

# harmony in the workplace

delivering  
the diversity  
dividend

## Fact Sheet 2: The Australian Workforce (The Background)

Australia has enjoyed a sustained period of economic growth and productivity over the past decade, with its highly educated, competitive and diverse workforce.

This factsheet will help employers and their staff to explore the cultural diversity in their organisation to strengthen productivity, innovation and growth in Australian workplaces.

### How diverse is Australia's workforce?

Australia's workforce is astoundingly diverse, comprising people of different cultural backgrounds, religions, ages, genders, abilities and lifestyles. In 2011, Australia had a population of 21.5 million people,

46% of which were either born overseas or had at least one overseas-born parent<sup>1</sup>. This incredible diversity is reflected in Australia's workforce, with 13% of workers being born in non-English speaking (NES) countries

and 23% born overseas<sup>2</sup>. So, we have a workforce with a vast range of individual experiences, capabilities and perspectives waiting to be used.

### Embracing a multicultural workforce

Australia's workforce has been progressively shaped and enhanced by the contributions of people from culturally and linguistically diverse (CALD) backgrounds. In fact, population policy is now a key consideration in economic and employment policy in Australia<sup>3</sup>.

There's good reason for this. Within Australia's economic and commercial history, strong evidence points to the effectiveness of a culturally diverse

workforce. Australia's post-war immigration boom had a significant and positive impact on the economy and reshaped the nature of Australia's workforce by making use of new skills and expanding our commercial and business interests. Removing restrictive immigration policies in the 1970s further opened up Australia's economy and provided new opportunities and markets.

Today, with global financial challenges, increasing labour demands and market competitiveness, Australia's greatest opportunity is in making the best use of the skills and resources of our culturally diverse workforce to benefit employers and staff. Of course, one of our greatest challenges is to effectively manage and recognise cultural diversity to maximise its value and fully enjoy its benefits.

### Australia's ageing population

Current demographic trends show the growing significance of Australia's ageing population to our future workforce. The Australian Bureau of Statistics projects that between 2011 and 2020, the number of people aged 50 years and over will increase by more than 22%<sup>4</sup>.

While Australians are remaining in the workforce for longer, low rates of population growth mean the number of younger workers entering the labour market is falling<sup>5</sup>. So, competition for skilled staff in all industries and sectors is likely to intensify, leading to future acute labour and skills shortages. The need to make the best use of immigrant workers' skills is critical.

### The Australian workforce in the Asian Century

The commercial and business opportunities presented to Australia in the context of the Asian Century are compelling. Three of Australia's five largest trading partners – China, Japan and the Republic of Korea – are in Asia and, together with their regional neighbours, account for almost half of Australia's total international



Over 23% of  
Australia's workforce  
was born overseas in  
over 114 countries.

trade. It's estimated that over \$275 billion will be injected into Australia's economy by forging closer ties with our regional neighbours, among them the economic giants, China and India<sup>6</sup>.

Australia has already benefitted substantially from its trade and business ties with Asian partners. The challenge now, in the context of the Asian Century, is maintaining these vital economic links in a climate of increased global and regional competition. To nurture and maintain positive relations with their Asian counterparts, Australian businesses must

be innovative and ensure that the skills and resources inherent to our diverse workforce are fully used.

Attracting employees who understand how to do business in Asia and how to build relationships and work effectively in the new and challenging economic environment is an increasing priority for many businesses. So, too, is developing a workforce of employees with diverse cultural and language knowledge and skills, to secure future business and trade success within Asia and boost Australia's competitive edge in international markets.

### Tips for managing a culturally diverse workforce

While the benefits of a culturally diverse workforce are known, the unique skills, knowledge and expertise that CALD workers bring are not yet sufficiently acknowledged, promoted or used in Australian workplaces. People of CALD backgrounds continue to face barriers when seeking employment, have limited recognition of overseas skills and qualifications,

and face discrimination, racism and intolerance. As an employer, adopting any of the effective diversity management strategies below will help to address these barriers and enable you to use and maximise the benefits of your diverse workforce:

- Implementing policies and practices to remove discrimination and workplace bullying
- Providing cross-cultural awareness training opportunities for all staff to enhance their knowledge and expertise, including language and communication skills
- Supporting the national 'Racism. It Stops With Me.' campaign delivering a clear message that your organisation doesn't tolerate racism in the workplace. For more information, please visit: [www.itstopswithme.humanrights.gov.au](http://www.itstopswithme.humanrights.gov.au)

### References

<sup>1</sup> Australian Bureau of Statistics. *Census of Population and Housing*. 2011.

<sup>2</sup> Ibid.

<sup>3</sup> Australian Government Productivity Commission (PC), 2006. *Economic Impacts of Migration and Population Growth*. Accessed 1 March 2013. Available at: [http://www.pc.gov.au/\\_data/assets/pdf\\_file/0006/9438/migrationandpopulation.pdf](http://www.pc.gov.au/_data/assets/pdf_file/0006/9438/migrationandpopulation.pdf)

<sup>4</sup> Australian Bureau of Statistics, 2011.

<sup>5</sup> Department of Education, Employment and Workplace Relations (DEEWR), 2011. *Ageing & the Barriers to Mature Age Labour Force Participation in Australia*. Accessed 1 March 2013. Available at: <http://foi.deewr.gov.au/documents/ageing-and-barriers-labour-force-participation-australia>

<sup>6</sup> Asialink, 2012. *Developing an Asia Capable Workforce*. Accessed 1 March 2013. Available at: [http://www.asialink.unimelb.edu.au/\\_data/assets/pdf\\_file/0008/619793/Developing\\_an\\_Asia\\_Capable\\_Workforce.pdf](http://www.asialink.unimelb.edu.au/_data/assets/pdf_file/0008/619793/Developing_an_Asia_Capable_Workforce.pdf)



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