



***“A review of Australia’s Migration and  
Temporary Entry program for skilled labour”***

**Submission to the  
Joint Standing Committee on Migration of the  
Parliament of the Commonwealth of Australia**

By the MIA National Executive

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## [The Migration Institute of Australia \(MIA\)](#)

The Migration Institute of Australia (“MIA”) is the national professional association for Australian Migration service providers worldwide – working together for the benefit of Australia.

The MIA is the peak body representing the professional interests of its 1,100 (registered migration agent and corporate membership) members throughout Australia.

The MIA is perhaps better known to the Parliament for the exercise of its public responsibilities as the **Migration Agents Registration Authority (MARA)**, under an Instrument of appointment by the Minister for Immigration.

This submission is written to the Parliament in MIA’s representation role as the professional body, and in no way is the submission provided in MIA’s capacity as the industry regulator.

This submission has been drafted by Len Holt and Andrew Cope (National Vice Presidents) on behalf of the MIA National Executive’s Policy and Planning Committee.

## [Executive Summary](#)

The MIA is broadly supportive of the Government’s policy settings on the skilled migration front. This is not to mean that the MIA supports all of the Government’s initiatives. For example, the MIA has some serious reservations on the overall move towards temporary residency as a prelude to permanent residency. While this may diminish the impact on the public purse in people accessing government services, the MIA believes it can undermine the resettlement of individuals and their families here and postpone, delay or prevent the proper participation of these individuals in the Australian community.

This submission seeks to address each of the matters raised in the Terms of Reference.

## Terms of Reference

### *The Committee's Terms of Reference:*

**The Committee review and report on Australia's migration and temporary entry program for skilled labour with particular reference to:**

- International competition for skilled labour;
- The degree to which quality permanent skilled migrants are being attracted to Australia and settling well;
- Whether there are lessons to be learnt by Australia from the entry and program management policies of competing nations, including Canada, New Zealand, USA, Ireland, UK, Germany and Japan;
- The degree to which Australia's migration and temporary entry programs are competitive;
- Whether there are policy and/or procedural mechanisms that might be developed to improve competitiveness;
- Settlement patterns for new arrivals including the role played by State and local authorities.

### *Visa Categories Covered by the Terms*

Those permanent and temporary entry visa subclasses that are potentially affected by any review of Australia's existing temporary and permanent entry programs as they relate to the entry of skilled labour are:

#### Temporary visa subclasses:

Subclass 411 - Exchange  
Subclass 416 - Special Program  
Subclass 417 - Working Holiday  
Subclass 418 - Educational  
Subclass 419 - Visiting Academic  
Subclass 420 - Entertainment  
Subclass 422 - Medical Practitioner  
Subclass 423 - Media and Film Staff  
Subclass 424 - Public Lecturer  
Subclass 428 - Religious Worker  
Subclass 432 - Expatriate (Temporary)  
Subclass 442 - Occupational Trainee

Subclass 446 - Confirmatory (Temporary)  
Subclass 456 - Business (Short Stay)  
Subclass 457 - Business (Long Stay)  
Subclass 497 - Graduate – Skilled  
Subclass 956 - Electronic Travel Authority (Business Entrant-Long Validity)  
Subclass 977 - Electronic Travel Authority (Business Entrant - Short Validity)

**Migration (Offshore) visa subclasses:**

Subclass 119 - Regional Sponsored Migration Scheme  
Subclass 120 - Labour Agreement  
Subclass 121 - Employer Nomination  
Subclass 124 - Distinguished Talent  
Subclass 127 - Business Owner  
Subclass 128 - Senior Executive  
Subclass 129 - State/Territory Sponsored Business Owner  
Subclass 130 - State/Territory Sponsored Senior Executive  
Subclass 131 - Investment-linked  
Subclass 134 - Skill Matching  
Subclass 135 - State/Territory-Nominated Independent  
Subclass 136 - Skilled - Independent  
Subclass 137 - Skilled - State/Territory-nominated Independent  
Subclass 138 - Skilled - Australian-sponsored  
Subclass 139 - Skilled - Designated Area-sponsored

**Residence (Onshore) visa subclasses:**

Subclass 840 - Business Owner  
Subclass 841 - Senior Executive  
Subclass 842 - State/Territory Sponsored Business Owner  
Subclass 843 - State/Territory Sponsored Senior Executive  
Subclass 844 - Investment-linked  
Subclass 845 - Established Business in Australia  
Subclass 846 - State/Territory Sponsored Regional Established Business in Australia  
Subclass 855 - Labour Agreement  
Subclass 856 - Employer Nomination Scheme  
Subclass 857 - Regional Sponsored Migration Scheme  
Subclass 858 - Distinguished Talent  
Subclass 861 - Skilled - Onshore Independent New Zealand Citizen  
Subclass 862 - Skilled - Onshore Australian-sponsored New Zealand Citizen  
Subclass 863 - Skilled - Onshore Designated Area-sponsored New Zealand Citizen  
Subclass 880 - Skilled - Independent Overseas Student  
Subclass 881 - Skilled - Australian-sponsored Overseas Student  
Subclass 882 - Skilled - Designated Area-sponsored Overseas Student

## [Visa categories affected by the JSCM Review](#)

However, those permanent and temporary entry categories that appear to be the expressed areas of interest in relation to the current JSCM review, and which are potentially affected by any recommendations flowing from the review, have been explained as:

### **Skilled - Independent category**

Subclass 136 - Skilled - Independent

Subclass 139 - Skilled - Designated Area-sponsored

Subclass 880 - Skilled - Independent Overseas Student

Subclass 882 - Skilled - Designated Area-sponsored Overseas Student

### **Skilled – Australian Sponsored category**

Subclass 138 - Skilled - Australian-sponsored

Subclass 881 - Skilled - Australian-sponsored Overseas Student

### **Employer Nomination category**

Subclass 121 - Employer Nomination Scheme (Offshore)

Subclass 856 - Employer Nomination Scheme (Onshore)

Subclass 119 - Regional Sponsored Migration Scheme (Offshore)

Subclass 857 - Regional Sponsored Migration Scheme (Onshore)

Subclass 120 - Labour Agreement (Offshore)

Subclass 855 - Labour Agreement (Onshore)

Subclass 135 - State/Territory-Nominated Independent

### **Business Skills category**

Subclass 127 - Business Owner (Offshore)

Subclass 128 - Senior Executive (Offshore)

Subclass 129 - State/Territory Sponsored Business Owner (Offshore)

Subclass 130 - State/Territory Sponsored Senior Executive (Offshore)

Subclass 131 – Investment-Linked (Offshore)

Subclass 840 - Business Owner (Onshore)

Subclass 841 - Senior Executive (Onshore)

Subclass 842 - State/Territory Sponsored Business Owner (Onshore)

Subclass 843 - State/Territory Sponsored Senior Executive (Onshore)

Subclass 844 - Investment-linked (Onshore)

Subclass 845 - Established Business in Australia (Onshore)

Subclass 846 - State/Territory Sponsored Regional Established Business in Australia (Onshore)

### **Distinguished Talent category**

Subclass 124 - Distinguished Talent (Offshore)

Subclass 858 - Distinguished Talent (Onshore)

An examination of the papers accompanying the JSCM review would seem to indicate that the review does not appear to have been tasked with the requirement to look at any of the temporary avenues of skilled entry, notwithstanding the fact that the review carries the word 'temporary' in its title.

The MIA is of the view that any such review must include the temporary residence option as well and in particular the two main and perhaps obvious, avenues of temporary skilled entry, those being:

Subclass 456 – Business (Short Stay) and its electronic equivalent visas

- Subclass 956 - Electronic Travel Authority (Business Entrant-Long Validity)
- Subclass 977 - Electronic Travel Authority (Business Entrant - Short Validity)

Subclass 457 – Business (Long Stay)

Any other Business Temporary Visas introduced after the commencement of this inquiry, such as any provisional Business Skills visas or Independent Executive visas.

### ***Future amendments to visa categories***

The Department of Immigration has been undertaking an extensive review of the 400 visa stream. The MIA welcomes this review and has made oral as well as written submissions to this review.

It is possible that changes to the visa categories within the JSCM's Review may be amended by this or other reviews.

## Term of Reference 1 – “International competition for skilled labour”

This criterion is one best addressed by organisations other than the MIA. The MIA commends the Committee to undertake overseas research, including from the following sources:

1. Material available to the Committee from DIMIA. This would include The Department’s submissions to the Committee, its published research and any support to the Secretariat. DIMIA maintain a range of vital statistical information, including application rates, arrival and departure statistics, etc.
2. Material available to the Committee from other agencies
3. The Committee may wish to undertake research from overseas whether via internet or by overseas visits

Nonetheless, it is an accepted fact that Australia competes very actively for well qualified and experienced skilled workers and professionals from many source countries around the world. That competition is affected to some degree by a number of factors, including an applicant’s earning capacity in any particular migrant receiving country; feelings of personal safety and political stability; opportunities for personal advancement and opportunities for children from an academic and career standpoint; our geographic location and our distance from the many troubled hot spots around the world.

It is the view of the MIA that Australia scores well on the majority of these factors, with the possible exception of an applicant’s earning capacity. It is accepted wisdom that destinations such as Canada, the United States of America, the United Kingdom and Germany provide greater incentives in this regard. To what extent lifestyle issues, personal safety and political stability exert an influence over any applicant’s earning capacity is a point potentially identified by research done internally by DIMIA and perhaps other Government agencies. Without question, it is highly likely that the lifestyle issues mentioned above have a significant level of influence in the decision making process.

There are some instances available which provide comment and information about whether an “open ended” program is appropriate and one such example, in the form of a very recent article in the Sunday Business Post from Dublin, is available at attachment 4 to this submission.

The MIA, in its paper to the JSCM “*Review of State Specific Initiatives*” in September 1999, made reference to the fact that Canada relied to a far greater extent on consultations with individual States and Provinces in relation to the makeup and character of migration programs. With the passing of time, the MIA still holds to the fact that consultations in relation to the makeup of



Australia's skilled labour programs do not take sufficient account of the individual needs and requirements of the Australian States and Territories.

The concept of 'consultations', as they are currently conducted by DIMIA with stakeholders may not be as appropriate or effective a method of feedback, given that consultations generally come against a background where the Minister or the Department has already substantially decided its policy position, and significant work has been done in relation to program design. Nonetheless, the MIA has little doubt but that the States and Territories in Australia would have a keen interest in more active targeted consultations and plausible methods to enable the regions to realise an increased access to skilled labour.

Future needs for skilled labour, and competition from other countries for skilled labour, is likely to intensify. The issue of an aging population in most western countries will lead to significant demands from a labour and capital inflow perspective.

### **Temporary Residence**

There has been an increasing tendency in migration programs towards temporary residence. For example:

- A substantial number of refugee applications lodged onshore now result in temporary visas.
- Spouse visas are conditional for a period of up to 2 years

Whilst these visas form a necessary part of the integrity measures, the MIA is not supportive of the very noticeable increase in the trend to temporary or conditional visas, for Business migrants. This is because the consequences on investment, employment and other long term issues etc are often contingent upon certainty and a temporary visa is a significant hurdle.

One of the reasons for the success of Australia's strong skills gains since the 1990's has been the provision of work rights to defacto and married partners of most temporary residents in the 400 stream. This is in contrast to many of Australia's competitors. Australia is yet to recognise interdependent couples in 457 applications, but the MIA is hopeful the government may favourably consider this matter as part of its current review into temporary residence.

International trends appear to indicate a growing number of dual career couples. The provision of work rights to partners contrasts with the experience of many overseas countries, and seeks to enable a greater participation of temporary residents into the Australian economy, with its attendant benefits to the economy, such as introduction of new skills, access to proprietary technology of overseas countries, new business practices and

contacts, language, etc. It also provides a positive perception of Australia when the temporary residents depart Australia.

**Term of Reference 2: “The degree to which quality permanent skilled migrants are being attracted to Australia and settling well”**

The fact that skilled migrants are being attracted to Australia in quite significant numbers suggests that the policy mix in relation to the entry of these people has been quite well structured.

In regard to the skilled migration (subclasses 136-139 and 861-882), the current policy settings are a distinct improvement over the regime that was in place prior to July 2000, which was far too complex. It also limited the ability of intending applicants to cross career-employment boundaries with the very limiting and arbitrary ‘usual occupation’ criterion.

The MIA is not aware of any research that would suggest that skilled migrants are not settling well per se, and assumes that the settlement issue is rather therefore focussed on where they settle, rather than how they settle. The DIMIA’s LSIA Longitudinal research, citizenship and departure statistics may bear this out.

**Regional Visas**

The graph provided by the JSCM in the review discussion papers is interesting in relation to the settlement patterns on a State and regional basis over the period July 1996 to June 2001. It shows quite clearly that Sydney has a powerful magnet effect on skilled migrants, and despite the occasional comments of the current State Premier, it is to be expected that Australia’s largest city will have that effect.

It stands to reason that skilled labour will always be drawn to the larger cities, and in this regard, Sydney is the undisputed centre of business activity in Australia. That being the case, it will presumably always draw on the pools of skilled labour, Australian or otherwise. If there are to be achievable visions of migrants looking to decentralise away from Sydney in numbers, the Commonwealth and State Governments are going to have to come up with acceptable ways to encourage business itself to decentralise. Skilled labour will follow business, and the positions that require their skills, to wherever they are required.

The disparity between those settling in metropolitan areas against those settling in non-metropolitan or regional areas is very marked, with the possible exception of Queensland which achieved 9.2% and 3.8% respectively. No doubt Queensland’s overall performance is assisted by virtue of it having larger regional areas (Cairns, Townsville, Gold Coast, Sunshine Coast), thereby allowing it to account for almost half the regional or non-metropolitan settler figures on a percentage basis.

It is also interesting to note that those State Governments that aggressively pursue skilled migrants also come out quite well in the totals of settlers. In this regard, Victoria and Western Australia are notably the more aggressive and as a result figure quite prominently. The respective regional or non-metropolitan figures in those States are very small, and again would reflect the fact that Melbourne and Perth are the employment generating centres.

Current DIMIA thinking, driven largely by the Minister, is for 'dispersal' of migrants. The MIA has no particular issue with this scenario, but questions whether dispersal as an aim can be achieved by simply attempting to direct policy thinking as the single encouragement to migrants. It should be no surprise that skilled migrants are essentially no different from Australian citizens and permanent residents, in that they will make decisions on where to settle based on the availability of work, their ability to secure affordable housing and access to a reasonable level of public infrastructure .

While it can be argued that affordable housing and Sydney (and the 40.1% of migrants they draw) do not go hand in hand, the fact remains that Sydney is the largest employment generator and requires significant numbers of skilled workers. There is a leakage of workers and business people from Sydney to other destinations around Australia, but until and unless big business itself accepts the dispersal scenario, Sydney will continue to attract the numbers.

### **Skills Matching**

The MIA believes that regional or non-metropolitan employers could be better encouraged to access available skilled migrants if better use was made of the Skills Matching Database. We have some concerns about the extent to which the program is known in those areas, and whether the Database actually draws sufficient skilled applicants in the first place. Traditionally, the Database is regarded as a haven for applicants who have had their qualifications assessed and meet the pool entry mark, but for some reason, perhaps their age, they are unable to meet the current pass mark. As a result, they can elect to have their details recorded on the Database, in the hope that they will be identified for employment.

In practice, the chances of this happening are not at all good for the majority of applicants, and after two years, the Migration Regulations dictate that their migration applications must be refused.

The MIA believes that if we are to have a Skills Matching Database, and there is clearly room for it, proper use should be made of the list and employers should be encouraged to make more frequent use of the facility. They are able to do so by nominating applicants for entry under the Regional Sponsored Migration Scheme or Employer Nomination Scheme.

It has been said that employers may be less than encouraged to nominate an applicant in situations where they are unable to meet the applicant before committing to a protracted visa regime. Therefore, some thought should be directed towards enabling intending applicants to travel to meet the employer in the early stages. This has implications in regard to Visitor Visa issue, but should be able to be resolved through the use of existing visa conditions to encourage applicants to pursue orderly offshore entry, if that is the Department's wish.

It is noted the DIMIA has recently undertaken initiatives to increase usage of the database by such means as withdrawing the application fee. While this may increase the number of applicants in the database, this does not address the usage of the database. Whilst there may no doubt be privacy considerations to address, access to the database by migration agents may be another valuable form of support to the process.

### **Onshore Skills applications**

While onshore applications are now permitted by certain overseas students and by NZ citizens where they meet skills thresholds, 457 Long Stay applicants do not have this access. This is reducing a valuable cohort of applicants, who already have a sound understanding of Australia, employment experience and are likely to settle well into Australia. This is an inequity which is contrary to Australia's interests.

[Term of reference 3 “Whether there are lessons to be learnt by Australia from the entry and program management policies of competing nations, including Canada, New Zealand, USA, Ireland, UK, Germany and Japan”](#)

The MIA has considered international examples briefly - namely, those of the USA and Canada. Both countries have quite significant intakes of migrants, both on a numeric and per capita basis (their populations are approximately 285 million and 31 million respectively).

[Citizenship & Immigration – Canada](#)

Information gathered from the website of the relevant authorities in Canada, the Department of Citizenship & Immigration - Canada, reveals that they provide very good statistics on the entry of skilled migrants. The relevant website link is:

<http://www.cic.gc.ca/english/pub/index-2.html#statistics>

From that site, information shows that the entry of skilled migrants in the three years 1999, 2000 and 2001 reflected the following:

**1999:**

A total of 92,478 skilled migrants were admitted, and the largest source area was the Asia and Pacific region which accounted for 21,709 migrants, while the second largest source was area Europe and the United Kingdom which accounted for 10,000 migrants.

**2000:**

A total of 118,541 skilled migrants were admitted, and again the largest source area was the Asia and Pacific region which accounted for 29,404 migrants, while the second largest source area was Europe and the United Kingdom which accounted for 11,000 migrants.

**2001:**

A total of 137,119 skilled migrants were admitted, and again the largest source area was the Asia and Pacific region which accounted for 31,504 migrants, while the second largest source area was Europe and the United Kingdom which accounted for 12,000 migrants.

There are six (6) factors that determine Canada’s points tested system for the entry of skilled workers, which are all subject to a point’s allocation not all that unlike Australia’s system. They are:

1. Education
2. Language Ability
3. Work Experience
4. Age
5. Arranged Employment

## 6. Adaptability

Whilst Australia and Canada compete for applicants, it is understood that the 2 countries share a close working relationship and this is to be commended.

### [United States Immigration & Naturalization Service \(USINS\)](#)

Information from this website is rather more complicated and consequentially difficult to fathom, although the following useful information was gained from the Statistical Yearbook of the USINS at:

<http://www.ins.usdoj.gov/graphics/aboutins/statistics/Yearbook2000.pdf>

The total migration intake for the fiscal year 2000 was 894,807, of which 69% were in the family sponsored areas, 13% in employment / skilled areas and 8% were refugees.

For fiscal year 2000 (which USINS says is the only year for which complete statistics are available), there were 299,046 applications involving skilled workers, of which some 257,640 were approved. The largest source country, and by a very wide margin, was India which provided 124,692 migrants.

The second highest source country was the PRC, which provided 23,570 migrants followed by Canada which provided 8,365 and the United Kingdom which provided 7,937.

**The statistics provided by USINS showed overwhelmingly that the most common profile was that of a citizen of India, aged 29 years, who held either a Bachelor degree or a Masters degree and who was in the IT field on a salary in the USA of US\$52,800.**

A comparison of the skilled worker programs operated by Canada and the USA show that both countries are looking to their applicants to provide the same sorts of attributes that Australia is seeking, namely that they are young, well qualified, experienced, in good health and either able to locate appropriate employment or that they will fill vacancies unable to be filled from within the local labour market.

### [United Kingdom](#)

It would appear that the UK is now actively seeking to expand their skilled quotient and this may compete with Australia.

While for reasons of lifestyle and climate potential applicants may opt for Australia, it is important for Australia to remain competitive in its policies and procedures to ensure that it attracts the best applicants.

### **New Zealand**

Information gathered from New Zealand would indicate a general dilution of the criteria in this region.

The statistics from the USA and Canada also clearly bring into focus that Australia is competing head on with both these countries in Asia, and our profile of what constitutes a skilled worker is very similar.

The single largest bonus for Australia in this marketplace is the fact that many potential skilled workers look to Australia as the place that offers opportunities in relation to higher education skills, followed more than likely by geographic proximity and the safety issues already canvassed.

Working against us is the sort of statistic provided by the USINS in regard to salaries, and the larger number of employment options available in North America.

We commend the Committee to review the experience of other overseas countries and to undertake written research and if appropriate overseas visits.



**Term of Reference 4: The degree to which Australia's migration and temporary entry programs are competitive;**

An examination of the programs in place in Australia, Canada and the USA indicates that all three countries operate programs that have marked similarities to one another.

When it is considered that the profile these countries seek in regard to skilled workers, it is not difficult to understand that there will be healthy competition.

Given the fact that Australia operates as perhaps the smaller sibling in relation to the opportunities available to skilled workers in North America, it is significant to note that Australia performs 'a little above its weight' in this very competitive sector. Compared to the figures mentioned in the response to the previous term of reference, the figures gained from the DIMIA website show the breakdown of skilled workers as being:

	1998-99	1999-00	2000-01	2001-02 (planning level)	*2002-03 (planning level)
<b>Total Family</b>	32 040	32 000	33 470	37 900	43 200
<b>Total Skill</b>	35 000	35 333	44 470	53 500	60 700
<b>Special Eligibility</b>	890	2 850	2 420	1 600	1 100
<b>Total Program</b>	<b>67 900</b>	<b>70 200</b>	<b>80 610</b>	<b>93 000</b>	<b>100 000 - 110 000</b>

Presumably, the requirement for access to more skilled workers will continue and Australia will continue to appeal to a sector of the market as it appears to be doing at the moment. It is also logical to imagine that with the increased numbers of skilled workers coming to Australia, and assuming continuing good economic performance, Australia will be in a position to add to the levels of interest of the pool of available and mobile skilled workers.

**Term of Reference 5: Whether there are policy and / or procedural mechanisms that might be developed to improve competitiveness;**

This is again a question that is best answered by those who have control over the policy settings relative to Australia's migration programs, although it is the view of the MIA that there is ample room for the Department of Immigration & Multicultural & Indigenous Affairs to take a keener interest in the makeup and composition of the various programs on offer.

Some aspects of this have been taken up in the attachments relating to the proposals to redefine the Business Skills Category, but others must include a rethink of the following:

- Aged Parent category (and Parent question generally) in view of the unhappiness the category presents to Australian citizens, permanent residents and their families generally. There are now so many applications queued or in the pipeline that there is a very real possibility that applicants will die whilst waiting the many years before their visa is granted. There should be substantial warnings to potential as well as actual applicants as well as accurate information about the processing times. Whilst this issue may not be a formal part of the terms of reference we commend the JSCM to bring about an atmosphere on Capital Hill to seek resolution of the present impasse. ;
- Retiree Category, which in a number of situations is regarded as a spot for wealthy parents who use it as a means to sit out the enormous queues in the Aged Parent Category. There is also the question of why these individuals are not given an opportunity to qualify for four year extensions rather than the two years on offer for 'rollover' applicants. The period of 2 years is inconsistent with the notion of long term stay given many applicants are making decisions in some cases to relocate completely
- The presumably significant numbers of subclass 497 – Graduate Skilled visa holders who were disadvantaged through no fault of their own by the decision of the Department to raise the point score pass mark in the General skilled Category with effect from 8 May 2002. These individuals may well have been actively pursuing assessments of Australian qualifications at the time of the announcement, and as a result many would have had their opportunities to make further applications in either the Subclass 880 - Skilled - Independent Overseas Student or Subclass 881 - Skilled - Australian-sponsored Overseas Student;
- The increasing move towards 'integrity at all costs' in relation to the question of the entry of skilled executives and particular specialists in the temporary residence streams. This is having the result of making sponsors rethink their attitudes towards extending sponsorship to selected individuals in situations where they are unable to access

particular skills from within the local labour market. Sponsors are concerned at the ever-increasing amount of information required as part of the process and are disadvantaged by their sometimes regional locations.

The MIA is generally supportive of the various programs operated by the Department, but that does not in any way indicate that the programs are faultless, or that more could be done to attract and retain skilled individuals.

Any measures designed to focus on these areas must include substantial and measurable consultation with the various stakeholders, including the MIA, something that has been overlooked in recent times.

**Term of Reference 6: “Settlement patterns for new arrivals including the role played by State and local authorities”**

On 3 September 2002 when releasing the report by the National Institute of Labour Studies entitled “The Settlement Experiences of New Migrants”, the Federal Minister for Citizenship and Multiculturalism, The Hon. Gary Hardgrave, stated that ‘Today’s Migrants Are Less Reliant’. This statement was made against the background that statistics gathered by the National Institute of Labour Studies, in its report to the Parliament, support the fact that Australia’s most recent migrants are becoming less reliant on support services due to their higher levels of education, language skills and improved employment prospects.

The report, which is attached in its entirety at pages 9 and 10 under the heading ‘Conclusion’, paints a substantially rosy picture in relation to the settlement experiences of new migrants.

It must be remembered that new migrants, and in particular those entering Australia as skilled migrants, for the most part have a number of things in common. These are that they are overwhelmingly young, well qualified, experienced and healthy, given the requirement for them to satisfy set health criteria.

It is the view of the MIA that the various programs catering to the entry of migrants to Australia are essentially having the results that the Australian community would wish - a greater accessibility to skills sets, a trained workforce together with all the natural advantages that a youthful and keen group of individuals are able to offer.

The report also highlights the fact that the research undertaken into these individuals indicates that their settlement patters in many instances counter, rather than aggravate, internal population flows which is of itself a good thing.

Nonetheless, it stands to reason that this group will essentially go where the employment opportunities abound. They cannot be expected to take enthusiastically to ‘dispersal’, without appropriate efforts on the part of government and industry to ensure that opportunities become available in the regions.

**Attachment 1 – DIMIA Business Skills Section (Canberra) discussion paper**  
***“Improving the performance of Business Migrants”***

**Attachment 2 - MIA response to DIMIA Business Skills discussion paper – dated March 2002**

**Attachment 3 – MIA second response to DIMIA Business Skills discussion paper – dated August 2002**

**Attachment 4: “Counting the cost of Ireland's ‘free-for-all’ immigration “  
By Emmett O’Connell, The Sunday Business Post’ – Dublin, Ireland, 11  
August, 2002**

How many economic immigrants are likely to avail of the Irish government's recently announced open door immigration policy for the East European EU applicant countries in advance of the seven-year waiting period provided in their Accession Treaties?

As in all large-scale population movements, modern and pre-modern, there will be winners and losers. To quantify the benefits and costs of a ‘free-for-all’ immigration policy, it is necessary to have some idea of the numbers likely to be involved.

Certainly the government's twin-track approach to benchmarking and unrestricted immigration should bring a halt to the inflationary wage spiral in the public and private sectors that is threatening to derail the Irish economy.

By overcoming labour shortages in healthcare, construction, information technology and certain areas of education and the services sector, wage levels can be stabilised, and possibly even lowered, while at the same time benefiting public services.

Heavy East European immigration should significantly change the bases for comparison between private and public wage and work productivity levels involved in the current benchmarking exercises.

It is little wonder that the Irish government, employer groups, the IDA, the banks and international investors favour acceptance of the Nice Treaty. If it is to be followed by a ‘Big Bang’ EU enlargement of ten new member states, then their citizens will be able to come to Ireland without work permits from January 2004, even though they will not be entitled to move around the EU as a whole for up to seven years.

For those who must sell their labour power, there is a serious downside, however. Competition in an open labour market resulting from a free-for-all immigration policy for the East European Applicant countries from 2004 will inhibit pay and promotion for existing Irish workers across the board -- in construction, services, banking and manufacturing.

The competition will come from a well educated, physically fit, well motivated and often English-speaking workforce migrating from post-communist high unemployment, low-wage or no-wage economies.

It behoves us then to try and put a figure on the numbers likely to be involved, in order to prepare policies to mitigate the downside. So far in this debate absolutely nothing has been done to attempt to quantify realistically the impact of a free-for-all immigration policy from Eastern Europe in this context.

Let us take some examples from modern day states that run proactive immigration policies and use them as a template for the Republic of Ireland.

Canada has long practised a proactive immigration policy. Given its vast size and population of 31 million, an active immigration policy is central to its economic development. Canada's long-term goal is to admit 1 per cent of its population base



each year as immigrants. In 2001 the figure came to around 250,000 actually admitted, due to the tough criteria Canada lays down for the health-level, educational standard, degree of occupational skill, financial status etc, of those it accepts as immigrants. But 1 per cent per year over the long term is its official goal.

The Irish government, by contrast, proposes no criteria or documentation for immigrants from the ten EU applicant countries. By applying the same 1 per cent template to the Republic's population base of nearly four million, one would get a figure of 40,000 immigrants a year to this state as a long-term minimum.

There is, however, another avenue of statistical analysis by which to judge the likely movement of population as between Latvia, Lithuania, Estonia, Poland, Hungary, the Czech Republic, Slovakia, Slovenia, Malta and Cyprus on the one hand, and the Irish Republic on the other. This is to estimate the number from this target area likely to avail of the opportunity to come to Ireland.

Having regard to the fact that the great majority of the EU member states have insisted on a seven-year 'lock-out' before EU rights to freedom of movement of population is permitted, it seems reasonable to estimate that as the only English-speaking, low unemployment, high-social-welfare, high-wage state remaining, Ireland will get the great bulk of those who emigrate from Eastern Europe over the seven-year period from 2004 on.

The combined population base of the ten applicant states likely to sign and ratify their Accession Treaties over the next year is some 75 million. In addition, the government has extended its open-ended invitation to come to Ireland to the combined 30 million population of Romania and Bulgaria, although their accession to the EU is expected to be later.

What percentage of these are likely to want to emigrate? Let us take a modern example, and one we know well -- Ireland itself. During the 1950s, with a population base of 2.8 million, emigration from Ireland was running at an estimated 50,000 per year, or nearly 2 per cent of the base population.

During the 1980s, when the Republic had a domestic unemployment rate of 16 per cent, emigration amounted to 250,000, the equivalent of one-fifth of our then labour force of 1,250,000. This was 25,000 a year, or approximately 1 per cent of the base population, which is Canada's current target.

Considering therefore the immigration open door proposed by Foreign Minister Brian Cowen, which is now government policy, allied to inexpensive three-hour air flights and generous social welfare benefits, it seems plausible to assume that we shall see entire family units -- no bad thing socially -- migrating to Ireland from January 2004.

It would seem reasonable, therefore, to expect a potential maximum level of migration from Eastern Europe to Ireland in the years from 2004 -- before the EU law provisions of their Accession Treaties come into force -- of 1 per cent of their base population of 75 million per year, which would amount to 750,000 per year.

This raises obvious questions regarding the capacity of existing housing, health, educational and ancillary services to handle such an inflow of immigrants. How many will actually arrive here, no one can dogmatise about, but there is clearly cause for concern.

The government owes an explanation to the electorate on what preparations it is planning to handle the consequences of a Yes vote in the re-run of the Nice Referendum, in a context where the government is planning to abolish work permits for East European citizens seven years before this happens in the rest of the EU.

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