respondents were asked to indicate their country of normal residence. People from these countries may hold dual citizenship and be travelling on a visa from an approved WHM country. The countries in this 'other' category are USA (38), Germany (12), Hong Kong (2), Singapore (2), Taiwan (2) and other not specified (36).

Sources: Working Holiday Maker Survey, 2000, Melbourne Institute, University of Melbourne; Department of Immigration and Multicultural Affairs, Visa Arrival Statistics.

Over half the WHMs surveyed were in the age group 20-24 (53 per cent) with the next highest group aged 25-30 (34 per cent). The remainder were 18-19 (12 per cent) and over 30 (1 per cent). Nearly all countries had a majority of WHMs in the age group 20-24. The only exception was Korea, but given the small sample from that country, this should not be taken as indicative. Canada showed the greatest diversion in age groupings, with 69 per cent aged 20-24 and only 19 per cent aged 25-30 (Table 6).

Table 6. Age characteristics of WHMs surveyed (percentage)

Country	Age 18-19	Age 20-24	Age 25-30	>Age 30	Number
United Kingdom	14.1	49.9	35.3	0.7	575
Japan	6.3	53.1	40.6	0	32
Korea	0	42.9	57.1	0	7
Canada	12.4	69.1	18.6	0	97
Ireland (Eire)	3.1	50.0	45.9	1.0	98
Netherlands	17.2	57.6	24.2	0	99
Other	4.3	59.8	30.4	3.3	92
TOTAL	12.1	53.4	33.6	0.9	1001

Source: Working Holiday Maker Survey, 2000, Melbourne Institute, University of Melbourne.

Skills and qualifications

The post-school qualifications held by WHMs are detailed in Table 7. About a third (31.7 per cent) of WHMs had completed a bachelor degree, and an additional 26.9 per cent had only completed secondary school although a quarter of those who had only completed secondary school were part way through a post-school qualification.

There were a few differences between countries. Nearly half (43 per cent) of WHMs from Canada had completed secondary school categories, while for the Netherlands, over a third each came from Bachelor degree and completed secondary school (34.3 per cent and 35.4 per cent respectively). There was a higher proportion of WHMs with a higher degree or postgraduate diploma from Ireland (both 12.2 per cent). WHMs' level of post school qualifications compared very favourably with the educational profile of Australian residents working in typical low skill casual jobs (see Table 25).

Table 7. Highest completed level of educational attainment, WHMs (percentage).

	UK	Japan	Korea	Canada	Ireland (Eire)	Nether-lands	Other	Total	Partial ^(a)
Higher degree	8.9	0	42.9	2.1	12.2	7.1	6.5	8.1	13.6
Postgraduate diploma	5.6	0	0	7.2	12.2	6.1	4.3	6.1	14.8
Bachelor degree	30.6	53.1	42.9	26.8	24.5	34.3	39.8	31.7	9.5
Undergraduate diploma	10.6	6.3	0	13.4	10.2	7.1	8.6	10.1	17.8
Skilled vocational qualification	15.0	9.4	0	7.2	18.4	9.1	8.6	13.1	6.9
Semi-skilled vocational qualification	4.3	0	0	0	3.1	0	0	2.8	0
Completed secondary school	23.3	31.3	14.3	43.3	17.3	35.4	32.3	26.9	25.7
Not complete secondary school	1.6	0	0	0	2.0	1.0	0	1.2	16.7

^(a) Part way through a qualification.

Source: Working Holiday Maker Survey, 2000, Melbourne Institute, University of Melbourne.

Two thirds of the WHMs who came to Australia had been working in the two years prior to arrival. One third had been studying. Table 8 shows the type of work of those who had been working prior to coming to Australia. The main type of work was professional work (43.3 per cent) followed by trade or craft work and clerical work (both 13.9 per cent). Other types of work indicated were sales work (8.5 per cent) and technical work (5.5 per cent). There were few WHMs who had previous work experience in manual work, both unskilled (2.3 per cent) and semi skilled (3.7 per cent).

Table 8. Type of previous work experience^(a) (percentage)

Professional work	43.3
Technical work	5.5
Trade or craft work	13.9
Sales work	8.5
Clerical work	13.9
Personal service work like waiting	6.9
Semi skilled manual work	3.7
Unskilled manual work	2.3
Other	3.8
Total	101.8
Number	656

^(a) These percentages do not add to 100 as a few respondents (1.8%) indicated multiple work experience.

Source: Working Holiday Maker Survey, 2000, Melbourne Institute, University of Melbourne.

Work undertaken by WHMs in Australia

Eighty five per cent of WHMs engaged in paid employment during their visit. Table 9 shows the average number of jobs by country of normal residence for the WHM who worked while in Australia. All countries had participation rates over 80 per cent, with the Koreans and Irish having the highest rates (of 100 and 93.9 per cent respectively).

Of those who engaged in employment, the mean number of jobs was 2.9. Nearly one third of WHMs who worked held only one job during their visit to Australia, and just over half the WHMs held only one or two jobs. WHMs, from the United Kingdom, Ireland and the Netherlands had the highest average number of jobs. Overall however, about 50 per cent of WHMs held two jobs.

The average length of employment for each job was just over 40 days. While WHMs from Japan and Korea tended to work longer in their jobs than other WHMs, the sample sizes here are very small. Ireland had the longest mean lengths of time while the Netherlands had the shortest.

Table 9. Percentage of WHMs who worked, mean number of jobs held, and mean length of job.

Country	Percentage who worked in Australia	Mean number of jobs held	Mean number of days worked Job 1	Mean number of days worked Job 2	Mean number of days worked Job 3
United Kingdom	86.3	3.0	49.1	41.8	37.4
Japan	84.4	1.9	59.8	27.2	29.7
Korea	100.0	1.9	63.1	50.3	90.0
Canada	82.5	2.8	45.8	43.9	47.9
Ireland (Eire)	93.9	3.4	59.1	54.1	59.2
Netherlands	85.9	3.3	25.2	28.6	23.3
Other	72.0	1.6	49.7	30.5	26.8
TOTAL	85.3	2.9	48.0	41.5	39.4

Source: Working Holiday Maker Survey, 2000, Melbourne Institute, University of Melbourne.

Table 10 shows that the mean length of jobs is inversely related to the number of jobs held. That is, the more jobs held, the shorter time spent in each additional job. The mean number of days worked in each job decreases from 48 days for the first job to 15.7 days for the seventh job held.

The mean number of average hours worked in a week in each of the first three jobs was about 36 and could be described as indicative of a full-time job.

Table 10. Number and length of WHM jobs.

Jobs worked	Percentage of WHMs	Mean number of days worked	Mean number of average hours worked per week
1	29.0	48.0	36.4
2	22.6	41.5	36.5
3	21.5	39.4	36.4
4	10.8	26.4	
5	7.5	20.2	
6	2.6	10.9	
7	1.5	15.7	
8 or more	4.4		

Source: Working Holiday Maker Survey, 2000, Melbourne Institute, University of Melbourne.

The occupations held by these WHMs are listed in Table 11. The main occupations are fruit picker, waiter, elementary service worker, office secretary, labourers & related workers, and builder's labourer. A few differences appear between countries. Canadians are more likely to be employed as waiters, and there is a higher proportion of people from the Netherlands employed as fruit pickers. Those from Ireland are more likely to be employed as a builder's labourer or in more professional occupations (other professional and tradesperson).

These jobs were located mainly in the eastern states as well as Western Australia (Table 12), with the highest proportion in New South Wales. In all states except Queensland, the majority of jobs were in the capital cities. In Queensland, the jobs were more evenly spread throughout the state. These results may be skewed against Victoria, as Melbourne airport was only surveyed in the pilot stage of the exercise.

The most usual rate of pay was about \$10 per hour, although there was quite a variation in the hourly rate as shown in Figure 6. Some of the WHMs who reported no pay, received payment in kind (board and lodging), particularly when working in a private home or hostel. Average hourly earnings was \$12.46 per hour.

Table 11. Occupation of WHM job (percentage)

Occupation	United Kingdom	Japan	Korea	Canada	Ireland (Eire)	Nether-lands	Other	Total
Professional	11.8	0	0	7	19.9	0.5	16.5	10.9
Teacher	1.2	-	-	1.2	-	-	1.0	0.9
Computer professional	2.0	-	-	0.6	3.2	-	8.2	2.1
Nurse	4.7	-	-	4.6	7.7	0.5	2.1	4.2
Physiotherapists	0.7	-	-	-	-	-	-	0.4
Other professional	3.2	-	-	0.6	9.0	-	5.2	3.3
Associate Professional	0.4	-	-	1.2	1.4	-	-	0.5
Associated professionals (technicians)	0.4	-	-	1.2	1.4	-	-	0.5
Tradesperson	3.1	0	0	2.9	4.1	1.5	4.2	3
Chef	1.1	-	-	2.9	0.5	1.0	2.1	1.2
Tradespersons	2.0	-	-	-	3.6	0.5	2.1	1.8
Advanced clerical and service	7.7	0	0	2.9	11.8	2.5	8.2	7.1
Office secretary	7.7	-	-	2.9	11.8	2.5	7.2	7.0
Stenographer	-	-	-	-	-	-	1.0	0.1
Intermediate clerical, sales and service	15.9	26.7	25	22.6	8.7	10.1	13.4	15.2
Waiter	10.7	26.7	25.0	20.8	4.1	8.1	10.3	11.0
Sales representative	2.4	-	-	0.6	0.5	1.0	1.0	1.7
Data processor machine operator	2.8	-	-	1.2	4.1	1.0	2.1	2.5
Intermediate production and transport	2.0	0	0	3.4	0.5	2.0	1.0	2.0
Storeperson	1.2	-	-	1.7	0.5	-	1.0	1.0
Driver	0.8	-	-	1.7	-	2.0	-	1.0
Elementary clerical, sales and service	24.3	31.1	16.6	23.2	32.1	18.7	16.5	24.3
Sales assistant	4.4	13.3	8.3	4.6	6.3	3.0	1.0	4.6
Elementary sales	4.9	-	-	3.5	7.7	8.1	3.1	5.2
Elementary clerical	4.5	-	-	0.6	6.3	0.5	2.1	3.7
Elementary service	10.5	17.8	8.3	14.5	11.8	7.1	10.3	10.8
Labourers and related workers	34.7	40	58.3	36.9	21.4	64.3	39.3	36.9
Fruit picker	12.9	26.7	16.7	17.3	4.1	42.6	15.5	15.9
Kitchen hand	3.3	6.7	25.0	5.2	0.5	2.5	2.1	3.2
Factory hand	2.6	-	8.3	2.3	2.3	3.0	4.1	2.6
Cleaner	2.9	2.2	8.3	0.6	0.9	1.5	2.1	2.3
Builder's labourer	7.2	-	-	4.6	10.0	2.0	3.1	6.3
Labourers & related workers	5.8	4.4	-	6.9	3.6	12.7	12.4	6.6
Other (not specified)	0.1	2.2	-	-	0.5	-	1.0	0.2
Total	100.0	100	100	100	100	100	100	100

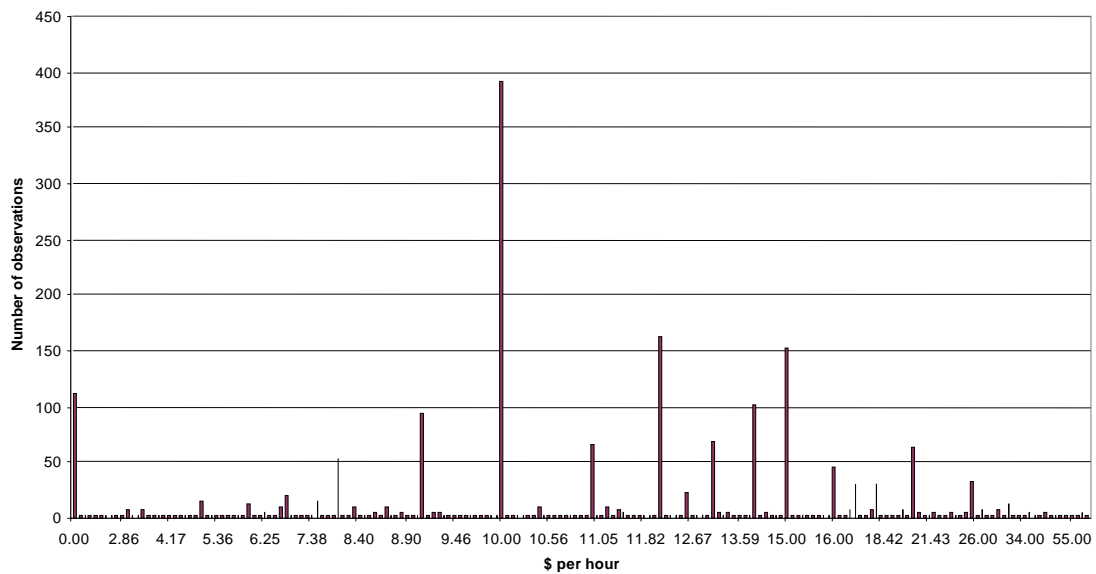
Source: Working Holiday Maker Survey, 2000, Melbourne Institute, University of Melbourne.

Table 12. Location of WHM jobs (percentage)

State	Percentage of State	Percentage of total	N
Region			
New South Wales		46.6	827
<i>Sydney</i>	90.1		
<i>Murray-Murrumbidgee</i>	4.0		
<i>Mid-North Coast</i>	1.2		
Victoria		12.9	229
<i>Melbourne</i>	80.3		
<i>Goulburn-Ovens-Murray</i>	15.3		
Queensland		23.3	413
<i>Brisbane</i>	29.5		
<i>Far North</i>	21.8		
<i>Wide Bay-Burnett</i>	15.5		
<i>Northern-North West</i>	11.1		
<i>Darling Downs-South West</i>	9.2		
South Australia		2.0	36
<i>Adelaide</i>	58.3		
<i>Southern & Eastern SA</i>	38.9		
Western Australia		12.6	224
<i>Perth</i>	64.7		
<i>Lower Western WA</i>	20.1		
<i>Remainder-Balance of WA</i>	15.2		
Tasmania		0.1	2
Australian Capital Territory		0.4	7
Northern Territory		2.0	36
N		100.0	1774

Source: Working Holiday Maker Survey, 2000, Melbourne Institute, University of Melbourne.

Figure 6. Hourly rate of income paid in WHM jobs.



Source: Working Holiday Maker Survey, 2000, Melbourne Institute, University of Melbourne.

b. Do employers prefer WHMs over local workers?

Objectively WHMs are disadvantaged compared with local youth for they cannot work for any single employer for longer than three months. Accordingly, one would expect that employers would prefer local youths for all non-seasonal and temporary jobs, unless the WHMs have compensating personal or skill advantages. The fact that most WHMs do get jobs suggests that compared with local youth either they engaged in more effective job search techniques, they have compensating advantages or local youth do not want the jobs on offer. In this section we combine information from two employer related interviews and the WHM survey to assess the first two reasons.

Survey of employment agencies

During April 2000, the Melbourne Institute conducted an informal telephone survey covering the Northern Territory, Western Australia, Queensland and Victoria. The aim was to gain an overview of reasons why employers hire short-term young foreign workers. Specifically, we were trying to gauge the extent to which working backpackers were displacing domestic youth in the job market. Because we were not certain whether or not the agencies were familiar with the WHM scheme, we asked more generally about foreign backpackers rather than people with a Working Holiday visa.

Upon approaching the agency we asked if we could speak to an employment placement officer who would be responsible for this type of work. The survey was not random; 'known' backpacker employment areas were targeted and specialist agencies were not approached. In total, 46 agencies were contacted and 22 said they were not generally approached by backpackers. The remaining 24 agencies said they have backpackers approach them on a regular basis. Of these, 12 said they were often approached by backpackers and 12 said they were less frequently approached.

The most common types of jobs that backpackers obtained were in hospitality, fruit picking, industrial labouring and low skilled clerical work.

Only four agencies claimed that employers preferred to hire foreign backpackers to Australian workers and one agency said he/she did not know. Of the four who said they believed that employers preferred backpackers, three said it was because the workers had good attitudes, were clever, reliable and were more motivated. One said it was because employers could pay them less. The one agency, which was unsure of employer

preferences, thought that backpackers were more motivated and versatile but lacked good transport.

The remaining 19 agencies who said that employers did not prefer backpackers believed that employers hired them because they were short of people at critical times and could not find local workers.

All agencies were asked about what they thought employers regarded as the greatest drawback of hiring backpackers. Sixteen said that being only available for a short time period was a major or minor drawback, but in addition, five of these said that lack of transport and the difficulty of contacting them was an issue. Other less frequently mentioned issues were the lack of tax file numbers, additional paper work created, the need to train workers more often and the difficulty of checking references.

Finally, agencies were asked whether being only available for a limited number of months presented a problem for employers. Eight said it was not a problem as the work was temporary and there was always an influx of workers and changing demand for labour. Seven said being only available for a limited time was a problem and several of these cited the need to re-train as an issue. Two agencies said short term availability was only sometimes a problem.

Survey of employers of WHMs

Between February and March 2001, 598 employers who had been nominated by WHMs from the WHM survey as their employers were contacted by phone. The valid response rate was 49.7 per cent. Of these, 24.2 per cent claimed that they had not hired an overseas worker in the last year and a further 11.4 per cent could not confirm that their worker had a Working Holiday visa (subclass 417). The remaining 180 employers completed the survey.

The stated source countries for their WHM workers was similar to the self reported WHM survey. About half came from the UK, a small percentage came from non-WHM countries and the remainder were divided between the other WHM countries. Most employers are regular employers of WHM workers. About 50 per cent of employers surveyed had employed 10 WHMs in the last year. Two thirds of employers claimed they offered WHMs some type of training. Two thirds of jobs lasted two to three months and only 14.4 per cent lasted longer than three months.

Table 13 gives the industry profile of WHM employers. About one in four employers were from the accommodation, cafes and restaurants industry, and about one in 10 were

from each of the agriculture etc, retail trade, and personal and other services industries. One third of workplaces were small with fewer than 20 employed people (Table 14), however, 15.5 per cent of employers were large with over 500 workers.

Table 13. Industry of employer

ANZSIC	Percentage distribution
Agriculture, Forestry and Fishing	9.8
Accommodation, Cafes and Restaurants	26.9
Retail Trade	10.1
Cultural and Recreational Services	4.0
Personal and Other Services	11.8
Property and Business Services	7.7
Health and Community Services	7.7
Mining	1.0
Manufacturing	6.1
Electricity, Gas and Water Supply	0.3
Construction	0.7
Wholesale Trade	0.7
Transport and Storage	3.0
Communication Services	3.4
Finance and Insurance	3.0
Government Administration and Defence	1.7
Education	2.0
Total	100.0

Source: Working Holiday Maker Employer Survey, 2001, Melbourne Institute, University of Melbourne.

Table 14. Size of employers' workplace

Employed people	Percentage
Less than 20	33.0
20 to 50	20.2
51 to 100	11.8
101 to 500	17.8
Over 500	15.5
Don't know	1.7
Total	100.0

Source: Working Holiday Maker Employer Survey, 2001, Melbourne Institute, University of Melbourne.

Information from both employers and the WHMs on the methods they used to find a successful job match addresses the question of whether WHMs are getting jobs in preference to unemployed Australian youth because they have a more assertive job search method. However, both surveys shown in Table 15 and Table 16 indicate that, compared with the successful job search strategies undertaken by non-working Australian youth,

WHMs are less likely to cold call employers. Employers only indicated that WHMs cold call them 7.0 per cent of the time and WHMs said they had used this technique for 13.7 per cent of their jobs. By comparison, non-working Australians use this method in 19.7 per cent of successful cases. On the other hand, compared with the Australian population, WHMs and their employers indicated a significantly greater propensity to use private employment agencies and a lower propensity to use publicly funded agencies.⁵

Table 15. Main method employers used to recruit WHMs (percentage distribution)

Method of recruitment	Employers, 2001
Newspaper advertisement	21.9
Notice placed on boards	14.5
Personal contacts	18.9
Employer approaches workers directly	10.5
Private employment agency	19.3
WHM cold calls employer	7.0
Centrelink	1.3
Internet/web site	3.9
Work in overseas company branch	1.3
Don't know	1.3
Total	100.0

Source: Working Holiday Maker Employer Survey, 2001, Melbourne Institute, University of Melbourne.

Table 16. Method WHMs and Australian jobseekers used to obtain a job (percentage distribution)

Method of finding job	WHMs, 2000	Australians who were not working prior to obtaining a job, July 1998
Job arranged before coming to Australia	2.2	
Newspaper advertisement	5.8	15.4
Notice places on board	5.2	
Personal contacts	11.4	20.8
Approached the employer directly	13.7	19.7
Private employment agency	17.2	1.5
Centrelink	0.2	6.4
Other	6.7	36.2
Don't know	0.1	
Total	100.0	100.0

Sources: Working Holiday Maker Survey, 2000, Melbourne Institute, University of Melbourne; ABS Cat. no. 6245.0 Standard Data Service 6222.0.40.001.

⁵ People holding a temporary working visa are not permitted to register as a 'Job Seeker' with Centrelink and accordingly use the touch screen vacancy services at their offices. However, 1.3 per cent of surveyed employers reported using Centrelink to recruit WHMs (Table 15).

We asked employers to comment on whether they agreed or disagreed about a series of statements about their hiring practices to assess whether WHMs are hired in preference to local youth. These views have been presented in Table 17 as a summary score. This score ranges from 120 if all employers agreed with a statement to 80 if they all disagreed. If the number of agreeing employers just balanced the disagreeing employers then the score was 100.

In general, we found that there was no decided preference for WHMs over Australian youth other than a tendency to believe that WHMs were more motivated than local youth. Employers on balance did not regard WHMs as more skilled (even though they are objectively more qualified on average), more honest, better spoken or harder working. However, 14 per cent of employers claimed that they needed workers who could speak a foreign language. While on balance employers did not agree that the short duration of the work period, the difficulties of contacting WHMs and the extra paper work involved in short term WHMs were a problem, there were substantial numbers who did agree.

Table 17. Employer views on the relative attractiveness of hiring WHMs

Statements about WHMs	Summary score. 120=every one agrees 100=neither agree nor disagree on balance. 80=every one disagrees.	Percentage agreeing
WHMs are more motivated than local youth	104	48
WHMs are more skilled than local youth	95	21
WHMs will work harder than local youth	100	39
WHMs are more reliable and honest than local youth	95	22
WHMs are better spoken than local youth	96	27
WHMs will work for lower wages than local youth	94	26
I need workers who speak a foreign language	87	14
The short time in a job is a disadvantage when hiring WHMs	100	44
WHMs lack transport and are hard to contact	100	46
WHMs involve extra paper work compared with local youth	92	23
My business would be severely disadvantaged if we were not able to hire WHMs	100	46
I usually offer Australian workers more training than WHMs	96	34

Source: Working Holiday Maker Employer Survey, 2001, Melbourne Institute, University of Melbourne.

To summarise, three possible reasons have been given for why employers are prepared to hire WHMs despite their short term employment period and the implied drawbacks.

First, it is possible that WHMs are more strategic and assertive in their job search techniques. However, evidence from employer and WHM surveys suggest that this is not

generally true. Compared with Australians who take up jobs, WHMs are less likely to cold call employers and access public employment placement services than Australians.

Secondly, it is possible that WHMs' inherent personal advantages compensate for their visa disadvantages. However, while both the surveys of employers and employment agencies suggest that a large minority of businesses feel these disadvantages, they are not overwhelming. Many employers do not regard them as a problem. Furthermore, on balance employers do not regard WHMs as inherently more employable than local youth. Employers, it appears, hire WHMs because they are available.

It remains therefore that WHMs may obtain jobs because there is not a strong interest in these jobs by local unemployed youth. The latter may not be as prepared to relocate for employment as WHMs.

4. Effects on the career path prospects for unemployed Australian youth

WHMs take jobs from Australian workers but they also create them. While there is strong empirical evidence presented in section 5 (p. 46) below that they create more jobs than they take, this section limits its discussion to the effects on the local labour force of the jobs taken directly by WHMs. The aim is to make some estimate of the type of people whom the WHM is displacing in the workforce. In the first instance it has been necessary to assume that aggregate demand for labour in Australia is unaffected by the presence of the WHM scheme. That is, if the scheme were not to exist, the young foreign tourists would still visit (but as a normal tourist) and spend the same level of money on the same type of goods as they currently do. The assumption is used in this section as an analytic device only, for it is unlikely to be true. While we estimate that young long stay tourists spend about as much in net terms as WHMs, the existence of a WHM scheme is assumed to increase the visitor rate from eligible countries.

a. Characteristics of the workforce in the jobs similar to WHM jobs

Legally WHMs can only take temporary jobs of no more than three months with any one employer. While many jobs are strictly seasonal, most are also casual jobs, that is, jobs which do not offer recreational or sick leave or embody an implied on-going contract. Many WHM jobs would be paid by the hour, offer limited other employment benefits and have no minimum notice period prior to dismissal.

The WHM Survey 2000 found that the majority of WHMs are employed in the following industries: agriculture, forestry and fishing; accommodation, cafés and restaurants; retail trade; sport and recreation and cultural and recreational services. Not all of these jobs offered only part-time work and an estimated 59.4 per cent worked more than 35 hours per week (about half the WHMs worked 38 hours per week).

Ideally, data on the characteristics of temporary Australian workers (in these identified industries) are required, however, there are no dedicated surveys of this nature in Australia. Most non-standard forms of employment in Australia are instead described as casual or part-time. These overlap heavily with temporary work, as most temporary employees are likely to be casuals and part-time but they are conceptually not the same

thing.⁶ About half of casual workers had been working in the same occupation with the same employer for over a year.⁷

Data from the 1997 Survey of Education and Training Experience have been consulted to approximate the characteristics of workers who work in the type of job a WHM typically undertakes.⁸ It is not possible to precisely define the typical WHM job as they are dispersed across the whole economy. Nevertheless, occupational data from the WHM survey (see Table 11) indicate that WHM workers are more likely to be employed casually in lower skilled occupations compared with the rest of the workforce. Seventy eight per cent of WHM jobs involved work as intermediate clerical, sales and service workers, intermediate production and transport workers, elementary clerical, sales and service worker, labourer and related workers⁹ compared with 46 per cent across the whole workforce. Accordingly, a comparison of relevant characteristics of casual workers in these defined low skilled jobs is presented.

According to Table 18 and 19, workers in this designated casual low skill sector are considerably younger and are much more likely to be female compared with the general Australian working population. Not surprisingly given the overlap between part-time and casual work, workers from the low skill sector undertake considerably fewer hours of work per week than the total workforce (see Table 20). Most of the casual low skill jobs are more likely to be found in the retail trade and accommodation, café and restaurant industries. There is also an over representation among the cultural and recreational industries. According to Table 21, 55.6 per cent of workers from the casual low skill sector are employed in these three industries.

Not surprisingly, workers from the casual low skilled sector have lower job tenure than the rest of the workforce and are more mobile. Table 22 shows that two in three workers in the casual low skill sector have worked for more than one employer in the last year compared with one in three for the whole workforce. Similarly nearly half of all workers

⁶ Of workers who have been with their main period employer for under 3 months, 73.6 per cent were casual and 55.6 per cent were part-time. ABS Cat. no. 6274.0 Survey of Education and Training Experience, 1997, Confidentialised Unit Record File.

⁷ ABS Cat. no. 6274.0 Survey of Education and Training Experience, 1997, Confidentialised Unit Record File.

⁸ The 2001 Survey of Education and Training Experience was to be conducted in the period April to June 2001 and results are expected to be released mid-2002.

⁹ ASCO version 2 major groups 6, 7, 8 and 9.

in the casual sector have worked for less than one year in their current occupation with their current employer compared to about one in five for the total workforce (Table 23).

Finally, while the school leaving age is similar for both groups (Table 24), workers in the casual low skill sector are less likely to hold skilled vocational qualifications, diplomas and degrees. According to Table 25, 16.2 per cent are still at secondary school and 51.7 percent of workers with completed secondary schooling are tertiary students. In total about one in five casual low skill workers were currently enrolled in study compared with one in ten for the whole workforce. Only one in five of the low skill casual workers received employer sponsored training compared with over one in three across the whole workforce (Table 26).

Table 18. Age of workers in 2 sectors, Australia, 1997 (percentage)

	Casual worker in low skilled occupation ^(a)	Total workforce
15 to 19	29.8	7.3
20 to 24	15.9	12.0
25 to 29	10.7	13.0
30 to 34	8.9	12.4
35 to 39	8.8	13.6
40 to 44	7.3	12.6
45 to 49	7.9	12.0
50 to 54	4.7	9.1
55 to 59	4.3	5.5
60 to 64	1.8	2.5
Total	100.0	100.0

Notes: (a) Intermediate clerical, sales and service workers, intermediate production and transport workers, elementary clerical, sales and service workers, labourer and related workers.

Source: ABS Cat. no. 6274.0 Survey of Education and Training Experience, 1997, Confidentialised Unit Record File.

Table 19. Sex of workers in 2 sectors, Australia, 1997 (percentage)

	Casual worker in low skilled occupation ^(a)	Total workforce
Male	38.1	56.0
Female	61.9	44.0
Total	100.0	100.0

Notes: (a) Intermediate clerical, sales and service workers, intermediate production and transport workers, elementary clerical, sales and service workers, labourer and related workers.

Source: ABS Cat. no. 6274.0 Survey of Education and Training Experience, 1997, Confidentialised Unit Record File.

Table 20. Hours of work per week by workers in 2 sectors, Australia, 1997 (percentage)

	Casual worker in low skilled occupation ^(a)	Total workforce
1 to 16	49.9	14.2
17 to 25	20.2	9.1
26 to 35	11.6	9.1
36 to 40	12.0	36.3
Over 40	6.4	31.4
Total	100	100

Notes: (a) Intermediate clerical, sales and service workers, intermediate production and transport workers, elementary clerical, sales and service workers, labourer and related workers.

Source: ABS Cat. no. 6274.0 Survey of Education and Training Experience, 1997, Confidentialised Unit Record File.

Table 21. Industry of workers in 2 sectors, Australia, 1997 (percentage)

Industry (ANZSIC)	Casual worker in low skilled occupation ^(a)	Total workforce
Agriculture, forestry and fishing	4.0	4.5
Mining	0.4	1.1
Manufacturing	8.2	14.3
Electricity, gas and water supply	0.1	0.7
Construction	3.2	7.1
Wholesale trade	3.2	5.0
Retail trade industry	34.5	14.9
Accommodation, cafes and restaurants	13.4	4.5
Transport and storage	4.0	4.6
Communication services	1.2	1.9
Finance and insurance	0.7	4.0
Property and business services	7.4	9.8
Government administration and defence	2.0	4.6
Education	2.5	7.2
Health and community services	7.7	9.5
Cultural and recreational services	3.6	2.3
Personal and other services	3.8	4.1
Total	100	100

Notes: (a) Intermediate clerical, sales and service workers, intermediate production and transport workers, elementary clerical, sales and service workers, labourer and related workers.

Source: ABS Cat. no. 6274.0 Survey of Education and Training Experience, 1997, Confidentialised Unit Record File.

Table 22. Number of employers in last 12 months of workers in 2 sectors, Australia, 1997 (percentage)

Number of employers	Casual worker in low skilled occupation ^(a)	Total workforce
One	65.5	85.2
Two or more	34.5	14.8
Total	100	100

Notes: (a) Intermediate clerical, sales and service workers, intermediate production and transport workers, elementary clerical, sales and service workers, labourer and related workers.

Source: ABS Cat. no. 6274.0 Survey of Education and Training Experience, 1997, Confidentialised Unit Record File.

Table 23. Cumulative duration of employment in current occupation with current employer, workers in 2 sectors, Australia, 1997 (percentage)

Duration	Casual worker in low skilled occupation ^(a)	Total workforce
1 and under 3 months	20.3	8.1
3 months to 12 months	23.8	12.0
1 to 10 years	50.9	56.1
Over 10 years	5.0	23.8
Total	100.0	100.0

Notes: (a) Intermediate clerical, sales and service workers, intermediate production and transport workers, elementary clerical, sales and service workers, labourer and related workers.

Source: ABS Cat. no. 6274.0 Survey of Education and Training Experience, 1997, Confidentialised Unit Record File.

Table 24. Age left school of workers in 2 sectors, Australia, 1997 (percentage)

	Casual worker in low skilled occupation ^(a)	Total workforce
13 years or under	1.3	1.3
14 years	4.5	4.8
15 years	18.3	19.3
16 years	18.7	22.6
17 years	24.1	28.3
18 years or over	15.6	19.7
Never attended secondary school	1.4	1.2
Still at secondary school	16.2	2.7
Total	100.0	100.0

Notes: (a) Intermediate clerical, sales and service workers, intermediate production and transport workers, elementary clerical, sales and service workers, labourer and related workers.

Source: ABS Cat. no. 6274.0 Survey of Education and Training Experience, 1997, Confidentialised Unit Record File.

Table 25. Highest level of educational attainment, workers in 2 sectors, Australia, 1997 (percentage)

Highest level of educational attainment	Casual worker in low skilled occupation ^(a)	Total workforce
Higher degree	0.1	2.2
Postgraduate diploma	0.4	2.5
Bachelor degree	3.3	12.0
Undergraduate degree	2.9	5.7
Associate diploma	1.9	4.1
Skilled vocational qualification	4.4	13.1
Basic vocational qualification	12.4	12.1
Level of qualification not stated	1.4	1.8
Highest level of secondary school	23.5	15.0
Did not complete secondary school	32.2	27.8
Never attended secondary school	1.3	1.0
Still at secondary school	16.2	2.7
Total	100.0	100.0

Notes: (a) Intermediate clerical, sales and service workers, intermediate production and transport workers, elementary clerical, sales and service workers, labourer and related workers.

Source: ABS Cat. no. 6274.0 Survey of Education and Training Experience, 1997, Confidentialised Unit Record File.

Table 26: Training received while employed as a wage and salary earner, workers in 2 sectors, Australia, 1997 (percentage)

Most recent training course in last 12 months	Casual worker in low skilled occupation ^(a)	Total workforce
No training in last 12 months	75.4	55.9
Skills gained could be used by another employer	17.8	33.4
Skills gained could not be used by another employer	2.5	3.8
Unsure	0.7	1.0
Training not with employer	3.5	5.8
Total	100.0	100.0

Notes: (a) Intermediate clerical, sales and service workers, intermediate production and transport workers, elementary clerical, sales and service workers, labourer and related workers.

Source: ABS Cat. no. 6274.0 Survey of Education and Training Experience, 1997, Confidentialised Unit Record File.

The critical question we are interested in is: If WHM workers were not available what type of Australian resident would take their place? Would it be a person similar to the typical Australian worker in these low skilled jobs (as profiled above) or would the new worker be drawn from the ranks of the typical unemployed person? Each WHM currently takes an average of 2.87 jobs per stay at 1.96 months per job. This means that each WHM fills 0.511¹⁰ effective full year positions in the economy which implies that an annual intake of 80 000 occupies the equivalent of 40 909 full year jobs. If the WHM scheme did not exist would all of these jobs be taken by the long term unemployed Australian youth, other things considered? There are clearly enough potential unemployed youth to fill

these positions. During 2000, the number of unemployed youth 15 to 24 years of age averaged 242 300. Of these, 31.0 per cent had been unemployed for longer than 6 months.¹¹

Given these numbers of unemployed youth and the low skill requirement of most casual low skill jobs, it is unlikely that formal skill or locational mismatches would exist for these jobs were the Working Holiday visas cease to exist. However, it would be extremely unlikely that all of the jobs released by the WHMs would be taken by unemployed youth. Unemployed people are not the only source of labour supply employers have access to. About a third of people taking a new job in each month are people who have previously been out of the labour force. Many of these would be students and mature age women who would be interested in a suitable job if available, but have not been active enough in their job seeking behaviour to qualify as unemployed under the definition used by the ABS.

The whole low skill casual labour market employs about 1 200 000 people of whom about 296 000 are non-students aged 15 to 29 years. That is, only 24.7 per cent of low skill casual jobs are taken by people who are similar in age and study status to unemployed youth. A comparison of their schooling and qualification profiles also indicates that the educational attainment of the youth in the low skill casual jobs and unemployed youth are also close.¹²

Accordingly we estimate that if Working Holiday visas did not exist and the supply of WHM labour (assumed to be 80 000) was withdrawn (with no change to aggregate demand), there would be 40 909 more casual full year jobs. If these new jobs are taken by people with a similar profile to incumbents in these jobs, then we estimate that about 10 100 (24.7 per cent) of these new jobs will be taken by unemployed youth.

b. Number of unemployed youth directly displaced by WHMs

In order to make an assessment of the allocation of the WHM jobs among Australian job seekers it is important to recognise that not all, in fact possibly only a small percentage,

¹⁰ This has been derived by multiplying 2.87 by 1.96 (total months of work per WHM) and dividing by 11 (being the total months per year a full-time worker works).

¹¹ To be counted as unemployed a person must be not employed, be actively seeking work and available to start work in the reference week. This does not exclude full-time students.

¹² The main difference between the two populations is the higher proportion of unemployed youth who had not completed secondary school.

of these jobs will be taken by unemployed or long term unemployed youth. While this paper is not the place to discuss the debate over why employers have in many cases a preference for students or older women over (cheaper) unemployed youth or why unemployed youth are reluctant to accept part-time, temporary or low paying employment, some consideration should be given to the nature of the issues involved.

According to Weller et al. (1999), employers hire casuals (and possibly temporary workers) for five main reasons. Firstly, casual employment is used as a means of testing the suitability of new recruits for a possible permanent position. Temporary employment can be a cheap and effective screen. Second, a casual relationship may be desired by both parties as an on-going source of employment when neither want to commit themselves to a long term relationship. Third, casual employment may be introduced prior to restructuring a work organisation. New casuals have fewer perceived notions about how work should be done and have few vested interests in the old structure. Accordingly, their entry into the workforce can help change the work culture within the firms and smooth the way towards restructuring. Fourth, skilled and specialised casuals may be used in companies on a part-time 'as needed' basis and may accordingly permit the firm to downsize and limit its core workforce. Finally, casuals may be used to provide numerical flexibility to accommodate market fluctuations across seasons, days of the week or hours in the day. Firms need reliable staff to meet unanticipated rises in demand and absences of regular staff. Casuals can be drawn from either informal labour networks or agencies. WHM employers are largely responding to this last type of need.

Weller et al. (1999, p 24-25) claim that employers who hire for numerical flexibility prefer workers who will undertake a variety of tasks and adapt to various roles without disrupting the workplace. The unemployed may not make the best reserve casual labour as they may leave when a better opportunity appears. Most reserve casuals are people who would otherwise be out of the labour force.

However, none of the five main types of casual labour would exist unless there was a suitable pool of labour willing to work under these conditions for employers to draw upon. Three factors have contributed towards the growth of the reserve casual labour force. First, the generalised growth of unemployment and thus the number of workers willing to undertake casual work in the absence of permanent work. Secondly, the increase in the number of women with families, and secondary and tertiary students who particularly desire part-time work, casual or permanent, and thirdly, the easing of income

tests for government transfer payment which has reduced the financial penalties for some categories of long term pensioners and beneficiaries for working part-time.

Table 27: Educational attainment of youth (15-29 years) employed in low skill casual work compared with unemployed youth, Australia, 1997

Post school qualification	Low skill casual youth workers (not-studying)	Unemployed youth
Bachelor degree & above	4.5	4.6
Undergraduate diploma	3.2	2.1
Associate diploma	2.9	2.8
Skilled vocational qualification	4.0	5.6
Basic vocational qualification	15.5	13.2
Not stated	2.0	1.3
No post school qualification		
Highest level of secondary school	31.0	20.5
Not completed secondary school	37.0	49.8
Total	100.0	100.0

Source: ABS Cat. no. 6274.0 Survey of Education and Training Experience, 1997, Confidentialised Unit Record File.

c. Estimated benefits to youth of temporary or casual jobs

An emerging area of research is the effects which undertaking temporary or (in the Australian context) casual work has on future work patterns and career paths of workers. Is temporary work a stepping stone to further permanent work or is it a trap or revolving door into which the worker gets caught? The benefits from undertaking casual work depend on the effects of the casual work per se over and above the effects from undertaking alternative activities. For the purposes of this study, it is assumed that the only two alternatives are unemployment or full-time permanent work.

An evaluation of the effect of a particular work experience on future labour market success should ideally control for the prior observable and unobservable characteristics of the individual, as well as any changes in external labour market conditions. It is possible that poorer labour market prospects for casual workers may be due to their low educational attainment or their low level of motivation and confidence rather than the experience of casual work in itself. Empirical information which does not control for these contaminating influences may have limited value.

Unfortunately, there is very limited applied analysis that has been able to control for the individual's unobservable characteristics. Nevertheless, the broad results from Australian and overseas studies suggest that whether or not the worker receives employer sponsored training appears to have a significant influence on the person's transition from casual or 'dead end' jobs into more permanent jobs. The influence of unobservable heterogeneity

on labour market outcomes has been estimated to be of major importance and, because most studies do not control for this factor, results must be treated with some caution. One exception is the Chalmers and Kalb (2000) study which finds a small but positive effect on the probability of gaining permanent work from using casual jobs (compared with remaining unemployed) as a stepping stone. However, if WHMs take predominantly casual temporary jobs with limited training and skill development potential and create jobs with more potential, then there is a positive benefit to Australian youth as a whole.

5. Effects of spending by WHMs

a. Contribution to aggregate net demand

The contribution WHMs make to aggregate employment flows directly from their levels of expenditure. Total expenditure is the spending on goods and services in Australia using income from all sources. This includes funds the new arrival brought in with their person (travellers' cheques and cash), less funds they left the country with, plus any electronic funds they collected whilst here¹³, plus any wages they earned in Australia. Net funds is the total (foreign) money brought into Australia less the total amount taken out i.e.

Total expenditure = Net funds + total wages.
--

Net funds = Funds arrived with – funds departed with + electronic fund transfers from overseas
--

The WHM Survey 2000 found that the average level of net funds expenditure per WHM was A\$6 398, which is similar to the BTR estimates of the level of net expenditure by non-WHM tourists aged 20-29 years who stay at least 29 nights (compare Table 28 and Table 29). There is some variation in WHMs net expenditure by country of residence but the very small number of respondents for some countries prohibits most international comparisons. The best we can say is that most WHMs, except for those from Japan, Korea and Singapore, appear to be spending between A\$5 000 to A\$7 000 net funds per stay. Given the way the BTR data on international tourists has been collated it is not possible to compare expenditure by WHMs and tourists for most countries.

The WHM average wage may be calculated from the WHM Survey which presents information on hourly and weekly wages, hours of work, duration of a job and number of jobs per stay. Table 30 shows the mean level of hourly wage rates in each of the first

¹³ The Working Holiday Maker Survey, 2000, asked each WHM for the 'amounts in traveller's cheques or on deposit when they arrived' and amounts spent from 'other sources...such as credit cards, money from family or loans'.

three jobs a person held¹⁴ and the average stated hours worked per week. The average over all three declared jobs, is a total income per job of \$3 455. Assuming each WHM works 2.87 jobs each, the average total earning per WHM is \$9 916. Combined with the net money brought into Australia (\$6 398), the total expenditure by WHMs is \$16 314. Murphy's (1995, p 76) estimate for each WHM's total expenditure is fairly close to this figure. It was \$13 289 per stay in 1994 or \$15 292 in 2000 prices. Total expenditure by 80 000 WHM arrivals is accordingly estimated to be A\$1.3 billion annually.

It seems reasonable to assume therefore that the biggest effect of extending the WHM scheme to more countries will arise from the number of people arriving rather than the level of net expenditure once they are here. Since the level of net expenditure by these young tourists/WHMs is significantly positive, each additional WHM or tourist arrival will add to aggregate demand and accordingly aggregate net employment. For reasons discussed on page 22, we have argued that the most likely effect of extending the WHMs scheme will be to add to the number of arrivals rather than substitute away from young tourist arrivals.

Table 28: Mean net^(a) expenditure of WHMs by country of residence, 2000

	Percentage of respondents	Mean level of net expenditure (\$A ^(b))
UK	57.9	7087
Japan	3.1	8125
Korea	0.6	3366
Canada	9.8	5413
Ireland (Eire)	9.2	4891
Netherlands	10.0	5374
USA	3.8	6662
Germany	1.2	5621
Hong Kong	0.2	1887
Singapore	0.2	1600
Taiwan	0.2	5896
Other (specify)	3.5	8500
Total	100.0	6398

^(a) Net expenditure is defined in this report as being equivalent to total overseas funds transferred to Australia less funds taken out.

^(b) Foreign currencies have been converted at market rates available on 16 February 2001. Excludes person who reported negative net funds. Total cases = 967.

Source: Working Holiday Maker Survey, 2000, Melbourne Institute, University of Melbourne.

¹⁴ We have presented two ways of calculating the hourly wage rate: the stated hour rate and the weekly rate divided by the stated hours of work. Respondents could choose which way to answer the question on wage rates.

Table 29: Average net expenditure per tourist visitor staying more than 29 nights, aged 20 to 29 years, Australia, 1997^(a)

Country of origin	\$	Country of origin	\$
New Zealand ^(b)	3936	China	8145
Japan	7482	Other Asia	7862
Hong Kong	10334	USA	4717
Taiwan	10518	Canada	6765
Thailand	15928	United Kingdom	4821
Korea	10707	Germany	3575
Malaysia	13213	Other Europe	4838
Singapore	11788	Other Countries	3870
Indonesia	10557	Total	6712

^(a) Between 6/1997 and 6/2000, consumer prices rose by 5.0 per cent.

^(b) NZ citizens have full work rights in Australia.

Source: Bureau of Tourism Research International Visitors Survey, 1997, unpublished data.

Table 30: Implied or stated hourly wages earned by WHMs and time spent in each job, 2000

	Mean	Std. Deviation	Hours per week
First job – stated	13.56	6.46	36.38
Implied	12.09	8.05	
Second job – stated	13.54	6.51	36.52
Implied	10.83	4.55	
Third job – stated	13.39	5.48	36.42
Implied	11.36	4.92	
Average	12.46		36.44

Source: Working Holiday Maker Survey, 2000, Melbourne Institute, University of Melbourne.

b. Contribution to aggregate demand for labour

The previous section examined the change in aggregate net expenditure that each WHM arrival is estimated to make on average. This section examines their contribution to net and gross demand for labour. Net demand for labour equals the jobs they create less the jobs they take, while gross jobs created equals the jobs they create and is thus directly derived from their gross wages earned while in Australia plus the net money brought into the country. As shown above, the average level of money brought into the country, less the amount taken out, is A\$6 398 per WHM arrival; the average wage was \$9 916; giving a total expenditure per WHM of \$16 314.

WHMs were asked to estimate the approximate distribution of spending across major commodity groups. This information gives an indication of the types of jobs that WHMs create in Australia. Not surprisingly, almost all of these jobs will be in the hospitality (accommodation, café and restaurants) and travel (transport) sectors with a smaller

portion falling under tourism (tours). If it is assumed that most food and drink expenditure are taken into the hospitality sector, then this sector accounts for 66 per cent of all spending.

Table 31: Distribution of Total WHM expenditure according to type, 2000 Australia

	Survey of WHM, 2000	Murphy Study, 1994	Total expenditure per stay, Survey of WHM, 2000
	(%)	(%)	(A\$)
Accommodation	28	28	4567
Travel	20	13	3262
Food	17	18	2773
Drinks	11	10	1794
Nightlife	10	12	1631
Tours	7	7	1141
Souvenirs	3	2	489
Other	3	11	489
TOTAL	100	100	16 314

Sources: Working Holiday Maker Survey, 2000, Melbourne Institute, University of Melbourne; Murphy (1995).

In June 2000, the average value of output per employed person in the industry group accommodation, cafes and restaurants was \$26 628.¹⁵ This allows us to estimate total employment generated at 0.613 using the following formula.

Total employment generated =

$$\frac{\text{total expenditure}}{\text{expenditure per job}}$$

This is an average of 0.404 jobs (per year) per WHM visit in the accommodation, café and restaurant sector and possibly another 0.209 jobs (per year) in other industries.¹⁶ The typical person in the hospitality industries is likely to benefit from total expenditure by WHMs. While they will be similar to the people in the jobs profiled on p. 36 (the jobs taken in some measure by WHMs), they will not be as heavily weighted towards the low skill end of the occupational spectrum. That is, we expect that as the hospitality sector

¹⁵ Source: ABS Table labej9j, Table 5206017, AUSSTATS.

¹⁶ These job fractions refer to average full year jobs, not all of them will be full-time jobs. Note that we have not taken account to the employment effects on the intermediate industries that produce inputs for the hospitality sector.

expands to meet the needs of the additional WHMs, there is a proportionate expansion of all occupations from managers and professionals to low skill occupations.

Table 32. Expenditure effects of WHM on total employment

	\$
Net funds per WHM	6398
+ wages per WHM ($\$3455 \times 2.87$ jobs)	9916
=Total expenditure per WHM	16314
Full year job per output in hospitality sector ^(a)	26628
Implied full year jobs per WHM ($\$16789 \div$ $\$26628$)	0.613
Hospitality jobs (66%)	0.404
Other sectors (34%)	0.209

^(a) Accommodation, cafes and restaurants

c. Effects on local workers of an extension of the WHM scheme

If the WHMs scheme were extended and the additional WHMs obtained more jobs similar to the type existing WHMs do, then the typical local worker who would be potentially displaced by an WHM would be young, under 30 years of age, female, have a low job tenure but have a similar educational profile to the average member of the Australian workforce. Many would be students or mature age women who would otherwise not be classified as unemployed. Only about one quarter would be youth (15 to 29 years) who would be classified as unemployed. Every WHM that arrives is expected to occupy about 0.511 EFY (effective full year) jobs.¹⁷

However, the number of jobs that would be created by WHMs is expected to be greater than this amount. Every WHM that arrives is expected to generate 0.613 EFY jobs when they spend the money they brought into Australia from overseas (0.251 EFY jobs) and they spend their wages in Australia (0.362 EFY jobs). The net job creation from each WHM arrival is 0.102 EFY jobs. Most of the created jobs will be in similar industries to the areas where WHMs work (hospitality, tourism, personal services, retail trade). However, while the types of jobs WHMs take are typically concentrated in the lower skill

¹⁷ The ratio of total wages to WHM jobs will be much lower than the ratio of total output (=total expenditure) to jobs as the latter includes a profit share.

end of the spectrum, there is no reason to expect that the jobs they create will not be representative of all occupations and skill levels across the whole industry. In particular, we expect that managerial and supervisory jobs will be created but not taken.

Table 33. Effect of aggregate employment of each WHM arrival.

Effective full year jobs taken by each WHM	0.511
- Effective full year jobs created by each WHMs total expenditure	0.613
= Net effective full year jobs created by each WHM	0.102

This means that for an annual intake of 80,000 WHMs, about 41,000 effective full-year jobs will be taken by WHMs, but about 49,000 effective full year jobs will be created through the WHM expenditure. This indicates that about 8,000 effective full year jobs are created by an intake of 80,000 WHM.

6. Conclusion

Using 2000 expenditure patterns from the WHM survey, each WHM arrival to Australia is estimated to create, net of jobs they take themselves, about 1.12 months full-time work. Twenty-three per cent of these jobs were in the non-metropolitan regions. If the WHM scheme was extended to seven major young tourist source countries, Germany, Italy, Switzerland, Denmark, Israel Singapore and the USA, then based on our crude assumption about the propensity for each country type to travel to Australia as a WHM, we have projected that, after the initial start up period, there would eventually be an additional 52 000 WHM arrivals.

As a projection this figure does not try to account for unforeseen events either in Australia or the source country that may alter immigration rates. The figure may be conservative to the extent that it does not allow for population and economic growth in the source countries. However, we have not accounted for the time it takes groups of young people in source countries to find out about a WHM scheme and adapt their behaviour accordingly. Since Germany was included in the scheme in July 2000, fewer than 3000 young people have arrived.

Since there is no reason to expect that the spending patterns of these potential WHMs would be dissimilar to existing WHMs, this would lead to a job creation rate of 5 300 jobs per year.

WHMs bring on average net funds of \$6398 into the country. That is, each WHM contributes about \$6400 worth of exports to the domestic economy. Total wages earned is \$9 916 per WHM and total expenditure per WHM was \$16 314. Total expenditure for 80 000 WHM arrivals is accordingly estimated to be A\$1.3 billion annually. In addition, there are cultural and social advantages from allowing WHMs to live in Australia.

It is unlikely that all of the jobs taken by WHMs are displacing unemployed Australian youth, especially long term Australian youth. Generally, Australian youth are more advantaged in their search for jobs compared with WHMs as they are able to work for longer in any job than 3 months. Employers have indicated that they hire WHMs because they make themselves available for the type of work on offer rather than because they embody more desirable work traits.

While WHMs are better educated than the average Australian worker, employers claim they only hire them because they are available and the jobs do not necessarily require on-going employees. WHMs are more likely to replace full-time students and people who would otherwise not be in the labour force. Most of the jobs offered to WHMs were casual and low skilled and less than one in five jobs offered formal training.

Appendix A - Australia's Working Holiday Maker Program

Objectives

The Working Holiday Maker (WHM) Program aims to promote international understanding. It provides opportunities for resourceful, self-reliant and adaptable young people to holiday in Australia and to supplement funds through incidental employment. It provides considerable economic benefits for Australia and enhances the cultural and social development of young people and promotes mutual understanding between Australia and other nations.

WHM Arrangement Countries

Since 1 July 2000 only citizens of arrangement countries have been eligible to apply for Working Holiday visas. By 1 July 2000 Australia had reciprocal working holiday arrangements with Canada, Ireland, Japan, the Republic of Korea, the Netherlands, Malta, the United Kingdom and Germany. The Australian Government was negotiating WHM arrangements with additional countries, including France, Spain, Singapore, Malaysia, Hong Kong, Taiwan, Greece, Italy, Cyprus, the USA, Austria, Switzerland, Belgium, Sweden, Finland, Norway and Denmark.

The WHM arrangements ensure that young Australians are offered similar opportunities for cultural understanding through working holidays overseas.

Criteria for Visas

Working Holiday visa applicants need to show that:

- their main reason for coming to Australia is for a holiday, and that any work they do is to support themselves while they are on holiday;
- they have a good chance of finding temporary work to supplement their holiday funds; and
- they intend to leave Australia at the end of their authorised stay.

To be eligible for a Working Holiday visa applicants also need to:

- be aged between 18 and 30 years;
- have no dependent children;
- have sufficient funds for a return fare and the first part of their stay;
- have not previously entered Australia on a Working Holiday visa; and
- meet health and character requirements.

Application Procedures

All working holiday visa applications must be made overseas. The Australian Government may allow citizens of arrangement countries to apply at any Australian mission where those countries reciprocate in respect of Australians.

Entry and Stay Provisions

Holders of a Working Holiday visa are allowed 12 months to travel to Australia from the date the visa is granted. They are permitted a stay of 12 months from the date of initial entry into Australia, regardless of whether or not they spend the whole period of time in Australia.

Work Conditions

As the main purpose of a Working Holiday visa is to holiday and travel, work for longer than three months with any one employer is not allowed. Although working holiday makers may stay for a maximum of 12 months in Australia, they should not work for the full period of their stay.

Working holiday makers are permitted to do any kind of work of a temporary or casual nature and are allowed to study or train for up to three months. Working holiday makers should be paid according to Australian award rates and conditions. Participants under WHM arrangements are encouraged to take out health insurance. Temporary residents are not covered by Australia's national health insurance scheme unless they are covered by a reciprocal health care arrangement between Australia and their country of citizenship.

Program Numbers

The number of Working Holiday visa grants to Australia has increased gradually in recent years, from around 35 000 in 1994-95 to almost 74 500 in 1999-2000. Around 27 000 young Australians travelled overseas to undertake working holidays in 2000.

Working holiday visas granted (offshore and onshore) in recent years:

1996-97	1997-98	1998-99	1999-2000
55 000	57 000	65 000	74 500

Appendix B – WHM survey

Table B 1. Distribution of WHM survey respondents (2000) compared with actual WHM departures (1998/99) (percentage)

Airport	All WHM departures 1998/99	WHM survey 2000
Sydney	54.9	41.5
Melbourne	10.8	1.1
Brisbane	10.4	32.0
Perth	9.9	20.5
Cairns	8.4	5.0
Darwin	4.6	0.0
Adelaide	0.9	0.0
Other	0.1	0.0
TOTAL	100.0	100.0

Sources: Working Holiday Maker Survey, 2000, Melbourne Institute, University of Melbourne; Department of Immigration and Multicultural Affairs, unpublished data.

Appendix C – Tourist and Working Holiday visa arrivals by country, people aged 18 – 30 years

Table C 1. Number of Working Holiday Maker visa arrivals by country, 1983-84 to 1999-2000.

Year	Ireland	UK	Netherlands	Malta	Canada	Japan	Korea	Total Working Holiday visas
83-84	161	3 675	146	20	678	871		5 919
84-85	681	5 971	266	20	996	1 582		10 089
85-86	1 287	7 450	320	0	936	1 768		12 447
86-87	2 596	12 204	516	0	1 298	2 908		20 695
87-88	3 986	17 925	764	0	2 226	4 619		31 253
88-89	4 224	28 033	875	22	3 755	6 377		45 368
89-90	3 231	30 653	1 145	18	4 010	6 691		47 381
90-91	2 241	29 492	1 171	42	4 102	5 718	15	44 495
91-92	1 385	17 758	829	2	2 829	6 198		30 189
92-93	1 256	12 972	1 266	1	1 911	5 577		23 944
93-94	2 405	16 787	2 093	4	2 592	6 772	3	32 174
94-95	4 286	19 232	2 762	44	3 071	7 561		38 861
95-96	4 882	20 358	3 568	3	3 539	7 182	561	42 685
96-97	6 841	23 969	4 400	51	3 325	9 600	1 712	52 748
97-98	8 189	29 789	4 729	78	3 765	10 057	1 162	60 291
98-99	9 333	32 960	4 951	17	4 318	9 400	1 345	64 167
99-00	12 285	41 198	5 913	66	5 597	9 727	1 389	79 237

Source: Department of Immigration and Multicultural Affairs, Visa Arrival Statistics.

Table C 2. Average Length of stay for working holiday maker visaed arrivals by country (months), 1983-83 to 1999-2000

Year	Ireland	UK	Netherlands	Malta	Canada	Japan	Korea	Total
83-84	5.94	6.39	6.84	6.49	5.64	5.86		6.21
84-85	7.41	7.28	8.51	6.49	5.66	5.68		6.87
85-86	8.40	7.21	8.36		5.95	5.72		7.04
86-87	8.93	7.75	8.03		5.80	5.74		7.45
87-88	9.41	8.41	8.06		6.04	5.97		7.94
88-89	10.00	8.54	8.41	6.99	6.04	5.68		7.98
89-90	9.09	8.52	7.46	9.04	6.38	7.39		8.15
90-91	8.83	7.87	7.89	6.62	6.71	8.73	6.49	7.89
91-92	8.34	7.84	8.79	12.00	7.09	8.80		7.98
92-93	8.83	8.63	8.36	12.00	7.48	9.76		8.76
93-94	8.89	8.59	7.09	12.00	7.92	8.67	12.00	8.41
94-95	9.30	8.75	7.67	7.12	8.04	8.52		8.60
95-96	9.51	8.85	7.36	12.00	8.13	7.93	7.28	8.51
96-97	10.07	9.19	7.21	9.84	8.27	9.61	8.60	9.10
97-98	10.01	9.09	7.68	8.19	8.36	9.57	9.83	9.15
98-99	9.79	8.76	7.37	12.11	7.94	7.88	9.17	8.61
99-00	9.73	9.01	7.20	8.53	8.06	8.15	9.26	8.78

Note: Assumed average mid point for length of stay for those over 12 months was 14 months

Source: Department of Immigration and Multicultural Affairs, Visa Arrival Statistics.

Table C 3. Number of arrivals with tourist visas for people aged 18 to 30, WHM countries and total for all countries, 1983-84 to 1999-2000

Year	Ireland	UK	Netherlands	Malta	Canada	Japan	Korea	Total
83-84	400	7 890	701	14	4 446	23 966	85	74 826
84-85	868	9 926	926	36	4 768	37 802	105	110 861
85-86	673	12 413	1 292	13	5 852	48 595	148	140 553
86-87	1 045	17 014	1 561	56	8 167	70 691	218	199 412
87-88	1 554	22 212	1 702	61	8 016	125 653	295	283 739
88-89	1 838	29 160	2 148	46	8 637	151 948	398	329 936
89-90	1 497	29 176	2 304	20	6 232	161 531	740	332 459
90-91	1 354	24 357	2 689	15	6 196	209 927	1 432	380 795
91-92	1 528	27 575	3 438	62	7 170	254 933	1 950	453 253
92-93	1 777	32 559	4 040	21	5 882	283 110	3 383	518 950
93-94	1 986	27 804	4 642	57	5 216	283 723	8 110	547 072
94-95	3 117	42 760	5 055	60	6 077	294 017	21 040	628 879
95-96	4 778	56 643	6 557	184	6 281	301 654	38 022	724 807
96-97	4 926	63 560	7 209	241	7 453	283 280	59 665	758 783
97-98	6 707	73 840	8 421	311	8 117	267 040	35 792	732 383
98-99	9 421	87 652	11 193	413	10 124	242 319	23 360	726 544
99-00	12 176	106 733	12 532	277	11 707	227 093	33 662	792 118

Source: Department of Immigration and Multicultural Affairs, Visa Arrival Statistics.

Table C 4. Number of arrivals with tourist visas for people aged 18 to 30 years, selected non-WHM countries, 1983-84 to 1999-2000

Year	Italy	Germany	Switzerland	Denmark	Israel	Singapore	India	USA	South Africa
83-84	543	4 401	3 282	500	207	3 688	438	10 384	602
84-85	888	6 216	4 096	943	416	5 028	567	15 440	739
85-86	1 044	7 048	4 506	1 478	851	6 078	582	21 259	996
86-87	1 829	9 211	5 939	2 391	1 007	8 412	651	30 532	974
87-88	2 185	13 432	7 417	3 645	1 096	10 215	1 006	33 600	684
88-89	2 329	16 985	9 757	3 863	1 515	9 029	1 130	37 964	803
89-90	2 896	18 489	11 336	3 006	1 806	9 892	1 200	31 965	681
90-91	3 379	20 816	11 504	3 726	1 602	12 115	974	29 438	935
91-92	4 763	24 039	11 679	3 493	1 516	13 787	1 010	31 212	779
92-93	5 395	26 764	11 917	4 190	1 752	23 226	984	27 204	1 672
93-94	6 552	31 379	11 319	4 154	1 855	26 837	788	26 507	2 708
94-95	7 922	29 765	12 377	5 792	2 730	31 676	1 831	26 951	3 429
95-96	9 542	29 774	12 570	6 394	3 695	33 539	2 720	30 097	5 707
96-97	11 130	30 732	14 169	6 793	3 858	35 557	3 410	31 157	7 024
97-98	12 191	30 905	12 883	6 199	4 137	37 600	4 534	36 440	7 005
98-99	12 831	28 419	14 378	7 196	4 659	37 471	4 555	41 089	7 577
99-00	14 760	30 364	16 495	7 412	4 971	41 600	5 538	55 166	7 608

Source: Department of Immigration and Multicultural Affairs, Visa Arrival Statistics.

Table C 5. Median length of stay for arrivals with tourist visas, people aged 18 to 30, WHM countries and total for all countries, 1983-84 to 1999-2000 (months)

Year	Ireland	UK	Netherlands	Malta	Canada	Japan	Korea	Total
83-84	2.19	1.14	1.23	0.63	1.18	0.16	0.37	0.60
84-85	1.23	1.11	1.26	5.22	1.03	0.17	0.58	0.58
85-86	1.93	1.14	1.58	4.65	1.47	0.17	0.80	0.58
86-87	1.79	1.09	1.56	6.25	1.36	0.19	0.69	0.58
87-88	1.87	0.92	1.51	0.59	1.24	0.34	0.77	0.58
88-89	1.90	0.91	1.29	2.24	0.84	0.37	0.43	0.59
89-90	1.35	0.83	1.18	0.58	0.85	0.36	0.61	0.56
90-91	1.47	0.84	0.91	7.48	1.21	0.38	0.58	0.53
91-92	0.92	0.82	1.35	0.12	1.03	0.38	0.51	0.51
92-93	0.90	0.79	1.35	0.58	1.06	0.37	0.44	0.49
93-94	0.92	0.78	1.21	0.58	1.03	0.38	0.28	0.49
94-95	1.13	0.79	1.17	1.79	0.86	0.37	0.16	0.50
95-96	1.04	0.84	1.21	2.20	0.87	0.35	0.15	0.51
96-97	0.87	0.82	1.21	1.17	0.91	0.30	0.14	0.49
97-98	0.82	0.78	1.04	1.47	0.83	0.19	0.16	0.50
98-99	0.77	0.77	1.08	0.87	0.79	0.25	0.48	0.53
99-00	0.84	0.81	1.13	0.84	0.79	0.19	0.38	0.55

Source: Department of Immigration and Multicultural Affairs, Visa Arrival Statistics.

Table C 6. Median length of stay for arrivals with tourist visas, people aged 18 to 30, selected non-WHM countries, 1983-84 to 1999-2000 (months)

Year	Italy	Germany	Switzerland	Denmark	Israel	Singapore	India	USA	South Africa
83-84	0.90	1.96	2.45	2.44	5.70	0.52	0.70	0.71	1.27
84-85	0.88	1.85	2.49	2.68	5.96	0.47	0.85	0.67	1.76
85-86	1.44	1.71	2.39	3.18	6.08	0.47	0.74	0.65	1.31
86-87	0.87	1.79	2.27	3.31	5.75	0.46	0.73	0.65	1.42
87-88	0.79	1.81	2.26	3.25	5.48	0.49	0.69	0.64	1.26
88-89	1.05	1.79	2.38	4.22	6.06	0.47	0.72	0.65	1.28
89-90	0.80	1.80	2.45	2.93	5.11	0.46	0.54	0.67	1.05
90-91	0.78	1.70	2.41	2.67	4.57	0.47	0.60	0.65	1.09
91-92	0.75	1.73	2.28	2.38	2.76	0.37	0.58	0.64	0.89
92-93	0.69	1.54	2.18	2.44	2.81	0.44	0.54	0.60	0.76
93-94	0.74	1.39	2.05	2.30	3.25	0.42	0.57	0.63	0.89
94-95	0.74	1.40	2.05	2.17	4.36	0.42	0.51	0.65	0.78
95-96	0.81	1.40	2.12	2.07	3.63	0.46	0.61	0.66	0.79
96-97	0.79	1.37	2.15	2.03	3.36	0.43	0.61	0.65	0.75
97-98	0.77	1.24	2.02	2.04	3.58	0.44	0.58	0.64	0.75
98-99	0.73	0.89	1.97	1.77	4.05	0.45	0.58	0.59	0.72
99-00	0.74	0.88	2.11	1.59	4.06	0.45	0.58	0.63	0.70

Source: Department of Immigration and Multicultural Affairs, Visa Arrival Statistics.

Table C 7. Average length of stay for arrivals with tourist visas, people aged 18 to 30, WHM countries and total for all countries, 1983-84 to 1999-2000 (months)

Year	Ireland	UK	Netherlands	Malta	Canada	Japan	Korea	Total
83-84	3.05	1.98	2.03	0.97	2.34	0.36	0.92	1.41
84-85	2.22	2.12	2.03	4.47	2.20	0.40	1.13	1.41
85-86	2.96	2.23	2.44	4.18	2.50	0.40	1.33	1.42
86-87	2.76	2.18	2.33	5.43	2.42	0.42	1.63	1.42
87-88	2.85	2.14	2.22	1.79	2.25	0.47	1.75	1.31
88-89	2.75	2.14	1.99	3.03	1.89	0.47	0.82	1.30
89-90	2.39	1.78	2.00	0.59	1.85	0.48	1.11	1.19
90-91	2.34	1.84	1.63	6.49	2.09	0.47	1.06	1.06
91-92	1.85	1.68	2.13	0.40	1.60	0.46	0.97	0.96
92-93	1.67	1.55	1.90	0.59	1.88	0.45	0.88	0.88
93-94	1.83	1.55	1.78	0.59	1.87	0.45	0.78	0.86
94-95	1.88	1.64	1.76	1.83	1.78	0.46	0.59	0.89
95-96	1.99	1.79	1.76	3.29	1.74	0.45	0.61	0.99
96-97	1.87	1.70	1.75	1.66	1.87	0.45	0.55	0.99
97-98	1.63	1.65	1.75	1.48	1.82	0.45	0.82	1.02
98-99	1.49	1.64	1.76	1.85	1.73	0.47	1.37	1.08
99-00	1.65	1.78	1.87	1.86	1.79	0.49	1.27	1.17

Source: Department of Immigration and Multicultural Affairs, Visa Arrival Statistics.

Note: assumed mid point for length of stay for those over 12 months was 14 months

Table C 8. Average length of stay for arrivals with tourist visas, people aged 18 to 30, selected non-WHM countries, 1983-84 to 1999-2000 (months)

Year	Italy	Germany	Switzerland	Denmark	Israel	Singapore	India	USA	South Africa
83-84	2.14	2.78	3.41	3.43	5.06	0.74	1.23	1.54	2.10
84-85	1.78	2.62	3.47	3.55	5.14	0.72	1.50	1.49	2.55
85-86	1.98	2.52	3.35	4.04	5.20	0.71	1.54	1.36	2.42
86-87	1.90	2.55	3.23	4.17	5.08	0.72	1.46	1.41	2.28
87-88	1.66	2.54	3.18	4.11	4.84	0.67	1.42	1.34	2.25
88-89	2.01	2.51	3.35	4.34	5.34	0.64	1.51	1.28	2.25
89-90	1.68	2.47	3.46	3.94	4.79	0.57	0.94	1.46	2.05
90-91	1.54	2.39	3.41	3.71	4.54	0.58	1.02	1.33	2.18
91-92	1.46	2.32	3.24	3.38	3.76	0.48	1.04	1.22	2.07
92-93	1.21	2.07	3.12	3.46	3.77	0.52	0.88	1.11	1.63
93-94	1.37	1.92	2.94	3.31	3.97	0.49	0.92	1.11	2.09
94-95	1.39	1.87	2.95	3.09	4.48	0.49	0.85	1.20	1.72
95-96	1.67	1.91	3.06	2.97	4.15	0.56	1.31	1.26	1.80
96-97	1.54	1.95	3.07	2.88	4.05	0.51	1.08	1.29	1.61
97-98	1.55	1.87	2.91	2.93	4.09	0.57	0.96	1.17	1.54
98-99	1.53	1.71	2.92	2.66	4.25	0.54	0.92	1.06	1.53
99-00	1.57	1.69	3.09	2.39	4.25	0.57	0.96	1.19	1.60

Source: Department of Immigration and Multicultural Affairs, Visa Arrival Statistics.

Table C 9: Percentage of source country youth* arriving with a tourist visa, WHM countries, 1983-84 to 1998-99

	Ireland	UK	Netherlands	Malta	Canada	Japan	Korea
83-84			0.029	0.024			
84-85	0.158	0.115			0.101	0.237	0.001
85-86	0.124	0.140	0.052	0.023	0.124	0.303	
86-87	0.192	0.189	0.062	0.103	0.178	0.446	0.003
87-88		0.243	0.068	0.114	0.176		
88-89	0.349	0.316	0.085	0.088		0.923	0.005
89-90		0.315	0.090	0.039	0.141	0.964	0.009
90-91	0.275	0.263	0.105	0.030		1.244	0.017
91-92	0.305	0.299	0.134		0.165	1.658	
92-93		0.353	0.159		0.138	1.586	0.039
93-94	0.367	0.307	0.183		0.118	1.550	
94-95	0.581	0.483	0.204	0.120	0.139	1.576	0.243
95-96	0.865			0.363	0.146	1.615	0.438
96-97		0.758	0.307	0.481	0.175	1.481	
97-98							
98-99							
Average	0.357	0.315	0.123	0.139	0.146	1.132	0.094

Sources: Department of Immigration and Multicultural Affairs, Visa Arrival Statistics and United Nations Yearbook.

Note: * Visas are for 18 to 30 year olds. Population includes only 20 to 29 year olds.

Table C 10: Percentage of source country youth arriving with a tourist visas, non-WHM countries, 1983-84 to 1998-99

Year	NZ	Italy	Germany	Switzerland	Denmark	Israel	Singapore	India	USA	South Africa
83-84	0.047				0.067	0.032	0.636			
84-85	0.029	0.010	0.064		0.125	0.063	0.862		0.036	0.017
85-86	0.053		0.071	0.445	0.192	0.128	1.046	0.000	0.050	
86-87	0.050	0.020	0.100	0.579	0.305	0.150	1.457	0.001	0.072	
87-88	0.077	0.024	0.131	0.715	0.458	0.162	1.800	0.001	0.080	
88-89	0.045		0.163			0.221	1.627			
89-90		0.031		1.078		0.260	1.838	0.001	0.079	
90-91	0.034		0.156	1.088	0.468	0.223	2.373	0.001		0.014
91-92	0.057	0.050				0.199		0.001	0.078	
92-93	0.039			1.122	0.525	0.220	4.564			
93-94				1.085	0.523	0.225	5.274	0.000	0.069	
94-95	0.065	0.086	0.243	1.216		0.321	6.289		0.072	
95-96	0.113	0.105	0.254	1.270	0.821	0.418	6.736		0.082	
96-97		0.124	0.280	1.477	0.885		7.237		0.085	
97-98							7.673	0.003	0.100	
98-99										
Average	0.055	0.056	0.162	1.008	0.437	0.202	3.529	0.001	0.073	0.015

Sources: Department of Immigration and Multicultural Affairs, Visa Arrival Statistics and United Nations Yearbook.

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