
The Parliament of the Commonwealth of Australia

To make a contribution

Review of skilled labour migration programs 2004

Joint Standing Committee on Migration

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Contents

Foreword.....	ix
Membership of the Committee.....	xi
Terms of reference.....	xiii
List of abbreviations.....	xv
List of recommendations.....	xvii
Introduction.....	xxi
1 International competition for labour	1
2 Migrant motivators	7
Incentives to leave.....	7
Destination attractions	8
Why Australia?.....	9
Where in Australia?.....	10
Promoting Australia	13
Guiding migrants.....	15
Conclusion	23
3 Competition for skilled workers	25
Temporary skilled migration.....	25
Common approaches	26
Program consistency.....	28

Permanent /long term skilled migration	29
Common approaches	29
Other approaches	30
Targeted recruiting.....	31
Market responsiveness	32
Directed (regional) settlement.....	33
Australia in the global context	34
Conclusion	35
4 Temporary skilled migration	37
Country summaries	37
Australia	38
Canada.....	42
Germany	43
Ireland	44
Japan.....	45
New Zealand.....	46
United Kingdom	48
United States of America.....	50
Comparisons	52
Conclusion	57
5 Permanent skilled migration – overview.	59
Limited opportunities for permanent skilled migration.	59
Countries with permanent skilled migration	60
Rationale for permanent skilled migration.....	60
Numbers.....	61
Who gets in?	62
Joining the queue	67
Queuing up.....	67
Summary	70

6	Permanent migration and mandatory requirements	71
	Basic mandatory requirements	71
	Mandatory requirements for skilled migration	71
	Summary	86
7	Permanent migration – points for employability	87
	Points testing	87
	Users of points testing	88
	Passing the test	88
	Points test – in competing markets	89
	Employment-related points.....	92
	Points for skill.....	92
	Points for work experience.....	94
	Points for occupation in demand/job offer	100
	Points for local qualifications.....	103
	The role of the Skilled Occupations List (SOL)	105
	Summary	107
8	Permanent migration – personal points	109
	Points for age	109
	Conclusion	110
	Points for language	111
	Conclusion	112
	Points for “regional” location.....	113
	Conclusion	114
	Points for spouses’ attributes	114
	Conclusion	115
	Points for relationships	115
	Conclusion	115
	Bonus points.....	116
	Local work experience.....	116
	Fluency in a community language	116
	Capital	117

The concept of “Adaptability”	118
Summary	121
9 Settling well?	123
Labour force participation	124
Conclusion	124
Unemployment	125
Conclusion	126
Job satisfaction	127
Occupational distribution	127
De-skilling.....	129
Local experience.....	133
Recognition of overseas qualifications	144
Conclusion	149
10 Summary	153
Appendix A: Submissions	157
Appendix B: Public hearings & witnesses	161
Appendix C: Exhibits	167
Appendix D: Conducting the review	169
Appendix E: Glossary	171
Appendix F: Skilled migration data sources	177

Table 1.1:	Inflows of employed migrants, selected countries, 1995-1999	2
Table 1.2	Temporary skilled migration: selected countries 2000-2003.....	4
Table 1.3	Permanent skilled migration: selected countries: 2000-2003.....	5
Table 2.1	Intended destinations of settlers arriving in Australia 2002/3.....	11
Table 2.2:	Skilled Migrant visas - settlement patterns - 1/7/1996 – 30/6/2001	12
Table 2.3:	State/Territory Government internet portals, searched for “migration” (7/1/04)	21
Table 4.1	Selected temporary skilled migration programs.....	38
Table 5.1:	Permanent skilled migration: selected countries: 2000-2003.....	62
Table 5.2:	USA - Skilled migrant intake 2002	63
Table 5.3:	Skilled Migration Visa - Arrivals, 1999/00-2002/3	65
Table 6.1:	Skilled Permanent Migration - Mandatory requirements compared.....	74
Table 7.1:	Points tests compared.....	90
Table 9.1:	Selected occupations prior to and after arrival.....	128
Table 9.2:	Employment of persons with Post-Graduate Qualifications in 2001	132



Foreword

At a round table discussion with the Committee one migrant emphasised that:

we, the skilled migrants, have come to this country to make our own contribution to the development of Australia.¹

Australia has a number of programs which provide opportunities for people to do just that. The Committee's brief was to review and report on aspects of those skilled migration programs and to examine their competitiveness in the context of overseas programs designed to attract migrants to their shores.

The Committee quickly discovered that few programs remained static. This was true not only of Australia's programs, but also of overseas skilled migration schemes. The expected shortages in the Information and Communications Technologies sector in 2000 had prompted Ireland to introduce "a fast-track" visa for those with skills in demand, had led Germany to inaugurate a new migration program to achieve the same end, and prompted the United States to increase its existing intake by 70 per cent, from 115,000 to 195,000.²

National migration programs have continued to evolve since the review of skilled migration was referred to the Committee. Canada, for example, inaugurated completely new migration legislation in mid-2002; New Zealand radically changed its skilled migration arrangements in December 2003; and the United States cut the annual numbers of temporary skilled migrant visas from 195,000 to

1 Skilled Migrant Network, Evidence, p. 196.

2 Department of Enterprise Trade and Employment Press Release 7/5/02 *Tánaiste... announce changes to the Work Visa Scheme*, www.entemp.ie/press02/070502.htm Auswartiges Amt, Working in Germany: IT Specialists Programme, www.auswartiges-amt.de/www/en/wilcommen/arbeitsaufnahme. Press Release 4/10/00, *Congress Increases Visas for High-Tech Workers*, <http://www.house.gov/shays/press/H1b.htm>

65,000 in the same year.³ Australia revised aspects of its skilled regional program in January 2004.⁴

The continuing changes not only reflected shifts in the domestic requirements of the countries concerned, but were also evidence of the how competitors for skilled migrants continually adjusted their stance in the market place.

The Committee initially considered this international market for skilled labour (Chapter 1), some of the motivations which brought people to decide to migrate, and how State and local authorities might respond to those motivations (Chapter 2). After summarising the competition for both temporary and skilled migration (Chapter 3) the Committee examined the short-term arrangements in each of the countries under review (Canada, Germany, Ireland, Japan, New Zealand, UK, and USA) comparing them with Australia's approach (Chapter 4).

The Committee used a slightly different approach when examining permanent skilled migration because few of the countries considered actually contemplated permitting permanent settlement. The Committee was therefore able to compare the countries' perspectives on each specific selection factor in some detail (Chapters 5-8), prior to examining aspects of skilled migrant settlement in Australia (Chapter 9).

The Committee discovered in the course of this review that the Australian approach had been examined by a number of other countries. The Committee took these as evidence that there was merit in the approach used in Australia. However, as the Committee identified in its recommendations, some of the processes require attention in order to improve their facilitation of skilled migration and settlement.

Ms Teresa Gambaro MP
Chair

3 Citizenship and Immigration Canada (CIC) News Release 2002-18: *Canada's new immigration ...regulations finalised*, www.cic.gc.ca/english/press/02/0218-pre.htmlCit New Zealand Immigration Service (NZIS), *Migrate to New Zealand*, <http://www.immigration.govt.nz/Migrate/#Applying+for+residence+as+a+skilled+migrant> *Foreign Labor Certification Pre H-1B form*, U.S. Department of Labor Employment & Training Administration, <http://atlas.doleta.gov/foreign/preh1bform.asp>

4 Minister for Immigration..., *Plan to Attract more Migrants to Regional Australia*, VPS 004/2004, 12/1/04, www.minister.immi.gov.au/media_releases/media04/v04004.htm



Membership of the Committee

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Senator Alan Eggleston

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Terms of reference

On 18 June 2002 the Minister for Immigration, Multicultural and Indigenous Affairs asked the Committee to 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.



List of abbreviations

ABS	Australian Bureau of Statistics
ACTU	Australian Council of Trade Unions
AMEP	Adult Migrant English Program
AMES	Adult Multicultural Education Service
APEC	Australian Pharmacy Examining Council
CFMEU	Construction Forestry Mining Energy Union
CIC	Citizenship and Immigration Canada
DEST	Department of Education, Science and Training [Australia]
DETE	Department of Enterprise Trade and Employment [Ireland]
DEWR	Department of Employment and Workplace Relations [Australia]
DIMIA	Department of Immigration and Multicultural and Indigenous Affairs [Australia]
DOLETA	Department of Labor Employment and Training Administration [USA]
HRDC	Human Resources Development Canada
IELTS	International English Language Testing System
ILO	International Labour Organisation

LSIA	Longitudinal Survey of Immigrants to Australia
MODL	Migration Occupations in Demand List [Australia]
NILS	National Institute of Labour Studies [Australia]
NISS	National Integrated Settlement Strategy [Australia]
NOCL	National Occupation Classification List [Canada]
NZIS	New Zealand Immigration Service
SOL	Skilled Occupations List [Australia]
USCIS	United States Citizenship and Immigration Services.



List of recommendations

2 Migrant motivators

Recommendation 1

The Committee recommends that DIMIA improve the visibility of the existing hyperlinks from its website to those of State and Territory governments.

Recommendation 2

The Committee recommends that the Minister present to the next meeting of the Commonwealth/State Working Party on Skilled Migration a proposal that States and Territories identify on their websites their preferred settlement areas to assist potential skilled migrants.

Recommendation 3

The Committee recommends that DIMIA continue its practice of analysing and publicising LSIA data and release more promptly updated, de-identified, unit record data.

4 Temporary skilled migration

Recommendation 4

The Committee recommends that DIMIA, as part of its monitoring program, identify establishments with a disproportionate dependence on migrant labour and focus its assessment on how well they demonstrate the commitment of their business to training Australian residents or introducing new technology.

Recommendation 5

The Committee recommends that an indexed fee of \$1,000 be charged to each sponsor of a skilled temporary worker to fund scholarships for Australians in areas of existing long term shortages which are predicted to continue.

7 Permanent migration – points for employability

Recommendation 6

The Committee recommends that the skilled migration bonus points score for local lawfully gained work experience be increased from the current five points to ten.

Recommendation 7

The Committee recommends that transition arrangements be made when implementing its recommendations so that existing applicants are not disadvantaged by the changes.

8 Permanent migration – personal points

Recommendation 8

The Committee recommends that the existing mandatory age limit of 45 years for skilled migration be removed.

Recommendation 9

The Committee recommends that, in the skilled migration points test, no points be allocated to applicants aged over 45.

Recommendation 10

The Committee recommends that weighting given to spouse attributes in the points test be increased substantially to reflect the importance of their support to the primary applicant.

Recommendation 11

The Committee recommends that the requirement that the spouse be aged under 45 to score points for the “spouse skills” component of the points test be discontinued to retain consistency with the Committee’s recommended changes to the age requirements for primary applicants.

9 Settling well?

Recommendation 12

The Committee recommends that the General Skilled Migration booklet list the skilled occupations and migration occupations in demand which require migrants to be registered prior to practising in Australia.

Recommendation 13

The Committee recommends that DIMIA seek the cooperation of assessing authorities in providing migrant-oriented summaries of their Australian assessment, post-arrival obligations, and registration requirements in its Skilled Occupations List publication.

Recommendation 14

The Committee recommends that assessing bodies continue to seek harmonisation of registration requirements across the States and Territories.



Introduction

In reviewing a topic as broad as Australia's migration and temporary entry program for skilled labour, the Committee has necessarily been selective. The Committee was reluctant to duplicate current or recent reviews covering aspects of its terms of reference such as:

- **Regional migration**, on which the Committee reported in 2000 and which DIMIA was addressing through a discussion paper in 2002;
- **Recruiting of medical personnel** which was treated in substantial detail in 2002 by the Senate Community Affairs References Committee in *The Patient Profession: Time for Action – Report on the Inquiry into Nursing*, and by the Committee for the Review of Practices for the Employment of Medical Practitioners in the NSW Health System in 1998 in *The Race to Qualify*;
- **Local skill shortages** which were addressed in 2003 by the Senate Employment, Workplace Relations and Education Committee's report *Bridging the Skills Divide*;
- **Temporary Overseas migration**, currently being investigated by the Australian Centre for Population Research⁵;
- **Temporary Business Entry (Long Stay) visa** sponsorship arrangements, reviewed by the Senate Legal and Constitutional Legislation Committee in August 2003⁶; and
- **Permanent business skills migration** which had been the subject of a DIMIA discussion paper in 2002, *Improving the Performance of Business Skills Migrants* and subsequent revisions to policy in 2003.⁷

5 S-E Khoo, C. Voight-Graf, G. Hugo, P. Mc Donald, "Temporary Skilled Migration to Australia: The 457 visa sub-class", *People and Place*, Vol 11, No. 4, 2003, p. 39.

6 Legal and Constitutional Legislation Committee, *Provisions of the Migration Legislation Amendment (Sponsorship Measures) Bill 2003*.

7 Minister for Immigration, *Regional Boost for Business Migration*, MPS 10/2003, 26/2/03. State and Territory Government sponsored applicants may get a four-year provisional visa be eligible to apply for permanent residence after they have successfully operated a business for at least two years.

Rather, the Committee has sought to examine aspects of the programs which have not been reviewed recently and which offered productive comparisons with overseas approaches to similar issues.

The continuing evolutionary and revolutionary changes in domestic and overseas skilled migration policy have meant that the Committee has been heavily reliant on the internet to keep its information up to date, as is apparent in the footnote references in this report. One consequence of the perpetual evolution of migration policy was that the websites also changed and information disappeared. This may have happened some of the sites referred to in the Committee's report.

International competition for labour

- 1.1 Each year millions of people leave their native countries in search of work. In 2002 the International Labour Organisation (ILO) estimated that there were some 120 million migrant workers globally.¹ In the late 1990s South and South East Asia alone contributed some 2.6 million each year to that internationally mobile workforce. Many of these workers go to trade, service, and construction jobs, but there is a significant flow of professionals and technical workers to Europe and North America, particularly to the information and communications technologies (ICT) and nursing sectors.² In April 2003 labour Ministers from Asia concluded that international labour migration was expected to increase.
- 1.2 Australia is not the only country seeking workers, but the relative scale of migration to other countries is difficult to establish because of differences in the nature of the migration programs and data definitions.
- 1.3 Table 1.1 below summarises ILO information for the countries of immediate interest to the Committee in this review of Australia's skilled migration arrangements – Australia, Canada, Germany, Ireland, Japan, New Zealand, the United Kingdom and the United States of America.

1 P Taran, E Geronimi, Perspectives on Labour Migration 3 E - *Globalization, Labour and Migration: Protection is Paramount*, p. 2. International Migration Programme, International Labour Office, Geneva.
www.ilo.org/public/english/protection/migrant/download/pom/pom3e.pdf

2 "Labor Migration Ministerial Consultations for Countries of Origin in Asia", *Asian and Pacific Migration Journal*, Vol 12, No.1-2, 2003.

- 1.4 Although incomplete, and available only for the late 1990s, these ILO statistics indicate that, between them, these eight countries accepted approximately one million employed permanent or temporary migrants each year.

Table 1.1. Inflows of employed migrants, selected countries, 1995-1999³

COUNTRY	Labour Force (million)	1995	1996	1997	1998	1999
Australia	8.4	112,535	115,908	113,874	120,479	135,368
Canada	13.9	No data	No data	74,300	78,000	82,000
Germany	35.9	270,800	262,500	285,400	275,500	No data
Ireland	1.4	4,300	3,800	4,500	5,600	6,300
Japan	64.9	81,508	78,538	93,895	101,891	108,038
NZ	1.7	38,710	41,142	No data	No data	No data
UK	26.8	35,500	37,700	79,100	120,600	No data
USA	129.6	306,000	371,900	90,600*	77,500*	56,800*

- 1.5 Australia's average intake of some 120,000 permanent and short/long-term working migrants each year during that period was the equivalent of approximately 1.4 per cent of its total employed workforce. Only New Zealand, with 2.4 per cent, took in a higher proportion. In the remaining five countries, the inflow of employed migrants ranged from 0.14 per cent of the employed workforce (Japan) to 0.75 per cent (Germany).
- 1.6 From these figures the Committee concluded that Australia was an enthusiastic recruiter of migrant workers.
- 1.7 The scale of Australia's employed migrant intake in the late 1990s was also evident in the raw numbers involved, which increased in response to policy changes emphasising skilled migration.⁴ Overall, in the late 1990s, Australia probably ranked third among these countries in its total intake of employed migrants, after the United States and Germany. Both had economies far larger than Australia's, as is indicated by the sizes of their labour forces. So too did Japan,

3 *Labour force* is median number of employed persons for 1995-99, International Labour Organisation, LABORSTA, <http://laborsta.ilo.org/> *Employment* is defined as all persons above a specific age who during a specified brief period, either one week or one day, were engaged in paid employment or self-employment. International Labour Organisation: *International Labour Migration Data Base* which is based on responses of ILO member states to a questionnaire survey mailed in 1998 to obtain basic data on stocks and flows of migrant labour. * USA data for 1997-99 excludes temporary workers. www.ilo.org/public/english/protection/migrant/ilmdb/index.htm

4 Minister for immigration... *Record Numbers of Migrants to Boost Economy*, MPS 46/2003, 10/7/03. www.minister.immi.gov.au/media_releases/ruddock_media03/r03046.htm

Canada and the UK, all of which took in fewer employed migrants than Australia.

- 1.8 These figures indicated to the Committee that Australia was successfully competing in the broad international labour market.
- 1.9 Table 1.1, while giving an indication of the scale of migration, concealed Australia's special focus within the international labour market. It was primarily interested in skilled workers, be they short-term or permanent migrants.
- 1.10 Skilled workers seeking only short-term employment in Australia had to:
- be sponsored by an employer; and
 - have skills appropriate to the job for which they are being sponsored.⁵
- 1.11 Table 1.2 provides an overview of the short-term migrant intake under the main programs in each of the countries in which the Committee is interested for comparative purposes.
- 1.12 The data in Table 1.2 come from official sources in the relevant country. The figures are not compatible with the ILO data in Table 1.1, nor are they directly comparable. The definitions or descriptions of "skilled" vary from country to country. Some statistics refer to visas or to permits issued, rather than actual arrivals. There is also great variation in the definitions used in the original data collections. The time-frame encompassed by "temporary" migration varies. Short-term workers from the European Economic Area⁶ are, for example, not included in the Ireland or UK data because they do not require work permits. Further, some countries, such as Germany, have only recently begun to experiment with targeted migration and the numbers are consequently modest.

5 DIMIA, Booklet 11, *Sponsoring a temporary overseas employee to Australia*, pp 2, 15, www.immi.gov.au/allforms/booklets/1154.pdf, updated 1/7/03

6 i.e.: Austria, Italy, Belgium, Liechtenstein, Denmark, Luxembourg, Finland, Netherlands, France, Norway, Germany, Portugal, Greece, Spain, Iceland, Sweden, and Ireland. "*EEA Nationals and their Families*" www.uk.emb.gov.au/CONSULAR/PDF/EC_infosheets_aust/inf_eea.pdf

Table 1.2 Temporary skilled migration: selected countries 2000-2003⁷

COUNTRY	Workforce	Program	2000	2001	2002
Canada	15.1m	Temporary foreign workers	45,573	47,691	47,061
Ireland	1.7m	Work Permits:	18,000	36,000	40,000
Japan	64.1m	Skilled Status of Residence	248,152 ⁸	254,543 ⁹	272,797 ¹⁰
UK	28.2m	Work Permits Entered	92,000	109,000	120,000
		Work Permits Issued	85,638	No data	No data
USA	135.1m	H1B applications: Initial total	164,814 299,046	201,543 342,035	109,576 215,190
		H1B approved: Initial total	136,787 257,640	201,079 331,206	103,584 197,537
		H1B admissions ¹¹	355,605	384,191	370,490
			Financial years		
			2000/1	2001/2	2002/3
Australia	9.1m	Skilled visa classes	45,669	43,303	48,779
Germany	3.7m	IT specialists	8,500	4,000	2,000
NZ	1.8m	Work visas & work permits	57,087	71,494	82,283

- 1.13 Despite the limitations of the data, it is evident from Table 1.2 that there is strong competition for skilled labour internationally, and that the intake of short-term skilled migrants to Australia was dwarfed by the numbers granted access to the larger economies.
- 1.14 In part this would reflect the greater employment opportunities available in the larger economies. It could also indicate that Australia was more selective in its recruitment.
- 1.15 Skilled workers eligible to apply to migrate permanently to Australia were those:
- who had post-secondary qualifications;
 - whose skills had been assessed by the relevant Australian assessing authority;
 - whose skills had also been assessed by the relevant assessing authority as suitable for their nominated occupation; and

⁷ For details of data sources for this table, see Appendix F.

⁸ Plus 105,684 entertainers and 13,858 "skilled labourers" in 2000.

⁹ Plus 120,726 entertainers and 12,614 "skilled labourers" in 2001.

¹⁰ Plus 126,158 entertainers and 12,547 "skilled labourers" in 2002.

¹¹ H1B admissions includes multiple admissions of individuals.

- whose nominated occupation was on the Skilled Occupations List (SOL).¹²
- 1.16 The SOL identified more than 300 occupational shortages, ranging from accountants to zoologists and including sign writers, wood turners, and dental hygienists.¹³
- 1.17 Table 1.3 summarises the permanent migration intakes of those countries considered by the Committee which have such programs: Canada, USA, Australia and New Zealand.

Table 1.3 Permanent skilled migration: selected countries: 2000-2003¹⁴

Country	Workforce	Program	2000	2001	2002
Canada	15.1m	Skilled Worker	118,307	137,112	123,357
USA	135.1m	Permanent Labor Certification	107,024	179,195	174,968
			<i>Financial years</i>		
			2000/1	2001/2	2002/3
Australia	9.1m	General Skilled Migration	44,730	53,520	66,050
NZ	1.8m	General Skills Category	23,264	31,340	26,662

- 1.18 The figures in Table 1.3 are subject to similar caveats as those which apply to the data for short-term migration in Table 1.2. Nevertheless, it is apparent that while Australia attracted tens of thousands of skilled permanent migrants, the North American countries considered by the Committee attracted more than 100,000 each year.
- 1.19 As was the case with the data concerning short term skilled migrants, the discrepancy probably reflects the greater employment

12 "Qualifications" includes university or trade qualifications or, in a small number of occupations, substantial relevant work experience. *General Skilled Migration to Australia: Basic requirements*; www.immi.gov.au/migration/skilled/basic_requirements.htm updated 30/6/03.

13 DIMIA, *Skilled Occupations List*, Form 112i, <http://www.immi.gov.au/allforms/pdf/1121i.pdf>

14 **Workforce** as at 2001, International Labour Organisation, *LABORSTA*, <http://laborsta.ilo.org/>
CANADA: Skilled Workers and Dependents. CIC News Releases: 2001-01, *Minister Tables Immigration Levels*, 8/2/01; 2002-11, *More Than 250,000 New Residents in 2001*, 17/4/02; 2003-12, *Canada Welcomes Close To 230,000 New Permanent Residents In 2002*, 30/4/03, www.cic.gc.ca/english/press
USA: Employment Based Immigrants, USCIS, "Table 4: Immigrants admitted by type and selected class of admission: fiscal years 1986-2002", *Fiscal Year 2002 Yearbook of Immigration Statistics*, <http://uscis.gov/graphics/shared/aboutus/statistics/IMM02yrbk/IMMExcel/table4.xls>
AUSTRALIA: Skill Stream, (Skilled-Australian Sponsored; Independent; ENS/LA/RSMS/STNI; Business Skills; Distinguished Talent; 1 November):Minister for Immigration...*Media Release MPS, 68/2002, 24 July 2002*; 46/2003, 10 July 2003, www.immi.gov.au/media_releases/index.htm
NZ: General Skills, NZIS: *R1 - Residence Decisions by Financial year*, www.immigration.govt.nz/Research/Statistics/Statistics.htm

opportunities available in the larger economies and the selective nature of Australia's permanent migration program.

- 1.20 The Committee concluded that Australia's permanent and temporary entry programs for skilled migrants were competitive with the other countries examined.
- 1.21 In subsequent chapters the Committee examines a range of factors which may make national migration programs more or less attractive to potential skilled migrants compared with those of Australia.

Migrant motivators

- 2.1 The Committee sought to examine what might make one country more attractive or competitive than another, noting that incentives for migration might be considered as “push” and “pull” factors.

Incentives to leave

- 2.2 A small scale commercial survey of intending migrants from the United Kingdom in 2003 illustrated the motivations which might cause people to seek a new life abroad. The major “push” factors which they identified were deterioration of quality of life; escalation of the rat race; and issues associated with the European Community.¹
- 2.3 More generally, the “push” which can prompt individuals to leave their homelands may include local demographic, political and economic hardships.
- 2.4 According to data from DIMIA’s *Longitudinal Survey of Immigrants to Australia* (LSIA), dislike of the economic or social conditions in their homelands were the most significant incentives for skilled migrants to leave for Australia in 1999/2000.²
- 2.5 This, to the Committee, did not disguise the fact that Australia was, at best, the migrants’ second choice. At least two thirds of the same

1 Deterioration 75%; rat race, 66%; Europe, 45%. “Best of British just not good enough”, in *Emigrate*, Issue no 8, Outbound Publishing, East Sussex, October 2003.

2 Social = 23%, Economic = 15% for the main skilled categories for which large data samples were available (Skilled Independent, Employer Nomination, Skilled Australia Linked, Business Skills). DIMIA, Submission No 25a, Table 23. See also National Institute of Labour Studies, (NILS) *Life in a New Land: The Experience of Migrants in Wave 1 of LSIA 1 and LSIA 2*, Table 3.3. www.immi.gov.au/research/publications

group considered that they were either satisfied or very satisfied with life in their home country, and more than half were more than able to meet their basic needs.³

- 2.6 This indicated to the Committee that “push” factors were not crucial to the decision of skilled people to move to Australia.

Destination attractions

- 2.7 The “pull” to specific countries may be their attributes, such as their proximity, cultural tolerance, political freedom, higher wages, security, better social safety nets, better working conditions, and more stimulating/challenging work. Relatives and expatriate communities in the new land may also exert a “pull”.⁴

- 2.8 Evidence provided to the Committee argued that Australia was losing potential migrants to other countries. The “pull” factor of material reward, for example, may not have been a factor for those who actually chose Australia, but for others who might be seeking higher earning capacity:

it is accepted wisdom that destinations such as Canada, the United States of America, the United Kingdom and Germany provide greater incentives.⁵

- 2.9 One quarter of temporary skilled workers who chose to move to England, but had considered the USA, maintained that the US standard of living was better; one in five thought that career opportunities were better there, and the same proportion nominated the weather as being better. Of those who had considered Australia, three-quarters thought it had better climate and one quarter believed the standard of living was better. The main attraction of Canada was, for those who considered it prior to moving to the UK, the society’s values. Yet despite those competing attractions, they had chosen the UK.⁶

- 2.10 The Committee acknowledged that the appeal of any one country differed from person to person. Some, for example, might see an

3 NILS, *Life in a New Land: The Experience of Migrants in Wave 1 of LSIA 1 and LSIA 2*, Tables 3.4, 3.6. www.immi.gov.au/research/publications

4 M. Piracha, R. Vickerman, “Immigration, Labour Mobility and EU Enlargement”, University of Kent Discussion Paper No. 02/09. 2002, www.kent.ac.uk/economics/research/1europe/RIIACChapter-final.pdf

5 Migration Institute of Australia, Submission No 26, p. 8.

6 Home Office, *Knowledge Migrants: The Motivations and Experiences of Professionals in the UK on Work Permits*, November 2002, p. 53, www.homeoffice.gov.uk/rds/pdfs2/knowmigrants.pdf

economy as vast as that of the USA as a source of almost infinite opportunity to reinvent themselves. Others could fear being swamped by its scale.

- 2.11 The challenge for Australia was therefore to identify and promote what Australia offered not only as an alternative to skilled migrants' home countries, but also in comparison with other possible destinations.

Why Australia?

- 2.12 Approximately two thirds of the skilled migrants to Australia in 1999/2000 came because it offered a better future for their families, and a similar proportion identified lifestyle or climate as a reason for migrating.⁷
- 2.13 The importance of these factors may have reflected the previous experience of the migrants, because two thirds of the primary applicants had previously visited Australia. One quarter had come as short-term tourists or visitors, and a further one in six had studied here.⁸ Most skilled migrants to Tasmania had usually visited the state prior to settling, and South Australia encouraged potential migrants to visit prior to making their decision because:
- there is no joy in bringing people to the state if they are unsuccessful.⁹
- 2.14 The Committee concluded that an important factor in migrants' decisions to come to Australia was their previous familiarity with the country.
- 2.15 The skilled migrants' focus on Australia as a place offering a better future for their families, and/or an attractive lifestyle and climate was unfortunately replicated in the small study of United Kingdom migrants mentioned earlier. It indicated that they were being "pulled" by perceptions that their destination was a better place to bring up children (54%), had a more relaxed lifestyle (73%), or a better

7 Main skilled categories for which large data samples were available (Skilled Independent, Employer Nomination, Skilled Australia Linked, Business Skills). DIMIA, Submission No 25a, Table 23. See also NILS, *Life in a New Land: The Experience of Migrants in Wave 1 of LSIA 1 and LSIA 2*, Tables on p. 5 and 47. www.immi.gov.au/research/publications

8 Comparable figures for spouses were: 55%, including 30% as tourists/visitors and 7% as students. DIMIA, Submission No 25a, Tables 15, 16, 18, 19. See also NILS, *Life in a New Land: The Experience of Migrants in Wave 1 of LSIA 1 and LSIA 2*, Table 3.8. www.immi.gov.au/research/publications

9 Tasmanian Government, Submission No. 22, p. 3, SA Government, Evidence, p. 95.

- climate (38%). The unfortunate aspect of this close agreement between the two studies was that the migrants from the United Kingdom were talking about Canada and New Zealand as well as Australia.¹⁰
- 2.16 LSIA asked migrants who chose Australia whether they had applied to migrate to other countries. So few said that they had that the Committee could draw no conclusion from their responses. Their answers did, however, suggest that Canada, the USA and New Zealand were seen as alternative destinations to Australia, and that migrants were equally likely to apply to migrate to other countries as well as Australia.¹¹
- 2.17 The Committee had assumed that, for skilled permanent migrants, employment opportunities would be an attraction. Migrants' responses to LSIA, however, ranked job opportunities third in importance, behind their families' future and lifestyle/climate. Generally jobs were given as a reason for migrating only half as often as family prospects and lifestyle/climate reasons.¹² Approximately one migrant in six said that a reason for migrating to Australia was to join family or friends.¹³
- 2.18 The Committee understood these responses to mean that, whatever Australia's perception might be, skilled migration was not primarily about jobs - at least for the migrant.
- 2.19 The LSIA evidence indicated to the Committee that Australia's general attributes weighed heavily in skilled migrants' decision to move, although the specifics of jobs and family and friends in Australia also had a role.

Where in Australia?

- 2.20 Migrants did not arrive in Australia seeking a place to settle - they had already made that decision.

10 "Best of British just not good enough", in *Emigrate*, Issue no 8, Outbound Publishing, East Sussex, October 2003.

11 The NILS, *Life in a New Land: The Experience of Migrants in Wave 1 of LSIA 1 and LSIA 2*, reached the same conclusion, pp. 124, 125. www.immi.gov.au/research/publications

12 One in three gave employment opportunities as a reason. Estimated from Tables on p. 5 and p. 47 on NILS, *Life in a New Land: The Experience of Migrants in Wave 1 of LSIA 1 and LSIA 2*, Tables 3.3, 3.6. www.immi.gov.au/research/publications

13 Estimated from Tables on p. 5 and p. 47, NILS, *Life in a New Land: The Experience of Migrants in Wave 1 of LSIA 1 and LSIA 2*, Tables 3.3, 3.6. www.immi.gov.au/research/publications

- 2.21 In 2002/3 nearly two thirds of the 108,000 people who settled in Australia arrived through the various economic entry programs. Most of these 66,050 intended to settle in New South Wales or Victoria, as Table 2.1 (below) indicates. Four in every five who arrived under various skilled regional settlement programs opted to live in metropolitan areas.¹⁴
- 2.22 During the course of the review a new arrangement was introduced, to begin on 1 July 2004, after the Committee concluded its review. It would offer skilled migrants under the age of 45 a temporary three-year visa if they undertook to live and work in a regional area. If they did not do so, the visa would be revoked after three years. If however, they remained, they could apply for permanent residence after two years.¹⁵

Table 2.1 Intended destinations of settlers arriving in Australia 2002/3¹⁶

	State-specific programs	Skill stream (includes State-specific)	TOTAL settlers	
			Number	%
New South Wales	620	20,400	39,110	36.2
Victoria	4,150	14,190	24,410	22.6
Queensland	650	7,120	12,270	11.4
South Australia	1,320	2,810	4,590	4.2
Western Australia	580	9,170	12,920	12.0
Tasmania	200	350	670	0.6
Northern Territory	130	200	460	0.4
Australian Capital Territory	290	1,060	1,800	1.7
Not known	-	10,750	11,830	10.9
TOTAL	7,940	66,050	108,070	100

- 2.23 As the New South Wales Government submission emphasised, the settlers were unlikely to move from these locations:

recent analysis based on data from the Longitudinal Survey of Immigrants to Australia (LSIA) suggests that “most

14 B. Birrell, “Redistributing migrants: the Labor agenda”, *People and Place*, Vol 11, No.4 2003, p. 20.

15 Minister for Immigration... *Plan to Attract more Migrants to Regional Australia*, VPS 004/2004, 12/1/04. www.minister.immi.gov.au/media_releases/media04/v04004.htm

16 **State-specific**, DIMIA, *Annual Report 2002/3*, p. 26. **Skill; Total** DIMIA, unpublished data. Excludes approx 12,000 settlers under Humanitarian program. Minister for Immigration... *Over 12,000 refugees and humanitarian entrants resettled in 2003*, VPS 001/2004, 1/1/03, www.minister.immi.gov.au/media_releases/media04/v04001.htm

migrants make up their minds where they want to settle before they arrive in Australia".¹⁷

- 2.24 Reinforcing this, South Australia reported that all of its skilled migrants under the State and Territory Nominated Independent program for skilled had remained in the State.¹⁸
- 2.25 Canada also reported similar findings. Only one in ten of its migrants did not state a destination prior to arriving, and:
- three-quarters of the immigrants who had stated a destination at the time of admission... actually settled where they had intended to. The remaining quarter ...generally,... originally planned to settle in a smaller metropolitan area, but subsequently decided to live in one of the... largest¹⁹
- 2.26 Table 2.2 highlights the comparable tendency of skilled migrants to Australia to congregate in the urban areas of the most populous States.

Table 2.2: Skilled Migrant visas - settlement patterns - 1/7/1996 – 30/6/2001²⁰

	Metropolitan (%)	Non-metropolitan (%)	Not stated (%)	Total (%)
New South Wales	37.8	2.2	-	40.1
Victoria	18.6	0.9	-	19.4
Queensland	9.2	3.8	-	13.0
South Australia	4.9	0.2	-	5.1
Western Australia	15.8	1.0	-	16.8
Tasmania	0.3	0.2	-	0.5
Northern Territory	0.4	0.1	-	0.5
Australian Capital Territory	-	-	1.4	1.4
Not stated	-	-	3.1	3.1
TOTAL (%)	87.0	8.4	4.5	100

- 2.27 The message for the Committee from these findings, and from the Australian National Institute of Labour Studies (NILS) findings in its

17 NSW Government, Submission No. 37, p.9, referring to NILS *The Settlement Experiences of New Migrants*, p. 23.

18 SA Government, Submission No. 24, p. 4.

19 Statistics Canada, *Highlights of the Longitudinal Survey of Immigrants to Canada*, www.statcan.ca/english/freepub/89-611-XIE/free.htm

20 162,814 visas. B. Birrell, V. Rapson, "Two Australias: Migrant Settlement at the End of the 20th Century", *People and Place*, Vol 10, No.1 2002, p. 15. 78,000 skilled migrant visa holders in 2001/2-2002/3 continued this pattern. B. Birrell, "Redistributing migrants: the Labor agenda", *People and Place*, Vol 11, No.4 2003, p. 17.

reports *Life in a New Land...* and *The Settlement Experiences of New Migrants*, was that:

migrants tend to stay in the place of first settlement. If there is any policy interest in altering the pattern of location of migrants soon after they arrive, it is necessary to focus on where they first live. Indeed, it would be necessary to try to alter intended destination, since overwhelmingly migrants live where they intended to live before they arrived.²¹

- 2.28 It was therefore in the interests of the State, Territory and local governments to seek out potential migrants and provide them with more options prior to them deciding on their destination within Australia.

Promoting Australia

- 2.29 In addressing how to improve Australia's attractiveness, the Tasmanian Government proposed a concession:

offering relaxed entry requirements to migrants who settle in defined areas of Australia... [for] a period of time... making it less likely they will leave once the nominated time period is completed.²²

- 2.30 The Tasmanian Government's submission then emphasised the need to provide relevant infrastructure to attract and support skilled migrants, as did many of the submissions to the Committee.²³ The requirements included:

"on the ground" resettlement support and assistance given the absence of established ethnic communities, with their informal support networks. Access to health services, English language lessons, orientation services, social services and information would be vital.²⁴

- 2.31 The Committee considered these aspects of settlement in the chapter *Settling Well?* because it wished to focus on what was being done to encourage migration.

21 NILS, *The Settlement Experiences of New Migrants*, p. 23. See also Chapter 2 of their *Life in a New Land: The Experience of Migrants in Wave 1 of LSIA1 and LSIA2*. www.immi.gov.au/research/publications/lsia/index.htm

22 Tasmanian Government, Submission No. 22A, p. 5.

23 E.g. Queensland Government, Submission No. 27, pp 2-3; NSW Government, Submission No. 37, p. 9.

24 Tasmanian Government, Submission No. 22A, p. 5.

2.32 The New South Wales Government:

recognised that no one agency or tier of government can realistically implement all the changes required to achieve a significant shift in...settlement patterns. A whole-of-government approach is required, including appropriate input from regional and community interests.²⁵

2.33 In Canada, the Standing Committee on Citizenship and Immigration reached a similar conclusion in its report on the Provincial Nominee Program:

all levels of government and... business need to be at the table.²⁶

2.34 Both the New South Wales and the Tasmanian Governments urged more coordination:

information on the various types of visas is available from these [DIMIA Business] centres, there may be potential to streamline contact and procedures with these centres to make it more of a "one stop shop" for liaison with other agencies that are integral to the settlement and job seeking process;²⁷

providing information to potential migrants in one location, for example the internet, outlining health care, taxation and other domestic considerations.²⁸

2.35 The Committee noted that there was already a range of coordination bodies in existence and that DIMIA's key roles were managing and providing advice on migration and humanitarian policy.²⁹ These activities related less to promotion and recruitment than to:

contributing to Australia's society and its economic advancement through the lawful and orderly entry and stay of people.³⁰

2.36 DIMIA did, however,

conduct training sessions with what are called our regional certifying bodies.... in terms of our requirements but

25 NSW Government, Submission No. 37, p. 1.

26 Standing Committee on Citizenship and Immigration, Press release 7/5/03, www.parl.gc.ca/InfoCom/PubDocument.asp?Language=E&DocumentID=1031

27 NSW Government, Submission No. 37, p. 9.

28 Tasmanian Government, Submission No. 22A, p. 7.

29 DIMIA, *Review by the Secretary*, Annual Report 2002/3, p. 2.

30 DIMIA, *Business Directions 2002-2005*, www.immi.gov.au/departments/directions2002.htm

secondly in terms of how we can work with them to increase promotion in regional Australia.³¹

- 2.37 In examining how Australia might maximise its pulling power, the Committee had to look beyond DIMIA to the activities of State, Territory and local authorities. This presented the Committee with an opportunity to pursue the review's term of reference covering "settlement patterns for new arrivals including the role played by State and local authorities".

Guiding migrants

- 2.38 States and Territories actively sought out potential migrants abroad at migration seminars and expos and through print media.³² Positioning themselves against the other migration destinations covered in *Emigrate* magazine – New Zealand, Canada, USA, South Africa and Europe – were South Australia (*Special Deal for Migrants*), Victoria (*Your Business. Your Career. Your Family. Your Lifestyle. Your Future*) and Western Australia (*Business migrants now is the time...*).³³

Destination States and Territories

- 2.39 In the competition for skilled migrants New South Wales was the most popular destination in 2002/3, continuing a well established pattern in which Victoria and Western Australia were the next most popular destinations. These three States attracted some three quarters of skilled migrants between 1996/7 and 2000/1.³⁴
- 2.40 **New South Wales**, with one third of Australia's population, received 40 per cent of skilled migrants between 1996/7 and 2000/1. This was despite the State not actively encouraging skilled migrants because of concerns about the environmental and infrastructure impact of the number of migrants settling in Sydney.³⁵ The growing pressure of migration on New South Wales was the subject of a State-Federal Working Party on Migration to Sydney and Regional NSW which had yet to report when the Committee finalised its review.³⁶

31 DIMIA, Evidence, p. 16.

32 WA attracted 84 skilled migrants from attending a UK expo. *Expo business migration boost*, Wanneroo Times, 16/9/03.

33 *Emigrate*, Issue No. 8 October 2003, Outbound Publishing, UK.

34 Tables 2.1, 2.2.

35 Institution of Engineers Australia, Submission No. 10, para 7.2; DIMIA, Submission No. 25, para 2.21.

36 Government of New South Wales, Evidence, p. 70.

- 2.41 **Victoria** targeted:
marketing and matching of migrants to opportunities, including to international students [and] ...regional stakeholder engagement.³⁷
- 2.42 The outcome was that over the five years up to and including 2000/1 Victoria attracted one fifth of all skilled migrants to Australia. Victoria expressed its intention to improve on this and implemented continuing strategies to:
increase Victoria's share of Australia's skilled migrants to at least its share of Australia's population (25%).³⁸
- 2.43 **Western Australia** was the third most popular destination for skilled migrants and had attracted 17 per cent of the skilled migrant intake to Australia between 1996/7 and 2000/1. Its Small Business Development Corporation supported skilled migration to Western Australia through the Business Skills Migration Program and the State Government had also begun to develop a network of overseas offices to promote Western Australia to potential migrants.³⁹
- 2.44 Thirteen per cent of skilled migrants to Australia between 1996/7 and 2000/1 settled in **Queensland**.⁴⁰ In its submission the Queensland Government stated that:
the attraction and retention of skilled migrants plays an important role in assisting Queensland to meet emerging skill shortages and improve the overall effectiveness of the State's labour force.⁴¹
- 2.45 DIMIA's submission noted that Queensland was involved in overseas promotion in countries such as Taiwan.⁴²
- 2.46 Like Queensland, **South Australia** also promoted itself overseas and in 1998 the Government had launched a \$1.6 million, 3 year migration campaign *Immigration SA*. It included initiatives to attract potential skilled migrants through developing stronger ties with migration agents and promoting State-sponsored migration schemes. In the period 1996/7 – 2000/1 the State attracted five per cent of the skilled

37 Victorian Government, Submission No. 58, p. 2.

38 Victorian Government, Submission No. 58, pp 1-2.

39 Table 2.2. Institution of Engineers Australia, Submission No. 10, p. 18.

40 Table 2.2.

41 Queensland Government, Submission No. 27, p. 1.

42 DIMIA, Submission No. 25, Appendix 13.

migrants arriving in Australia.⁴³ South Australia used the DIMIA Skill Matching Database to identify prospective migrants, even if they did not meet the State's immediate skill requirements:

we do a mail-out to say that South Australia exists and we have a program for skilled migrants that includes a meet and greet package when you arrive at the airport... we promote the jurisdictional difference between the cost of housing in Sydney and the cost of housing in Adelaide, and the cost of living generally here—both costs are lower in Adelaide than in Sydney. We want to bring to the attention of people that South Australia exists and that it has some elements which they might find attractive. Ultimately, it is for them to decide where they choose to settle. We are not about forcing people to come here, but we want people to be informed that South Australia is a location that they might wish to come to.⁴⁴

- 2.47 The **Australian Capital Territory** considered itself a “very small jurisdiction”, attracting approximately one per cent of the migration program, as tables 2.1 and 2.2 indicated. It promoted itself through an internet site and worked with New South Wales to position Canberra as part of the Australian capital region.⁴⁵
- 2.48 **Tasmania** was the chosen destination of fewer than one in 200 skilled migrants. The Department of State Development focussed on the business stream migrants.⁴⁶
- 2.49 The **Northern Territory's** skilled migration was mainly driven by identified employer need and attracted 0.5 per cent of skilled migrants.⁴⁷ The Territory Government's submission emphasised that it was difficult for it to:

compete on an equal footing with jurisdictions such as Victoria, South Australia and the ACT. Melbourne, Adelaide and Canberra can all take advantage of the regionally oriented skilled schemes and accordingly attract a considerable proportion of the skilled migrants who enter Australia under regional programs.... The Northern Territory's size and distances, its demography and population spread present challenges in competing with

43 Table 2.2. Institution of engineers Australia, Submission No. 10, p. 18.

44 SA Government, Evidence, p. 89.

45 ACT Government, Submission No. 21, p.2; Evidence, p. 50.

46 Table 2.2; Institution of engineers Australia, Submission No. 10, p. 19.

47 Table 2.2. NT Government Submission No. 40A, p. 1.

other States and Territories for an equitable share of skilled migrants...smaller jurisdictions such as the Northern Territory, that rely heavily upon skilled migration to address skills shortages, are restricted in their ability to respond to the opportunities because of the size of their budgets. The Northern Territory Government, as part of a broad approach to population growth and social development, is developing a Population Policy.⁴⁸

Regional destinations

- 2.50 Regions within the States competed with each other and other regions in Australia for skilled migrants. The regional settlement pattern for new arrivals was affected by the popularity of their State or Territory, by the State and Territory Governments' approaches to migration, and by the Commonwealth regional migration programs.
- 2.51 Under the Commonwealth arrangements which permitted the States and Territories to identify target "designated areas" for migrant settlement under the *Skilled Designated Area Sponsored* and *Regional Established Business in Australia* visas, only New South Wales, Queensland and Western Australia had chosen to do so.⁴⁹ New South Wales excluded Sydney, Newcastle and Wollongong; Queensland excluded Brisbane; and Perth was excluded in Western Australia. In contrast, Victoria chose to include Melbourne by identifying all the State as a "designated area".⁵⁰
- 2.52 A study of the settlement pattern of skilled migrants in the period 2001/2 – 2002/3 revealed that few took up residence outside the capital cities.⁵¹ Ninety five per cent of those who settled in New South Wales chose Sydney. The New South Wales government indicated, however, that there was a commitment to better marketing of regions of the State to prospective migrants.⁵²

48 NT Government, Submission No. 40A, pp. 1-2.

49 Under the *Skilled Designated Areas Sponsored* arrangements (1,597 visas 2001/2), sponsors of skilled relatives migrating to Australia must live in these. Under REBA (40 visas 2001/2) businesses have to be doing business in such areas. DIMIA, Fact Sheet 26 *State/Territory Specific Migration*; Submission No. 25, Table 9.

50 Victoria excluded Melbourne under the *Regional Sponsored Migration Scheme* (1,092 visas 2001/2) for employer-nominated skilled migrants. New South Wales again excluded Sydney, Newcastle and Wollongong. Queensland excluded Brisbane and the Gold Coast; Western Australia excluded Perth. DIMIA, Fact Sheet 26 *State/Territory Specific Migration*. DIMIA, Submission No. 25, Table 9.

51 B Birrell, "Redistributing migrants: the Labor agenda", *People and Place*, Vol 11, No. 4, 2003, p. 17.

52 NSW Government, Submission No. 37, p. 2.

- 2.53 In Western Australia, 95 per cent of skilled migrants chose to live in Perth. Western Australia's South West Development Commission had launched an overseas:
- push to promote the South West Region offshore as a great place to live, work and invest... aimed at firstly raising awareness of what we have to offer, and secondly at creating important networks.⁵³
- 2.54 Fewer than three in four of the skilled migrants to Queensland chose to live in Brisbane, but most of the State's overseas-born population was still concentrated the south-east corner of the State.⁵⁴
- 2.55 In most of the remaining States and Territories which had not divided their jurisdictions for regional migration purposes, skilled migrants settled in the capital cities.
- 2.56 The only exception was Victoria, where four per cent of skilled migrants chose to settle outside Melbourne. A Commonwealth - Victorian working party on migration was established late in 2003 to explore policy options to attract more migrants to Victoria, particularly regional Victoria. The State Government was also implementing a 2003/04 - 2006/07 Regional Migration Action Plan for Victoria incorporating a range of strategies to increase dispersal of skilled migrants to regional Victoria. These included improved marketing; matching of migrants to opportunities; building regional stakeholder and community engagement through identifying settlement resources; and providing settlement support.⁵⁵
- 2.57 In its review of skilled migrant destinations, the Committee examined the conclusions of the Birrell study of migrant distribution. In particular it noted that both New South Wales and Victoria considered that, if business skill migrants were required to live in a regional area, they would not come and that:
- most 'regional' migrants are settling in capital cities (mainly Melbourne and Adelaide).⁵⁶

53 South West Development Commission, *SWDC targets offshore markets* Media release.10/09/2003. www.swdc.wa.gov.au/html/06a2.php?section=moreinfo&id=47

54 Queensland Government, Submission No. 27, p. 1.

55 Victorian Government, Submission No. 58, pp. 1-2.

56 B. Birrell, "Redistributing migrants: the Labor agenda", *People and Place*, Vol 11, No. 4, 2003, pp. 24-26.

2.58 This reinforced the importance of the remark in the submission from the Gulf Savannah Region that:

one would expect that new settlers attracted to a region... would probably originate from a similar area and have an affinity with the environment... and lifestyle.⁵⁷

2.59 The Committee was not able to explore whether this approach to targeting potential migrants in similar overseas areas was being pursued because only a few local authorities made submissions. The Northern Grampians Shire Council reported an initiative in seeking skilled migrants:

a CD... to stimulate interest in the shire from potential employees. We know that selling employment opportunities in rural areas is not just a matter of matching city pay rates but also promoting lifestyle.⁵⁸

2.60 The Council also maintained a website, a potentially very productive investment in information provision because it was in the migration market place "24 hours a day, seven days a week",⁵⁹ and one in twenty of the migrants arriving in Australia in 1999/2000 had used the internet for information on job prospects.⁶⁰

2.61 The difficulty faced by all levels of government in promoting themselves was that official sources of information about settlement prospects in Australia did not appear to have been used widely by migrants. According to LSIA, approximately one in ten skilled migrants who obtained information about the State/Territory in which they intended to settle had used the DIMIA website. This might have been one of a number of sources of information. Approximately one in ten had used the internet, and the same proportion reported acquiring information from Australian or State government departments or agencies or embassies.

2.62 But the dominant source, referred to by approximately two in every five skilled migrants when seeking information about where they settled, was friends or relatives in Australia. One in ten mentioned consulting friends or relatives who had visited Australia.⁶¹

57 Gulf Savannah Region, Submission No. 39, p. 1.

58 Northern Grampians Shire Council, Submission No. 35, p. 2.

59 www.ngshire.vic.gov.au/index.asp?h=-1

60 The NILS, *Life in a New Land: The Experience of Migrants in Wave 1 of LSIA 1 and LSIA 2*, reached the same conclusion, p. 141, www.immi.gov.au/research/publications

61 DIMIA, Submission No. 25a, Table 24. See also - NILS, *Life in a New Land: The Experience of Migrants in Wave 1 of LSIA1 and LSIA2*, p. 25. www.immi.gov.au/research/publications/lsia/index.htm

- 2.63 The implication which the Committee drew from these figures was that communities seeking to promote migration to their areas might profitably engage with their migrant populations and their informal overseas links.
- 2.64 Nevertheless, in view of the limited hours of access at Australia's overseas DIMIA posts,⁶² ("calls would often be on hold in a queue for up to 45 minutes")⁶³ and the increasing global access to the internet, the Committee considered that the DIMIA web site would be an increasingly important settler resource. A Google internet search for "Migrate to Australia" or "Migration to Australia" brought up the DIMIA website as the first item on the list of sites.
- 2.65 The Committee was pleased to see that the DIMIA site was highly visible to search engines, as it had recommended this in its Review of State-specific Migration Mechanisms.⁶⁴
- 2.66 By using the links *Life in Australia - Basic Facts about Australia* on the DIMIA website a menu option for "Australia's States and Territories" emerged which provided hyperlinks to the relevant web portals. Table 2.3 summarises what an internet user might then have found.⁶⁵

Table 2.3: State/Territory Government internet portals⁶⁶, searched for "migration" (7/1/04)

State/Territory	Result when using "migration" in the site's Search function
New South Wales	<i>Business Skills Migration</i>
Victoria	<i>Skilled Migration Unit</i>
Queensland	<i>Business Migration Scheme</i> plus another menu panel <i>Narrow Search</i> mentioning "skilled migration"
South Australia	<i>South Australia Central - Migration Services</i> with <i>Immigration SA</i> on the resulting menu
Western Australia	South West Development Commission listing - the first item on its list, when opened, was <i>Skilled Migration</i>
Tasmania	List with option to select <i>Government only</i> which identified <i>Regional Sponsored Migration Scheme (RSMS): Business and skilled migration to Tasmania</i> ; and <i>Migrating to Tasmania</i>
Northern Territory	<i>Business and Skilled Migration</i> is a menu option on the home page.
ACT	<i>DIMIA website</i>

62 In the main settler source countries (UK, China, South Africa, India, Indonesia), DIMIA personal service to the public access is generally limited to 3 or 4 hours counter service and 2-4 hours telephone response. www.immi.gov.au/wwi/index_u.htm

63 Dr S. Wearne on contact with London High Commission, Submission No. 47, p. 3.

64 Recommendation 19, Joint Standing Committee on Migration, *New Faces, New Places: Review of State-specific migration Mechanisms*, September 2001.

65 www.immi.gov.au/settle/states/state_and_territories.htm#states

66 www.immi.gov.au/settle/states/state_and_territories.htm#states

- 2.67 The Committee considers that the relevant State and Territory sites should be able to be more readily discovered on the Australian government's prime migration website than is currently the case, perhaps through the existing link *Information and contact details*>>*Useful related website*>>*Government websites*.

Recommendation 1

- 2.68 **The Committee recommends that DIMIA improve the visibility of the existing hyperlinks from its website to those of State and Territory governments.**

- 2.69 It occurred to the Committee that the States and Territories might profitably use a similar hyper-link system on their own portals to give their preferred settlement areas a higher profile. It would also be aligned with the desires of the Governments of New South Wales and Queensland for:

closer cooperation between the Commonwealth and State/local authorities in marketing regions/job shortages to potential migrants prior to settlement decisions...Where settlement takes place in a regional/remote area... Government and other service providers must be involved at an early stage... to adequately consider resource implications... provision of English as a Second Language (ESL) teachers in government schools, and adequate reach of Adult Migrant English Program (AMEP) services.⁶⁷

and for

all levels of government to work closely with industry to develop regional opportunities that will encourage and better match voluntary settlement of migrants in regional areas.⁶⁸

- 2.70 Similarly, Northern Grampians Shire Council urged:
a "whole of Government" approach as skilled migrants are intertwined with business development and growth, research

⁶⁷ NSW Government, Submission No. 37, pp. 9-10.

⁶⁸ Queensland Government, Submission No. 27, p. 3.

and development along with improving infrastructure and support facilities such as rural health services.⁶⁹

Recommendation 2

- 2.71 **The Committee recommends that the Minister present to the next meeting of the Commonwealth/State Working Party on Skilled Migration a proposal that States and Territories identify on their websites their preferred settlement areas to assist potential skilled migrants.**

Conclusion

- 2.72 The Committee, in accordance with its terms of reference, limited its observations to the roles of the various levels of government in settlement patterns. As the material from LSIA demonstrated, official information might not be a major factor in migrant's decision-making.
- 2.73 The Committee therefore endorsed the conclusion of the Australian NILS *Life in a New Land* that:
- overseas recruitment by firms... is more likely to be successful.⁷⁰
- 2.74 The Committee reflected that the ongoing collection of data under LSIA represented an important source of feedback on migration arrangements and provided the migrants' perspective of their motivations and aspirations. Currently DIMIA publish reports of LSIA analysis in hard copy and on the internet, and have also released a CD-ROM of some data. This, in the Committee's opinion, should be an important tool for governments at all levels wishing to tailor their migration promotions to the needs of migrants.

69 Northern Grampians Shire Council, Submission No. 35, p. 1.

70 The NILS, *Life in a New Land : The Experience of Migrants in Wave 1 of LSIA 1 and LSIA 2*, reached the same conclusion, p. 19, www.immi.gov.au/research/publications

Recommendation 3

- 2.75 **The Committee recommends that DIMIA continue its practice of analysing and publicising LSIA data and release more promptly updated, de-identified, unit record data.**
- 2.76 In the next section the Committee examines the migration policies and practices of a number of countries in order to identify aspects from which Australia might draw useful conclusions about its own programs.

Competition for skilled workers

- 3.1 The Committee examined the entry program and management policies of nations identified as competing with Australia for skilled migrants. The seven countries were Canada, Germany, Ireland, Japan, New Zealand, United Kingdom (UK), and the United States of America (USA).
- 3.2 At this point it became evident that there could be difficulty in comparing the skilled migration regimes of different countries. To take one simple example: when the US referred to “immigrant” labour it meant permanent settlers. “Non-immigrant” workers in the US did not mean “native born”, rather it referred to temporary entry workers.
- 3.3 The Committee has endeavoured to ensure that, as far as possible, it compared like with like in this review, but has not done so slavishly if that obscured, rather than illuminated, overseas practices.

Temporary skilled migration

- 3.4 All countries which the Committee reviewed permitted temporary migration of skilled migrants, and many had approaches similar to that of Australia. Most countries examined had recently made significant changes to their migration arrangements in order to maximise their attractiveness to skilled migrants. In 2003 alone:
- The **United Kingdom** introduced a “Sectors Based Scheme” for low-skilled temporary migrants¹ and permitted Working Holiday Makers to take up work in any sector, for as long as they want, on a full-time basis, effectively making it a temporary skilled migration arrangement

1 Work Permits (UK), *Application Forms and Guidance Notes – Sectors Based Scheme*, Home Office, www.workpermits.gov.uk

rather than a working holiday.² It also revised its Highly Skilled Migrant Program, adding special criteria for those under 28 and taking increased account of partner's achievements.³

- **New Zealand** made job offers mandatory in mid 2003 then, in December 2003, completely re-wrote its skilled migration program.⁴
- **The United States of America**, through a sunset clause, lowered the annual numbers of temporary skilled migrant (H-1B) visas from 195,000 to 65,000, removed a number of penalties for employer exploitation of the scheme, and eliminated an H-1B fee of \$1,000 designed to support low-income scholarships and job training programs for workers.⁵

Common approaches

- 3.5 Ireland, New Zealand and the UK monitored the labour market to establish the full mix of skills in demand, as opposed to identifying very specific short-term shortages.⁶ As in Australia, this approach assisted the management of their migration programs.⁷ Also like Australia, most countries allowed skilled temporary migration only if no suitable national was available to undertake the work.⁸

Job offer

- 3.6 Most countries also required that the temporary migrant had a job to go to. The UK's *Highly Skilled Migrant Program* had limited special arrangements which permitted selected migrants to enter the country without a job offer. Australia's job offer requirements varied according to the skilled migration scheme.

Targeted recruiting

- 3.7 Like Australia, Canada, Ireland, Germany, UK and USA had modified their temporary residence programs to attract ICT personnel and others whose skills were temporarily in short supply:

2 Announcement on the review of the working holidaymakers [20 June 2003]. www.ind.homeoffice.gov.uk/news.asp?NewsId=285

3 UK Home Office, Working in the UK -Press - UK welcomes more high flyers, www.workingintheuk.gov.uk/working_in_the_uk/en/homepage/news/press

4 NZIS, *Migrate to New Zealand*. www.immigration.govt.nz/Migrate/#Applying+for+residence+as+a+skilled+migrant

5 U.S. Department of Labor Employment & Training Administration (DOLETA), *Foreign Labor Certification Pre H-1B form*, <http://atlas.doleta.gov/foreign/preh1bform.asp>

6 The USA's *Labor Market Information Pilot Program* monitors shortage occupations in the context of permanent migration. Tips for U.S. Visas Employment-Based Visas, <http://travel.stste.gov/visa:employ-based.html>

7 Canada, Germany and Japan did not appear to taking this approach.

8 In the case of Ireland, Germany and UK, an additional requirement was that no-one from the EEA was available.

- **Canada** introduced a program of streamlined processing for ICT specialists in May 1997 and in 2002 permitted spouses/partners of temporary skilled workers to work.⁹
 - **Ireland** introduced the *Work Visa* as “a fast-track alternative to the work permit...to facilitate recruitment of overseas nationals to sectors experiencing particular skills shortages” in June 2000¹⁰ and extended the scheme to “a whole new range of professions” in the medical health and social care sectors in May 2002.¹¹
 - **Germany**, which normally permitted foreigners to be “issued with work permits in exceptional cases”¹², inaugurated a *Green Card* program to run until 2003 “to address the personnel shortage in the computer and information industries”.¹³
 - The **UK *Highly Skilled Migrant*** points-based program began in January 2002, to run for 12 months, “to provide an individual migration route for highly skilled persons who have the skills and experience required” by the UK.¹⁴ In September 2002 the UK removed all ICT jobs from its *Shortage Occupation List*.¹⁵
 - **USA** increased, for a short time, the number of temporary *H1-B Visas* by 70% to provide a “balanced approach to help meet the needs of high-technology firms who are experiencing a major labor shortage”.¹⁶
- 3.8 The changes were intended to address specific short term shortages, as the subsequent removal of ICT jobs from the UK program in late 2002 indicated.
- 3.9 Australia had followed a similar course, introducing priority processing for ICT workers in February 2001. The Australian scheme was claimed to be more streamlined in operation and more generous than comparable overseas arrangements. For example, the spouses of the temporary ICT

9 CIC, News Release 98-69 *Canada to continue expedited processing of High-Tech Workers*, 29/12/98,

www.cic.gc.ca/english/press/98/9869-pre.html; News Release 2001-25, *Helping employers attract skilled temporary foreign workers*, 30/11/00 www.cic.gc.ca/english/press/01/0125_pre.html

10 June 2000. Department of Enterprise Trade and Employment (DETE) Press Release 7/5/02 *Tanaiste... announce changes to the Work Visa Scheme*, www.entemp.ie/press02/070502.htm

11 20/5/02. DETE Press Release 7/5/02, *Tanaiste... announce changes to the Work Visa Scheme*, www.entemp.ie/press02/070502.htm

12 Auswaertiges Amt, *Working in Germany*, www.auswaertiges-amt.de/www/en/wilkommen/arbeitsaufnahme/arbeitsaufnahme_html

13 1 August 2000. Auswaertiges Amt, Working in Germany: IT Specialists Programme, www.auswaertiges-amt.de/www/en/wilkommen/arbeitsaufnahme.

14 28/1/02. Home Office, *Scheme gives highly skilled a chance to work in the UK*, www.u.emb.gov.au/CURRENT_AFFAIRS/austlai/HSMP_13/122001.htm

15 1/9/02 www.workpermit.com/news/uk29.htm, 28/8/02. “The UK work permit system is built around moving people into specific jobs... Australia allow[s] certain groups of potential workers...even if there is not a specific job for them to go to... This provides a bigger pool of qualified labour from which to recruit” Institute of Public Policy Research, B. Wells, *Inward Migration of Skilled Labour to the UK*, 2002, www.ippr.org.uk/research/index under Research > Citizenship & Governance Programme > Projects: Migration.

16 From 115,000 to 195,000 in October 2000. Press Release 4/10/00, *Congress Increases Visas for High-Tech Workers*, www.house.gov/shays/press/H1b.htm

migrants were automatically permitted to work in Australia, unlike the more restrictive practices under similar ICT schemes in Canada, Germany, UK and USA.¹⁷

- 3.10 The Australian scheme was suspended in July 2002 when it became apparent that:

employment growth in the ICT industry had plateaued and unemployment rates among computing professionals had risen significantly.¹⁸

Conclusion

- 3.11 The Committee concluded that the changes initiated in Australia as well as elsewhere confirmed that, to be competitive, skilled migration programs needed to be sufficiently flexible to identify and capitalise on short-term fluctuations in skills supply and demand.
- 3.12 The Committee also thought that systematic reviews of skill shortages made government policy making less susceptible to domestic lobby groups.

Program consistency

- 3.13 The new migration categories created by Germany (*Green Card*), Ireland (*Work Visa*) and UK (*Highly Skilled Migration*), as noted above, were conceived as temporary programs. This contrasted with establishing long-term programs elsewhere which could be altered in detail to meet changing circumstances. Australia and Canada, for example, adopted a process of fast-tracking certain applications, while the USA increased the number of visas.

Conclusion

- 3.14 The Committee considered that the relative longevity, consistency and predictability of the fundamentals of Australian programs could make them more attractive to potential skilled migrants than more expedient temporary programs elsewhere.

17 DIMIA, Information Resources: *ICT in Focus - Advantages of Australia's Temporary Entry Policies*, www.immi.gov.au/ict/fs08.htm.

18 *Media Release: 64/2002*, www.minister.immi.gov.au/media_releases

Permanent /long term skilled migration

Common approaches

3.15 Australia offered permanent residence status as part of the visa approval process for successful skilled overseas applicants.¹⁹ Those migrants did not have to fulfil further conditions or wait out a qualifying time period. In addition they had the opportunity to become citizens.²⁰ Australia's purpose in encouraging skilled migration was to provide:

migration opportunities for young, highly skilled people who will quickly contribute to the Australian community.²¹

3.16 Canada and New Zealand also offered permanent residence:²²

Canada values skilled immigrants who can effectively compete and succeed in the country's knowledge-based economy... emphasis on... flexible skills...rather than... intended occupation.²³

3.17 This contrasted with the US approach to permanent residence status:

Canada emphasises the government's assessment of individual characteristics, while the US gives weight to a selection of a foreigner to fill a job. The Canadian system... emphasises supply-side or worker characteristics... the US... demand side or employer desires.²⁴

3.18 New Zealand wanted to:

grant residence to people who have skills, experience and relevant job offers to fill employment opportunities that we have identified are necessary for our growth as a nation.²⁵

19 Australia's schemes were: Independent, Employer Nomination, Business Skills, Distinguished Talent and Skilled-Australian Sponsored.

20 Australia's residence requirement is 2 years in the previous 5 years, including for 12 months in the past 2 years. *How to apply for Australian Citizenship*, www.citizenship.gov.au/how.htm#step1.

21 DIMIA, Fact Sheet 25 *Skilled Categories*, www.immi.gov.au/fact/25skilled_categories.htm

22 Canada: 3 year's permanent residence in the previous 4, *How to become a Canadian citizen*, www.cic.gc.ca/english/citizen/howto-e.html; NZ, 3 years: *Requirements for NZ Citizenship*, www.dia.govt.nz/diawebsite.nsf/wpg_URL/Services-Citizenship-Requirements-for-New-Zealand-Citizenship?OpenDocument#one

23 Citizenship and Immigration Canada, Fact Sheet No. 16 *Skilled Workers*, www.cic.gc.ca/english/irpa/fs-skilled.html

24 P. Martin, *Highly Skilled Migration in the 21st Century*, quoted in "Immigration Laws: June 11999 - Number #27" at www.migrationint.com.au/news/poland/jun_1999-27mn.html

25 New Zealand Immigration Service: *Applying for residence as a skilled migrant*, www.immigration.govt.nz/Migrate/General+Skills+Category.htm

Other approaches

- 3.19 In contrast to these programs, Germany, Ireland, Japan, UK and USA contemplated mainly temporary visas for skilled workers and provide only limited opportunities for their long-term residence:
- **Germany** offered the possibility of an *Unrestricted Residence* permit after five years' temporary residence and a more liberal *Establishment* permit after eight years temporary residence or three years unrestricted residence.²⁶ Draft legislation foreshadowed possible arrangement to permit permanent settlement by some skilled workers.²⁷
 - **Ireland** had an administrative practice of granting "permission to remain without conditions as to time", as opposed to a legal right to remain.²⁸ Citizenship through naturalisation might be sought after a total of five year's residence in the previous nine.²⁹
 - **Japan's** overall visa system was skewed towards temporary residence. Fewer than 1 per cent of the population were foreigners who had been granted permanent residence, and most of these were descendants of Koreans and Chinese brought to Japan prior to or during the Second World War.³⁰
 - The **UK** approached skilled migration from the perspective that:
 - we need properly managed migration to ensure we have the people we need... not an alternative to developing the skills and employment opportunities of our existing population.³¹

The UK issued work permits valid for up to five years, depending on the duration of the employment offered.³² It was reported not to encourage applications for citizenship.³³ It offered "indefinite leave to remain" after four continuous years on residence permits and this leave to remain might be cancelled if the person subsequently left the UK for more than two years.³⁴

26 K. Groenendijk, *The Legal Status of Third Country Nationals who are Long-Term Residents in a Member State of the European Union*, Nijmegen, 2000, pp 43, 101.

http://europa.eu.int/comm/justice_home/unit/doc_asile_immigrat/groenendijk_report_en.pdf

27 To come into effect on 1 January 2003, *Consular and Legal Affairs: German Interior Minister presents modern migration legislation*, www.germanembassyottowa.org/cala/schily.html See para 3.26 below.

28 K. Groenendijk, op cit, pp. 55, 101.

29 Department of Justice, Equality and Law Reform, Publications: *Irish Citizenship - Press Release 2/12/99, Good Friday Agreement: Government publishes amending Citizenship Bill*. www.justice.ie

30 B. Bailey, *Japanese Laws and Policies Concerning Immigration (Including Refugees and Foreign Workers)* 1999, on **United for a Multicultural Japan**, www.tabunka.org/newsletter/index.html

31 Home Office Minister, More short-term foreign workers to help fill recruitment gaps, 29/5/02, www.uk.emb.gov.au/CURRENT_AFFAIRS/british_news/home_office/rooker...

32 Or multiple entry work permits for up to 2 years. Home office - Work Permits (UK) *Employers' Information Guidance notes for employers...* www.workpermits.gov.uk

33 Institute of Public Policy Research, S. Spencer, *Recent Change and Future Prospects in UK Migration Policy*, 2002, www.ippr.org.uk/research/index_under Research > Citizenship & Governance Programme > Projects: Migration

34 K. Groenendijk, op cit, pp. 92, 102.

- USA emphasised temporary (“non-immigrant”) as opposed to permanent (“immigrant”) arrangements, and family and humanitarian categories rather than employment-based migration.³⁵ The USA issued *H1B* temporary (i.e. “non-immigrant”) visas each year to people wishing to work temporarily in skilled occupations.³⁶ Employment-based permanent immigrant visas numbered approximately 140,000 each year.³⁷ The median time taken to process applications to become lawful permanent residents (i.e. gain a *Green Card*) and work in the USA was 17 months,³⁸ but could take several years.³⁹ As a result:

the frustrations of the permanent system have led to widespread reliance on non-immigrant visas as a method of bringing and retaining foreign workers in the U.S.⁴⁰

Conclusion

- 3.20 The Committee considered that Australia’s practice of permitting permanent settlement by skilled migrants, although not unique, was a potentially powerful selling point in the international skills market.

Targeted recruiting

- 3.21 Like Australia, the Canadian and New Zealand programs, and the proposed German permanent residence arrangements, used a points system to select skilled permanent migrants. The UK used a points system to select participants for its limited duration *Highly Skilled Migrant* Program only. The main elements of the Australian, Canadian and New Zealand points-based arrangements for permanent migration are summarised below and examined in detail in later chapters.

The points test...

- 3.22 The points systems examined by the Committee had many similar approaches. They required language proficiency and practical work experience. They generally favoured the youthful migrant over the older.

35 P. Martin, *Highly Skilled Asian Workers in the United States*, in OECD, *Migration and the Labour Market in Asia: Recent Trends and Policies*, 2002, p. 65.

36 Press Release 4/10/00, *Congress Increases Visas for High-Tech Workers*, www.house.gov/shays/press/H1b.htm up from 65,000 in 1998, US Department of State, *Tips for U.S. Visas: TEMPORARY WORKERS*, <http://travel.stat.gov/visa/immigrants.html>

37 US Department of State, *Tips for U.S. Visas: IMMIGRANTS*, <http://travel.stat.gov/visa/immigrants.html>

38 Or more, depending on the uptake in other categories. DOLETA, *Foreign Labor Certification Processing Times*, 19/9/02, <http://ows.doleta.gov/foreign/times.asp>

39 DOLETA, *Permanent Labor Certification*, <http://workforcesecurity.doleta.gov/foreign/perm.asp>. Three separate federal agencies may be involved in the process. L. Benson, *The Impact of Administration on Policy implementation: The U.S. Experience*, paper presented to “Nation Skilling” Symposium 23/11/00, p. 3. www.law.usyd.edu.au/nationskilling/papers/benson.doc

40 L. Benson, *The Impact of Administration on Policy implementation: The U.S. Experience*, paper presented to “Nation Skilling” Symposium 23/11/00, p. 9. www.law.usyd.edu.au/nationskilling/papers/benson.doc

- 3.23 The occupations of intending migrants were not identified as significant selection criteria, but their skills and training were. There was some flexibility on whether the migrants were expected to have a job to go to. All points systems examined, identified, and gave points for, factors which could improve the applicant's ability to settle successfully, such as their spouses' qualifications/education, and in-country work experience.

... and its application

- 3.24 Although their points systems were similar, Australia, Canada and New Zealand differed in their use of them. The weighting given to skills identified as being needed in the country reflected the different rationales for skilled migration outlined above.

Conclusion

- 3.25 The Committee concluded that the points system had a number of advantages. It assisted in meeting overall migration policy objectives by articulating the essential characteristics required of migrants and allowing the numbers admitted to be controlled through the simple process of altering the pass mark. Potential migrants benefited because the selection criteria were specified, as was the scoring process. Further the prospective migrant could self-test prior to committing any money, to establish whether they met the essential requirements for migration.

Market responsiveness

- 3.26 In 2001-2002 Canada, Germany and New Zealand changed their long-term/permanent migration arrangements:
- **Canada** revised its points-based skilled migration arrangements in 2002 to "open up the category to a broader range of applicants", and introduced a Permanent Resident Card to provide migrants with "secure proof of their status".⁴¹
 - **Germany** proposed a new draft law foreshadowing allowing "highly qualified foreigners... a permanent residence permit immediately" and a points-tested permanent migration system based on skills, qualifications, work experience, etc.⁴²

41 CIC, News Release 2002-18: *Canada's new immigration ...regulations finalised*, www.cic.gc.ca/english/press/02/0218-pre.html

42 3/8/02, was to come into effect on 1 January 2003, *Consular and Legal Affairs: German Interior Minister presents modern migration legislation*, www.germanembassyottawa.org/cala/schily.html but prevented by German Supreme Court Decision. A. Kim, *The German immigration tremor: post-2000 issues & debates*, www.december18.net/web/docpapers/doc566.pdf

- **New Zealand** rewrote its existing skilled points-tested program and changed the function of its points score so that a pass mark entitled a person only to submit an “expression of interest” in migrating. Formerly a pass mark gave, like Australia and Canada, a right to migrate provided the person met health and character checks.

3.27 As with the alterations to short-term migration, these were designed to improve the international competitiveness of the respective countries.

Conclusion

3.28 The Committee noted that even skilled migration programs aimed at permanent migration should have short-term flexibility.

Directed (regional) settlement

3.29 Under the federal systems in Canada, Germany, and the USA, as in Australia, there was provision for varying the migration requirements to meet localised requirements. In Australia, for example, permanent skilled migrants under *State/Territory Nominated Independent* arrangements were not required to have a job to go to.

- Under **Canada’s Provincial Nomination** arrangements, permanent skilled migrants were not assessed against the points test selection factors. Instead the Provinces assessed suitability.⁴³ In addition, there were special arrangements for Quebec.
- **Germany’s** proposed new law “to limit and manage immigration”⁴⁴ was expected to provide that “access to the labour market will be closely aligned to regional requirements and integration capacity”.⁴⁵
- **USA** had adopted the concept of “Regional Center” and set aside a specific number of visas for specific categories of migrants to such areas.⁴⁶

Conclusion

3.30 The Committee observed that other countries made concessions to encourage migration to specific geographic areas.

43 CIC, *Provincial Nomination*, www.cic.gc.ca/english/skilled/provnom/index.html; Canada Gazette Part II Extra Vol. 136, No.9, 24/6/02, p. 234.

44 Migration News, 8/7/02, <http://migration.ucdavis.edu/mn>

45 *Minister Schily presents modern migration legislation draft*, 13/8/01, www.germanembassyottowa.org/cala/schily.html
See also para 3.26 above.

46 Entrepreneur investors: USCIS, *Immigration through investment* www.ins.usdoj.gov/graphics/services/residency/investment.htm. In New Jersey the criteria for such an area is a county or municipality with a population of 20,000 or more and an unemployment rate of 150% of the USA average. www.state.nj.us/njbiz/y_cert_target.shtml.

Australia in the global context

- 3.31 In its comparisons of the overseas schemes outlined above with Australia's, the Committee concluded that the competitiveness of Australia's migration arrangements was enhanced by aspects of the existing skilled migration program which might attract migrants:
- The open and straightforward points system, which made the requirements clear to potential migrants and enabled them to assess their prospects prior to making any major commitments.
 - The consistency over time of the basic requirements and the methods of selecting migrants meant that potential settlers could have some confidence that the selection parameters would not be subject to significant abrupt change.
 - The policy of accepting skilled migrants as permanent settlers without further qualifying arrangements or residence requirements.
- 3.32 An area which was less encouraging to the potential skilled migrant was the scheme's flexibility, as demonstrated by the ability to streamline processing for particular skills and to alter the points test pass mark in response to changing domestic and international skill demands.
- 3.33 Some changes, such as the arrangements for priority processing had not assisted those not so favoured, but neither had they precluded them from proceeding with their applications. However, an increase in the points score could abruptly preclude potential migrants who just a day earlier could have qualified.
- 3.34 The Committee did not dispute that policy imperatives generated such adjustments, and that they were an efficient way of adjusting the program. However, those changes created uncertainty, which could lessen Australia's attractiveness.
- 3.35 Similarly, a two year waiting period for social security payments with "no alternative government support program", and the general unavailability of age and disability pensions for ten years after arrival might discourage some potential migrants.⁴⁷ However, most skilled settlers were aware of that restriction prior to making their application.⁴⁸
- 3.36 The Committee was, however, aware that individuals' migration decisions were not based solely (if at all) on one factor, or indeed, on the content of migration programs. People decided to move because of dissatisfaction

47 DIMIA, *General Skilled Migration* booklet, p. 11. http://dima.cardgate.net/General_Skilled_Migration/1119.pdf

48 54% knew prior to applying, and a further 40% found out on or after applying for a visa, but prior to migrating. DIMIA, Submission No. 25(a), Table 26.

with their home country, or they considered the prospects of a better future, better employment opportunities and the presence of relatives as reasons for migrating to Australia.⁴⁹

Conclusion

- 3.37 In the Committee's view, the myriad factors involved in migration decisions rendered it impossible to objectively measure the importance of one element - Australia's skilled migration policies - in Australia's international competitiveness for skilled migrants.
- 3.38 The positive aspects of the migration program identified above offered only potential advantages in the international competition for skilled labour. This was particularly so in the case of countries which had already adopted similar approaches, such as the points scheme.
- 3.39 The Committee examines Australia's skilled migration arrangements in comparison with others in the following chapters, making recommendations for change in chapters 4, 7, 8 and 9.

49 See Chapter 2 above

Temporary skilled migration

- 4.1 As requested, the Committee examined the main temporary entry programs of Canada, Germany, Ireland, Japan, New Zealand, the United Kingdom, and the United States of America.
- 4.2 **Germany, Ireland and the United Kingdom** experience labour migration (skilled and otherwise) by virtue of their membership of the European Community. Community citizens are entitled to leave their home country to go to another of the 15 member states.¹ This form of internal European migration is outside the scope of the Committee's brief.

Country summaries

- 4.3 Table 4.1 summarises the main aspects of the key temporary skilled migration arrangements in the countries under consideration.

¹ Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, United Kingdom. *A Guide to the European Union*, www.ecdel.org.au/eu_guide/eu_guide.htm#EUMembers

Table 4.1 Selected temporary skilled migration programs²

Country	Program (s)	Duration	Quotas	2002 intake
Australia	Economic stream	Up to 4 years	No data	43,300
Canada	Foreign Worker Programs – work permit	Variable	No data	41,488
Germany	IT Specialists Temporary Relief Program (“Green Card”)	Max 5 year contract	None	12,500 issued 1/8/00-13/8/02
	Project tied	2 years	56,000/year	No data
Ireland	Work Visa/ Work Authorisation:	Usually 2 years Possibility of 2 year extensions	No data	No data
	Work Permit:	12 month, renewable	No data	23,326
Japan	Various Status of Residence visas	3 years or 1 year	None	386, 969
New Zealand	Work Permit/Visa:	Up to 3 years, renewable	No data	Principal applicants 2002/03 = 66,827. All work applications (incl WHM etc) =82,276
UK	Work Permit	up to 5 years	No data	2002 = 20,046 approved
	Highly Skilled Migrant Program	12 months initially, renewable for 3 years.	None	2002-3 (19 months) = 2,987 of 4,861 applications accepted
	Sectors based Scheme	12 months	20,000	2003 (2 months) = 2,559 applications
USA	H-1B Workers	Initially 3 years, maximum 6 years	195,000 in 2001-03; 65,000 in 2004	Admissions 370,490

Australia

4.4 Australia has a popular short term business visa designed essentially for:

business visitors who come to Australia to meet with partners or prospective business partners Most of these business visitors tend to come to Australia for very short periods—indeed, much shorter than the three-month length of visas that they have.³

4.5 The Committee therefore focused on Australia’s *Temporary Business Entry (Long Stay)* visa which enabled businesses to bring skilled overseas workers to Australia to meet their special skill needs for up

² For details of sources see Appendix F.

³ DIMIA, Evidence, pp. 4-5.

to four years,⁴ provided that the position met minimum skill and salary thresholds.⁵ Once the project for which the person was recruited was completed, the person should have left Australia.⁶ From 1 January 2004 skilled temporary workers and employers were able to apply for temporary business visas over the Internet allowing faster processing of applications.⁷

- 4.6 The Australian Temporary Business Entry (Long Stay), or “457”, visa applied to people:
- coming under a *Labour or Invest Australia Supported Skills* agreement;
 - working for companies operating in Australia; or
 - from offshore companies seeking to establish a branch in Australia, participate in joint ventures, or fulfil a contract awarded to an offshore company.⁸
- 4.7 All of these arrangements were employer-based, that is, the skilled temporary migrants required sponsorship to qualify for the 457 visa, and therefore they should enter Australia with a job already arranged.⁹ In 2000/1 four of every five primary applicants who arrived in Australia on a 457 visa were professionals, mainly managers/administrators or ICT professionals.¹⁰
- 4.8 The Australian *Labour Agreement* was a blanket arrangement, normally running for two or three years, which permitted Australian employers to recruit a specified number of workers aged under 45 with English language and other relevant skills from overseas to fill identified or emerging labour market (or skill) shortages. The agreement was the outcome of negotiations between DIMIA, the Department of Employment and Workplace Relations and an employer or an industry association.¹¹
- 4.9 The *Invest Australia Supported Skills* was a variant of the Labour Agreement, and was introduced on 1 July 2003 to replace the former

4 DIMIA, Letter to the Editor - *The Age* 30 July 2003, www.immi.gov.au/letters/letters03/theage_3007.htm
5 DIMIA, Fact Sheet 47: *Temporary Residence in Australia*, www.immi.gov.au/facts/47temporary_residence.htm#1
6 DIMIA, Letter to the Editor - *The Age* 30 July 2003, www.immi.gov.au/letters/letters03/theage_3007.htm
7 Minister for Immigration... *Workers To Save Time Online*, VPS 021/2003, 31/12/03, www.minister.immi.gov.au/media_releases/media03/v03021.htm
8 DIMIA, *Long Business Visits to Australia*, http://www.immi.gov.au/allforms/visiting_business_long.htm
9 DIMIA, *Frequently Asked Questions: Temporary Business (Long Stay) visa*, www.immi.gov.au/faq/temporary/temporary05.htm#how
10 Managers/administrators = 22.5% of total intake; ICT = 21.9%, other professionals = 35.9; associate professionals = 8.9%, trades & other = 10.8%. S-E Khoo, C. Voight-Graf, G. Hugo, P. Mc Donald, “Temporary Skilled Migration to Australia: The 457 visa sub-class”, *People and Place*, Vol 11, No. 4, 2003, p. 35
11 DIMIA, Fact Sheet 48: *Assisting Skilled and Business People*, www.immi.gov.au/facts/48assisting.htm#2

Regional Headquarters program. The skills program received priority over Labour Agreement applications and facilitated the temporary or permanent transfer of key managers/specialists of overseas companies to Australia.¹²

4.10 One of the conditions which could be attached to the 457 visa was that the sponsor had been unable to find a suitably-qualified Australian citizen or permanent resident to fill the the position.¹³ This was, however, not a requirement. Under the Labour Agreements employers were not required to labour market test each time they wished to recruit from overseas.¹⁴ It was claimed that skilled temporary workers did not disadvantage Australian workers in the labour market.¹⁵

4.11 The 457 visa arrangements drew comment in submissions and evidence. Rock Resourcing gave evidence that, in the ICT industry, the 457... works very well... When employers... cannot find the skills they require... we can get someone into Australia in a relatively short period to fill those requirements.¹⁶

4.12 A number of submissions expressed concern about the effect that ready access to overseas skills was having on the domestic skills market. The Construction Forestry Mining Energy Union (CFMEU) was convinced that, in the building trade:

the overwhelming majority of these workers are being paid inappropriately. We have particular concern about illegal practices in the tiling and stonemasonry industries.¹⁷

4.13 According to Mr B. Kinnaird:

DIMIA acknowledges that one of the main non-compliance issues... is that 457s are not being paid at market rates, or at the salary nominated by their sponsor.¹⁸

12 DIMIA, *Invest Australia Supported Skills Agreements*, www.immi.gov.au/migration/employers/iass.htm

13 DIMIA, *Frequently Asked Questions, Temporary stay in Australia*, www.immi.gov.au/faq/temporary/temporary01.htm#do

14 DIMIA, Submission to the Senate Community Affairs References Committee Inquiry Into Nursing, August 2001.

15 See: S-E Khoo, C. Voight-Graf, G. Hugo, P. Mc Donald, "Temporary Skilled Migration to Australia: The 457 visa sub-class", *People and Place*, Vol 11, No. 4, 2003, p. 27.

16 Rock Resourcing, Evidence, p. 183.

17 CFMEU to Minister for Immigration, 8/10/02, CFMEU Submission No. 45 , Appendix 1.

18 Mr. B. Kinnaird, Submission No. 38, p. 18.

4.14 The Committee noted that the Review of Temporary Residence had been completed as recently as June 2002 and that DIMIA reported that by late 2002, in the building industry:

interviewing of subclass 457 visa holders has commenced and enhanced liaison has occurred between the NSW Department of Industrial Relations and the Australian Tax Office and DIMIA.¹⁹

4.15 The CFMEU also presented the Committee with a selection of press reports on alleged misuses of the 457 arrangements, including:

- employer breaches of salary threshold requirements;²⁰ and
- recruiting of skilled overseas workers when there is local lack of work in the industry.²¹

4.16 Mr Kinnaird raised the latter issue in connection with ICT recruitment, pointing out to the Committee that employers could sponsor a 457 visa holder in any ICT occupation - including those in oversupply - and that this was:

clearly against the interests of unemployed and underemployed Australian residents.²²

4.17 He recommended that the 457 visa program should be made subject to the Migration Occupations in Demand List (MODL) and visas only be issued for skills which were in shortage in Australia.²³

4.18 The Committee was aware that the 457 visa had previously been subject to a labour market test, and that this had been ineffective:

there were any number of opportunities to circumvent the... arrangements... run ads in newspapers which were impossible for Australian job seekers to satisfy... Job classifications... massaged to make occupations... which were perhaps not very highly skilled appear to be skilled.²⁴

4.19 The Committee was aware that a study of the ICT issue had been commissioned,²⁵ so did not explore the issue in detail. However, it considered that, by identifying national skill shortages, the MODL

19 DIMIA: NSW State Director to CFMEU 7/11/02, CFMEU, Submission No. 45, Appendix 1.

20 "Builder Lured Workers as Slave Labour", *Sun Herald*, 12/2/00; "\$35 a day for Tunnel Crew", *Burnie Advocate*, 1/9/00, CFMEU, Submission No. 45, Appendix 5.

21 "South African Workers Sent Home" *West Australian*, 6/4/00, CFMEU, Submission No. 45, Appendix 5.

22 B. Kinnaird, Submission No. 38, pp. 6, 4.

23 B. Kinnaird, Submission No. 38, p. 6.

24 DEWR, Evidence, p. 41.

25 By the Australian Computer Society, S-E Khoo, C. Voight-Graf, G. Hugo, P. Mc Donald, "Temporary Skilled Migration to Australia: The 457 visa sub-class", *People and Place*, Vol 11, No. 4, 2003, p. 38.

operated as a generalised labour market test.²⁶ In the Committee's view, the imposition of a de facto labour market test through use of the MODL in such a way might interfere with one of the attractions of the visa, which was the speed with which it enabled skilled positions to be filled.

4.20 The Committee noted that, since 1 July 2001, the sponsors had been asked to provide details of the efforts they had made to fill the position from the Australian labour force.²⁷ In addition, during the Committee's review, new legislation was introduced concerning sponsors and reviewed by the Senate's Legal and Constitutional Legislation Committee. The Migration Legislation Amendment (Sponsorship Measures) Act enabled action to be taken against sponsors if they breached their undertakings. Sanctions included cancelling their sponsorships or imposing bars on them sponsoring further workers.²⁸

4.21 DIMIA claimed that local employment opportunities were being protected:

through the use of appropriate salary thresholds and identification by DEWR of highly skilled occupations in which there is some degree of shortage such that filling by an overseas temporary resident would be appropriate.²⁹

The business visitor visas are not designed for short-term low-skill work, for work which involves day-to-day wage and salary type payments.³⁰

4.22 In the following paragraphs the Committee examines the equivalent overseas schemes in the light of Australia's arrangements.

Canada

4.23 The Canadian temporary entry arrangements applied to all workers. They were not limited to those who would be identified as "skilled" under Canada's permanent migration program.³¹ Applicants had to have a job offer. Once the Canadian Government assessed the labour

26 See Chapter *Permanent migration and the points test*

27 DIMIA, *In Australia's Interests – A review of the Temporary Residence Program*, adoption of Recommendation at para 5.41, www.immi.gov.au/general/temp_res_report/chapter_5.pdf

28 *Migration Legislation Amendment (Sponsorship Measures) Bill 2003: Second Reading*, Hansard, 4/6/03, p. 15921. Legal and Constitutional Legislation Committee *Provisions of the Migration Legislation Amendment (Sponsorship Measures) Bill 2003*. August 2003.

29 DIMIA, Submission No. 25, p. 50.

30 DIMIA, Evidence, pp. 4-5.

31 Citizenship and Immigration Canada, *FACTS and FIGURES 2002 Foreign Worker Population by Skill Level*, www.cic.gc.ca/english/pub/facts2002-temp/a

market and confirmed that a foreign national may fill the job, intending migrants could apply for a work permit which allowed them to work in Canada temporarily.³² The duration of their stay could be determined at the border by Canadian immigration officials.³³

- 4.24 Temporary workers could apply for permanent resident status and temporary status at the same time, but were advised that:

your application for temporary status may be affected because an impression will have been created that you do not intend to leave Canada upon the expiration of your temporary status.³⁴

- 4.25 Unlike Australia, Canada's approach to short term working visitors did not distinguish between skilled and unskilled. Canada, like Australia, was also cautious about admitting people whose real intention was permanent migration.

Germany

- 4.26 Germany's *IT Specialists Temporary Relief* ("Green Card") Program was inaugurated in August 2000 specifically to allow ICT specialists who had been offered a job paying at least €50,000/year to work for up to five years in Germany. This was intended as a short-term measure to bring in some 20,000 ICT specialists while the German government increased ICT-related education.³⁵ By August 2003 some 15,110 had been recruited; the restriction on numbers had been removed; and revisions were being proposed to the immigration laws which would permit:

highly trained workers from... all other sectors... to work and live in Germany without time limit.³⁶

- 4.27 Germany's "Green Card" approach was more limited in scope and duration than the Australian temporary migration arrangements for skilled people, and part of a more integrated approach to dealing with

32 Assessment is by Human Resources Development Canada (HRDC) CIC, *Working Temporarily in Canada: Overview*, www.cic.gc.ca/english/work/

33 "The officer at the Port of Entry will determine whether you may enter Canada and how long you may stay." CIC, *Working in Canada - Applying for a Work Permit outside Canada* www.cic.gc.ca/english/pdf/kits/guides/5487E.PDF

34 *FAQ - Canadian Skilled workers category*, Immigration firm.ca, www.immigrationfirm.ca/faqskilled.html

35 *Green Card*, German Embassy, Washington, (€50,000 = AU\$78,000) www.germany-info.org/relaunch/welcome/work/greencard.html

36 *Green Card - IT Experts Initiative*, Deutsche Botschaft, New Delhi, www.germanembassy-india.org/en/home/greencard.html; Chancellor Schroeder, quoted in *Germany extends green card...*, 11/7/03, www.computerweekly.com/article123328.htm

skill shortages. Its use of salary as a selection mechanism to avoid local workers being replaced by cheap labour resembled the Australian approach outlined above.

- 4.28 Germany also had a longer-running “project-tied” program which permitted up to 56,000 construction workers employed by foreign subcontractors to work in the construction industry in Germany at the prevailing German wages for two years.³⁷
- 4.29 There was no Australian equivalent to this. Evidence to the Committee had exposed the difficulties associated with the existing arrangements which permitted building workers to be recruited on a 457 visa.³⁸ The Committee judged that the German model, which inserted another agency between the employer and the employee, was not one which would improve Australia’s skilled migration arrangements.

Ireland

- 4.30 Ireland had traditionally been a country of net emigration but rapid economic growth in the 1990s meant that it became a country of net immigration for the first time.³⁹ The Irish Government was wary of:
- the introduction of a rigid form of centralised planning of labour needs by the State... the current system has had the benefit of being directly responsive to the needs of employers.⁴⁰
- 4.31 Irish *Work Permits* were issued by the Department of Enterprise, Trade & Employment to employers.⁴¹ They might be provided with a Work Permit for a non-EAA national if they showed that they had made every effort to employ an EEA or Irish national. Part of the labour market testing required was that the job vacancy be registered for four weeks with the Irish Government’s Training and Employment Authority (FAS) which advised its local offices and other EEA Public Employment Services.⁴² Work permits were valid for up to 12 months and could be renewed, but once accepted, the foreign worker could

37 P. Martin, *Managing Labor Migration: Temporary Worker Programs For The 21st Century*, International Institute for Labour Studies Geneva, September 2003, www.ilo.org/public/english/bureau/inst/download/migration3.pdf

38 See under “Australia” above.

39 Embassy of Ireland, Evidence, p. 154.

40 Address by Minister for Justice, Equality and Law Reform 10/12/02, Department of Justice, Equality and Law Reform www.justice.ie/80256976002CB7A4/vWeb/fsWMAK4Q7JKY

41 DETE, Work Permits Section, *Brief Overview of Economic Migration*, www.entemp.ie/lfd/wp-work.htm#Brief

42 DETE, Work Permits Section, Guidelines & Procedures, www.entemp.ie/lfd/wp-guidelines.htm

not change employers.⁴³ The labour force sectors to which these arrangements applied could be changed from time to time.

- 4.32 Ireland also operated a *Working Visa/Work Authorisation*⁴⁴ program run by the Department of Foreign Affairs as a faster alternative to the Work Permit. It was for suitably qualified people from non-EEA countries who had a job offer for up to two years in “designated categories” of the employment market which had skill shortages. The arrangements were instituted to meet acute skill shortages including information and computing technologies, construction professionals, and medical, health and social care professions.⁴⁵
- 4.33 A third avenue of recruiting skilled temporary migrants, the *Intra-Company transfer*, had been suspended when the Committee was conducting its review because of abuses of this procedure.⁴⁶
- 4.34 Ireland was better able to sustain a centralised and detailed supervision of labour market testing because it is was a unitary state, unlike Australia where there are both Federal and State jurisdictions and also a larger list of skilled occupations requiring monitoring.

Japan

- 4.35 Japan identified 14 different *status of residence* visas which permit temporary entry.⁴⁷ Applicants were assessed on a case-by-case basis against criteria set by the Minister for Justice,⁴⁸ but the scheme did not have a labour market test or a set of national labour market objectives.⁴⁹ The main status of residence visa categories (and the 2002 intake) were:
- *Entertainers* – also used as a “side-door” method of recruiting bar hostesses⁵⁰ (126,158);

43 Department of Enterprise, Trade & Employment and FÁS clarify operational arrangements of work permit procedures: 7/4/03, DETE, www.entemp.ie/lfd/wp-announcement.htm

44 Authorisations apply to those not requiring visas to travel to Ireland, Visas to all others DETE, *Information Leaflet Concerning Working Visas/Work Authorisations For Employment In Ireland*, www.entemp.ie/lfd/infoip5.doc

45 DETE, Work Permits Section, *Brief Overview of Economic Migration*, www.entemp.ie/lfd/wp-work.htm#Brief

46 DETE October 2003, *Work Permits Information Leaflet*, www.entemp.ie/lfd/wp-InformationLeafletOctober2003.pdf

47 Ministry of Foreign Affairs, *A Guide to Japanese Visas - Appendix 1*. www.mofa.go.jp/j_info/visit/visa/appendix1.html

48 Embassy of Japan, Evidence, p. 119.

49 R. Iredale, *International Approaches to Valuing the Professional Skills of Permanent and Temporary Migrants*, in M. W. Charney, Brenda Yeoh and Tong Chee Kiong (eds), *Asian Migrants and Education: the Tensions of Education in Immigrant Societies and Among Migrant Groups*. Embassy of Japan, Evidence, p. 122.

50 T Tsuda, *Reluctant Hosts: The Future of Japan as a Country of Immigration*, Center of Comparative immigration studies, University of California, http://migration.ucdavis.edu/cmpr/feb01/Tsuda_feb01.html

- *Specialists in humanities and international services* – generally translation/public relations/fashion or interior design work (101,178);
- *Engineers* (40,446);
- *Intra-company transferees* - a special category of engineer or specialist in humanities (43,068);
- *Investors and business managers* (36,420);
- *Instructors* – foreign language teachers or vocational school instructors (20,334); and
- *Skilled labourers* – 10 years experience as chefs, architects, civil engineers, gemstone/fur processing; animal training, mineral exploration, etc (12,547).⁵¹

4.36 With the exception of entertainers, all were required to receive no less salary than a Japanese national would for the same work.⁵² The foreigners might:

have temporary residence for up to three years in Japan.
Renewal of residence is permitted as long as they qualify for certain provisions of each category.⁵³

4.37 Japan, like Australia, considered it important that temporary workers received the same pay as locals for the same work. However, Japan's approach to skill shortages and recruiting to fill them was a more *laissez faire*, employer-driven approach than Australia had found appropriate.

New Zealand

4.38 New Zealand's "General Work Policy"

facilitates the entry of people required on a temporary basis to fill shortages where New Zealand citizens or residents are either not available or cannot be readily trained.⁵⁴

51 The remaining categories were Researcher (5,977); Legal/accounting (7,110); Medical services (129); Ministry of Foreign Affairs, *A Guide to Japanese Visas*, www.mofa.go.jp/j_info/visit/visa. Data from *Foreigners Who Entered Japan By Status Of Residence (2002)*, Japanese Statistical Yearbook 2004, <http://www.stat.go.jp/english/data/nenkan/>

52 Ministry of Foreign Affairs, *A Guide to Japanese Visas*, www.mofa.go.jp/j_info/visit/visa.

53 Embassy of Japan, Evidence, p. 119.

54 NZIS *Temporary Entry in New Zealand- The Right Choice*, 15/12/03; www.immigration.govt.nz/NR/rdonlyres/C187768F-A6A6-44FF-A0CB-BB1753E96866/0/TemporaryEntry.pdf

- 4.39 The regime of *Work Permits* and *Work Visas* was intended to protect employment opportunities for New Zealanders while enabling employers to recruit temporary workers from overseas.⁵⁵
- 4.40 The Work Visas and Permits were available to applicants who have an offer of employment, for which they were qualified by training and experience, and:
- were included on the current Occupational Shortages List (OSL) issued by the NZIS; **or**
 - were from a New Zealand employer who has a current approval in principle from the NZIS for the recruitment of the applicant(s); **or**
 - for which there were no New Zealand citizens or residents suitably qualified by training and experience who were available.⁵⁶
- 4.41 For those wishing to come to New Zealand and work with the intention of settling, there was a *Work to Residence Policy*. This offered pathways to gaining residence after three years by virtue of talent, priority occupation, or business activity.⁵⁷
- 4.42 The 30 month duration “Talent” and “Priority Occupation List” policies applied to people aged 55 years or under and was limited to applicants with an offer of at least 24 months full-time employment in New Zealand at a minimum base salary of NZ\$45,000 per annum.⁵⁸ The two “Talent... Policy” variants were:
- *Accredited Employers* - allowed employers to recruit without having to demonstrate that there was no-one suitable in the New Zealand workforce.⁵⁹ This was a similar arrangement to the Australian Labour Agreement arrangements.
 - *Arts, Culture and Sports* - required that NZIS be satisfied that the applicants had exceptional talent in art, culture, or sport and were sponsored by a New Zealand organisation of national repute in their relevant field.

55 NZIS, Immigration Research Program, Trends in Residence Approvals 2002/2003; p. 74. www.immigration.govt.nz/NR/rdonlyres/E0972AE3-EF13-4C33-A101-5F0E3AB5A0EE/0/Trendsinresidenceapproval0203.pdf

56 NZIS *Temporary Entry in New Zealand- The Right Choice*, 15/12/03; www.immigration.govt.nz/NR/rdonlyres/C187768F-A6A6-44FF-A0CB-BB1753E96866/0/TemporaryEntry.pdf

57 NZIS, *Immigration Fact Pack*, p. 3; www.immigration.govt.nz/NR/rdonlyres/7798DA62-F94F-4F90-A324-815341ECCFB9/0/July2002FactPack17.pdf

58 NZIS, *Temporary Entry in New Zealand- The Right Choice*, 15/12/03; www.immigration.govt.nz/NR/rdonlyres/C187768F-A6A6-44FF-A0CB-BB1753E96866/0/TemporaryEntry.pdf

59 NZIS, *Application For Employer Accreditation*, www.immigration.govt.nz/NR/rdonlyres/AABCD465-D845-411E-98EA-2E8A407C2C35/0/nzis1090.pdf

- 4.43 The “Priority Occupation List Policy” required migrants to have worked in an occupation on the *Priority Occupations List*:
- in which the NZIS, in consultation with Industry New Zealand, relevant industry groups and unions, has identified an absolute (sustained and ongoing) shortage of skilled workers.⁶⁰
- 4.44 The 36 month “Business Policy – Entrepreneur” arrangement was available to those who had established a business in New Zealand which was benefiting New Zealand in some way.⁶¹
- 4.45 The New Zealand approach had many parallels with Australia. However, New Zealand, as a unitary state, had more opportunities to maintain centralised control of labour market testing than were available to Australia. Unlike Australia it offered temporary skilled migrants a specific, direct path to permanent residence through its “Work to Residence” arrangements. The Committee considered that this philosophy, if adopted in Australia, could improve its recruiting position in the international labour market, and observed that the three-year temporary residents visa introduced in 2004 which led to permanency for migrants living and working in regional Australia was a similar arrangement.⁶²

United Kingdom

- 4.46 The **United Kingdom** operated a *Work Permit* system which allowed employers based in the UK to employ people who were not EEA nationals and who were not entitled to work in the UK.⁶³ Each permit related to a specific individual and to a particular job, and the application was made on that individual’s behalf by the prospective employer. Intending workers might therefore only receive the necessary Work Permit if they had arranged employment. The Work Permit system did not define a skilled migrant, rather it was expected that they would have either post-secondary qualifications or three years experience in a skilled area.⁶⁴

60 The Priority Occupations List is reviewed bi-annually. NZIS, *WR3.10 Inclusion of occupations on the Priority Occupations List*, Operations Manual, www.immigration.govt.nz/nzis/operations_manual/6605.htm

61 NZIS, *Work to Residence Policy*, www.immigration.govt.nz/Work+to+Residence/Work+to+Residence+Policy

62 Minister for Immigration..., *Plan to Attract more Migrants to Regional Australia*, VPS 004/2004, 12/1/04, www.minister.immi.gov.au/media_releases/media04/v04004.htm

63 UK Home Office, *Working in the UK – Work Permits*, www.workingintheuk.gov.uk/working_in_the_uk/en/homepage/work_permits.htmlworking_in_the_uk/en/homepage.html?

64 UK Home Office, *Work Permits UK, Guidance notes for employers...*; workingintheuk.gov.uk/working_in_the_uk/en/documents/all_forms.Maincontent.0008.file.tmp/buisness_and_commercial_notes.doc

- 4.47 The Work Permit could only be issued if the UK Home Office, through Work Permits UK, was satisfied that the vacancy was genuine (i.e. has not been created for the recruit); the person had the skills to do the job; and no resident workers were available to do the work.⁶⁵ If the workers ceased employment with their original employer they were no longer eligible for that Work Permit and were expected to leave the country.⁶⁶
- 4.48 A lower-skilled variant of the Work Permit, introduced in May 2003, was the *Sectors Based Scheme* which covered employees aged 18-30 years in segments of the food manufacturing and hospitality sectors. Employers had to demonstrate that they were unable to recruit UK resident workers at specified skill levels. The 12 month permit was subject to separate quotas for recruits from the EU accession and non-EU accession countries.⁶⁷
- 4.49 To attract more specialised skills, the UK created the *Highly Skilled Migrant Program* in 2002, its first experiment with a points test akin to the Australian one. The program enabled people with exceptional personal skills and experience to come to seek and to take up work without any need to have an employer sponsor them for a Work Permit.⁶⁸
- 4.50 Applicants had to make a written undertaking that they were willing to make the UK their home, provide evidence of being able to support themselves and their dependants and of being able to work in their chosen field in the UK, and also achieve a points test pass mark (39 per cent of the possible total as at December 2003).
- 4.51 There were no mandatory components of the points test which covered education (maximum 18%); work experience (30%);

65 UK Home Office, Work Permits UK, *Guidance notes for employers...*; www.workingintheuk.gov.uk/working_in_the_uk/en/documents/all_forms.Maincontent.0008.file.tmp/buisness_and_commercial_notes.doc

66 UK Visas, *Guidance - Work Permit Holders (INF 13)*, www.ukvisas.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1018721068127#Q1; UK Home Office, Work Permits UK, *General Information*, www.workingintheuk.gov.uk/working_in_the_uk/en/documents/all_forms.Maincontent.0003.file.tmp/general_information_notes.doc

67 Food sector = fish processing, meat processing and mushroom processing; hospitality sector = hotel and catering, UK Home Office, Work Permits UK, *Sectors Based Scheme*, www.ind.homeoffice.gov.uk/default.asp?PageId=3892 2003/04 overall quota is 20,000. UK Home Office, Work Permits UK, *General Information*, www.workingintheuk.gov.uk/working_in_the_uk/en/documents/all_forms.Maincontent.0003.file.tmp/general_information_notes.doc Accession countries due to join the EU 1/5/04 are: Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Slovenia and Slovakia; *The Treaty of Accession 2003*, European Commission, <http://europa.eu.int/comm/enlargement/enlargement.htm>

68 National Statistics Online, *Work permits and foreign labour in the UK: a statistical review* www.statistics.gov.uk/articles/labour_market_trends/Workpermits_nov03.pdf Home Office, Immigration and Nationality Directorate, *Guidance to applicants*, www.ind.homeoffice.gov.uk/default.asp?pageID=2757

income (30%); achievement (15%); and partner's education/employment (6%).⁶⁹

- 4.52 Applicants under the age of 28 required less work experience and annual income to achieve the same proportion of points. Medical practitioners meeting the points requirement had priority processing.
- 4.53 Those who qualified were initially permitted to stay for 12 months with a possibility of renewal and after four years they could apply for permanent residence.⁷⁰
- 4.54 The absence of mandatory requirements and the lack of an age ceiling were the main ways in which this program differed from Australia's (permanent) migration points test. However, the greatest difference from Australia was the explicit requirement that the recipients of this short-term visa commit themselves in writing to making their home in the UK. Here the connection between temporary migration and eventual settlement was, in contrast to Australia, unmistakable and more explicit even than New Zealand's Work to Residence policies.

United States of America

- 4.55 In the United States the main skilled temporary migration program was known as *Specialty Workers (H-1B)* which covered:
- aliens coming temporarily to perform services in a specialty occupation, or as a fashion model of distinguished merit and ability.⁷¹
- 4.56 A "specialty occupation" required a bachelor degree and:
- the theoretical and practical application of a body of specialized knowledge.⁷²

69 Points allocations: **Education** PhD = 30, Masters 25; Grad degree 15; **Work experience** 5 years at grad level (3 with PhD) 25; 5 years at grad level with 2+ senior/specialist role 35; 10 years with 5+ years senior/specialist = 50; **Income** (varies for country of origin) for Australia £40,000 pa = 25; £100,000 pa = 35; £250,000 = 50- (respectively AUSS\$95,000/240,000/ 600,000); **Achievement** Exceptional 25, Significant = 15; **Partner achievement** 10. UK Home Office, Immigration and Nationality Directorate, *Highly Skilled migrant program...Revised... 31 October 2003*, www.ind.homeoffice.gov.uk/filestore/revise_hsmpl_leaflet.pdf

70 UK Home Office, Immigration and Nationality Directorate, *Highly Skilled migrant program...Revised... 31 October 2003*, www.ind.homeoffice.gov.uk/filestore/revise_hsmpl_leaflet.pdf

71 USCIS, Employment Categories and Required Documentation, <http://uscis.gov/graphics/services/tempbenefits/ecrd.htm#anchorH1B>

72 E.g., engineering, mathematics, physical sciences, computer sciences, medicine and health care, education, biotechnology, and business specialties, *H-1B Specialty (Professional) Workers*, U.S. Department of Labor Employment & Training Administration, <http://atlas.doleta.gov/foreign/h-1b.asp>

- 4.57 The H-1B visa was specific to an employer and seeking a H-1B visa involved:⁷³
- having a sponsoring U.S. employer;
 - the employer filing a “labor condition application” with Department of Labor (DOL) and agreeing to maintain labour conditions for the worker;⁷⁴
 - virtually automatic DOL approval of the application;⁷⁵
 - US Citizenship and Immigration Services (CIS) further approval of the employer’s application; and
 - CIS advising the applicant’s local US consulate of the approval of the employer’s application.⁷⁶
- 4.58 Under H-1B, US employers could lay off US workers to open up H-1B jobs.⁷⁷ The H-1B “nonimmigrants” were initially able to stay for up to three years with any extensions limited to a maximum period of residence of six years.⁷⁸ If they changed employers, a new H-1B petition was needed.⁷⁹
- 4.59 The US approach emphasised the importance of the employers’ needs, with lesser priority allocated to limiting any migrants’ effects on the local workforce. An exception to this was the “H-1B dependent employers” who, because of the proportion of H-1B workers they employed were subject to additional requirements to demonstrate that qualified U.S. workers could not be found and that there would be no displacement of a US employee.⁸⁰
- 4.60 The Committee considers that the concept of “dependence” could be useful in Australia for monitoring continuing reliance on overseas

73 DOLETA, *DFLC Frequently Asked Questions and Answers*

<http://atlas.doleta.gov/foreign/faqsanswers.asp#h1b1>; Temporary Workers

74 Covers: wage levels, employment conditions, preservation of conditions for existing workers, assurances no strike/lockout in progress. DOLETA, FORM ETA 9035, *Foreign Labor Certification Pre H-1B form* U.S. <http://atlas.doleta.gov/foreign/preh1bform.asp>

75 Under US law, the US Department of Labor **must approve** the employer’s request for H-1B workers unless the request contains obvious errors, such as asserting that the prevailing wage is \$5 an hour. As the US General Accounting Office noted in 2000: “Labor (DOL) can certify that an employer’s application form for H-1B workers is error free, but it has no authority to verify the information on the form. Labor cannot take enforcement action even if it believes that employers are violating the law” unless it receives a complaint of violations. P. Martin, *Highly Skilled Labor Migration: Sharing the Benefits*, International Institute for Labour Studies, Geneva, 2003, www.ilo.org/public/english/bureau/inst/download/migration2.pdf

76 USCIS, *Temporary Workers*, <http://uscis.gov/graphics/services/tempbenefits/tempworker.htm#anchorvisa>

77 P. Martin, *Managing Labor Migration: Temporary Worker Programs for the 21st Century*, International Labour Organisation, 2003, www.ilo.org/public/english/bureau/inst/download/migration3.pdf

78 USCIS, *Temporary Workers*, <http://uscis.gov/graphics/services/tempbenefits/tempworker.htm>

79 USCIS, *Employment Categories and Documentation*, <http://uscis.gov/graphics/services/tempbenefits/ecrd.htm>

80 American Competitiveness and Workforce Improvement Act of 1998, www.oalj.dol.gov/public/ina/refrnc/acwia.htm. *What type of h-1b employer are you?* www.hirson.com/news/News112801_1.htm

skills provided by both temporary and permanent migrants. DIMIA already required sponsors of temporary employees to report the numbers of foreign employees⁸¹ and required evidence of commitment to training.⁸² Monitoring of the permanent migration stream took place through the Labour Agreements to ensure that the recruitment of skilled persons from overseas occurred in the context of improving employment and training opportunities for Australians.⁸³

Recommendation 4

- 4.61 **The Committee recommends that DIMIA, as part of its monitoring program, identify establishments with a disproportionate dependence on migrant labour and focus its assessment on how well they demonstrate the commitment of their business to training Australian residents or introducing new technology.**

Comparisons

Dependants' work rights

- 4.62 In its submission to the Committee, DIMIA identified the unrestricted automatic work rights available to temporary skilled workers' spouses and dependents⁸⁴ as one of Australia's competitive advantages.⁸⁵
- 4.63 Dependents were permitted to accompany skilled temporary migrants to all the countries reviewed by the Committee, with the exception of **Ireland** (which allowed reunion after three months), and participants in the **United Kingdom's Sectors Based Scheme** who may not bring dependants.⁸⁶

81 DIMIA, Form 1196, *Sponsoring Temporary Overseas Employees to Australia*, www.immi.gov.au/allforms/pdf/1196.pdf

82 DIMIA, Booklet No. 11 *Sponsoring Temporary Overseas Employees to Australia*, pp. 2, 10.

83 DIMIA, Submission No. 25, p. 45.

84 DIMIA, *Sponsoring a temporary overseas employee to Australia .Booklet* , p. 8; www.immi.gov.au/allforms/booklets/1154.pdf

85 DIMIA, Submission No. 25, p. 88; Appendix 4.

86 *Information about the Sectors Based Scheme* www.workingintheuk.gov.uk/working_in_the_uk/en/homepage/work_permits/sector_based_schemes.html

4.64 The **United Kingdom** had similar arrangements to Australia for spouses of those employed under Work Permits or the Highly Skilled Workers program. They had:

the right to work in the UK so long as they remain married
and the work permit is still valid.⁸⁷

4.65 In **Canada, Germany, Ireland, New Zealand** and **USA** spouses could work if they qualified for the relevant work permit in their own right.⁸⁸

4.66 The spouses of skilled temporary workers in **Japan** would have a visa status of "dependent" which did not allow work,⁸⁹ but it might be possible to work or work for limited hours without applying for a work visa.⁹⁰

Conclusion

4.67 The Committee agreed that the ability of spouses of temporary skilled migrants to work in Australia without further migration formalities was a positive feature of the skilled temporary migration program.

Pathways to permanence

4.68 Both the **UK** and **New Zealand** had made explicit links between the temporary migration scheme and permanent settlement. This innovation the Committee took as evidence of the way in which migration policies are evolving to attract the more highly skilled migrants in the international labour market.

4.69 The Committee noted that, under a visa announced in January 2004, skilled migrants will be able to obtain a three-year temporary residence visa if they commit to living and working in regional

87 *HSMP Highly Skilled Migrant Programme (HSMP) Revised Programme effective from 31 October 2003*; www.ind.homeoffice.gov.uk/filestore/revised_hsmp_leaflet.pdf; *Working in the UK FAQ* www.workingintheuk.gov.uk/working_in_the_uk/en/miscellaneous/faqs.html

88 **Canada:** spouses may acquire a work permit without HRDC clearance, provided the primary applicant is employed in skilled work for six months or more. *Working Temporarily in Canada - The Worker's Role Spousal Program*, www.cic.gc.ca/english/work/worker-1.html. **Germany:** "Green Card" spouses eligible for a work permit after one year and have a right to work after two. "Green Card" Brochure www.bma.bund.de/download/broschueren/a987engl.pdf. **Ireland:** dependants of those with Working Visas or Work Authorisations may be joined by their dependants after three months; *Information Leaflet Concerning Working Visas/Work Authorisations for Employment in Ireland*, www.entemp.ie/lfd/infoip5.doc. **New Zealand:** may apply for a work visa or work permit if their partner has a current visa to work for six months; NZIS, *Application to Work in New Zealand under the Work Visa and Permit Policy - The Workers Guide*; www.immigration.govt.nz/NR/rdonlyres/0366C6EB-EF28-4BD2-BF91-513AF8590CBA/0/nzis1015.pdf. **USA:** dependants of H-1B visa holders qualify for H-4 visas, which do not permit them to work; US Consulate Guangzhou, *Visas Categories*, www.usembassy-china.org.cn/guangzhou/niv/visacategories.html#F2J2L2H4

89 *Can my spouse work?*, Tokyo Orientations - FAQs: www.tokyoorientations.com/faqs.html

90 C. Kennedy-Takahashi, *Companies find international relocation of executives with a working spouse complex*. "Japan, Inc.", Nov, 2002, www.findarticles.com/cf_dls/m0NTN/37/108882015/p1/article.jhtml; Ministry of Foreign Affairs, *A Guide to Japanese Visas*, www.mofa.go.jp/j_info/visit/visa

Australia. After two years they will be able to apply for permanent residency.⁹¹

Conclusion

4.70 The Committee concluded that, by identifying a direct, but not automatic, route to permanent migration, Australia was intending to remain competitive.

4.71 The new temporary regional visa was in accord with the conclusion, which the Committee supported, reached by the DIMIA External Reference Group in its review of the temporary residence program that it was:

important that the pathways to permanent residence for these skilled workers are clear (eg in client information) and accessible.⁹²

Building the skills base

4.72 The Committee's terms of reference did not include examination of domestic responses to skill shortages. The Committee was aware that this aspect of the skilled migration equation was under consideration elsewhere. In November 2003 the report *Bridging the Skills Divide* assessed skills shortfalls and existing modelling designed to identify potential future needs. It also mentioned the existence of long-term shortages, such as those which have existed since at least 1994, for pastry cooks, chefs and motor vehicle mechanics.⁹³

4.73 The Australian Centre for Population Research was, with the assistance of DIMIA, addressing the role of temporary skilled workers as a substitute for the training of Australian residents. This concern had been raised with the Committee during discussion of the 457 visa.⁹⁴

4.74 The Committee recalled that other countries made a direct link between temporary skilled migration and the need to foster local skills. The **German** "Green Card" program was accompanied by a

91 Visa begins 1/7/04. Minister for Immigration...., *New Initiatives to Draw More Migrants to Regional Areas*, VPS 019/2004, 12/1/04, www.minister.immi.gov.au/media_releases/media04/v04019.htm

92 DIMIA, *Temporary Residence Program Review: Report of the 2000-02 review*, para 2.97. www.immi.gov.au/general/review.htm

93 Senate, Employment, Workplace Relations and Education References Committee, *Bridging the Skills Divide*, November 2003.

94 S-E Khoo, C. Voight-Graf, G. Hugo, P. Mc Donald, "Temporary Skilled Migration to Australia: The 457 visa sub-class", *People and Place*, Vol 11, No. 4, 2003, p. 39.

boost to ICT-related education.⁹⁵ Until October 2003, all **United States** employers sponsoring H-1B migrants were required to pay a \$1,000 fee to support low-income scholarships and job training programs for workers.⁹⁶ This was expected to generate US\$55 million to provide 15,500 scholarships of up to four years in 2003 alone.⁹⁷

4.75 The Committee had been presented with a similar idea by the Institution of Engineers Australia, which proposed that the sponsoring employer (not the applicant):

pay a significant fee (for example \$A8000 — 10000) to sponsor an immigrant to fill a vacant job... to support the following 3 programs:

(a) To train Australian citizens for the jobs for which migrants are being sponsored.

(b) To provide English language training to migrants entering Australia under all permanent migration streams.

(c) To provide scholarships to encourage Australians to study in fields with known long-term labour shortages.

4.76 The Institution proposed a reduced fee of A\$1,000 for temporary entry skilled migrant applications, and for small and medium enterprises.⁹⁸ The Committee observed that a fee set at that level was the equivalent of less than two weeks of the annual \$37,720 minimum salary required for 457 temporary visa entrants and comparable with the visa fee of \$1,210 paid by off-shore applicants for permanent employer sponsored migration.⁹⁹

4.77 The Committee considered that if such fee was imposed it should only be charged in relation to the principal applicant. It was this person that the employer was recruiting, and charging for each member of their family could quickly lead to discrimination against applicants with dependants by prospective employers.

95 *Green Card*, German Embassy, Washington, (€50,000 = AU\$78,000) www.germany-info.org/relaunch/welcome/work/greencard.html

96 DOLETA, *Foreign Labor Certification Pre H-1B form*, <http://atlas.doleta.gov/foreign/preh1bform.asp> Including 56.3% to Secretary of Labor for job training demonstration programs and projects; 28.2% low-income scholarship program (National Science Foundation); 4% enrolment in science enrichment courses. *American Competitiveness and Workforce Improvement Act of 1998*, www.oalj.dol.gov/public/ina/refrnc/acwia.htm

97 National Science Foundation, *Summary of FY 2003 Budget Request to Congress*, http://www.nsf.gov/bfa/bud/fy2003/msp_npf.htm

98 Institution of Engineers Australia, Submission No. 10, pp 11-12.

99 Value at February 2004. Minister for Immigration...*New Salary Level for Skilled Migrants*, VPS 031/2004; www.minister.immi.gov.au/media_releases/media04/v04031.htm, Onshore = \$1,795. *Temporary Business Entry Visa application charge* (November 2003) = \$165, DIMIA, Charges – November 2003, www.immi.gov.au/allforms/pdf/990i.pdf

- 4.78 The Institute's proposal to devote that revenue to training of Australians appealed to the Committee because the migrants were being recruited to fill local skill shortage demands. The Committee did not favour charging similar fees to the employers of permanent migrants because there was already a labour market testing designed to confirm that they had been unable to locate a local worker.
- 4.79 DIMIA data indicated that more than 48,000 temporary skilled visas were issued in 2002/3,¹⁰⁰ so fees applied to the primary applicants could generate substantial revenue.¹⁰¹
- 4.80 The Committee considers that it would be appropriate to devote the revenue raised to expanding Australia's local skill pool through scholarships. The areas of study should include those experiencing existing and prolonged skill shortages.

Recommendation 5

- 4.81 **The Committee recommends that an indexed fee of \$1,000 be charged to each sponsor of a skilled temporary worker to fund scholarships for Australians in areas of existing long term shortages which are predicted to continue.**
- 4.82 The Committee recalled that, in its *Job Outlook*, DEWR identified trade and professional occupations assessed as being in shortage:
- based on consultation with employers (especially those who had recently advertised), professional/industry organisations, training bodies and analysis of labour market and education and training data.¹⁰²
- 4.83 However, in view of the extensive examination of forecasting of skill trends in *Bridging the Skills Divide*, the Committee supports that report's recommendations concerning "Skill Shortfalls and Future Skill Needs", including that:
- the Commonwealth, in conjunction with state and territory governments, develops a new, integrated, nationally

100 DIMIA, *Annual Report 2002-03*, p. 38.

101 Since the 457 visa was introduced, approximately half have been issued to primary applicants, the remainder to their dependants. S-E Khoo, C. Voight-Graf, G. Hugo, P. Mc Donald, "Temporary Skilled Migration to Australia: The 457 visa sub-class", *People and Place*, Vol 11, No. 4, 2003, pp 29-30.

102 *DEWR Job Outlook*, www.workplace.gov.au/WP/Content/Files/WP/EmploymentPublications/JobOutlook2003UL2.pdf

consistent approach to the collection and reporting of the complete range of statistical information on the labour market and current and future skill needs.¹⁰³

Conclusion

- 4.84 The Committee's brief survey of temporary skilled migration arrangements revealed national approaches ranging from the precise and very limited German ICT-only program to the essentially employer-driven Japanese arrangements.
- 4.85 The Committee observed that, despite the range of approaches, there were some common themes, including:
- priority for a limited range of specialists through targeted programs or priority processing;
 - prohibition on entry to search for employment by requiring that each temporary migrant have a job;
 - a consequent emphasis on employer interests; and
 - associated balancing mechanisms to protect local workers via minimum or equivalent wages and/or labour market testing.
- 4.86 As the Committee outlined, the mechanisms to achieve these ends often differed from those implemented in Australia, and were not necessarily relevant to Australia's requirements for temporary skilled migrants.

¹⁰³ Senate, Employment, Workplace Relations and Education References Committee, *Bridging the Skills Divide*, November 2003, *Recommendations 1 - 4*.

Permanent skilled migration – overview

- 5.1 The Committee was asked to examine the migration entry and program management policies of Germany, Ireland, Japan, the United Kingdom, New Zealand, Canada and the United States of America as they related to skilled migration.
- 5.2 **Germany, Ireland and the United Kingdom** experienced labour migration (skilled and otherwise) by virtue of their membership of the European Community. Community citizens were entitled to leave their home country to go to another of the 15 member states.¹ This form of internal European migration was outside the scope of the Committee's brief.

Limited opportunities for permanent skilled migration.

- 5.3 Unlike Australia, most of the countries considered by the Committee in this review did not have arrangements to permit skilled migrants to remain permanently.
- 5.4 In **Germany, Ireland, Japan** and the **UK** skilled migrants appeared to be considered as temporary residents:

1 Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, United Kingdom. *A Guide to the European Union*; European Parliament - Fact Sheets, 3.2.2. *Freedom of movement for workers* www.europarl.eu.int/factsheets/3_2_2_en.htm *Right to Access to Employment*, Dialogue with citizens: Germany, Ireland, United Kingdom, europa.eu.int/scadplus/citizens/en/uk/01067.htm#tophttp://www.ecdel.org.au/eu_guide/eu_guide.htm#EUMembers

- **Germany** did not have a pathway to permanency in its skilled migration program which was concerned with recruiting ICT specialists for fixed periods.²
- **Ireland**, for many years a source of migrants, rather than a receiver, did not specifically provide for long term secure resident status for third country nationals.³
- **Japan** had no national policy to accept migrants into its society,⁴ and therefore had no systematised program to settle skilled migrants or identify skill shortages.⁵
- The **United Kingdom** had a number of schemes aimed at a group called “highly skilled workers” and these offered “indefinite leave to remain” which, as the name implied, was not the same as permanent residence, although it could be renewed.⁶

Countries with permanent skilled migration

- 5.5 Like **Australia, Canada, New Zealand**, and the **USA** had permanent migration programs applicable to skilled migrants.

Rationale for permanent skilled migration

- 5.6 **Australia’s *General Skilled Migration*** program targeted:
- people who are highly skilled, are under 45 years of age, and who will quickly make a contribution to the Australian economy.⁷
- 5.7 The goal of the **USA’s *Permanent Labor Certification*** program was to increase the skills and education levels of the permanent migration intake which was dominated by family reunion immigration.⁸
- 5.8 **Canada’s *Federal Skilled Worker Program*** and **New Zealand’s, *General Skills Category*** differed from the Australian pursuit of specific skills.

2 See chapter *Temporary skilled migration*.

3 Minister for Justice, Equality and Law Reform, *Public Consultation on Immigration Policy*, 1/6/01, Department of Justice, Equality and Law Reform, www.justice.ie

4 Embassy of Japan in Australia, Submission No 55, p. 1.

5 Embassy of Japan in Australia, Evidence, pp. 118-119.

6 “Indefinite leave to remain”, ASG Immigration Ltd, www.asgvisa.com/index.html

7 DIMIA, *General Skilled Migration to Australia*, www.immi.gov.au/migration/skilled/index.htm

8 USA Country Profile, *Migration Information Source*, Migration Policy Institute, May 2003, www.migrationinformation.org/Profiles/display.cfm?ID=6; S. Martin, “U.S. Immigration Policy: Admission of Highly Skilled Workers” in 2001 *DoD SME Leaders Conference Report*, December 2001, Logistics Management Institute http://web.lmi.org/edugate/conference/2001/2001_conference_report.pdf

Canada emphasised the desirability of skilled migrants who showed the potential to adapt to local conditions and aimed:

to build a stronger Canada by maximizing the benefits from the global movement of people;... and managing access to Canada.⁹

a human capital approach, which is aimed at selecting workers who ... have the basic qualities—education, language, general generic skills—to fit into a range of things in the Canadian labour market and to be able to adapt as that labour market changes.¹⁰

5.9 **New Zealand** rejected its earlier “human capital” approach because of its perceived a:

terrible mismatch leading to a waste of skills and talent.¹¹

5.10 Its policy in mid 2003 was to welcome:

people who will contribute to our country by bringing valuable skills or qualifications... and strengthen our relationship with other parts of the world.¹²

5.11 When the Skilled Migration arrangements were completely revised in December 2003, the underlying rationale remained the same, with New Zealand seeking the migrant:

who wants to live and work in New Zealand, and who has the skills that New Zealand needs to help it prosper nationally and internationally.¹³

Numbers

5.12 Table 5.1 below (from Chapter 1 *International competition for labour*) indicates the recent permanent immigration intakes of the countries the Committee considered. As noted in Chapter 1, the permanent migration statistics were not readily comparable between countries, but the data did give a sense of the scale of migration relative to the

9 CIC, Fact Sheet No. 16 *Skilled Workers*, www.cic.gc.ca/english/irpa/fs-skilled.html

10 Canadian High Commission, *Evidence*, 18/8/03 p. 139.

11 Hon Lianne Dalziel, *Skilled Immigration Policy Announcement 1/7/0*, www.beehive.govt.nz/dalziel/skilled-immigration/briefing-notes.cfm

12 NZIS: *Self-Assessment, Residence*, www.immigration.govt.nz (Link removed when new arrangements introduced in December 2003)

13 NZIS, *About the Skilled Migrant Category*, www.immigration.govt.nz/Migrate/AbouttheSkilledMigrantCategory.htm

domestic labour force. The differing aims and natures of the programs also made direct comparison difficult.

Table 5.1: Permanent skilled migration: selected countries: 2000-2003¹⁴

Country	Workforce	Program	2000	2001	2002
Canada	15.1m	Skilled Worker	118,307	137,112	123,357
USA	135.1m	Permanent Labor Certification	107,024	179,195	174,968
			<i>Financial years</i>		
			2000/1	2001/2	2002/3
Australia	9.1m	General Skilled Migration	44,730	53,520	66,050
NZ	1.8m	General Skills Category	23,264	31,340	26,662

- 5.13 **Australia, Canada and New Zealand** did not set specific limits on numbers. Instead all identified annual targets.
- 5.14 **New Zealand** planned for 27,000 – 27,300 economic migrants in 2003, or 60 per cent of its immigration program. Likewise **Canada** appeared to aim for economic migrants to make up 60 per cent of its annual intake, or 220,000 – 245,000. **Australia** expected 63,000 migrants in its skill stream in 2003/4, some 57 per cent of the total non-humanitarian intake.¹⁵
- 5.15 The **United States** aimed to settle “at least 140,000” each year in its employment-based scheme.¹⁶ In 2002 some 384,000 immigrants arrived in the US. Employment Visas numbered 40,050 (10.4%), over half of which (24,342) were issued to spouses and children.¹⁷

Who gets in?

- 5.16 In each country there were mandatory requirements which the applicants had to meet. In addition, Canada and New Zealand, like

¹⁴ For sources, see Table 1.3 in Chapter 1.

¹⁵ **Australia:** Minister’s statement, *2003-04 Migration Program Will Increase Benefits To Australia*, MPS 18/2003, 31/3/03. **NZ:** What’s New? FACT SHEET 1: [The New Zealand Immigration Programme 2003/04](http://www.immigration.govt.nz/), www.immigration.govt.nz/. **Canada:** CIC News Release 2003-12, *Canada Welcomes Close To 230,000 New Permanent Residents In 2002*, www.cic.gc.ca/english/press/03/0312-pre.html

¹⁶ U.S. Department of State, *Bureau of Consular Affairs Visa Services, Visa Bulletin IMMIGRANT NUMBERS FOR OCTOBER 2003*, http://travel.state.gov/visa_bulletin.html

¹⁷ Relatives of US citizens comprised some 179,000 (46.8%), family sponsored arrivals totalled 123,541 (32%), and visa lottery arrivals comprised 10%. *IMMIGRANTS, FISCAL YEAR 2002; Table 5, Immigrants admitted by type and class of admission, fiscal year 2002*, in 2002 Yearbook of Immigration Statistics, at <http://uscis.gov/graphics/shared/aboutus/statistics/IMM02yrbk/IMMExcel/table5.xls>

Australia, identified a range of attributes against which applicants were measured. These are examined in the following chapters dealing with the mandatory and points test aspects of permanent skilled migration.

- 5.17 In general, Canada, the United States, the UK and Australia all wanted migrants who spoke the local language, would get jobs and fill gaps in the workforce.
- 5.18 Overall, the USA's permanent migration program was weighted towards admission of relatives of US citizens and refugees with no annual numerical limits, but there was provision for five categories of employment-based migration.¹⁸

Table 5.2: USA - Skilled migrant intake 2002¹⁹

Employment category	Primary applicants	Spouses	Children	Total	
Priority & proportion	Description	(New arrivals – excludes change of status of those in the USA)			
1 st = 28.6%	Extraordinary ability/outstanding researcher/multi-national executive	3,939	2,637	3,009	9,585
2 nd = 28.6%	Professional with advanced degrees	2,588	1,933	802	5,323
3 rd = 28.6%	Skilled workers	3,756			
	Professionals with baccalaureate degrees	4,555	5,747	7,858	21,916
	Needed unskilled workers	393	342	806	1,541
4 th = 7.1%	Ministers/US government officials abroad/etc	461	1,172		1,633
5 th = 7.1%	Employment creation – un targeted	10	9	15	34
	Targeted employment creation	6	4	8	18
TOTAL		15,708	24,342		40,050

- 5.19 The five employment-based categories covered a range of skills which were not directly comparable with Australia's skilled permanent

18 U.S. Department of State, *Bureau of Consular Affairs, Visa Services; Tips for U.S. Visas: - IMMIGRANTS*. <http://travel.state.gov/visa/immigrants.html>

19 *Table 5, Immigrants admitted by type and class of admission, fiscal year 2002*, in 2002 Yearbook of Immigration Statistics, at <http://uscis.gov/graphics/shared/aboutus/statistics/IMM02yrbk/IMMExcel/table5.xls>

migration visa classes. There was, for example, a small group of “needed unskilled workers” who were permitted permanent residence in the USA, but which had no Australian equivalent.

5.20 **Canada** defined a skilled worker as a person who had one year’s full-time work experience in a specified range of occupations in the previous ten years.²⁰ It described skilled workers as those whose job skills, education and experience would help them to find work and make a home in Canada.²¹ Canada therefore valued skilled immigrants who could:

effectively compete and succeed in the country’s knowledge-based economy... [with the] emphasis on... flexible skills...rather than... intended occupation²²...

people who have the ability to learn and acquire new skills.²³

5.21 **New Zealand** sought migrants with a job offer who had work experience and a suitable level of qualifications.²⁴

5.22 **Australia** generally sought:

young, skilled, English proficient migrants with skills in demand who are able to gain employment quickly and who are able to make a positive contribution to Australia’s economy.²⁵

5.23 Those who wished to join the skilled permanent migration stream to Australia had a selection of visas from which to choose:²⁶

- **Skilled-Australian Linked**²⁷ allowed Australian citizens or residents to sponsor their parents, brothers, sisters, nephews, nieces and nondependent children. Applicants had to meet a points test which took into account their age and work skills as well as various sponsor attributes;
- **Independent** was for unsponsored applicants whose education, skills, English language ability and ready employability would contribute to the Australian economy;

20 S 75(2), Immigration and Refugee Protection Regulations, *Canada Gazette* Pt II 14/6/02

21 CIC, Applications and Forms, *Applying as a Skilled Worker*, www.cic.gc.ca/english/applications/skilled.html

22 CIC, Fact Sheet No. 16 *Skilled Workers*, www.cic.gc.ca/english/irpa/fs-skilled.html

23 Canadian High Commission, *Evidence*, 18/8/03 p. 139.

24 NZIS, *Self-Assessment Guide for Residence in New Zealand*, www.immigration.govt.nz/NR/rdonlyres/C30B0E60-D875-439D-9781-4CBB912DF67C/0/nzis1003.pdf

25 DIMIA, Submission No 25, p. 36.

26 DIMIA, *Immigration Update, 1999-2000; 2000-2001; 2001-2002*, November 2003, pp 40-41.

27 www.immi.gov.au/statistics/publications/immigration_update/update_jun02.pdf

“Concessional Family” until 1/7/97.

- **Regional Linked** allowed sponsorship of skilled relatives to designated areas of Australia. Both applicants and sponsors had to satisfy certain criteria;
- **Employer Nomination** was for highly skilled people nominated by employers in Australia who had been unable to find or train skilled workers in Australia for the position. This included the Labour Agreement category for people who were nominated by an employer or organisation under a *Labour Agreement*,²⁸ *Labour Australia Support Skills*²⁹ or the *Regional Sponsored Migration Scheme*³⁰ and who had the skills, qualifications, and experience required;³¹
- **Business Skills** covered successful business people with established skills in business who had a genuine commitment to owning and managing a business in Australia; and
- **Distinguished Talent** was for people who had outstanding records of achievement in a profession, occupation, the arts or sport.

5.24 Table 5.3 below shows the relative importance of each of these permanent migration schemes for Australia.

Table 5.3: Skilled Migration Visa - Arrivals, 1999/00-2002/3³²

	1999/00	2000/01	2001/02	2002/03
Independent	16,419	21,155	21,778	24,375
Business Skills	5,631	5,600	6,409	5,421
Skilled – Australian Linked	8,882	6,743	4,586	4,505
Employer Nomination Scheme	1,212	1,307	1,817	1,748
Regional Linked	139	830	1,374	2,394
Distinguished Talent	67	80	72	63
TOTAL SKILLED	32,350	35,715	36,036	38,504
Total settlers	92,272	107,366	88,900	93,914

28 **Labour Agreements** - enable Australian employers to recruit (either permanently or temporarily) a specified number of workers from overseas in response to identified or emerging labour market (or skill) shortages in the Australian labour market.

29 **Labour Australia Support Skills** (replaced Regional Headquarters agreements from 1 July 2002) - designed to encourage international firms to choose Australia as a location for foreign direct investment. It allows companies that make a significant investment in Australia to bring out essential key expatriate managerial and specialist employees from within the company group.

30 **Regional Sponsored Migration Scheme** - designed to help employers in regional or low population growth areas of Australia, who are unable to fill skilled vacancies from the Australian labour market.

31 DIMIA, *Employer-sponsored Migration*, www.immi.gov.au/migration/employers/index.htm

32 DIMIA, *Immigration Update, 1999-2000 - 2001-2002*, November 2003, p. 9; Submission No. 25a, Table 10; ABS, *2004 Year Book*, Table 5.32.

- 5.25 The figures in the table overstate the number of skilled persons arriving because they include both the *Primary Applicants* and their dependants. In 2001/02, for example, 15,199 of the 36,036 visas were issued to the *Primary Applicant*. Of these 15,007 were employed, mainly as professionals. Among the 20,827 *Secondary Applicants* (i.e. the dependants of the primary applicants), 5,330 were employed, again mainly as professionals. Thus only just over half of the skill visas actually brought skills into the Australian economy, but those were high level skills.³³
- 5.26 In this review, the Committee concentrated on the main source of skilled migrants, the Skilled Independent program, because:
- The other major programs, Business Skills and Skilled-Australia Linked, drew little comment in submissions and evidence.³⁴ The Business Skills program had been recently reviewed by DIMIA,³⁵ and the Committee did not wish to duplicate that detailed activity particularly because the program had been substantially modified as recently as March 2003 to permit greater State/Territory influence in the program.³⁶
 - The Committee had previously reviewed regional/non-metropolitan permanent migration arrangements in 2000 in its report *New Faces, New Places*.³⁷ In that report the Committee examined the *Regional Sponsored Migration Scheme* (part of Employer Nomination); *State/Territory Nominated Independent Scheme* (a component of Skilled Independent); *Skilled-Designated Area Sponsored* (in Regional Linked); and *Regional Established Business in Australia* (in Business Skills).³⁸
- 5.27 The Committee therefore does not re-examine those schemes in this report.

33 DIMIA, *Immigration Update, 1999-2000; 2000-2001; 2001-2002*, November 2003, pp. 13-14, www.immi.gov.au/statistics/publications/immigration_update/update_jun02.pdf

34 Skilled-Australia linked had been reviewed in February 1999 - *Review of the Independent and Skilled-Australian-Linked Categories Report* www.immi.gov.au/research/publications/independent_sal.htm

35 DIMIA, *Discussion paper: Improving the Performance of Business Skills Migrants (2002)*, Attachment C to Migration Institute of Australia, Submission No. 26.

36 Minister for Immigration..., *Regional Boost for Business Migration*, MPS 10/2003, 26/2/03, www.minister.immi.gov.au/media_releases/ruddock_media03/r03010.htm

37 Joint Standing Committee on Migration, *New Faces New Place – Review of State-specific Migration Mechanisms*, September 2001.

38 **Regional Sponsored Migration Scheme** - see "Employer Nomination" above; **State/Territory Nominated Independent** - enables States and Territories to sponsor Skilled-Independent category applicants who are willing to settle in States and Territories where their skills are in demand; **Skilled-Designated Area Sponsored** - skilled relatives sponsored for migration to designated areas of Australia; **Regional Established Business in Australia** - allows people temporarily in Australia on Business (Long Stay) visas to apply for permanent residence if they have successfully established a business in a designated area of Australia. *Fact Sheet 26*. State/Territory Specific Migration, www.immi.gov.au/facts/26state.htm

Joining the queue

- 5.28 In the **USA** applications for skilled migration were generally made by the sponsoring employer through a recruitment process that met US Department of Labor guidelines and demonstrated that no minimally qualified U.S. worker was available.³⁹
- 5.29 In **Canada** it was the intending skilled migrant who submitted the application to a visa office. Most skilled worker applicants were required to attend a selection interview with an immigration officer.⁴⁰
- 5.30 In **Australia**, the application arrangements varied according to the nature of the visa. Those seeking admission through Skilled Independent visas had to apply to the Adelaide Skilled Processing Centre in South Australia.⁴¹
- 5.31 **New Zealand** required skilled migrants to submit an “Expression of Interest” including their points score. The New Zealand Immigration Service would then:
- decide whether we will invite you to apply for residence in New Zealand based on the points you qualified for.⁴²
- 5.32 The New Zealand arrangement appeared to commit the government to detailed skill matching and other assessments. This distinguished it from the other countries’ approaches under which an applicant meeting the required standards could expect to be eligible to migrate. Because the change was introduced only in mid-December 2003 there was, at the time of the Committee’s review, no information about how the New Zealand innovation would be managed.

Queuing up

- 5.33 In **Australia** applications were generally processed in order of receipt. Priority could be given to State/Territory sponsored migrants, applicants under Skilled Designated Area Sponsored schemes, and nurses.⁴³ According to the DIMIA *Annual Report* for 2002/3, the median processing times for Independent visas ranged from 3.8 – 4.7 months for onshore applications and 11.7-13.4 month for offshore.

39 U.S. Department of State *Bureau of Consular Affairs Visa Services - Tips for U.S. Visas: EMPLOYMENT-BASED VISAS*, <http://travel.state.gov/visa/employ-based.html>

40 *FAQ - Canadian Skilled workers category*, Immigration firm.ca, www.immigrationfirm.ca/faqskilled.html

41 DIMIA, *General Skilled Migration Booklet*.

42 NZIS, *About the Skilled Migrant Category*, www.immigration.govt.nz/Migrate/AbouttheSkilledMigrantCategory.htm

43 DIMIA, Submission No 25a, para 7.

Three quarters were actually processed within 6.5 months onshore and 16.4 months offshore.⁴⁴

- 5.34 **Canada's** processing time for permanent residence applications was between six and 10 months.⁴⁵ Like Australia, the actual time depended on the individuals' circumstances and their location.⁴⁶ Processing of skilled migration applications for Beijing, for example, averaged four years.⁴⁷ Applicants could check the status of their applications online.⁴⁸
- 5.35 There were no comparable data available for **New Zealand** because its new program had only recently started. Once processed, applicants' Expressions of Interest would remain in the selection pool for three months.⁴⁹
- 5.36 Gaining permanent migration status for the **USA** was a more prolonged process which could take several years. Employers and would-be immigrants therefore tended to use temporary visas, pending a grant of permanent residence.⁵⁰ As a consequence, the Committee noted, more than eighty percent of the primary applicants for permanent immigration admitted under the Employment visa arrangements were changing status from an existing visa, that is they were generally already in the USA.⁵¹
- 5.37 The Committee was given evidence that Australia's migration arrangements were themselves disincentives to some migrants:

I have lost a number of potential clients almost as soon as they learn of the "minimum 52 weeks" estimated processing time... Over the last two years, the majority of those... have chosen Canada as their first option... there is an increasingly popular belief... that Canada does make it much easier and simpler - and that the Welcome Mat is laid out more willingly in Canada for such migrants, as compared to Australia.⁵²

44 DIMIA, *Annual Report 2002-03*, p. 42.

45 CIC, *In-Canada Application Processing Times*, www.cic.gc.ca/english/department/times/process-in.html

46 *FAQ - Canadian Skilled workers category*, Immigration firm.ca, <http://www.immigrationfirm.ca/faqs skilled.html>

47 Average times - First Review at 19 months; Interview after 28 months. Canadian Embassy Beijing, *Processing Times*, as at 30/12/03, www.beijing.gc.ca/beijing/en/navmain/visa/process/index.htm#02

48 CIC, *What Happens After You Apply*, www.cic.gc.ca/english/skilled/after-1.html

49 NZIS *Expression of Interest Guide* <http://www.immigration.govt.nz/NR/rdonlyres/44F65F74-B745-4D90-8726-46D8150F2C25/0/EOIGuide.pdf>

50 S. Martin, "U.S. Immigration Policy: Admission of Highly Skilled Workers" in 2001 *DoD SME Leaders Conference Report*, December 2001, Logistics Management Institute http://web.lmi.org/edugate/conference/2001/2001_conference_report.pdf

51 63,570 of 79,274 in 2002. Table 5: *Immigrants admitted by type and class of admission Fiscal Year 2002*, 2002 Yearbook of Immigration Statistics,

<http://uscis.gov/graphics/shared/aboutus/statistics/IMM02yrbk/IMM2002.pdf>

52 The Questbay Group, Submission No 49, p. 1.

USA and European nations make it easier for firms to recruit skilled workers.⁵³

The US admissions system... for admitting highly skilled temporary workers is fast and relatively cheap.⁵⁴

- 5.38 However, in the case of permanent migration, there was evidence that Australia's arrangements were less onerous than some other countries:

The UK recently opened up a skilled category for potential migrants...in our opinion the most difficult entry criteria we have ever assessed. The entry criteria to the USA is complex and very time consuming.⁵⁵

[Their] certification process for admitting highly skilled workers as permanent migrants to fill vacant jobs is slow and costly.⁵⁶

- 5.39 In discussions with the Committee the South Australian Government said that, for State-sponsored applicants, an approval process which might take 15 months for an Independent migrant could be shortened to three to five months because the Minister:

is able to specify priority processing of applications.⁵⁷

- 5.40 Dr S. Wearne, who migrated in 2000, told the Committee of a different administrative disincentive:

We applied for our visas six months prior to our departure. They arrived three weeks before we left. We were told that the visas are only processed according to the planned date of departure from England. The visa forms tell you not to book a flight until the visa has been issued. This is inconsistent. The delay in the visa meant that we continued to pack up and leave our jobs without any certainty that we would be let into Australia. This is unacceptable for a country that is actively trying to recruit medical personnel to areas of need.⁵⁸

- 5.41 The Committee did not wish to under-estimate the stress and frustration which might be associated with migrating to Australia. It did, however, note that the introduction of a major disincentive, the withdrawal of migrants' eligibility for immediate access to most social

53 NSW Government, Submission No 37, p. 6.

54 Institution of Engineers Australia., Submission No 10, p. 8.

55 Prime International (now SIRVA Relocation.), Submission No 18, p. 2.

56 The Institution of Engineers, Australia., Submission No 10, p. 8.

57 SA Government, Evidence, p. 87.

58 Dr. S. Wearne, Submission No. 47, p. 3.

welfare payments, had not appeared to lessen the desire to move to Australia.⁵⁹

- 5.42 That such a major change could be implemented with little apparent effect on migration application was some indication of the strength of Australia's attraction. It also indicated that migrants based their decision on a range of considerations, weighing short-term drawbacks against longer-term benefits they expected to gain through migration.
- 5.43 In view of this, the Committee was loath to pursue new policy remedies for processing speeds, particularly when there was capacity for ministerial intervention to provide priority processing, as had been done with occupations on the Migration Occupations in Demand List.

Summary

- 5.44 Of the seven overseas countries examined, few contemplated permanent migration.
- 5.45 The Committee discovered that, like Australia, all of those which countenanced permanent skilled migration had adopted a series of filters to identify the migrants who would be selected.
- 5.46 In the next three chapters the Committee examines the mandatory requirements and the selection processes.

59 NILS, *Life in a New Land : The Experience of Migrants in Wave 1 of LSIA 1 and LSIA 2*, p. 125, www.immi.gov.au/research/publications

Permanent migration and mandatory requirements

- 6.1 In this chapter the Committee examines the mandatory requirements of those countries which have permanent skilled migration – Australia, Canada, New Zealand and the United States of America.

Basic mandatory requirements

- 6.2 **Australia** set health and character requirements as prerequisites for migrants to be granted admission. The United States of America, Canada and New Zealand had similar overriding threshold tests which may preclude some applicants despite their skills.

Mandatory requirements for skilled migration

- 6.3 The **USA** generally required that applicants had a job before they could participate in the permanent migration program.¹ Employers, who made both the job offer and the migration application, had to meet the domestic mandatory requirements of the US Department of Labor. These included evidence that no US worker would be denied a job and would be paid an acceptable wage.
- 6.4 Canada, New Zealand and Australia all had a range of mandatory requirements which applied specifically to the applicants for their skilled migrant programs. All required that applicants pass their *points tests*.

1 There are minor exceptions for professionals with advanced degrees or others with exceptional ability.

- 6.5 **Australia**² placed particular emphasis on the *Skilled Occupation List* (SOL).
- 6.6 Some intending migrants were advised that the SOL:
 does not include every possible occupation, only those which are currently sought after in Australia.³
- 6.7 The SOL was, however, not as that description inferred, a guide to skills shortages. According to DIMIA, it included most occupations which require degree, diploma or trade level qualifications in Australia except those:
- which are clearly in significant oversupply throughout Australia;
 - in which new migrants would not be immediately employable in Australia; or
 - which are more appropriately covered by other visa categories such as the Business Skills or Distinguished Talent categories.⁴
- 6.8 The list could therefore be summarised as containing jobs for which there was not significant local competition and which migrants might expect to be able to enter. It was revised from time to time in response to stakeholder representations.⁵
- 6.9 Applicants had to have post-secondary qualifications relevant to their occupation, and that occupation had to be on the SOL. Recent work experience was also required, varying from 12 months in the previous 18 to two years in the previous three, depending on the occupation on the SOL. Australia would not consider applicants aged 45 or more under the Skilled Independent migration arrangements, and successful applicants were required to have sufficient (“vocational”) English to work in Australia.⁶
- 6.10 **Canada’s** mandatory requirements were that the applicants have a minimum of one year’s full-time experience in the last ten in an occupation of a specific skill level identified on *Canadian National*

2 DIMIA, General Skilled Migration to Australia - Basic requirements, www.immi.gov.au/migration/skilled/basic_requirements.htm; *General Skilled Migration* boklet, p. 3, http://dima.cardgate.net/General_Skilled_Migration/1119.pdf

3 “Skilled Visas” page on liveinaustralia.com, 13/11/03, www.liveinaustralia.com.au/skilled/skilled_occupations.asp

4 DIMIA, Fact Sheet 25, *Skilled Categories*, at http://www.immi.gov.au/facts/25skilled_categories.htm. This description follows that recommended in DIMIA, *Review of the Independent and Skilled-Australian-Linked Categories*, 1999, p. 12.

5 DIMIA, Submission No 25a, para 6(a).

6 DIMIA, *General Skilled Migration to Australia, Basic requirements*, www.immi.gov.au/migration/skilled/basic_requirements.htm

Occupational Classification List (NOCL); and they also had to have sufficient funds for settlement in Canada, unless going to a job.⁷

- 6.11 **New Zealand's** philosophy of skilled migration was that it:
[did] not want to see skilled migrants driving taxis, cooking hamburgers and cleaning offices.⁸
- 6.12 In addition to health and character requirements, applicants had to be aged under 56 and be able to speak, write and understand English "competently".⁹
- 6.13 Applicants had also to have two of the following three attributes:
- offer of a job in New Zealand;
 - tertiary or trade qualifications;
 - at least two years work experience.¹⁰
- 6.14 The only mandatory requirements that Australia, Canada and New Zealand had in common were that applicants:
- have work experience; and
 - score a specific pass mark in the country's points test.
- 6.15 There was some overlap between the mandatory prerequisites and the criteria for which points might be scored. The details of the points tests will be considered below in separate chapters.
- 6.16 The following Table 6.1 summarises the mandatory requirements for Australia and the other countries. Where an attribute was not mandatory for a particular country it is omitted from the tabulation.
- 6.17 Although some specific attributes were not formally identified as mandatory, the logic of the skilled migration requirements meant that they were in fact also mandatory. For example, for Canada, the requirement that applicants' occupations appear in certain categories on the Canadian National Occupational Classification List meant that they must have post-secondary qualifications. Where the Committee identified these de facto requirements they have been included in the table of mandatory requirements.

7 CIC, "Will you qualify", Application for Permanent Residence: Federal Skilled Worker Class, www.cic.gc.ca/english/pdf/kits/guides/EG7.pdf

8 NZIS, Briefing Notes: Skilled Immigration policy announcements, 1 July 2003, www.immigration.govt.nz/NR/rdonlyres/A645DDAC-3E40-44A1-8691-67884781022F/0/mediarelease010703briefingnotes.pdf

9 NZIS, *How to Apply*, www.immigration.govt.nz/Migrate/HowToApply.htm

10 NZIS, *How to Apply*, www.immigration.govt.nz/Migrate/HowToApply.htm

Table 6.1: Skilled Permanent Migration - Mandatory requirements compared

Attribute	Australia ¹¹	Canada ¹²	New Zealand ¹³
Program	Skilled Independent	Federal Skilled Worker Program	Skilled Migrant Category
<i>Attributes mandatory in Australia's program</i>			
Age	Under 45		Under 56
Language	"vocational English"		"competent" English
Occupation	On the <i>Skilled Occupations List</i>	On <i>Canadian National Occupational Classification List (NOCL)</i>	
Qualifications	Post secondary qualifications relevant to occupation	<i>Post secondary qualifications (implicit in NOCL)</i>	Tertiary or trade qualifications (and either job offer or 2 years work experience)
<i>Attributes mandatory for Canadian or NZ programs, but not Australia</i>			
Job offer			Must have job offer (and either tertiary/trade qualifications or 2 years work experience)
Capital		Sufficient funds for settlement in Canada, unless have a job offer	
<i>Attributes mandatory in all three countries</i>			
Work experience	12 months in the previous 18 or 2 years in the previous 3 (depending on the occupation) in job on the <i>Skilled Occupations List</i> ¹⁴	Minimum of 1 year's full-time experience in the last 10 in job of a specific skill level identified on NOCL	Minimum of 2 years work experience (and either tertiary/trade qualifications or job offer)
Pass points test ¹⁵	Score required: 115/165 = 69%	Score required 67/100 = 67%	Score required 100/250 = 40%
Key	Normal typeface = formal requirement Blank = no mandatory requirement <i>Italic</i> = <i>not mandatory on its own, but effectively so through the operation of another mandatory requirement</i>		

11 *General Skilled Migration* booklet, pp. 5-6, http://dima.cardgate.net/General_Skilled_Migration/1119.pdf

12 CIC, "Will you qualify", Application for Permanent Residence: Federal Skilled Worker Class, www.cic.gc.ca/english/pdf/kits/guides/EG7.pdf

13 NZIS, *How to Apply*, www.immigration.govt.nz/Migrate/HowToApply.htm

14 No recent work experience required if completed a two year Australian qualification within 6 months prior to applying. DIMIA *General Skilled Migration* booklet, pp 5, 37.

15 Pass marks as at 15/1/04: **Australia**, DIMIA, Fact Sheet 25. *Skilled Categories*, www.immi.gov.au/facts/25skilled_categories.htm; **Canada**, CIC, *Revised Pass Mark for Skilled Worker Applicants*, On September 18, 2003 changed from 75 to 67, www.cic.gc.ca/english/skilled/notice-passmark.html; **New Zealand**, NZIS, *How You Earn Points*, www.immigration.govt.nz/Migrate/HowYouEarnPoints.htm

- 6.18 The Committee examined each of the mandatory criteria applicable to the basic skilled permanent migration programs for Australia (*Skilled Independent*), comparing them with those applicable for migration to New Zealand (*Skilled Migrant Category*) and Canada (*Federal Skilled Worker Program*).
- 6.19 The Committee noted that the mandatory requirements of these skilled migrant programs did not identify specific skills. The nature of the person's skills might only become relevant at the points testing stage.

Age

- 6.20 **Australia** did not consider any skilled applicants over the age of 45. New Zealand's age ceiling was 55 and Canada did not have a maximum age limit because it concluded that:
- age is only a significant factor in predicting economic success at the tail end of working life and that older workers tend to benefit from high levels of education, experience and arranged employment.¹⁶
- 6.21 In Australia the ages of the migrants were considered important because, as one study of migration concluded:
- 20 to 39 year olds are a boon to Budgets as they are more immediately grouped into the taxpaying years.¹⁷
- 6.22 But, the older the migrant:
- the length of working life that Australia benefits from after their entry reduces. We also find that if the person is older, their prospects of getting into employment in Australia tend to diminish.¹⁸
- 6.23 The Tasmanian Government commented on this use of age:
- to indicate the extent of future reliance on the Australian welfare system measured against taxes paid by the migrant over the course of their working career.
- 6.24 It then questioned whether Australia's age parameters might be causing it to miss out on otherwise suitable migrants. It cited the

16 S Yale-Loehr, "A Comparative Look at Immigration..." in M. Crock, *Nation Skilling*, 2002, p. 41.

17 C. Richardson/Access economics, "The economics of migration" in DIMIA, *Migration: Benefiting Australia – Conference proceedings Sydney 2002*, pp 117-118.
www.immi.gov.au/research/publications/conference02/index.htm The points test assigns maximum points for age to those between 18 and 29.

18 DIMIA, Evidence, p. 7.

case of a dentist who had a firm job offer, an independent annual income of \$120,000 and a partner with skills also in demand in Tasmania. But because he was aged 63 his application was refused, despite the substantial economic contribution which he could have made at no risk to taxpayers.¹⁹

- 6.25 The Council of Small Business Organisations of Australia also questioned the 45 years age limit.²⁰
- 6.26 The Committee noted that Australia's skilled migration program did not consistently exclude older skilled migrants because applicants aged over 55 may qualify under the Business Skills scheme.²¹
- 6.27 The Committee observed that the apparent tension between the need for scarce skills and the potential financial drain on the taxpayer of older migrants could be resolved by admitting older skilled personnel temporarily.
- 6.28 The Committee also observed that the fear of older skilled migrants becoming a burden on the taxpayer might not reflect what was now happening.
- 6.29 An investigation of the importance of age in the fiscal impact of migrants who arrived in 1993/4 and 1994/5 was published in 2003. It concluded that an age on arrival of 50 would produce a net negative budget impact. This was an approximation, because there were too few independent migrants aged above 46 years in the sample to accurately determine the arrival age which would generate a negative budget outcome.²²
- 6.30 Migrants who arrived in 1999/2000 came under a new policy which aimed to improve their prospects for economic independence and reduce their demands on the taxpayer.²³
- 6.31 Data from DIMIA's *Longitudinal Survey of Migrants to Australia* (LSIA) showed that, for these Independent migrants (which included Skilled Independent):

any age differential in unemployment rates among
Independent migrants has largely disappeared... Thus

19 Tasmanian Government, Submission No. 22, p. 2.

20 Council of Small Business Organisations of Australia, Submission No. 44, p. 1.

21 DIMIA, Submission No.25 p. 81.

22 For Business Skill migrants the age was 59. Access Economics, *The Importance of Age in Migrants' Fiscal Impact*, DIMIA, 2003, p.ii.

23 DIMIA, *The Labour Force Experience of New Migrants*, p. 7, electronic version, www.immi.gov.au/research/publications/labour_force/nilsreport.pdf.

the propensity to higher unemployment among older workers has been attenuated.²⁴

- 6.32 In this changed context, the Committee considered that an age limit might now be less relevant to labour force participation than previously, and the risk to taxpayers could also have lessened.

Conclusion

- 6.33 The Committee concluded that, as the concepts of “working life” and “retirement age” were becoming less relevant, an absolute prohibition on skilled migrants aged 45 or more was no longer appropriate. The Committee examines this point further in the application of the points test to age in the chapter *Permanent migration- personal points*.

Language

- 6.34 **Australia** required applicants to demonstrate at least “vocational” English to qualify for consideration as a migrant. This could be demonstrated through being a native speaker, or having undertaken post secondary studies taught in English, or a score of at least five on each of the four components (listening, speaking, reading, writing) of the International English Language Testing System (IELTS) general training module.²⁵
- 6.35 **New Zealand** also had a mandatory requirement of language competence. This hurdle could be cleared by applicants if they had overall band score of 6.5 or more in the IELTS General or Academic Module; or
- a recognised qualification from a from a course taught entirely in English; or
 - evidence of current skilled employment in New Zealand for more than 12 months.
- 6.36 New Zealand might nevertheless also require an IELTS certificate to confirm that applicants met the English requirements.²⁶ Its IELTS

24 DIMIA, *The Labour Force Experience of New Migrants*, p. 52, electronic version, www.immi.gov.au/research/publications/labour_force/nilsreport.pdf. This comment is later qualified (p. 98): “It is interesting that once we control for a range of other attributes, there remains no difference between Cohort 1 and Cohort 2 in the influence of age on the probability of being employed”. This, however is a generalised assessment covering ALL types of migrants combined, not the Independent stream.

25 DIMIA, Fact Sheet 25. *Skilled Categories*, www.immi.gov.au/facts/25skilled_categories.htm#3

26 NZIS, *The prerequisites*, www.immigration.govt.nz/Template/NZISGeneralContent.aspx?NRMODE=Published&NRORIGINALURL=%2fMigrate%2fThePrerequisites%2ehtm&NRNODEGUID=%7bd4A85906-BDC8-430C-99A0-54522A3DA6CB%7d&NRCACHEHINT=Guest#english

band score of 6.5 was a stricter requirement than Australia's score of five.

- 6.37 Intending settlers in New Zealand were also warned that:
- the standard of English required by employers is much higher than the qualifying... IELTS score required for permanent residence. The more skilled your job the better English you will need.²⁷
- 6.38 **Canada** does not have a mandatory requirement for skill in either of its official languages, French and English.

Trade-offs

- 6.39 Intending skilled migrants to Australia under the Skilled Designated Area Sponsored category could be admitted with only "functional", rather than vocational, English. This concession was conditional on the migrant arranging with the relevant State or Territory government to upgrade their English to the vocational level after they arrived.²⁸
- 6.40 In a review of immigration policies which preceded the revision of the Canadian migration arrangements in 2002, a report to the Expert Panel on Skills concluded that:
- Israel, Germany and Australia have shown that language testing... prior to arrival reduces the under-utilisation of skilled resources.²⁹
- 6.41 Evidence presented to the Committee by DIMIA, the Institution of Engineers Australia, the Skilled Migrant Network and the Department of Employment and Workplace Relations (DEWR) all emphasised the importance of fluency in English for migrants trying to enter the Australian labour market.³⁰

27 NZIS, *Settlement Pack* No. 4: Work, p. 3, www.immigration.govt.nz/NR/rdonlyres/CDF2ACB2-BE92-4EE6-8E21-9F419FD183CD/0/IMM272804work.pdf

28 I.e. with an IELTS average score of 4.5. The relevant States/Territories are South Australia, Victoria, Tasmania, and the Northern Territory. DIMIA, *General Skilled Migration* booklet, p. 25. http://dima.cardgate.net/General_Skilled_Migration/1119.pdf

29 D. DeVoretz, *Canadian Migration Legislation, Policies and Practices*, Supporting Document 16, p. 21, Advisory Council on Science and Technology, Canada, August 1999. <http://acst-ccst.gc.ca/skills/finalrepdocs/16e-s.pdf>

30 DIMIA, Submission No. 25, p. 76; Institution of Engineers Australia, Submission No. 10, p. 6; Skilled Migrant Network, Submission No. 50, p. 2; DEWR, Submission No. 1, p. 9.

- 6.42 Australian research into LSIA data claimed that:
- overwhelmingly, the Australian-Skilled and Independent migrants report that the only language they need in their job is English³¹ ...
- in finding work...English language difficulties were clearly the major problem... with about one third of respondents indicating this problem.³²
- 6.43 The Western Australian Government identified two problems with Australia's current arrangements, which were that the "functional" English requirement fell:
- below that required for entry into further study at either TAFE or university and would not enable an individual to work at a para-professional or professional level in most occupations. For migrants from non-English speaking backgrounds who achieve the functional level of English, there is limited support to enable them to pursue occupational or professional pathways.³³
- 6.44 The Adult Migrant English Program provided through DIMIA is discussed later, in the chapter *Settling well?*

Conclusion

- 6.45 The Committee considered that, as Australia's skilled migration program was aimed at maximising opportunities for migrants to participate fully in its society, English language skills should be mandatory.
- 6.46 The Committee concluded that in a monolingual, albeit multicultural society such as Australia, the best interests of the nation and the skilled migrant were well served by retaining a mandatory objective test of fluency in English, or requiring pre-arranged language training.

31 DIMIA, *The Labour force Experience of New Migrants*, p. 60, electronic version, www.immi.gov.au/research/publications/labour_force/nilsreport.pdf

32 DIMIA, *The Labour force Experience of New Migrants*, p. 56, electronic version, www.immi.gov.au/research/publications/labour_force/nilsreport.pdf

33 Western Australian Government, Submission No. 33, p. 3.

Occupation

- 6.47 There was a mandatory requirement for skilled migrants to **Australia** to have an occupation on the SOL. They must also have had recent experience in an SOL job.³⁴
- 6.48 By regulation, **Canada** also had a mandatory occupation threshold which required the applicant to have had a minimum of one year's full-time experience in the last ten in a job of a specific skill level identified on NOCL.³⁵
- 6.49 **New Zealand** had no specific mandatory occupation requirement.
- 6.50 The Committee observed that Canada, like Australia, required its skilled migrants to have the experience in occupations identified as being of use to the nation. The difference was that the Canadian requirement for one year's experience in ten was less onerous than Australia's demand that applicants have experience in the occupation in the previous 18 months to three years.

Conclusion

- 6.51 The Canadian provision was, the Committee concluded, a reflection of its philosophy of seeking adaptable migrants. It appeared to the Committee that the migrants' experiences in nationally useful occupations indicated their potential contribution to Canada.
- 6.52 The Committee examines this approach again when assessing the requirement for a job offer (below).

Qualifications

- 6.53 The Committee expected that there would be a common requirement for post-secondary qualifications for national programs encouraging skilled migration.
- 6.54 It was not, however, sufficient for an applicant under **Australia's** skilled migration program to be well-qualified. Australia sought applicants with qualifications of relevance to its needs. It was mandatory that the applicants' post-secondary qualifications be

34 DIMIA, *General Skilled Migration to Australia*, Basic requirements. The migrant's nominated occupation must be on the SOL and they must have employment in any occupation on the SOL for either 12 of the 18 months or 2 of the 3 years immediately prior to applying, depending on the nature of the nominated occupation. www.immi.gov.au/migration/skilled/basic_requirements.htm

35 Immigration and Refugee Protection Regulations S 75(2), *Canada Gazette* Pt II 14/6/02 CIC, "Will you qualify", - Application for Permanent Residence: Federal Skilled Worker Class, www.cic.gc.ca/english/pdf/kits/guides/EG7.pdf

relevant to their intended occupation in Australia, and that the occupation be on the SOL.

- 6.55 Neither **Canada** nor **New Zealand** had a mandatory requirement for specific qualifications, although both implicitly required post – secondary qualifications.

Trade-offs

- 6.56 For migration to Australia, relevant work experience was an acceptable alternative to formal qualifications in a limited number of occupations in the skill stream.

Conclusion

- 6.57 Again, the Committee saw the Australian requirements as assisting in fulfilling its stated migration aims, which were:

to help augment the skills, education and knowledge that Australia will need to prosper in the 21st century.³⁶

- 6.58 The Committee recalled that this aim was similar to those of New Zealand and Canada. It was therefore not surprising that each country had evolved a similar range of mandatory requirements for its skilled migration arrangements.

- 6.59 The variations observed in the details of the different programs arose from local judgements about how the requirements were best assessed.

- 6.60 The Committee examined the mandatory requirements of Canada and New Zealand which were not applied by Australia: New Zealand's requirement that applicants had jobs to go to, and the Canadian stipulation concerning funds.

Job offer

- 6.61 Neither Australia, nor Canada, required that skilled migrants had a job offer. **Canada**, it will be recalled, sought "to build a stronger Canada by maximizing the benefits from the global movement of people"³⁷ rather than demanding specific skills to meet specific demands. The Committee concluded that this approach meant that a job offer was not seen to be essential.

36 Minister for Immigration...*Opening speech*, Migration: Benefiting Australia – Conference proceedings Sydney 2002, p. 278. www.immi.gov.au/research/publications/conference02/index.htm

37 CIC, Fact Sheet No. 16 *Skilled Workers*, www.cic.gc.ca/english/irpa/fs-skilled.html

- 6.62 In December 2003 **New Zealand** introduced a (qualified) requirement that skilled migrants had to have a job offer. This was part of a refinement of migration policies intended to ensure that migrants who were selected because of their skills and talent were “set up to succeed, not destined to fail”.³⁸
- 6.63 One of the factors prompting these changes was that:
 New Zealanders do not want to see skilled migrants driving taxis, cooking hamburgers and cleaning offices.³⁹
- 6.64 This comment resonated with the Committee because of submissions which alluded to this taxi-driver syndrome and the consequent potential waste of talent under the current skilled migration program. The Committee examines this aspect of skilled migration in the chapter *Settling well?*

Trade-offs

- 6.65 If applicants to migrate to New Zealand had no job offer they might be accepted if they had tertiary/trade qualifications and at least two years work experience.⁴⁰
- 6.66 This arrangement only came into force in December 2003, so there was no information on its operation or effectiveness available to the Committee for it to assess its usefulness as a migration filter.
- 6.67 However, New Zealand’s move to a qualified requirement that applicants had job offers prompted the Committee to consider the Canadian philosophy of pursuing migrants with potential rather than those with guaranteed jobs, and whether this “nation building” approach might be usefully adopted in Australia.
- 6.68 Canada’s Longitudinal Survey of Immigrants was in its early stages, but the Committee found its early findings illuminating.
- 6.69 Six months after arrival in Canada, 59 per cent of principal migrants in the economic stream were employed.⁴¹ This was lower than the

38 Hon Lianne Dalziel, Skilled Immigration Policy Announcement, 1/7/03 www.beehive.govt.nz/dalziel/skilled-immigration/briefing-notes.cfm

39 Hon Lianne Dalziel, Skilled Immigration Policy Announcement, 1/7/03 www.beehive.govt.nz/dalziel/skilled-immigration/briefing-notes.cfm

40 NZIS, *How to Apply*, www.immigration.govt.nz/Migrate/HowToApply.htm

41 I.e. skilled, business immigrants and provincial/territorial nominees, Statistics Canada, *Highlights of the Longitudinal Survey of Immigrants to Canada*, www.statcan.ca/english/freepub/89-611-XIE/free.htm

employment rates after six months in Australia for broadly comparable primary applicants.⁴²

- 6.70 There was also apparently more downward mobility in jobs in their new country in Canada than was evident in Australia, an aspect which the Committee examines in the chapter *Settling well?*
- 6.71 These initial Canadian data indicated to the Committee that, at least in the short-term, the Australian approach produced better employment outcomes for migrants and hence the nation.

Conclusion

- 6.72 The Committee noted that the absence of a requirement that applicants have a job to go to in Australia seemed at odds with Australia's intention to bring in people "who will quickly make a contribution to the Australian economy"⁴³ and the implied link between applicants' current and post-migration careers. It concluded, however, that the employment outcomes appeared to indicate that the Australian approach was appropriate. The Committee explores this further in the chapter *Settling well?*

Capital

- 6.73 Only **Canada** had a mandatory requirement that skilled migrants have sufficient funds to support themselves for six months. The amount required was geared to family size, with a single person having to bring in CAN\$9,186, and a family of seven or more CAN\$23,397.

Trade-offs

- 6.74 Canadian applicants who had a job offer did not have to clear the capital hurdle.
- 6.75 Skilled migration applicants to **Australia** were not required to have a specific amount of capital, but were advised in DIMIA's *General Skilled Migration* booklet which contained the migration application forms that:

approval to migrate... does not guarantee employment, even for applicants who are highly skilled...⁴⁴

42 70% overall for "Independent", "Business skills/employer nomination" and "Skilled Australia linked/concessional family". Estimated from DIMIA, *The Labour Force Experience of New Migrants*, pp 18, 38, electronic version, www.immi.gov.au/research/publications/labour_force/nilsreport.pdf

43 DIMIA, *General Skilled Migration to Australia*, www.immi.gov.au/migration/skilled/index.htm

44 DIMIA, *General Skilled Migration* Booklet, p. -47. www.immi.gov.au/allforms/booklets/1119.pdf

it is essential that you can provide for yourself and dependents in Australia... It is estimated that a couple, renting accommodation in Australia, would need a minimum of \$365 per week to survive...⁴⁵

you should have enough resources to keep yourself (and your dependants) for at least your first two years in Australia.⁴⁶

Conclusion

- 6.76 The direct Canadian trade-off between the capital requirement and a job offer indicated to the Committee that the funds were a specific safety net to minimise hardship should the migrants not be able to find a job immediately.
- 6.77 This aspect merited further consideration, particularly in view of the advice quoted above from the *General Skilled Migration* booklet about the necessity to have sufficient resources to survive for two years. The Committee considers this point further when examining the points test in the chapter *Permanent migration - personal points*.

Work experience

- 6.78 **Australia**, like Canada, made work experience a prerequisite for consideration of applications for skilled migration. Australia required that the applicants' work experience be in a job on the SOL. Depending of the nature of the work, their experience had to be recent, that is either in 12 of the previous 18 months or two of the previous three years.⁴⁷
- 6.79 According to the Institution of Engineers Australia, recent experience was important because:
- it is widely agreed that any member of the professions who has not worked for 24 months is no longer immediately employable in their profession and would need to do a substantial amount of re-training.⁴⁸

45 DIMIA, *General Skilled Migration* Booklet, p. 46. www.immi.gov.au/allforms/booklets/1119.pdf

46 DIMIA, *General Skilled Migration* Booklet, p. 49. www.immi.gov.au/allforms/booklets/1119.pdf

47 **EITHER** Applicants nominated occupation worth 60 points on the points test and employed in any occupation on the SOL for at least 12 of the 18 months immediately before applying; **OR** Applicants nominated occupation worth 40 or 50 points on the points test and employed in any occupation on the SOL for at least 2 of the 3 years immediately before applying. DIMIA, *General Skilled Migration to Australia: Basic requirements*, www.immi.gov.au/migration/skilled/basic_requirements.htm

48 Institution of Engineers, Submission No 10, p. 7.

- 6.80 The LSIA data supported a similar, if broader, conclusion about migrants to Australia:
- the probability of having a job within six months of arrival is for most groups significantly affected by whether or not a person had a job prior to migration.⁴⁹
- 6.81 **Canada's** mandatory requirements for work experience had a less restrictive time frame than Australia, seeking applicants with only one year's work experience in the past 10 years in jobs on the NOCL at an appropriate skill level.
- 6.82 **New Zealand's** mandatory requirement for two years experience, unlike those of Canada or Australia, did not impose a time limit within which such experience had to have occurred. As the arrangements come into force only in December 2003, there had been insufficient time for any implications of this approach to become apparent.

Trade-offs

- 6.83 New Zealand did not require applicants to have work experience if they have both tertiary/trade qualifications *and* a job offer. Because the arrangements come into force only in December 2003 the impact of this trade-off is not yet known.
- 6.84 Australia's work experience requirement was also not absolute. No work experience was required if the applicant had completed two years study in Australia less than 6 months before lodging their visa application.⁵⁰
- 6.85 According to the submission from the New South Wales Government:
- ... in the first seven months of 2000-01, under the Skilled Independent program, 29 per cent of all selected were computing professionals and 19 per cent were accountants. Over half held Australian qualifications. Most would have completed these qualifications as full-fee paying overseas students in Australia and may not have local work experience, let alone experience in other parts of the world.⁵¹

49 DIMIA, *The Labour Force Experience of New Migrants*, p. 38, electronic version, www.immi.gov.au/research/publications/labour_force/nilsreport.pdf

50 DIMIA, *General Skilled Migration to Australia: Basic requirements*, www.immi.gov.au/migration/skilled/basic_requirements.htm

51 NSW Government, Submission No. 37, p. 6.

Conclusion

- 6.86 Australia's apparent aim was to maximise the contribution of its specially selected skilled migrants by requiring that they had both skills **and** experience. The Committee considered that trading-off work experience against recent study weakened this approach.

Summary

- 6.87 Having compared Australia's range of mandatory arrangements under its current skilled migration policy with those of other countries, the Committee concluded that the existing requirements were appropriate.
- 6.88 Whether they required modification was best considered in the following chapters, in conjunction with an examination of the current points testing system for skilled migration.



Permanent migration – points for employability

- 7.1 The Australian skilled migration points test offers applicants opportunities to gain points for a range of attributes. In this chapter the Committee summarises points testing and examines the allocation of points for employment-related attributes

Points testing

- 7.2 Migration authorities allocated scores to applicants on the basis of individual characteristics such as age, labour force experience and qualifications. If their collective score reached the pre-determined pass mark the applicants had passed the *points test* and might be eligible to migrate.
- 7.3 As the characteristics tested were objective, potential applicants could pre-test their chances. The effect was that many discovered themselves to be ineligible and did not apply, rendering the approval process more efficient.
- 7.4 Points testing was also a flexible mechanism for controlling skilled migration because the pass mark which determined eligibility could be quickly altered to meet changing government migration requirements.

Users of points testing

- 7.5 Australia, New Zealand and Canada all used a points test to determine skilled applicants' eligibility to migrate. Most, but not all, mandatory requirements in their skilled migration programs counted towards the applicants' points test scores. Table 7.1 identifies the factors for which points were awarded in the points test. Where the attribute is mandatory it is identified as such and Table 6.1 in *Permanent migration and mandatory requirements* provides a fuller explanation.
- 7.6 Table 7.1 gives an indication of the relative weighting placed on various attributes by each country. Generally points were allocated in increments. For example, an Australian degree was worth 5, 10 or 15 points, depending on its nature, with no intermediate values.
- 7.7 For the purposes of comparison, the Committee converted the actual points score to a percentage of the possible total score for each country. As the pass marks required fluctuated in all countries from time to time, the proportion of the total was a more reliable indication of the emphasis placed on specific attributes than was the proportion of the (changing) pass marks.

Passing the test

- 7.8 In **Australia** the points score was used in two ways. Applicants who achieved a pass mark could migrate, provided that they passed the character and health tests. If they did not achieve a pass mark, but reached the "Pool" score, their application would be held in reserve ("in the pool") for up to 2 years after assessment so they might benefit from any lowering of the pass mark in that time.¹
- 7.9 Potential skilled migrants who did not reach either the pool or pass score might still have had an opportunity to migrate to Australia in the skilled stream through arrangements which did not require a points test score.²

1 DIMIA, *General Skilled Migration to Australia: Points test*, www.immi.gov.au/migration/skilled/points_test.htm#3.

2 These include: **Skilled-Designated Area Sponsored** (see chapter *Permanent skilled migration – overview*); **Skill Matching** for those unlikely to pass the points test but who satisfy the basic requirements for skill, age and English language proficiency, but with lesser recent work experience. Their details are placed in the Skill Matching Database for up to two years. State or Territory governments or employers may use the database to nominate them for migration with a *Skill Matching Visa*. DIMIA, *General Skilled Migration to Australia General Skilled Migration categories – Skill Matching Database*, www.immi.gov.au/migration/skilled/offshore_general.htm#database; *General Skilled Migration to Australia, Skill Matching category*; www.immi.gov.au/migration/skilled/skill_matching.htm.

Points test – in competing markets

- 7.10 Australia and Canada allocated some two-thirds of the possible total score to just three attributes. But, just as they had differing mandatory requirements, they likewise emphasised differing attributes of skilled migrants.
- 7.11 **Australia** favoured youthful migrants. Applicants aged 18-29 might score 18 per cent of the available points. Proficiency in English was potentially worth 12 per cent. Up to 36 per cent of the possible total points score was allocated directly for skill on the basis of the *Skilled Occupation List (SOL)*. These three criteria, occupation, English and youthfulness contributed a total of two thirds of the possible points score. Australia's approach differed significantly from Canada and New Zealand.
- 7.12 The three key attributes sought by **Canada**, and totalling more than two thirds of the potential total of the points test, were: level of qualifications (25%), English/French proficiency (24%) and work experience (21%). Over half of the immigrants arriving in Canada were selected under the point system.³
- 7.13 **Canada** fixed the minimum number of points required of a skilled worker on the basis of:
- the number of applications by skilled workers currently being processed;
 - the number of skilled workers projected to become permanent residents; and
 - the potential for the establishment of skilled workers in Canada.⁴

3 "Canada: Immigration", in *Migration News*, October 2003 Volume 10 Number 4, <http://migration.ucdavis.edu/mn/index.php>

4 CIC, News Release 2003/33, *Backgrounder: Pass Mark for Skilled Workers*, 18/9/03, www.cic.gc.ca/english/press/03/0333-pre.html

Table 7.1: Points tests compared

Attribute in Australian points test	Australia ⁵	Canada ⁶ Equivalent category	New Zealand ⁷ Equivalent category
Pass mark/max	115/165 ⁸	67/100 ⁹	100/250 ¹⁰
Skill	40/50/60 for skills on <i>Skilled Occupations List</i>	Mandatory -No direct score	Not specifically assessed
Age	15/20/25/30 Mandatory age limit of 45	0/2/4/6/8/10	5/10/20/25/30 Mandatory age limit of 56
Language	Mandatory 15/20	English/ French Proficiency <i>First language = 0-16; Second language = 0-8:</i>	Mandatory - No direct score
Work experience	Mandatory . No direct score Specific work experience in 3 of 4 past years - points depend on occupation =0/5/10	Mandatory - 15/17/19/21	Mandatory - 0/10/15/20/25/30 PLUS If worked in area of demand 2-5 years = 5; 6+ = 10 (separate from "Occupation in demand" below) NB must score points in this or Qualifications to be eligible
Occupation in demand/job offer	Occupation on <i>Migration Occupations in Demand List (MODL)</i> and Job offer = 15; No job offer = 10, Occupation not on MODL =0	Job offer 0/10 PLUS # Additional 5 if points granted	Job offer Mandatory (see "Skilled employment" below)
Local qualifications	Australian qualifications 0/5/10/15	# self or spouse 2 year's post-secondary study in Canada = 0/5	0/10
Regional	2 years living & studying 0/5 plus concessions	<i>Provincial Nomination, NOT</i> part of this program	Outside Auckland = 0/10
Spouse	Meets mandatory criteria 0/5	# Education = 0/3-5	Employed or offered employment = 0/10 Qualifications = 0/10
Bonus – capital	* \$100,000 capital investment in Australia = 5	Mandatory (based on size of family) <i>Unless have a job offer</i>	
Bonus – local work experience	* SOL occupation for 6 months in last 4 years = 0/5	# Self or spouse 1 years' work = 5	2 years =5; 4 = 10; 6+ = 15 (Separate from "Skilled employment" below)
Bonus - community language	*0/5		

5 DIMIA, *General Skilled Migration Booklet*, pp 29-41, www.immi.gov.au/allforms/booklets/1119.pdf

6 CIC, *Six Selection Factors and Pass Mark*, www.cic.gc.ca/english/skilled/qual-5.html

7 NZIS, *How You Earn Points*, www.immigration.govt.nz/Migrate/HowYouEarnPoints.htm

8 DIMIA, Fact Sheet 25. *Skilled Categories*, www.immi.gov.au/facts/25skilled_categories.htm

9 CIC, *Revised Pass Mark for Skilled Worker Applicants*, On September 18, 2003 changed from 75 to 67, www.cic.gc.ca/english/skilled/notice-passmark.html

10 NZIS, *How You Earn Points*, www.immigration.govt.nz/Migrate/HowYouEarnPoints.htm

Attributes in Canada/NZ points tests	Australian equivalent	Canada	New Zealand
Education/Qualification	Encompassed in "skill" (Mandatory)	0/5/12/15/20/22/25	Mandatory Degree/trade qualification = 50; Post-grad = 55 PLUS If in area of demand = 5 NB must score points in this or Work Experience to be eligible
Relative in country	0/15 (applies only to Skilled-Australian Sponsored category) ¹¹	# 0/5	
Skilled Employment			Current in NZ, 12 months or more = 60, less than 12 months or job offer = 50. (Separate from "Bonus – local work experience" above) PLUS If in area of demand = 5
"Adaptability",	Attributes marked * fit this concept but are not explicitly named in Australia.	Maximum of 10 from the five "adaptability" categories marked #	

11 **Skilled Australian Sponsored (SAS) category** All SAS applicants must be sponsored by a relative who is an Australian citizen or permanent resident. Fifteen points are awarded for the sponsorship. (SAS applicants can be sponsored by a parent, non-dependent child, brother or sister, aunt or uncle). DIMIA, Fact Sheet 25. *Skilled Categories*.

Points test – in competing markets (continued)

- 7.14 New Zealand’s scoring system emphasised skilled employment (24% of the possible total); qualifications (22%); youth (12% for those aged 20-29); and work experience (12% for 10 years).
- 7.15 Intermingled with these attributes was an emphasis on the applicant’s connections with New Zealand. The “Skilled Employment” category presumed that the applicant was already working in New Zealand.¹² Work experience in New Zealand added between two and six per cent, depending on its duration, and qualifications from New Zealand contributed four percentage points to the possible 22 per cent allocated for post-graduate degrees. In total, the points for specifically New Zealand-based attributes might account for one third of the total possible score.
- 7.16 The Committee began its review by considering the individual employment-related factors in the points tests because it was these that would be most relevant to assessing the potential contribution of a skilled migrant. In next chapter the Committee investigates the more personal attributes assessed through the points tests.

Employment-related points

Points for skill

- 7.17 In order to be considered for skilled migration to **Australia**, applicants had to have an occupation on the SOL. In order to be allocated points in the “Skill” category the relevant Australian assessing authority had to determine that the skills were appropriate for the applicant’s nominated skilled occupation.
- 7.18 The number of points to be made available with reference to the level of qualification were arrived at on the basis of consultations between DIMIA, the Department of Employment and Workplace Relations and the National Office of Overseas Skills Recognition in the Department of Education, Science and Training:
- generalist occupations that required diploma or advanced diploma-level qualifications scored 24% of the possible total points;
- or*

¹² See discussion of New Zealand’s approach in “Local Work Experience” below.

- 30% of the possible total points were allocated for generalist occupations which required degree-level qualifications but which did not necessarily require occupation specific training or have to be specifically related to the nominated occupation; *or*
- 36% of the possible points were available for occupations that required degree or trade certificate level qualifications where entry to the occupation required training in a body of knowledge specific to the occupation and which were generally regulated or self-regulated,¹³ provided that:
 - ⇒ the applicant’s qualifications and experience met Australian standards; and
 - ⇒ was specifically related to the applicant’s nominated occupation; and
 - ⇒ met any formal Australian registration requirements.

7.19 The Australian “Skill” category combined qualifications and occupation. Neither Canada nor New Zealand used this approach.

7.20 **Canada** did not directly allocate points for skill, although the applicant’s work experience had to be at a certain skill level under its mandatory requirements. An applicant’s skill level was acknowledged indirectly under the “Education” category where points ranged from five per cent for those who had completed high school education up to 25 percent of the possible total points for a Master’s or PhD degree and at least 17 years of study.¹⁴

7.21 **New Zealand**, which had a mandatory requirement for “Qualifications”, was similarly generous in its weighting of them in its points test, provided that they were on the *List of Recognised Qualifications* which identified acceptable institutions and their degrees in 28 countries.¹⁵

7.22 “Basic” qualifications such as bachelor degrees, diplomas and trade qualifications scored 20 percent of the possible total score. Post-graduate qualifications were worth 22 per cent.

13 S. Foster, Director, Public Affairs, DIMIA: letter to *The Australian* – 16/5/02; *Letters to Editors: Skills required for skilled migration*. www.immi.gov.au/letters/letters02/aus_1605.htm

14 CIC, **Minimum Work Experience Requirements**, <http://www.cic.gc.ca/english/skilled/qual-2.html> ; *Six Selection Factors and Pass Mark*, www.cic.gc.ca/english/skilled/qual-5.html

15 NZIS, *Recognised qualification*, <http://glossary.immigration.govt.nz/Recognisedqualification.htm> “The List of Recognised Qualifications is for immigration purposes only. The inclusion of a qualification on this list does not have bearing on the status of the qualification for professional registration, further study, salary or employment purposes.” NZIS, *List of Recognised Qualifications*, <http://glossary.immigration.govt.nz/NR/rdonlyres/CE113D29-EFBB-4924-BA15-00AEF9911F83/0/1080.pdf>

- 7.23 In New Zealand, applicants had to score points in “work experience” or “qualifications” to be eligible for selection as skilled migrants.¹⁶

Conclusion

- 7.24 The Committee noted the significant proportion of the points allocated in the “Skill” category in the Australian points test.

Points for work experience

- 7.25 Australia, Canada and New Zealand stipulated work experience in relevant fields as a prerequisite for consideration of applications for skilled migration.¹⁷ In **New Zealand**, applicants had to score points in “work experience” or “qualifications” to be eligible for selection as skilled migrants.¹⁸ The Committee examined the relative importance of the three aspects of work experience recognised in the skilled migration arrangements under review:

- recent work experience;
- duration of work experience; and
- local work experience.

Recent work experience

- 7.26 Of the three countries with points systems, only **Australia** specified that the mandatory work experience be recent. To be classified as recent, the applicant’s work had to have occurred within the previous eighteen months or three years, depending on the ranking of the job on the SOL.¹⁹ However, no points were allocated merely for meeting that mandatory requirement.

- 7.27 Instead, the points scored depended on the applicant’s specific work experience, as assessed through a combination of recency and duration. In order to have an opportunity to gain points for work experience, applicants had to have worked in three of the past four

¹⁶ NZIS, *How You Earn Points*, www.immigration.govt.nz/Migrate/HowYouEarnPoints.htm

¹⁷ See *Permanent skilled migration – overview*. Australia waived the work experience requirement if the applicant had completed two years study in Australia less than 6 months before lodging their visa application. DIMIA, *General Skilled Migration to Australia: Basic requirements*, www.immi.gov.au/migration/skilled/basic_requirements.htm

¹⁸ NZIS, *How You Earn Points*, www.immigration.govt.nz/Migrate/HowYouEarnPoints.htm

¹⁹ **Work in 12 of the past 18 months counted if:** applicant’s nominated SOL occupation worth 60 points on the points test and employed in any occupation on the SOL for that period. **Work in 2 of the past 3 years counted if:** applicant’s nominated SOL occupation worth 40 or 50 points on the points test and employed in any occupation on the SOL in that period. DIMIA, *General Skilled Migration to Australia: Basic requirements*, www.immi.gov.au/migration/skilled/basic_requirements.htm

years. However, they only accumulated points if, in addition, that work had been in a job on the SOL. Then they might accumulate either three or six per cent of the possible total points, with the actual point allocation dependent on the nature of their work experience and the type of occupation.²⁰

- 7.28 **New Zealand's** mandatory requirement for two years work experience did not have a set time frame.
- 7.29 **Canada's** mandatory requirement for work experience accepted and gave points to applicants with work experience in the past ten years. Points were allocated in proportion to the duration of employment.

Duration of work experience

- 7.30 **Canada** required only one year's experience in a job on the *National Occupation Classification List (NOCL)* to score a minimum of 15 per cent. Four or more year's experience equated to 21 per cent.
- 7.31 As noted in the chapter *Permanent Migration and Mandatory Requirements*, **New Zealand's** requirement of a minimum of two year's work experience might be avoided if the applicant had tertiary or trade qualifications and had also been offered a job in New Zealand. Those meeting the minimum requirement might be allocated four per cent of the possible total, provided that their work experience:

is relevant to [their] recognised qualification or relates to ...
current or offered skilled employment in New Zealand²¹...
[and]

if ...not currently working in, or have an offer of, skilled
employment in New Zealand... work experience can only
qualify for points if it was gained in a comparable labour
market.²²

20 **Recent Work experience** required is: for a 60 point occupation on SOL in 12 of last 18 months; **OR** 2 of last 3 years in a 40 or 50 point occupation on SOL. **Specific work experience** (i) 60 point occupation, AND worked in applicant's nominated (or closely related) occupation, for at least 3 of the 4 years immediately before applying = 10 points. (ii) 40, 50 or 60 points occupation AND worked in any occupation on the SOL for at least 3 or the 4 years immediately before applying = 5 points. DIMIA, *General Skilled Migration to Australia, Points Test*, www.immi.gov.au/migration/skilled/points_test.htm

21 NZIS, *Recognised work experience*, <http://glossary.immigration.govt.nz/Recognisedworkexperience.htm>

22 Comparable labour markets were: Australia, Austria, Belgium-Luxembourg, Canada, Cyprus, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Israel, Italy, Japan, Malaysia, New Zealand, Netherlands, Norway, Philippines, Portugal Republic of South Korea, Singapore, South Africa, Spain, Sweden, Switzerland, United Kingdom, United States. NZIS, *How You Earn Points*, www.immigration.govt.nz/Migrate/HowYouEarnPoints.htm

- 7.32 Each additional two years (up to a maximum of ten years) gained a further two per cent, so those with ten years experience could score the maximum of 12 per cent under this criterion.
- 7.33 As explained above, **Australia's** points test did not allocate a score merely for duration of work experience. Rather the single opportunity to score for work experience came from a combination of recency and duration.
- 7.34 A dilemma of the Australian arrangements was that some applicants might clear the mandatory recent work experience hurdle of working in the past 18 months, but score no points because they had not had three years work experience.
- 7.35 Australia's stipulation of three years employment as a precondition for the award of points for work experience was the most demanding minimum requirement of the three countries with points tests. This requirement appeared to be attempting to ensure that the applicants have some depth of experience in a skilled job in the workforce.
- 7.36 The Australian approach provided a minimal reward to the applicants. Skilled migrants to Canada with three years experience would be awarded 19 per cent, more than three times the Australian level. Those migrating to New Zealand received 4 per cent for two years (1 percentage point more than migrants to Australia score for three years).
- 7.37 Australia's allocation for duration of relevant employment was the most parsimonious of the three countries. The Committee therefore questioned whether this brought beneficial outcomes.
- 7.38 The Committee's starting point was a study of migrants who arrived in Australia in 1999/2000. The *Longitudinal Survey of Immigrants to Australia* (LSIA) found that:
- the probability of having a job within six months of arrival is ... significantly affected by whether or not a person had a job prior to migration.²³
- 7.39 Overall, three of every five of migrants employed as wage or salary earners prior to migrating in 1999/2000 found employment within six months of arrival.²⁴ This was the average of all visa types, not just the

23 DIMIA, *The Labour force Experience of New Migrants*, p. 38, electronic version, www.immi.gov.au/research/publications/labour_force/nilsreport.pdf

24 Six months after arrival 56% were wage/salary earners, 3% were in their own business, and 2% were otherwise employed. DIMIA, *The Labour Force Experience of New Migrants*, p. 36, electronic version, www.immi.gov.au/research/publications/labour_force/nilsreport.pdf

skilled stream, and included spouses and dependents. There was no specific data for skilled stream migrants, but probably more than two thirds of primary applicants in the streams in which skilled migrants would have been concentrated were employed after six months in Australia.²⁵

- 7.40 There were no similar data for New Zealand, but equivalent data for Canada's migrant intake indicated that 59 per cent of the principal applicants in the economic class (generally admitted on the basis of their skills) were in employment within six months of arriving.²⁶
- 7.41 Although these statistics were not exactly comparable, the Committee considered that the Australian requirement for extended work experience could have assisted migrants to find work and generated the slightly better employment outcomes compared to Canada.
- 7.42 Overseas experience was not, however, an automatic passport to employment because, as the submission from Australia's National Institute of Accountants indicated, prior (overseas) experience might not be considered relevant in the Australian workplace. A profession which appeared to be an international one might be, rather:
- ...a transnational profession...There are skills that are common and there are skills that must be learned and will vary from country to country.²⁷
- 7.43 The Committee postponed consideration of the implications of this until examining settlement factors in *Settling well?*

Conclusion

- 7.44 Overall, the evidence about the relevance of recent work experience to obtaining employment indicated to the Committee that Australia's approach to points testing was well based and that the standard required was not excessive.

Local work experience

- 7.45 In **Australia**, the importance of local experience was evident in data from LSIA which indicated that, for one in four migrants seeking employment:

25 Based on outcomes for Skilled-Australian Linked and Independent streams. DIMIA, *The Labour force Experience of New Migrants*, pp 20, 28, electronic version. See also "Conclusion" under *Job Offer* in the chapter *Permanent Migration and Mandatory Requirements*, www.immi.gov.au/research/publications/labour_force/nilsreport.pdf

26 Statistics Canada, "Longitudinal Survey of Immigrants to Canada", in *The Daily*, 4/9/03, www.statcan.ca/Daily/English/030904/d030904a.htm

27 National Institute of Accountants, Submission No. 53, p. 2

the most frequent problem that they faced was lack of local experience.²⁸

- 7.46 Overseas assessments of the topic had reached similar conclusions. In **Canada**, one of “the most critical hurdles” for a quarter of migrants with foreign credentials was “lack of experience in the Canadian workforce”.²⁹
- 7.47 Intending migrants to **New Zealand** were advised that “most employers demand” local experience.³⁰ The *Longitudinal Immigration Survey New Zealand* began in 2004, and had not yet produced data which might illuminate this issue further. However, under the previous skilled migration arrangements in 2002/03 few scored points for this factor.³¹
- 7.48 Perhaps because the employers’ emphasis on local experience was such a common international thread, each of the three countries with points scores allocated points to it.
- 7.49 In **Australia** three per cent of the possible total score might be allocated as bonus points for local experience in an occupation on the SOL.³²
- 7.50 Under the points test for **Canada**, the applicant could be awarded an additional maximum of five per cent if they (or their spouse) had worked for one year in Canada. This was one of five “Adaptability”³³ factors, for which the maximum total was 10 per cent.
- 7.51 **New Zealand** also recognised local work experience, with a bonus of two percent for two year’s work in New Zealand, increasing to a maximum of six per cent of the final total for six years or more.
- 7.52 New Zealand’s December 2003 revision of its points system also included, under the category of “Skilled Employment”, a separate allocation of points, with a presumption that the applicant was already working in New Zealand. The points allocations were:

28 DIMIA, *The Labour force Experience of New Migrants*, p. 57, electronic version, www.immi.gov.au/research/publications/labour_force/nilsreport.pdf

29 Statistics Canada, “Longitudinal Survey of Immigrants to Canada”, in *The Daily*, 4/9/03, www.statcan.ca/Daily/English/030904/d030904a.htm

30 NZIS, *Settlement Pack* No. 4: Work, pp. 1, 5. www.immigration.govt.nz/NR/rdonlyres/CDF2ACB2-BE92-4EE6-8E21-9F419FD183CD/0/IMM272804work.pdf

31 NZIS, Immigration Research Program, Trends in Residence Approvals 2002/2003; www.immigration.govt.nz/NR/rdonlyres/E0972AE3-EF13-4C33-A101-5F0E3AB5A0EE/0/TrendsInResidenceApproval0203.pdf

32 legally worked in any occupation on the SOL for at least 6 months in the 4 years before lodging an application

33 See *The concept of “Adaptability”* in the chapter *Permanent Migration – personal points*.

- currently working in skilled employment in New Zealand and have been for 12 months or more = 24 per cent ; *or*
 - currently working in skilled employment in New Zealand and have been for less than 12 months = 20 per cent; *or*
 - offer of skilled employment in New Zealand = 20 per cent.³⁴
- 7.53 The New Zealand approach accommodated applicants who were already working in the country under its “Work to Residence” arrangements.³⁵
- 7.54 These differing levels of reward for local work experience led the Committee to review the relative emphasis placed on local experience and the value assigned to it in the Australian points test.
- 7.55 It appeared to the Committee that an applicant looking at the three points-test nations purely to discover which rewarded their local work experience best would be most impressed by Canada and New Zealand.
- 7.56 The Committee was not able to determine whether this aspect of the points test disadvantaged Australia in its competition for skilled migrants with the more generous arrangements of Canada and New Zealand.
- 7.57 The Committee then considered whether SOL work experience in three of the past four years should be included, and its importance in the points test.
- 7.58 The Committee observed that the current maximum of six per cent for applicants’ recent practical experience in an SOL occupation in their home country was double the score which applicants might achieve for having worked in an SOL occupation in Australia for six months in the previous four years.
- 7.59 The Committee also noted that research from Australia, New Zealand and Canada highlighted the importance of previous local work experience in gaining employment.

Conclusion

- 7.60 The Committee therefore considers that more weight might be given to relevant local work experience in the points test.

³⁴ NZIS, *How you earn points*, www.immigration.govt.nz/Migrate/HowYouEarnPoints.htm

³⁵ See chapter *Temporary Skilled Migration* for outline of the program.

Recommendation 6

- 7.61 **The Committee recommends that the skilled migration bonus points score for local lawfully gained work experience be increased from the current five points to ten.**

Recommendation 7

- 7.62 **The Committee recommends that transition arrangements be made when implementing its recommendations so that existing applicants are not disadvantaged by the changes.**

Points for occupation in demand/job offer

- 7.63 These two aspects of the points system are considered together here because DIMIA's General Skilled Migration assessment merged the consideration of points for each aspect into one category – *Occupation in demand/job offer*. However, the following discussion takes each aspect separately in order to simplify comparison with other countries.

Occupation in Demand

- 7.64 **Canada's** mandatory occupation threshold reflected its philosophy of selecting people with potential. Under this approach, the person's actual occupation did not weigh heavily in the points test scale (see "work experience" above).
- 7.65 Under **Australia's** skilled migration points system, applicants might qualify for points if DIMIA identified their occupation as one for which there is a demand. The resulting *Migration Occupations in Demand List (MODL)* indicated areas of specific skill shortages.³⁶ The MODL was, in effect, an extract of the SOL because the SOL excluded occupations which were in oversupply or in which new migrants would not be immediately employable. If intending migrants' occupations were on the MODL they scored six percent of the possible total points.

³⁶ DEWR determined occupations in national shortage through consultations with relevant industry and professional associations. The Minister for Immigration and Multicultural and Indigenous Affairs gazetted the MODL. R. Kinnaird, Submission No. 38, p. 11.

- 7.66 The MODL was reviewed annually with the advice of DEWR to take into consideration existing and emerging skill shortages, but in some cases the MODL might reflect the skills position of some 16 months previously. However ICT industry data was updated every six months and MODL could also be revised through regulation, enabling it to reflect short-term changes in the Australian skilled employment market.³⁷
- 7.67 **New Zealand's** equivalent of the Australian "occupation in demand" was to be found in its concepts of:
- *Identified future growth area* - an industry area that offers considerable opportunity to increase its prosperity. Currently... Biotechnology, Information Communications Technology and Creative industries.
 - *Cluster* - a group of employers within a particular industry who, though they may compete with each other, also work together co-operatively to gain greater business advantage...
 - *Area of absolute skills shortage* - occupations in which New Zealand has a significant shortage of skilled workers...listed on the Priority Occupations List.³⁸
- 7.68 Applicants whose skills corresponded with one of these three areas of need might receive bonus points under "Skilled Employment" (2%), another bonus under "Work Experience" (up to 4%) and a further bonus (2%) for "Qualifications" in those areas. The total proportion of the possible maximum number of points (up to 8%) was more than the Australian equivalent.

Job Offer

- 7.69 A job offer was listed as mandatory for **New Zealand** but skilled migrants who qualified for entry with a tertiary or trade qualification as well as at least two years work experience did not require a job offer.
- 7.70 As mentioned under "Local Work Experience" above, a possible 20 per cent of points was allocated under the "Skilled Employment" heading for an offer of skilled employment in New Zealand. But

37 DEWR, Evidence, p. 48; DIMIA, *General Skilled Migration to Australia: Migration Occupations in Demand List (MODL)*, www.immi.gov.au/migration/skilled/modl.

38 Clusters in December 2003 were: Film Auckland, Wellington Creative Manufacturing, Canterbury Software, Canterbury Nutraceuticals, Biosouth. See relevant headings in NZIS, *Summary of Terms*, <http://glossary.immigration.govt.nz/>

these points were only allocated if the applicant did not already have a job in the country.³⁹

- 7.71 While **Canada** required applicants to have a job offer it also rewarded migrants who would quickly realise their potential because they had a job offer. They might be awarded 10 per cent of the possible total under the heading of “Arranged Employment in Canada”. To gain the points, applicants had either to have confirmed permanent employment or already work in Canada on a temporary work permit in a job which would become permanent if their migration application succeeded.
- 7.72 In a process which appeared to the Committee to permit “double dipping”, that same offer of employment was counted again as one of five “Adaptability” factors. The maximum total score from these five factors was 10 per cent. Applicants with a job offer or who were legally working in Canada gained an additional five per cent of the possible total score for “having received points under the Arranged Employment in Canada factor”. It was therefore possible for applicants to gain fifteen percent of the possible total points on the basis of a job offer.
- 7.73 **Australia** limited access to points for a job offer. The job had to be on the MODL and the offer had to come from an organisation that had employed at least ten full-time staff for the past 24 months. Provided those conditions were met the applicant might receive an additional three per cent.⁴⁰ This was a reality far removed from the advice offered to some potential migrants from the UK that:
- applicants can score big points if they have a job.⁴¹
- 7.74 The Committee considered that having a job to go to on arrival would be an important factor in ensuring that the migrants and their dependants settled quickly in Australia. DEWR, however, claimed that few applicants required MODL bonus points to satisfy migration requirements.⁴²
- 7.75 Since 2000/1 the proportion of general skilled migrants with an occupation on MODL has been falling, from 50 per cent that year to 20 per cent in 2002/3.⁴³

39 NZIS, *How you earn points*, www.immigration.govt.nz/Migrate/HowYouEarnPoints.htm

40 DIMIA, *General Skilled Migration Booklet*, p. 35, http://dima.cardgate.net/General_Skilled_Migration/1119.pdf

41 “Scoring points can be testing” in *Emigrate*, Issue no 8, Outbound Publishing, East Sussex, October 2003, p. 48.

42 DEWR, Submission 31, p. 23.

43 DIMIA, *Annual Reports*: “more than” 50% in 2000/01, p. 33; 44% in 2001/2, p. 67; 20% in 2002/3, p. 19.

7.76 The Committee pursued this point with DIMIA. It seemed to the Committee that it would be unfortunate if one of the factors maximising migrants' potential to settle into their new country was often effectively rendered irrelevant to the points test.

7.77 According to DIMIA, the declining proportion of applicants with MODL points was:

partly due to the removal of most computing specialisations [and]...increased share of general skilled grants onshore to recent Australian graduates who generally do not qualify for MODL points because they do not have recent work experience.⁴⁴

7.78 DEWR maintained that the skilled migration stream would be better aligned with the needs of Australian industry if the points system was:

allocating a greater number of points to applicants with qualifications and relevant post-qualification experience appropriate to employment in MODL occupations... a migrant intake with a greater proportion of applicants with qualifications and experience appropriate to employment in MODL occupations may... also reduce the potential for occupational downgrading among migrants.⁴⁵

Conclusion

7.79 It appeared to the Committee that, given the dynamic nature of the migration arrangements set out by DIMIA, the importance of the MODL in the points test would inevitably fluctuate.

Points for local qualifications

7.80 **Canada** allocated five percent of the possible total score to applicants if they, or their spouse, had undertaken two years of post-secondary study in Canada. As this was an "Adaptability" factor its contribution to the points score might be zero if the applicant already had 10 per cent of their score generated by other components of this factor.

44 DIMIA, *Annual Report 2002-03*, p. 19.

45 DEWR, Submission 31, p. 23.

- 7.81 **New Zealand** had an allocation of four per cent of the total possible score for local university or polytechnic qualifications resulting from at least two years study in the country.⁴⁶
- 7.82 Skilled migrants to **Australia** might receive three, six or nine percent of the possible total for an Australian post-secondary degree or qualification.
- 7.83 According to DIMIA:
Australian employers place a high premium on people with qualifications that they can readily accept. That is where Australia's arrangements perhaps differ in that we place a significantly higher premium on Australian-obtained qualifications.⁴⁷
- 7.84 The ready acceptance of local qualifications was reflected in the provision which waived the mandatory work experience criteria for applicants who have completed two years study in Australia less than six months before lodging their application.⁴⁸
- 7.85 Recent experience in the ICT industry indicated to the Committee potential disadvantages of waiving the otherwise mandatory requirement for experience. One was that the overseas students were immediately in direct competition with the local graduates in a field which had an apparent over-supply.⁴⁹ A second potential disadvantage was that, in specialised areas, employers sought practical and up to date experience, rather than specific qualifications.⁵⁰ Migrants granted the waiver might therefore find it difficult to gain employment.
- 7.86 In addition, the Committee observed that waiving the work experience requirement for ICT local graduates was at odds with the DIMIA expectation that:

46 NZIS, *New Zealand Qualifications*, <http://glossary.immigration.govt.nz/NewZealandqualifications.htm>

47 DIMIA, Evidence, p. 7.

48 DIMIA, *General Skilled Migration to Australia: Basic requirements*, www.immi.gov.au/migration/skilled/basic_requirements.htm

49 R. Kinnaird, Submission No. 38, p. 6 *New study calls for overhaul of policies on migration of ICT professionals*,

50 Rock Resourcing, Evidence, p. 179.

computing professionals... have at least 12 months work experience in the specialisation for which they have applied.⁵¹

Conclusion

- 7.87 In the Committee's view the ICT issues had arisen from a series of very specific circumstances and did not require that the points system for local qualifications be revised.
- 7.88 The Committee considered that the relatively low points score for local qualifications was appropriate in the light of other countries' points allocations.

The role of the Skilled Occupations List (SOL)

- 7.89 In its review of the employment-related points scoring, the Committee was aware of the important role played by the SOL summarised in the box below. The SOL was instrumental in providing at least one quarter, and possibly more than one half, of the possible total score in the points test. At the time of writing, the pass mark was 70% of the possible total, so the applicant's occupation, as defined by the SOL, was a critical factor qualifying to migrate to Australia.
- 7.90 There was some criticism by DEWR, one of the collaborators on the production of the SOL, that:
- some inclusions/exclusions are hard to justify on skill or labour market grounds... there are considerable inconsistencies or anomalies... personnel managers, sales and marketing managers and distribution managers are allocated 60 points, while research and development managers get only 50 points.⁵²

Skilled Occupations List

Compulsory:

51 DIMIA, General Skilled Migration to Australia, *Migration Occupations in Demand List (MODL)*, www.immi.gov.au/migration/skilled/modl.htm

52 DEWR, Submission No. 31, pp. 22-23.

In order to apply for a skilled migration visa the applicants must:

- nominate an Australian occupation which fits their skills and which must be on the SOL
- have been employed in any occupation on the SOL for either 12 of the 18 months or 2 of the 3 years immediately prior to applying, depending on the nature of the occupation.⁵³

Scores points (proportion of possible total):

SKILL - 24% or 30% or 36% for a skill on the SOL, depending on the nature of the occupation.

SPECIFIC WORK EXPERIENCE - 0% or 3% or 6% for a SOL job in 3 of the previous 4 years, depending on the nature of the occupation.

JOB OFFER - 0% or 6% or 9% if the occupation is in demand according to the Migration Occupations in Demand List which is drawn from the SOL.

AUSTRALIAN EXPERIENCE - 0% or 3% for a SOL job for 6 months in the previous 4 years.

Minimum score from SOL = 24%. **Maximum** score from SOL = 54%

7.91 On balance, however, DEWR concluded that:

there is not enough evidence to suggest that the SOL is so poorly maintained or developed that a change is warranted.⁵⁴

Conclusion

7.92 The SOL was a fundamental building block in a number of the points score categories. Its effect was to ensure that points were given or withheld on the basis of the SOL assessment of whether there was an oversupply in particular occupations, or whether migrants were expected to be employable soon after arrival.⁵⁵

53 DIMIA, General Skilled Migration to Australia, *Basic requirements*. The migrant's nominated occupation must be on the SOL and they must have employment in any occupation on the SOL for either 12 of the 18 months or 2 of the 3 years immediately prior to applying, depending on the nature of the nominated occupation. www.immi.gov.au/migration/skilled/basic_requirements.htm

54 DEWR, Evidence, p. 47.

55 According to DIMIA, the SOL included most skilled except those - which were clearly in significant oversupply throughout Australia; or in which new migrants would not be immediately employable in Australia; or which were more appropriately covered by other visa categories such as the Business Skills or Distinguished Talent categories. DIMIA, Fact Sheet 25. *Skilled Categories*, www.immi.gov.au/facts/25skilled_categories.htm

7.93 The Committee therefore thought that the influence of SOL on the points score system was appropriate because it ensured that points were, eventually, claimed by migrants:

who will quickly make a contribution to the Australian economy.⁵⁶

Summary

7.94 The Committee concluded that the mandatory requirements and major employment-related points-scoring attributes were designed to maximise the benefit to Australia of skilled migration. This was achieved by selecting the skilled who could be expected to join the labour force with the minimum of delay. Other points-tested attributes which assisted this process will be examined in the next chapter.

Permanent migration – personal points

- 8.1 The Australian skilled migration points test offers applicants opportunities to gain points not only for their employment prospects but also, as Table 7.1 shows, for a range of personal attributes. It is these which the Committee considers in this chapter.

Points for age

- 8.2 Canada, New Zealand and Australia all favoured specific age groups and allocated points accordingly. Those outside the preferred age range scored progressively fewer points depending on how far their age was above or below the optimum.
- 8.3 **Australia** rejected anyone over the age of 45 and favoured those aged under 30, allocating 18 per cent of the possible total points test score to those aged 18-29.
- 8.4 **New Zealand's** age ceiling was 56. Applicants between 20 and 29 years of age were most favoured, receiving 12 per cent of the possible total points.
- 8.5 **Canada** did not have a maximum age limit, but those over 54 did not receive any points for the age criterion. Canada, however, had a less prescriptive age policy than Australia or New Zealand. It gave the maximum score for age (10%) to applicants of any age between 21 and 49.

- 8.6 Canada selected a priority age group covering the span of years from 21 to 49 because:

applicants in their 40s and 50s have a wealth of experience and should be able to fill many labour market niches.¹

Although it is counterintuitive, we have found that older immigrants do in fact establish quite well.²

- 8.7 Of the three countries, Australia was the most generous in the proportion of points which might be gained in the age category. Australia had the lowest age limit for skilled migrants and the most restrictive age range eligibility for maximum points. Overall, preference was given to people under age 45 because, it was argued, Australian research showed that younger people had greater success in finding jobs.³
- 8.8 As noted in the chapter *Permanent Migration and Mandatory Requirements*, the Committee questioned whether Australia's age limit of 45 for skilled migrants might be causing it to miss out on otherwise suitable migrants. The Committee also queried whether the assumptions about the disadvantages of admitting older skilled migrants were still valid.
- 8.9 In this context, the Committee recalled that skilled migrants were not eligible for social security payments for two years, and were generally ineligible for age benefits for 10 years after migrating.⁴ The potential risk to the Australian taxpayer was therefore already being managed.

Conclusion

- 8.10 The Committee concluded that, in the general skilled migration program, the use of an absolute age limit of 45 and the allocation of the maximum number of points to those aged 18-29 reflected a desire to minimise the risk that migrants would be dependent on Australia's social security system.
- 8.11 The Committee considers that the age limit for skilled migrants should be removed to increase the pool of potential migrants. The

1 *Immigration and Refugee Protection Regulations*, Canada Gazette, Pt II, 14/6/02, p. 223.

2 High Commission of Canada, Evidence, p. 140.

3 DIMIA, *The Labour Force Experience of New Migrants*, pp 27-28 electronic version, www.immi.gov.au/research/publications/labour_force/nilsreport.pdf

4 DIMIA, *General Skilled Migration Booklet*, p. 47, http://dima.cardgate.net/General_Skilled_Migration/1119.pdf

Committee also considers that the points allocation should remain unchanged so that those over 45 would receive no points, but would not be precluded from applying.

- 8.12 In the Committee’s view such changes would not inevitably result in a sudden “greying” of the skilled migrant population with its consequent potential financial cost. This was because, it appears to the Committee, skilled workers in their late fifties or older might be dissuaded from applying because of the ten-year waiting period prior to becoming eligible for a pension. Also, those no longer in their home country’s workforce would generally be precluded from applying because they would be unlikely to meet the mandatory requirement for recent work experience.

Recommendation 8

- 8.13 **The Committee recommends that the existing mandatory age limit of 45 years for skilled migration be removed.**

Recommendation 9

- 8.14 **The Committee recommends that, in the skilled migration points test, no points be allocated to applicants aged over 45.**

Points for language

- 8.15 **Australia’s** mandatory English language requirements contributed a maximum of 12 per cent of the possible total points score if the applicant had “competent” English. This was the third highest score available for a single attribute, ranking after skill and age. Applicants with “vocational “English⁵ were awarded nine per cent.

5 **Competent** = IELTS of 6 or more on each of the four components – speaking, reading, writing and listening.
Vocational = IELTS of 5 or more for each component.

- 8.16 **New Zealand** also had a mandatory requirement of language competence but did not allocate points for language skills.
- 8.17 Although **Canada** did not have a mandatory requirement for skill in either of its official languages, French or English, intending migrants were advised that:
- the ability to communicate and work in one or both of Canada's official languages is very important to you, as a skilled worker. Abilities in English, French or both will help you in the Canadian labour market...We strongly recommend that you take a language test from an approved organization if you are claiming skills in a language that is not your native language.⁶
- 8.18 The 15 per cent of Canada's skilled migrant intake with neither French or English ability would have acquired no points for this criterion.⁷
- 8.19 Canada's longitudinal study of migrants reported that 22 per cent of migrants with foreign credentials identified "language barriers" as the most critical problem in entering the job market. Lack of skills in either official language was also identified as a barrier to health care and further training.⁸

Conclusion

- 8.20 The Committee considered that, as English was a mandatory requirement, and English language skills were essential for migrants to Australia, it would be inappropriate to reduce the emphasis in the points test.

6 CIC, *Immigrate to Canada, Language Proficiency*, www.cic.gc.ca/english/skilled/qual-1.html

7 CIC, *Facts and Figures 2001: Immigration Overview – Skilled workers by language ability (1999-2000)*. English only = 68.7%; French only = 5.3%; [maximum of 16% total points for either language]; English and French = 11.2% [maximum of 24% total points]; neither = 14.9%. www.cic.gc.ca/english/pub/facts2001/8work-12.html

8 Statistics Canada, "Longitudinal Survey of Immigrants to Canada", in *The Daily*, 4/9/03, www.statcan.ca/Daily/English/030904/d030904a.htm

Points for “regional” location

- 8.21 **New Zealand** allocated four percent of the possible total points to applicants with a job or a job offer in a region outside Auckland:
- to ensure all of New Zealand can benefit from the skills of people moving here.⁹
- 8.22 Intending skilled migrants to **Australia** were awarded three per cent of the possible total score if they had:
- lived and studied for at least 2 years in one or more areas in regional Australia or low population growth metropolitan areas.¹⁰
- 8.23 In the context of students’ places of study in Australia, the concept of “regional” or “low growth” included the areas broadly defined as:
- all parts of Australia **except** the ACT, Sydney, Newcastle, the Central Coast, Wollongong, Melbourne, Perth, Brisbane and the Gold Coast.¹¹
- 8.24 Applicants under the “Skilled Designated Area Sponsored” (SDAS) visa categories did not have to pass the points test.¹²
- 8.25 This was a similar concession to the *Provincial Nomination* agreements which most provinces in **Canada** had with the Government of Canada. They allowed the Provinces to play a more direct role in selecting immigrants who wish to settle there and benefit their economies under arrangements similar to the national skilled migrant scheme, except that applicants were not assessed on the selection factors in the Canadian points test.¹³

9 NZIS, *Employment outside Auckland*, <http://glossary.immigration.govt.nz/EmploymentoutsideAuckland.htm>

10 DIMIA, *General Skilled Migration Booklet*, p. 38.

11 DIMIA, *General Skilled Migration to Australia: Regional Australia/low population growth metropolitan areas* www.immi.gov.au/migration/skilled/regional.htm

12 “Designated Areas” cover all of Australia **except** Sydney, Newcastle, Wollongong, Perth, and Brisbane. DIMIA, *General Skilled Migration to Australia: Skilled-Designated Area Sponsored*, www.immi.gov.au/migration/skilled/offshore_general.htm#desig_area

13 CIC, *Provincial Nomination*, www.cic.gc.ca/english/skilled/provnom/index.html

Conclusion

8.26 The Committee considered the points allocation for regional purposes was satisfactory; particularly as regional areas seeking settlers from overseas had access to schemes in addition to SDAS, such as State/Territory Nominated Independent and the Skill Matching Visa.¹⁴

Points for spouses' attributes

8.27 In **Australia** a skilled migrant's spouse might contribute to the total score, provided that they met six basic requirements:

- aged under 45;
- vocational English;
- post-secondary qualifications;
- occupation on the SOL;
- recent work experience; and
- skills assessed by the relevant Australian assessing authority.¹⁵

8.28 These were comparable to the requirements imposed on the primary applicants with the aim of ensuring their ready adaptation to Australia, but scored only three per cent of the possible total for the spouse to contribute to the applicant's score.

8.29 In **New Zealand**, if the applicant's spouse was employed or had an offer of employment, this counted for four per cent of the possible total score. If they also had recognised qualifications, the principal applicant would receive a further four per cent. The spouse might therefore provide up to eight per cent of the total possible score.

8.30 **Canada** allocated an applicant between three and five per cent of the possible total according to their spouse's years of full-time education and post-secondary qualifications. As this was considered an

14 Both are accessible to State/Territory governments of those parts of Australia which are "designated Areas", i.e. Vic, SA, Tas, ACT, NT. The Skill Matching Visa applicants are on a database which "is sent regularly to some regional bodies and State and Territory governments, who may then nominate applicants to fill vacancies that cannot be filled through the local labour market". DIMIA, General Skilled Migration to Australia, www.immi.gov.au/migration/skilled/offshore_general.htm#desig_area

15 DIMIA, *General Skilled Migration to Australia: Basic requirements*, www.immi.gov.au/migration/skilled/basic_requirements.htm

“Adaptability” factor, their actual contribution to the points score depended on the points generated by the other adaptability factors.

- 8.31 The Committee observed that the operation of other Canadian “adaptability” factors meant that a spouse could contribute up to 10 per cent of the possible total points.¹⁶ This was more generous than the Australian system, and less stringent than the basic requirements stipulated for Australian skilled migration.

Conclusion

- 8.32 The Committee believed that a spouse’s attributes would be an important factor in determining how well skilled migrant families settled in Australia.
- 8.33 In view of the apparent importance of the spouses’ roles in assisting new skilled migrants to adapt to their new homeland the Committee considers their role in gaining qualifying points for the applicant in the broader discussion of “adaptability”, below.

Points for relationships

- 8.34 **New Zealand** did not allocate points for applicants having a personal, as opposed to a work or study, connection with the country.
- 8.35 This contrasted with the **Canadian** approach. As reviewed below in “Adaptability”, a local relative meant that the applicant might score more points.
- 8.36 In **Australia** only applicants for the Skilled-Australian Sponsored visa category received an additional nine per cent of the possible total if they met the mandatory requirement for this visa class, which was to have a relative who was an Australian citizen or permanent resident and who was willing to sponsor them.

Conclusion

- 8.37 The Committee considered that those arrangements were appropriate.

¹⁶ 3%-5% for years of full-time education and post-secondary qualifications plus 5% for post-secondary study in Canada plus 5% if they had worked for one year in Canada up to a total for “adaptability” of 10%.

Bonus points

- 8.38 Under **Australia's** points score system, applicants might receive a maximum of three percent of the possible total points for one of three factors: local work experience, *or* fluency in a community language, *or* capital.

Local work experience

- 8.39 Local work was examined in the previous chapter under “work experience”.

Fluency in a community language

- 8.40 Fluency in one of Australia's 55 specified community languages¹⁷ (other than English) could qualify applicants for bonus points. In order to acquire the points, applicants had to be accredited at the professional level with the National Accreditation Authority for Translators and Interpreters or have gained a tertiary degree qualification which was taught in one of the languages.
- 8.41 **Canada** also awarded points for a second language but, as indicated above under “Language” this was limited to either French or English, the two official languages of a bi-lingual country.
- 8.42 **New Zealand** did not have this concept in its skilled migration scheme.

Conclusion

- 8.43 The Committee agreed that, in a multi-cultural society, it was appropriate to recognise migrants' skills in languages other than English through the current bonus points arrangement.

17 “Community languages” are: Afrikaans; Albanian; Arabic/Lebanese; Armenian; Bangla (Bengali); Bosnian; Bulgarian; Burmese; Chinese-Cantonese; Chinese-Mandarin; Croatian; Czech; Danish; Dutch; Estonian; Fijian; Filipino (Tagalog); Finnish; French; German; Greek; Hebrew; Hindi; Hungarian; Indonesian; Italian; Japanese; Khmer; Korean; Lao; Latvian; Lithuanian; Macedonian; Malay; Maltese; Norwegian; Persian; Polish; Portuguese; Punjabi; Romanian; Russian; Serbian; Sinhalese; Slovak; Slovene; Spanish; Swedish; Tamil; Thai; Turkish; Ukrainian; Urdu; Vietnamese; Yiddish. DIMIA, *General Skilled Migration* booklet.

Capital

- 8.44 Until late 2003 **New Zealand** allocated points for capital, but few skilled migrants scored points for this factor in 2002/3.¹⁸ The revised skilled migration program which began in December 2003 did not have points for capital.
- 8.45 **Canada** required skilled migrants who did not have a job offer to have sufficient funds to support themselves for six months but allocated no points for this. The sums involved ranged from CAN\$9,186 for a single person to CAN\$23,397 for a family of seven. Applicants with jobs were not required to fulfil this condition.¹⁹
- 8.46 Skilled Independent migrants to **Australia** might qualify for the bonus points if they placed a minimum of \$100,000 in an approved government investment for at least 12 months.
- 8.47 The Committee had decided to examine the role of capital in skilled migration when considering the mandatory requirements. The DIMIA information provided in the *General Skilled Migration* booklet about living costs in Australia indicated that if the \$100,000 capital was applied to meeting living costs, it could be sufficient to keep a single migrant for eight years, or a couple for five years.²⁰ Recalling that migrants were ineligible for social security payments for two years, it seemed to the Committee that migrants with \$100,000 in capital might prudently choose to keep it as a liquid asset to cushion themselves against unexpected contingencies, rather than invest it.
- 8.48 DIMIA told the Committee that there was no impediment to the use of the capital when the required investment term expired.²¹
- 8.49 The award of a bonus of three per cent of the possible total score was, in the Committee's estimation, an appropriate recognition of the applicant's temporary loss of access to the capital sum.

18 NZIS, Immigration Research Program, Trends in Residence Approvals 2002/2003; www.immigration.govt.nz/NR/rdonlyres/E0972AE3-EF13-4C33-A101-5F0E3AB5A0EE/0/Trendsinresidenceapproval0203.pdf

19 Approx AUSS\$9,700 – 24,600. Citizenship and Immigration Canada, *Proof of Funds*, www.cic.gc.ca/english/skilled/qual-4.html

20 \$225 per week is the estimated cost for a single person; \$365 for a couple. DIMIA, *General Skilled Migration booklet*, p. 46, www.immi.gov.au/allforms/booklets/1119.pdf

21 DIMIA, Submission No 25a, para 5(b).

Conclusion

8.50 In view of this, the Committee did not consider changing the points allocation for capital.

The concept of “Adaptability”

8.51 **Canada** and, until December 2003, **New Zealand**, awarded points for attributes which they assessed would assist migrants to settle into their new homeland. The concept of “adaptability” was mentioned earlier in this report in the context of the points test, but the Committee considered that it was useful to draw attention to the recognition of attributes which might assist migrants to establish themselves in their new homelands.

8.52 **New Zealand’s** points system, prior to the changes of December 2003, placed the points for settlers’ capital, local family sponsorship, spouse qualifications, and local work experience in the category of “Settlement Factors”.²² The latter two factors remained in the New Zealand points test after December 2003, but the concept of “Settlement Factors” was no longer used.

8.53 **Canada** grouped five characteristics under the heading “adaptability” and allocated up to 10 percent of the possible total score for any combination of them. They were:

- One year full-time authorized work in Canada by the applicant or their spouse (5%).
- Additional points if the applicant already had points allocated for arranged employment in Canada (5%).
- Spouse's education (3% – 5%).
- Two years full-time authorized post-secondary study in Canada by the applicant or their spouse (5%).
- Canadian relatives of the applicant or their spouse (5%).

22 NZIS, NZ IMMIGRATION INSTRUCTIONS: Amendment Circular No. 2003/06, www.immigration.govt.nz/operations_manual/amendment-circulars/amendment-circular-july-01-2003.html

- 8.54 **Australia’s** points scheme contained the following factors which resembled those included in Canada’s “Adaptability” component of the points test, but did not apply a generic title to them:
- Job offer associated with an occupation on the MODL (9%).
 - Australian qualifications (9%).
 - Study in regional Australia (3%).
 - Spouse skills (3%).
 - Bonus points equivalent to 3% for either Australian work experience or fluency in a community language.²³
- 8.55 Together these attributes contributed 27 per cent of the possible points total, almost the same proportion as the 28 per cent achievable under the Canadian arrangements if the Canadian allocations for a job offer (10%) and a second language (up to 8%) were included as “adaptability” factors to make them more comparable with Australia.
- 8.56 In examining the Canadian concept of “adaptability” the Committee recalled that it reviewed local work experience in the previous chapter. It recommends greater points weighting for this factor because of its importance to migrants in gaining employment and thus meeting aims of the skilled migration program of:
- enhancing both the size and the productivity of Australia's future labour force.²⁴
- 8.57 The Committee will also examine local work experience in the next chapter *Settling Well?*
- 8.58 When assessing the potential impact of the other “adaptability” factors on the points score, the Committee observed that, in contrast to Australia, the Canadian and New Zealand approaches gave more weight to the applicant’s spouse’s attributes – ten and eight per cent respectively, compared with Australia’s three per cent. The difference in their approach was more marked when the strict Australian requirements for five criteria to be fulfilled by the spouse to gain the three per cent²⁵ was compared with the multiple opportunities for the

23 Plus -for Skilled-Australian-sponsored only - 9% for a sponsoring local relative of the applicant or spouse.

24 DIMIA Annual Report 2001/02 p.21. www.immi.gov.au/annual_report/annrep02/report8.htm

25 Aged under 45; vocational English; post-secondary qualifications; occupation on the SOL; recent work experience; and skills assessed by the relevant Australian assessing authority. DIMIA, *General Skilled Migration to Australia: Basic requirements*, www.immi.gov.au/migration/skilled/basic_requirements.htm

spouse of the Canada-bound migrant to boost the points score by up to 10 per cent.

- 8.59 This attracted comment from the Committee because most skilled migrants brought their families. One in twenty of the spouses had initiated their family's decision to emigrate to Australia. They had to clear similar hurdles of English language skills, occupation, education etc as the primary applicant to contribute only three per cent of the total possible score.²⁶ Yet they were going to significantly influence the migrant's ability to settle well and contribute to the nation.
- 8.60 The Committee considers that, because of the importance of spouses' contribution to the successful settlement of the primary applicants and their dependents, their attributes should be given more weight in the points test.

Recommendation 10

- 8.61 **The Committee recommends that weighting given to spouse attributes in the points test be increased substantially to reflect the importance of their support to the primary applicant.**
- 8.62 The Committee also concludes that, in view of its recommended changes to the current mandatory age limit, the relevant spouse requirement should also be changed.

Recommendation 11

The Committee recommends that the requirement that the spouse be aged under 45 to score points for the "spouse skills" component of the points test be discontinued to retain consistency with the Committee's recommended changes to the age requirements for primary applicants.

²⁶ DIMIA, *Size of Migrating Units...*, Migrants Counts, Summary of findings for LSIA 2, www.immi.gov.au/research/lisia/lisia06_1.htm; "Table 3.1, Person whose idea it was" in NILS *Life in a New Land: The Experience of Migrants in...*, p.44; www.immi.gov.au/research/publications/lisia/index.htm

Conclusion

- 8.63 Although they were not well sign-posted as such, Australia's points test emphasised personal attributes which improve the skilled migrants' potential to adapt to a new country.

Summary

- 8.64 The Committee concludes that the points allocated for personal attributes not directly related to work experience are intended to maximise the benefit to Australia of skilled migration. The intent of the points system is to favour selection of young and English speaking migrants who, because of their skills, can be expected to quickly contribute to the Australian economy.
- 8.65 The Committee considers that it is also important that skilled migrants should be able to settle readily into Australian society through access to good employment opportunities on arrival.
- 8.66 The Committee therefore examines the settlement arrangements provided for skilled migrants in Australia in the following chapter.

Settling well?

- 9.1 One measure of how well skilled migrants were settling was that less than three per cent of them had left Australia permanently within five years of arrival.¹
- 9.2 The vast majority who remained were asked about their move to Australia. The skilled migrants were overwhelmingly positive in their responses. Approximately three quarters had already decided to take out Australian citizenship. More than nine of every ten primary applicants told DIMIA that they were satisfied or very satisfied with life in Australia, and the same proportions thought that their decision to migrate was correct. Slightly fewer, but in excess of 85 per cent said they would encourage others to migrate to Australia. Approximately half were more satisfied with life in Australia than in their former home country and approximately one third were about as satisfied as they had been at home. The longer they remained in Australia, the more satisfied they became.²
- 9.3 The Committee considered that migrants were likely to be predisposed to believe that their move was a good idea, so the question for the Committee was whether migrants were settling well, as they appeared to say, or whether they were downplaying any negatives in their responses to what was a DIMIA questionnaire.³
- 9.4 The Committee turned to another piece of DIMIA research, *Settlement Factors and Benchmarks* based on DIMIA's *Longitudinal Survey of*

1 DIMIA, Submission 25(a), para 8.

2 DIMIA, *Settlement: Summary of findings for LSIA2* in Sample Reports from LSIA2, www.immi.gov.au/lisia/lisia.06.htm

3 The survey was conducted by AC Neilsen on behalf of DIMIA.

Immigrants in Australia (LSIA). The indicators of potential and actual settlement success which were developed as part of the project indicated that:

migrants are more likely to achieve parity with ... [Australians] in economic participation and wellbeing before they achieve parity in social participation.⁴

- 9.5 The Committee had previously addressed the importance of applicant's spouses in the settlement process,⁵ so concentrated its examination of whether skilled migrants were settling well on factors directly related to a migration program based on skills.
- 9.6 The indicators chosen from the LSIA analysis as those representing economic participation were:
- labour force participation rate;
 - unemployment rate;
 - job satisfaction; and
 - occupational distribution.⁶

Labour force participation

- 9.7 Data for Skilled Independent and Skilled-Australia Linked migrants indicated that they generally had a higher participation rate than other migrants shortly after arrival, and also a higher participation rate than the local labour market.⁷

Conclusion

- 9.8 By this LSIA measure, skilled migrants were settling well.

4 S-E Khoo, P. McDonald, "Settlement Indicators and Benchmarks", Australian Centre for Population Research, October 2001, p. vi: Appendix 20 to DIMIA Submission No. 25.

5 See *Permanent Migration – personal points*.

6 S-E Khoo, P. McDonald, "Settlement Indicators and Benchmarks", Australian Centre for Population Research, October 2001, p. 4. Appendix 20 to DIMIA Submission No. 25.

7 For the 1999-2000 arrivals the participation rates were nearly 90%, compared with 54% for family stream; 65% for business skills and employer nominated, and 16% for humanitarian stream migrants. DIMIA, *Labour Force Status... Primary Applicants*, in Sample Reports from LSIA2, www.immi.gov.au/lsia/lsia.06.htm. National participation rate approximately 65%, Australian Bureau of Statistics (ABS) Year Book Australia 2003- *Labour Characteristics of the labour force*.

Unemployment

- 9.9 The DIMIA *General Skilled Migration* booklet stated that:
- approval to migrate...does not guarantee employment even for applicants who are highly skilled.⁸
- 9.10 In the first six months after arrival, 45 per cent of all migrants in the LSIA study indicated that they had been unemployed for half that time. An equivalent proportion (46%), however, reported that they had “never” been unemployed in those first six months in Australia.
- 9.11 Six months after arrival in Australia the unemployment rate for Skilled Independent settlers was nine per cent and 21 per cent for Skilled-Australia Linked migrants. Business Skills and Employer Nomination Scheme arrivals reported unemployment rates of four per cent.
- 9.12 The average unemployment rate fell away markedly in the subsequent year to less than seven per cent within 18 months of arrival.⁹ The comparable unemployment rate in the Australian labour market was between six and seven per cent.¹⁰ In Canada the unemployment rate for the closest equivalent group, the economic class migrants, was 41 per cent,¹¹ and in New Zealand 16 per cent of the skilled/business principal applicants remained unemployed after 18 months.¹²
- 9.13 After 18 months Australia’s skilled migrants were settling well, as judged by their unemployment rate.
- 9.14 Prior to that, however, the unemployment rates were higher and the Skilled Migrant Network argued that:
- as many skilled migrants experience severe economic hardship it is important that the government provides some assistance to families. Migrants have made a

8 DIMIA, *General Skilled Migration* booklet, p. 47, http://dima.cardgate.net/General_Skilled_Migration/1119.pdf

9 For the 1999-2000 arrivals unemployment was: 7% for Skilled Independent; 6% for Skilled-Australia Linked; 0% for Business Skills and Employer Nomination; 21% for family stream; and 75% for humanitarian stream migrants. DIMIA, *Labour Force Status... and Periods of Unemployment... Primary Applicants*, in Sample Reports from LSIA2, www.immi.gov.au/lsia/lsia.06.htm.

10 National unemployment rate 2000-2003 fluctuated between 6.2% and 6.9%. ABS, *Measuring Australia's Economy* Section 7. Labour Force and Demography - Unemployment and Labour Force Participation,

11 “Labour market entry”, Longitudinal Survey of Immigrants to Canada: Process, progress and prospects, www.statcan.ca/english/freepub/89-611-XIE/labour.htm National unemployment rate approximately 7.5%. OECD *Standardised Unemployment Rates - July 2003* <http://www1.oecd.org/std/sur.pdf>

12 OECD Economic Surveys, Volume 2003, Supplement No. 3 - January 2004, *New Zealand*, p. 103. National unemployment rate between 5% and 5%, OECD *Standardised Unemployment Rates - July 2003* www1.oecd.org/std/sur.pdf

major investment in leaving good jobs in our own countries and migrating to Australia.¹³

- 9.15 The Committee examines government assistance later in this chapter, but recalled that the DIMIA *General Skilled Migration* booklet had warned intending skilled migrants that:

It is very important to understand that you should have enough resources to keep yourself (and your dependants) for at least your first 2 years in Australia. There is no alternative Government support program... A... Special Benefit may be available... if you are in hardship because of a substantial chance in circumstances beyond your control... [but] inability to find a job or running out of money are not sufficient reasons.¹⁴

- 9.16 The Committee considered that this was a sufficient indication to intending migrants of their need to have adequate finances to support their voluntary move to Australia, and the necessity of finding employment.

- 9.17 However, the Skilled Migrant Network's comment reminded the Committee that not all skilled migrants came to Australia under the skilled migration scheme, and therefore might not find employment as readily as those who had. For example, as Mr Kinnaird highlighted:

in 1999-2000, 1,011 computer professionals who were principal applicants under the skilled migration program arrived in Australia. Another 767 arrived with visas granted under the various family, humanitarian... entry provisions.¹⁵

Conclusion

- 9.18 Judged against local and overseas unemployment rates, skilled migrants were settling well in Australia within 18 months of arrival.
- 9.19 Labour force outcomes were but one indicator of how well new skilled migrants were settling in Australia, so the Committee was wary of equating their integration into the work force as absolute evidence that they were settling well. To the Committee, the migrants' satisfaction with their Australian employment and their

13 Skilled Migrant Network, Submission No. 50, p. 3.

14 DIMIA, *General Skilled Migration* booklet, pp. 47-48.

15 Mr B. Kinnaird, Submission No. 38, p. 12.

occupations prior to and after migration would also reveal measures of how well skilled migrants were settling in to their new country.

Job satisfaction

9.20 Job satisfaction has been identified as:

an indicator that the migrant has employment that is commensurate with his skill and qualifications.¹⁶

9.21 A DIMIA report on *The Labour Force Experience of New Migrants* indicated that some 53 per cent of economic migrants who arrived in 1999/2000 either “loved or really liked their job”.¹⁷

9.22 To the Committee, this appeared to be a disappointing outcome for schemes which were intended to select migrants with sound job prospects. That nearly half the economic migrants were not satisfied with their jobs might indicate that they may not be getting appropriate jobs and, consequently, Australia was not obtaining optimum benefit from some of its new residents’ skills.

9.23 Additionally, there was evidence that migrants themselves did not feel settled in the labour market until they were employed in jobs related to their previous experience.¹⁸

9.24 The Committee therefore sought evidence which might identify the extent to which skilled migrants were able to maintain their occupational status.

Occupational distribution

9.25 Under this heading the Committee compared occupations before and after migration. Initially looking overseas to Canada, the Committee discovered that migrants there experienced major changes to their occupations. Prior to arriving, one third were employed in “natural and applied sciences and related occupations”. This proportion collapsed to 14 per cent after they moved to Canada. Conversely,

16 S-E Khoo, P. McDonald, “Settlement Indicators and Benchmarks”, Australian Centre for Population Research, October 2001, pp. 25, 5. Appendix 20 to DIMIA Submission No. 25

17 *Economic migrants = Independent and Concessional Family/Skilled-Australian*, DIMIA, *The Labour Force Experience of New Migrants*, 2001, p. 43, p.84 electronic version www.immi.gov.au/research/publications/labour_force/nilsreport.pdf

18 M. Ip, “Successful settlement of migrants and relevant factors for setting immigration targets”, paper presented at The Population Conference, Te Papa Tongarewa, New Zealand: 12- 14 November.1997, cited in M. Benson-Rea, S. Rawlinson, “Highly Skilled and Business Migrants: Information Processes and Settlement Outcomes”, *International Migration* Vol. 41 (2) 2003 p. 65.

11 per cent were employed in “sales and service” prior to migrating and 30 per cent subsequent to arrival.¹⁹ The large shifts identified may well have been the result of the Canadian philosophy of recruiting people able to adapt or re-invent themselves.

9.26 In Australia, which sought migrants with specified skills, survey data did not identify such stark downward mobility as was evident in Canada. Table 9.1 below summarises migrants’ pre- and post-migration occupations.

Table 9.1: Selected occupations prior to and after arrival²⁰

Occupation prior to migration	Occupation after migration (%)					Total
	Managers, administrators	Professionals	Associate professionals	Tradespersons	Other	
Managers, administrators	46.9	17.7	10.8	0.4	24.2	100
Professionals	1.9	66.5	5.4	1.6	24.6	100
Associate professionals	3.6	7.9	37.4	14.6	36.5	100
Tradespersons	0.4	2.2	2.7	68.1	26.6	100

KEY



Potential decline in occupation status

9.27 It is evident from the shaded areas of the table that that some skilled migrants probably found themselves in jobs which might be considered inferior to those which they had prior to migration. Fewer than half of migrants who had been managers and administrators prior to arrival were in those occupations after arrival. This, the Committee judged, was not an optimum outcome for migrants recruited on the basis of their special skills.

9.28 However, the loss to Australia may not have been as severe as the changes in occupation might indicate because most migrants were still using the qualifications in their work. Nearly three quarters of the skilled migrants with qualifications used those qualifications all or most of the time.²¹ This may be compared to the just over 68 per cent

19 Table: Major Occupation Groups..., *Highlights of the Longitudinal Survey of Immigrants to Canada*; Longitudinal Survey of Immigrants to Canada, *The Daily*, 4/9/03 Statistics Canada, www.statcan.ca/Daily/English/030904/d030904.htm and www.statcan.ca/english/freepub/89-611-XIE/free.htm

20 DIMIA, *The Labour Force Experience of New Migrants*, 2001, Table 4a, electronic version, www.immi.gov.au/research/publications/labour_force/nilsreport.pdf

21 Independent: *all* = 58%, *most* = 14%; ENS/Business: *all* = 62%, *most* = 12%. See DIMIA, *The Labour force Experience of New Migrants*, p. 65, electronic version, www.immi.gov.au/research/publications/labour_force/nilsreport.pdf Comparable data in DIMIA, Submission No. 25(a), Table 10 records: “*very often/often*” = 64% of Independent and 91% ENS.

of migrants in all streams who used their qualifications all or most of the time prior to moving to Australia. Approximately one in five did not use their qualifications at all after arrival, but a similar proportion of migrants had not used their qualifications in their jobs prior to migrating.²²

- 9.29 This information, and the details of pre-and post-arrival occupations, identified the presence of some under-employment among skilled migrants.

De-skilling

- 9.30 De-skilling of migrants occurred when they did not use their skills in their new homeland, so that:

the migration of some of the highly skilled workers may not be part of a highly skilled migration system at all, with the ‘deskilling’ of the skilled as they are thrust into more lowly occupational categories in destinations.²³

- 9.31 Both Canada and New Zealand identified de-skilling of migrants as a problem with their skilled migration programs – the “taxi driver syndrome”. In 2003 the Canadian Standing Committee on Citizenship and Immigration had commented adversely on “the PhD who ends up driving a taxi”.²⁴

- 9.32 New Zealand warned intending migrants that:

it is common for more highly qualified migrants to accept more junior positions than they held at home.²⁵

- 9.33 In mid 2003 New Zealand began to revise its migration program to avoid:

skilled migrants driving taxis, cooking hamburgers and cleaning offices²⁶...

22 DIMIA, *The Labour force Experience of New Migrants*, p. 65, electronic version, , www.immi.gov.au/research/publications/labour_force/nilsreport.pdf

23 R. Skeldon, “Introduction” to OECD, *Migration and the Labour Market in Asia: Recent Trends and Policies*, 2002, p. 11

24 Canada, Standing Committee On Citizenship And Immigration, *Settlement And Integration: A Sense Of Belonging - “Feeling At Home”*, p. 12. www.parl.gc.ca/InfoComDoc/37/2/CIMM/Studies/Reports/cimmp05/cimmp05-e.pdf

25 NZIS, *Settlement Pack* No. 4: Work, pp 1, 5. www.immigration.govt.nz/NR/rdonlyres/CDF2ACB2-BE92-4EE6-8E21-9F419FD183CD/0/IMM272804work.pdf

26 Briefing Notes: Skilled Immigration policy announcements, 1 July 2003, www.immigration.govt.nz/NR/rdonlyres/A645DDAC-3E40-44A1-8691-67884781022F/0/mediarelease010703briefingnotes.pdf

[The] government believes that the only true measure of success of any skilled immigration policy is the successful settlement of the migrant, who is able to 'hit the ground running' and make a successful contribution to New Zealand's social and economic well-being.²⁷

9.34 De-skilling through employment in jobs not requiring their specific skills was an important theme in evidence to the Committee.

There were 3,728 settlers arriving in Australia over the period 1997-98 to 1999-2000 who indicated that they were engineers. However, it cannot be assumed that they worked within their profession because between 1997 and 2000, there was a decline in the number of persons employed as professional engineers.²⁸

Migrants, although having gained residency in Australia through their skills, too often end up working in other industries because there is no call for their knowledge in the local marketplace.²⁹

Migrants who do not have a job offer [before migration] are more likely to be forced to accept employment below their capabilities.³⁰

In this situation, we lose continuity in our skill areas, thus falling further behind in our professions.³¹

9.35 The DIMIA review of settlement services in Australia also reported that:

the strongest messages from public consultations and submissions have been that new arrivals face considerable difficulty in obtaining employment... and see a need for more... opportunities to gain work experience in the Australian labour market.³²

27 Hon Lianne Dalziel, Skilled Immigration Policy Announcement, 1/7/03. www.beehive.govt.nz/dalziel/skilled-immigration/briefing-notes.cfm

28 B Birrell, I Dobson, V Rapson and TF Smith *Skilled Labour: Gains and Losses*, Centre for Population and Urban Research, Monash University, (2001), pp 14-16, quoted in NSW Government, Submission No. 37, p. 7.

29 Rock Resourcing, Submission No. 7, p. 2.

30 YaIe-Loehr, S. and Erhhardt, C., "Immigration and Human Capital: a theoretical, comparative and practical perspective", presented to *National Skilling: Migration Labour and the Law: An International Symposium*, University of Sydney, November 23-24, 2000. quoted in Institution of Engineers Australia, Submission No. 10, p. 16.

31 Skilled Migrant Network, Evidence, p. 180.

32 DIMIA, *Report of the Review of Settlement Services for Migrants and Humanitarian Entrants*, May 2003, p. 117, www.immi.gov.au/settle/settle_review/

- 9.36 Some submissions elaborated on this theme, drawing the Committee's attention to possible causes of mismatches between pre- and post-migration occupations:

Government issues permanent resident visas to skilled migrants aimed at reducing the shortage of certain skills that are in demand. However, due to a number of barriers, migrants find it very difficult to find work in their own profession and land up doing all sorts of odd jobs.³³

I have met ex-teachers, ex-engineers, ex-university lecturers, ex-professionals from other countries who are now cleaners, shoe repairmen, cab drivers because they cannot get accreditation or acknowledgement of their years of expertise.³⁴

- 9.37 These examples included not only migrants who had come to Australia under skilled migration arrangements but also others with skills who arrived under other schemes, such as family reunion or humanitarian arrangements.
- 9.38 The Committee examined data from the 2001 census for migrants with post-graduate qualifications. As Table 9.2 shows, 59 per cent were managers, administrators, professionals or associate professionals, whereas the equivalent figure for the native-born with post-graduate qualifications was 84 per cent. Migrants might therefore not be using their qualifications to their best advantage or may have experienced difficulty in having their qualifications recognised.
- 9.39 Data from LSIA provided a more detailed context for the Committee's review. Approximately one in five skilled migrants arriving in 1999/2000 reported that the main difficulty in finding work in the first six months was insufficient local experience.³⁵ This was approximately double the proportion of the unemployed in Australia identifying "insufficient work experience" as their main difficulty in finding work.³⁶

33 Mr O Dhungel, Submission No. 9, p. 1.

34 Ms K Cheng, Submission No. 16, pp. 1-2.

35 Skilled Australia Linked = 20%, Independent = 16%. DIMIA, *Difficulties in Finding Work*, Sample Reports from LSIA2, www.immi.gov.au/lisia/lisia.06.htm

36 11.6%. ABS, Yearbook Australia 2003, citing *Job Search Experience*, Australia, July 2001 (ABS pub No. 6222.0).

Table 9.2: Employment of persons with Post-Graduate Qualifications in 2001³⁷

MIGRANTS WHO ARRIVED 1995-2000						
Year of arrival	Employed in 2001 as:				Unemployed or not in the labour force	Total
	Manager ³⁸	Professional ³⁹	Associate Professional ⁴⁰	Other		
1995	422	2,043	312	559	788	4,124
1996	416	1,981	279	565	821	4,062
1997	397	1,929	267	607	910	4,110
1998	495	2,101	287	864	1,209	4,956
1999	532	2,392	342	1,035	1,685	5,986
2000	550	2,462	300	1,025	2,033	6,370
TOTAL 1995-2000	2,812	12,908	1,787	4,655	7,446	29,608
%	9.5	43.6	6.0	15.7	25.2	100

AUSTRALIAN BORN						
Total	26,627	81,502	8,645	7,329	13,466	137,667
%	19.3	59.2	6.3	5.3	9.8	100

9.40 Few of the Skilled Independent migrants had found lack of recognition of qualifications was an impediment, but for those in the Skilled-Australia Sponsored schemes, it was the second most common hurdle.⁴¹

9.41 Both Canada and New Zealand had identified lack of skill recognition as a barrier to employment under their skilled migration arrangements, although there was not always a clear division between recognition of experience and recognition of qualifications.⁴²

37 Unpublished ABS data from 2001 Census.

38 I.e.: Generalist, specialist and farm managers, farmers.

39 I.e.: Professionals in Science; Building; Engineering; Business; Information; Health & Education.

40 I.e.: Associate Professionals in Science, Engineering & Related; Business & Administration; Managing Supervisors in Sales & Service; Information, Health & Welfare. Etc.

41 DIMIA, *Difficulties in Finding Work*, Sample Reports from LSIA2, www.immi.gov.au/lisia/lisia.06.htm

42 **Canada:** *Settlement And Integration: A Sense Of Belonging "Feeling At Home"*, Report Of The Standing Committee On Citizenship And Immigration, June 2003p. 3.

www.parl.gc.ca/InfoComDoc/37/2/CIMM/Studies/Reports/cimmrp05/cimmrp05-e.pdf **New Zealand,** M. Benson-Rea, S. Rawlinson, "Highly Skilled and Business Migrants: Information Processes and Settlement Outcomes", *International Migration* Vol. 41 (2) 2003 p. 65.

Twenty-four per cent of new immigrants to **Canada** cited transferability of foreign qualifications or experience as the most critical obstacle when looking for work.⁴³ Intending migrants to **New Zealand** were advised that their previous experience would not automatically be recognised.⁴⁴

- 9.42 A 2003 International Labour Organisation paper remarked on:
- criticism... that only a third of the nurses from non-English speaking countries have their qualifications recognized immediately in Australia.⁴⁵
- 9.43 The divergence between the occupations of migrants with high level qualifications and locally-born with similar qualifications, together with evidence provided by witnesses and the LSIA data, prompted the Committee to investigate the main reported barriers to more gainful employment of skilled migrants – lack of local work experience and the lack of recognition of overseas qualifications.

Local experience

- 9.44 According to the Skilled Migrant Network:
- on being selected for visas to Australia on the basis of our skills, we arrive in the country without any previous orientation, settlement program or network to support us.⁴⁶
- 9.45 The Network's interviews with more than 100 skilled migrants who faced difficulties in finding jobs indicated that, for them:
- employers do not... recognize overseas experience and qualifications, especially from developing countries... Employment in government jobs is also difficult... overseas experience is not recognised⁴⁷
- 9.46 The Institution of Engineers Australia concluded that:
- migrants are being underutilised when they come in under the independent stream... they do not have relevant Australian experience.⁴⁸

43 Statistics Canada, Highlights of the Longitudinal Survey of Immigrants to Canada, www.statcan.ca/english/freepub/89-611-XIE/free.htm

44 NZIS, *Settlement Pack* No. 4: Work, pp 1, 5. www.immigration.govt.nz/NR/rdonlyres/CDF2ACB2-BE92-4EE6-8E21-9F419FD183CD/0/IMM272804work.pdf

45 P. Martin, *Highly Skilled Labor Migration: Sharing the Benefits*, International Institute for Labour Studies, Geneva 2003. www.ilo.org/public/english/bureau/inst/download/migration2.pdf

46 Skilled Migrant Network, Evidence, p. 180.

47 Skilled Migrant Network, Submission No. 50, p. 1.

48 Institution of Engineers, Australia, Evidence, p. 59.

- 9.47 The Victorian Government also commented on this, saying that:
- many skilled migrants face difficulties in obtaining employment... employer reluctance to accept ... overseas qualified and experienced professionals without local work experience.⁴⁹
- 9.48 DIMIA remarked to the Committee that, as to:
- whether Australian employers value that particular experience. In some instances, the evidence suggests that they do. In others, it suggests that they do not.⁵⁰
- 9.49 The Department of Education, Science and Training (DEST) advised the Committee that:
- the professional recognition process, per se, does not require Australian experience.⁵¹
- 9.50 The Institution of Engineers Australia clarified some of the reasons why employers might seek local experience:
- a lot of standards in Australia are uniquely Australian. OH&S requirements in Australia are completely different from overseas. So the experience that a lot of employers require is 'How does it work in Australia', not the broader...principles.⁵²
- 9.51 This issue was thrown into sharper focus by the Skilled Migrant Network's survey which indicated that:
- as feedback for not being called for interviews by employers and recruitment agents, 99% give lack of local experience.⁵³
- 9.52 The Network's survey concentrated on skilled individuals who were still seeking employment. LSIA data, drawn from interviews with skilled migrants who had arrived in 1999/2000, confirmed that their main difficulty in finding work in the first six months was insufficient local experience.⁵⁴

49 Victorian Government, Submission No. 58, p. 3.

50 DIMIA, Evidence, p. 7.

51 Department of Education, Science and Training (DEST), Evidence, p. 27.

52 Institution of Engineers, Evidence, p. 62.

53 Skilled Migrant Network, Submission No. 50, p. 1.

54 16% of Skilled Independent, 20% of Skilled-Australia Sponsored. DIMIA, *Difficulties in Finding Work*, Sample Reports from LSIA2, www.immi.gov.au/lsia/lsia.06.htm

9.53 In addition, some skilled migrants had also to gain local knowledge of:

how to write resumes and cover letters and learn interview techniques for the Australian job market⁵⁵

9.54 According to the New South Wales State Government:

The skilled migrant must choose between short-term survival over long term establishment... to accept a position that is unskilled or semi-skilled... creates a cycle of long hours, low wages, inability to pay fees for educational bridging courses or other appropriate training, and discontinuity within their professional field.⁵⁶

9.55 The Committee examined potential avenues for improving migrants' local experience.

Gaining local experience

9.56 Migrants might acquire local work experience prior to migrating. According to LSIA two thirds of primary applicants and one half of the spouses had spent time in Australia, most commonly on tourist or visitor visas.⁵⁷

9.57 The Committee recalled that the 2002 review of the temporary entry program had reported that a:

key element of Australia's temporary residence program is that temporary residents can apply for permanent visas should they wish to do so... It is... important that the pathways to permanent residence for these skilled workers are clear (eg in client information) and accessible, so that Australia can retain such workers permanently if possible.⁵⁸

9.58 According to the DIMIA website, there were 23 different visa subclasses which might permit temporary residents to work in Australia and acquire local experience.⁵⁹ In this connection the Committee considered three major groups, Students; Working Holiday Makers; and Temporary Business entrants. These groups

55 Skilled Migrant Network, Evidence, p. 180.

56 New South Wales Government, Submission No. 37, p. 8.

57 Approximately 30% were on visitor/tourist visas. DIMIA, Submission No. 25(a), Tables 15, 18. They spent three months or more in Australia prior to migrating: 3-6 months = 55.0%; 6+ months = 42.2%. DIMIA, *The Labour Force Experience of New Migrants*, 2001, p. 20 electronic version, www.immi.gov.au/research/publications/labour_force/nilsreport.pdf

58 DIMIA, *In Australia's Interests - A Review of the Temporary Residence Program*, para 2.97. www.immi.gov.au/general/temp_res_report/chapter_2.pdf

59 DIMIA, *Temporary Residence in Australia*, www.immi.gov.au/allforms/temp_res.htm

generated large numbers of visas in 2002/3⁶⁰ which might be expected to have given those visitors an opportunity to work.⁶¹

Students

9.59 One in six of the primary applicants in 1999/2000 were known to have been students in Australia.⁶² Students (162,575 visas in 2002/3) could seek permission to work only after they had commenced studies in Australia, and any local experience might therefore relate to the labour market generally, rather than to a specific field of skilled employment.⁶³

Working holiday makers

9.60 Possibly five per cent of skilled migrants had spent time in Australia on a working holiday maker visa.⁶⁴ The Working Holiday arrangements (88,758 visas in 2002/3) were restricted to people aged between 18 and 30 from countries with reciprocal agreements with Australia. The visa permitted them to holiday in Australia for 12 months and to supplement their travel funds through temporary or casual work for no more than three months with any one employer.⁶⁵

9.61 The Tourism Task Force alerted the Committee to a survey of backpackers⁶⁶ which revealed that two in every three who had been in Australia for six months or more had found temporary employment.⁶⁷

9.62 A DIMIA-sponsored study arising from an earlier Committee review of working holiday makers⁶⁸ found that 85 per cent of working holiday makers worked while in Australia, but four in five of their jobs had been low skilled.⁶⁹

9.63 If this survey reflected the experience of all those on Working Holiday visas, then approximately one in ten had worked as a professional or

60 DIMIA, *Annual Report 2002/3*, Temporary Business, p. 38; Working Holiday Program, p. 31; Students, p. 35.

61 Other temporary residence visas which might permit relevant skilled work experience were: **Occupational Trainees** – only permitted to work in a training program at least 70% workplace-based; **Employee Exchange** skilled people wanting to broaden their work experience in Australia under reciprocal arrangements. DIMIA, *Other visa options for Temporary Residence in Australia*. www.immi.gov.au/allforms/temp_res.htm; **Professional Development** in a tailored development program designed by an Australian sponsoring organisation; DIMIA, *What is the Professional Development Visa*. www.immi.gov.au/allforms/pdv/01.htm

62 DIMIA, Submission No. 25(a), Tables 15-16.

63 DIMIA, *Working While Studying*, www.immi.gov.au/study/working/index.htm

64 DIMIA, Submission No. 25(a), Tables 15-16.

65 DIMIA, *Working Holiday Makers*, www.immi.gov.au/allforms/visiting_whm.htm

66 Tourism Task Force, Submission No. 29, p. 3.

67 Banking/finance/accounting = 3.7%; Healthcare = 1.8%; Engineering = 1.7%; ICT = 1%. NT/Student Uni Travel, *Backpackers Uncovered January 2003*, Q 34., <http://atc.australia.com/cms/pdf/Backpackersjan03.pdf>

68 Joint Standing Committee on Migration, *Working Holiday Makers: More than Tourists*, August 1997.

69 G. Harding, E. Webster, *The Working Holiday Scheme and the Australian Labour Market*, Melbourne Institute of Applied Economic and Social Research, September 2002, pp. 5-6.

associate and three per cent as a tradesperson, so possibly 12,000 had gained experience in skilled occupations in Australia in 2002/3.

Temporary Business (Long Stay)

- 9.64 Approximately eight per cent of skilled migrants had been temporary residents prior to applying to migrate, but there were no data about the precise nature of their visas.⁷⁰ The 56,234 Temporary Business (Long Stay) visas in 2002/3 permitted Australian businesses to sponsor personnel from overseas to work in Australia temporarily for up to four years, provided that the businesses were unable to meet their skill needs from within the Australian labour force.⁷¹
- 9.65 In 2002/3 more than half of the applications for the Temporary Business (Long Stay) visa were made by people already in Australia.⁷² In his submission to the Committee, Mr B. Kinnaird cited DIMIA data which showed that one quarter were on working holidays, a further 24 per cent were tourists, and 18 per cent were on short-stay business visas.⁷³
- 9.66 In Tasmania, the Committee was informed, most skilled migrants are sponsored by employers.⁷⁴ The Committee expected that employers would not sponsor employees without some acquaintantance with their abilities. If this meant that they sponsored people who had already been working for them then, as Mr Kinnaird pointed out, those on tourist visas could not have been working lawfully because tourists were expressly prohibited from working. The Committee observed that, generally, those with short-stay business visas also “should not be employed in Australia.”⁷⁵
- 9.67 Whether or not their employment was lawful, the data indicated that these were indeed avenues through which intending skilled migrants could gain local experience which might assist them in the labour market. In 2000/1 possibly one in twenty working holiday makers was sponsored to a Temporary Business (Long Stay) visa, giving them immediate access to potentially prolonged local labour market experience.⁷⁶

70 DIMIA, Submission No. 25(a), Tables 15-16.

71 DIMIA, Temporary Business (Long Stay) visa, www.immi.gov.au/faq/temporary/temporary05.htm#how 32,568 out of 56,234. DIMIA, *Annual Report 2002/3*, p. 38.

72 Mr B. Kinnaird, Submission No. 38, p. 4.

73 Tasmanian Government, Submission No. 22, p. 3.

74 Mr B. Kinnaird, Submission No. 38, p. 4; DIMIA, *Frequently Asked Questions: Tourist/holiday visa*, www.immi.gov.au/faq/visitor/visitor01.htm#have; *Can I undertake paid employment while holding a Business visa (Short Stay)?* www.immi.gov.au/faq/visitor/visitor04.htm#undertake

75 76,500 working Holiday Maker visas were issued and 3,165 Working Holiday Makers were sponsored to a Business Short-stay Visa. DIMIA, *Annual Report 2000/01*, p. 35; Mr B. Kinnaird, Submission No. 38, p. 4.

9.68 In its 2001 review of State-specific Migration Mechanisms the Committee commented on another role of the Temporary Business (Long Stay) visa which was its function as an avenue to permanent settlement.⁷⁷ In 2002/3 nearly 7,000 holders of Temporary Business (Long Stay) visas applied for permanent residence.⁷⁸

9.69 Not all skilled migrants had, or would have been able to use such opportunities to gain local experience. Those without prior experience would, according to DIMIA's analysis of LSIA, discover that:

lack of local experience...is likely to be a temporary problem, and suggests that many of those who were looking for work... would be likely to find a job... as they gain local knowledge.⁷⁹

9.70 The Committee was sceptical of this apparently optimistic claim and therefore examined the on-shore resources currently available to assist skilled migrants to enter the job market through providing access to local experience.

Post-arrival opportunities

9.71 For the minority using the internet⁸⁰ DIMIA's *Immigration Portal* operated primarily as a gateway to immigration information for people living in Australia and provided information about job-seeking.⁸¹

9.72 The National Integrated Settlement Strategy (NISS) provided a planning framework within which Commonwealth, State/Territory and local government agencies, and community organisations work together. They provide migrants, refugees and humanitarian entrants with services essential to their settlement and to help them to access those services when they need them so that they become independent, productive members of the community as quickly as possible.⁸²

77 Joint Standing Committee on Migration, *New Faces, New Places: Review of State-specific Migration Mechanisms*, August 2001, Chapters 4 and 7.

78 6,953: DIMIA, *Annual Report 2002/03*, p. 39.

79 DIMIA, *The Labour force Experience of New Migrants*, p. 57, electronic version, www.immi.gov.au/research/publications/labour_force/nilsreport.pdf

80 37 % of the Australian population, ABS Publication No. 2056.0, *Australia Online: How Australians are using Computers and the Internet 2001*.

81 DIMIA, <http://immigrationportal.gov.au>, following prompts to *Information for newly arrived migrants > Frequently asked questions > How do I find work in Australia?*

82 Strategy components include: Annual Federal/State/Territory **Ministerial Council on Immigration and Multicultural Affairs**; DIMIA/State/Territory/ Local Government Association officials' **Standing Committee on Immigration and Multicultural Affairs**; and Inter-departmental working groups at the State/Territory/national level. DIMIA Fact Sheet 93 *The National Integrated Settlement Strategy*.

- 9.73 The DIMIA Community Settlement Services Scheme provided funding to not-for-profit community organisations and local government bodies to deliver settlement service to newly arrived migrants and refugees experiencing significant barriers to settlement.⁸³ Through the Migrant Resource Centre/Migrant Service Agency network migrants were offered settlement information, orientation and referral services.⁸⁴
- 9.74 The Committee noted that these resources catered for migrants facing significant obstacles to settlement. The priority client groups for DIMIA in 2003 were refugee and humanitarian entrants; migrants living in rural and regional areas; small and emerging migrant communities; and migrant groups with additional settlement needs.⁸⁵
- 9.75 Such settlement service priorities were not relevant to those in the skilled migration stream who had been specifically selected because of their ability to “quickly make a contribution to the Australian economy”.⁸⁶ Consequently, as DIMIA indicated to the Committee:
- most specialised settlement services do not serve skilled migrant categories.⁸⁷
- 9.76 The Northern Territory commented on this, attributing it to the focus on:
- providing settlement services to new and emerging communities and humanitarian entrants. The earlier concept of settlement services for life appears to have changed to short to medium term assistance and moving migrants into mainstream services.⁸⁸
- 9.77 As the New South Wales Government explained, those services could be of limited utility because:
- skilled migrants resident in Australia for less than 2 years are not eligible for the full range of Job Network Services. Job Network services are not staffed or funded adequately to meet additional needs of skilled migrants.⁸⁹

www.immi.gov.au/facts/93niss.htm

83 DIMIA, Community Settlement Services Scheme, www.immi.gov.au/grants/csss.htm

84 DIMIA, Fact Sheet 92. *Migrant Community Services*, www.immi.gov.au/facts/92funding.htm

85 DIMIA, Community Settlement Services Scheme, www.immi.gov.au/grants/csss.htm

86 DIMIA, General Skilled Migration to Australia, www.immi.gov.au/migration/skilled/index.htm

87 DIMIA, Submission No. 25, p. 66.

88 Northern Territory Government, Submission No. 40, p. 5.

89 New South Wales Government, Submission No. 37, pp. 6-7.

- 9.78 DIMIA, however, advised visitors to its website that:
- Job Network can immediately help newly-arrived migrants, who are subject to the two-year waiting period, to find a job through Job Matching, and referrals for overseas skills recognition.⁹⁰
- 9.79 The Committee’s research indicated that the potential assistance with gaining local work experience depended on the approach taken in individual communities. Centrelink in Wagga Wagga, for example, held local job workshops for migrants.⁹¹ The Illawarra Migrant Resource Centre provided links on its website to other sites covering settling in Australia; recognition of qualifications; job vacancies and education opportunities.⁹²
- 9.80 Fremantle’s South Metropolitan Migrant Resource Centre offered “JobLink” which included a free job matching service for employers as well as employment counselling and advocacy, work experience, assistance with resumes, job applications and an “Introduction to Australian business culture” for migrants.⁹³
- 9.81 The Fremantle website was funded by the Western Australian Department of Training. In its evidence the Department described a number of Government initiatives designed to ease the settlement process for skilled migrants. Their strategy was intended to achieve:
- a positive settlement experience and improve Australia’s ability to compete in the global arena.⁹⁴
- 9.82 As Western Australia attracted higher proportions of skilled migrants than might be predicted from its proportion of the total Australian population,⁹⁵ the Committee noted other aspects of the program which included activities by the Department’s Overseas Qualification Unit such as:
- assessment and bridging programs assisting overseas-trained nurses and child care workers into employment;
 - Recognition of Prior Learning Orientation Program for Overseas Qualified Teachers at Murdoch University; and

90 DIMIA, *Employment*, www.immi.gov.au/settle/work/employment.htm

91 *New job workshop for migrants in Wagga Wagga*, New South Wales Media Release, 12 May 2003,

92 Illawarra Migrant Resource Centre. www.imrc.org.au/index.html

93 South Metropolitan Migrant Resource Centre. www.fmrc.asn.au/

94 Western Australian Government, Submission No. 33, p. 4.

95 WA proportion of the Australian population = 9.8% (ABS, *Yearbook 2003*). WA 2001/02 Skilled intake as a proportion of total Australian: Sponsored = 14.4%; Employer nominated= 16.2%; Business=26.8; Independent 16.3%. DIMIA, *Immigration Update 2001-2002*, p. 11.

- development of good practice recognition and assessment procedures for overseas trained teachers in Western Australia.⁹⁶
- 9.83 Another source of assistance for skilled migrants was the Adult Migrant English Program (AMEP). In Western Australia, its Migrant Pathways Program targeted migrants and refugees with skills in aged care, nursing, engineering and information technology and provided them with skills recognition and fast-tracked certificate level courses with English language support.⁹⁷
- 9.84 AMEP was provided through DIMIA to help newly-arrived migrants and refugees settle successfully in Australia by providing basic English language tuition to migrants and refugees from non-English speaking backgrounds. In 2002 only 13 per cent of AMEP participants nationally were skilled migrants because principal applicants under that arrangement were generally required to have vocational English and therefore not have such a need for language tuition. However, the migrants' dependants could also use AMEP.⁹⁸
- 9.85 In some States AMEP providers were also associated with work experience placements as part of their employment-oriented programs.⁹⁹ Mr Diaz-Chavarro, a skilled migrant, praised the "excellent" Overseas Qualified Professional Program run by Victoria's Adult Multicultural Education Service (an AMEP provider).¹⁰⁰ The program included work experience and it reported that 72 per cent of participants in it found employment in their profession or in an allied field.¹⁰¹
- 9.86 The New South Wales "Skillmax" program aimed to assist overseas trained people to better use and further develop their skills and qualifications through placements in State Government agencies and NSW universities.¹⁰²

96 Western Australian Government, Submission No. 33, p. 4.

97 Western Australian Government, Submission No. 33, p. 4.

98 4,236 of 32,074 AMEP participants in calendar year 2002. 1,101 dependants of skilled migrants were registered in 2001-02, DIMIA, *Adult Migrant English Program*. www.immi.gov.au/amep/links1.htm, Submission No. 25, p. 65.

99 SA: *Work Experience Placement*, LM Training Specialists. www.languagecentre.com.au; Vic: *Overseas Qualified Professional Program*. www.ames.net.au/articleZone.asp?articleZoneID=285#Article-30

100 M Diaz-Chavarro, Submission No. 2, p. 3.

101 *Overseas Qualified Professional Program*. www.ames.net.au/articleZone.asp?articleZoneID=285#Article-30

102 www.eeo.nsw.gov.au/migrant

- 9.87 The Victorian Government funded programs and services to provide:
labour market orientation, qualification assessment and work experience for recently arrived overseas-qualified professionals, whether entering through skilled, family or humanitarian streams.¹⁰³
- 9.88 Submissions to the Committee urged that:
- employers be made more aware of the opportunities for employing skilled migrants;¹⁰⁴
 - private companies be given some financial incentive to employ skilled migrants as is the case for trainees;¹⁰⁵
 - cross cultural training should be provided to skilled migrants to help them to present themselves favourably to Australian employers and recruitment agencies;¹⁰⁶
 - local support networks be created;¹⁰⁷
 - short term bridging programs be provided for skilled migrants;¹⁰⁸
 - tailored job-matching services or services be implemented to gain Australian work experience for each migrant;
 - existing skilled streams be replaced in favour of the employer nominated streams;¹⁰⁹
 - more funding for existing programs for migrants be provided;¹¹⁰ and
 - there be better coordination of notification of employment opportunities nationally.¹¹¹

103 Victorian Government, Submission No. 58, p. 3.

104 Western Australian Government, Submission No. 33, pp. 4-5; Skilled Migrant Network, Submission No. 50, p. 2; Queensland Government Submission No. 27, p. 4; Australian Manufacturing Workers Union, Submission No. 52, p. 3.

105 Skilled Migrant Network, Submission No. 50, p. 3.

106 Skilled Migrant Network, Submission No. 50, p. 3.

107 Mr O Dhungel, Submission No. 9, p.1; Skilled Migrant Network, Submission No. 50, p. 3.

108 Western Australian Government, Submission No. 33, pp 4-5; Skilled Migrant Network, Submission No. 50, p. 3; City of Kalgoorlie-Boulder, Submission No. 36, p. 1, suggested "A program similar to the "New Apprenticeships" program currently on offer where recognition of prior learning is available would be appropriate within the mining industry".

109 Institution of Engineers Australia, Evidence, p. 57.

110 "They are under resourced to deal with all the skilled migrants in need of their service. There is a long waiting list for each program", Skilled Migrant Network, Submission No. 50, p. 2. "expand... the NSW public sector Migrant Work Experience Program", Institution of Engineers Australia, Submission 10, p. 16.

111 Skilled Migrant Network, Submission No. 50, p. 3.

Local experience - conclusion

- 9.89 The Committee concluded that migrants' local experience assisted in realising optimum employment outcomes for the benefit of migrants and Australia.
- 9.90 The Committee considered that opportunities for intending migrants to gain local experience through temporary migration prior to taking the personally formidable step of permanently leaving home should be more clearly set out. The Committee therefore supports the conclusion of the DIMIA External Reference Group in its review of the temporary residence program that it was:
- important that the pathways to permanent residence for these skilled workers are clear (eg in client information) and accessible.¹¹²
- 9.91 Opportunities for newly arrived skilled migrants to gain local experience existed but, in the Committee's view, information about them was often not readily accessible. A skilled migrant, for example, by definition and through the selection process would have English language skills. Yet they would be unlikely to guess that the Adult Migrant English Program (AMEP) or the Adult Multicultural Education Service (AMES) would provide information about work experience opportunities.
- 9.92 The Committee considered giving higher prominence to the work experience opportunities which were already made available through programs such as AMES and AMEP and the proposals put to it suggesting ways of facilitating skilled migrants' acquisition of local experience.
- 9.93 It was the Committee's view that facilitation of migrants' employment had been examined in depth in the review of settlement services which was published in May 2003. The Committee therefore endorses its recommendation that:
- agencies funded under the Commonwealth's *Australians Working Together* initiative develop new service options for migrants and humanitarian entrants, including mature-aged workers, which allow them to gain work experience early on

112 DIMIA, *Temporary Residence Program Review: Report of the 2000-02 review*, para 2.97.
www.immi.gov.au/general/review.htm

in their job search, with scope to combine work experience with English language and other training elements.¹¹³

Recognition of overseas qualifications

9.94 The 2003 *Review of Settlement Services for Migrants and Humanitarian Entrants* noted that:

skills recognition remains a major issue for new arrivals.¹¹⁴

9.95 Australian inquiries into this barrier to effective employment of migrants' skills in just the past two decades included:

- *The Recognition of Overseas Qualifications in Australia*, Fry Committee of Inquiry into Recognition of Overseas Qualifications (1982);
- *Wasted Skills: Barriers to Migrant Entry to Occupations in Australia*, R. Iredale, Ethnic Affairs Commission of NSW, (1987);
- *Recognition of Overseas Qualifications*, NSW Committee of Inquiry (1989);
- *Commonwealth Legal and Administrative Powers in Overseas Skills Recognition*, National Advisory Committee on Skills Recognition (1991);
- *The Race to Qualify*, NSW Committee of Inquiry into the Employment of Medical Practitioners (1998).¹¹⁵

9.96 Not surprisingly, this perennial issue for migrants was raised with the Committee during its present review. The New South Wales Government identified as one of the barriers to the speedy entry of skilled migrants into the workforce and to appropriate skill level utilisation the:

lack of official explanations of the difference between being accepted skilled migration visa and gaining accreditation in to practice one's profession.¹¹⁶

9.97 Some two per cent of settlers responding to LSIA reported that the lack or recognition of their qualifications or lack of training created

113 Recommendation 10, DIMIA, *Report of the Review of Settlement Services for Migrants and Humanitarian Entrants*, May 2003, p. 124, www.immi.gov.au/settle/settle_review

114 DIMIA, *Report of the Review of Settlement Services for Migrants and Humanitarian Entrants*, May 2003, p. 125, www.immi.gov.au/settle/settle_review/

115 All cited in: Australian Doctors Trained Overseas Association, *Submission to the Australian Competition and Consumer Commission (ACCC) on the Royal Australian College of Surgeons (RACS) Application for Authorisation of its Processes*, May 2001.

116 New South Wales Government, Submission No. 37, pp. 6-7.

difficulties in finding work in their first six months in Australia. After 18 months the proportion had shrunk to one per cent.

- 9.98 As most of the skilled migrants were employed, those proportions indicated to the Committee that lack of recognition of skills was not a major or permanent barrier to employment and, as the LSIA results showed, most used their qualifications all the time.¹¹⁷
- 9.99 A core reason for the migrants' anxiety, it seemed to the Committee, was the contradiction in the migration process. Skilled migrants required post-secondary qualifications to be able to apply to migrate. The points test rewarded them for the skills which were the end product of the qualifications. But they then had to gain permission to use those skills in Australia.
- 9.100 The DIMIA *General Skilled Migration* booklet warned that:
- for many jobs in Australia job applicants must be able to be registered with an Australian State authority and/or be eligible for membership of a professional or industry organisation... you should find out whether any special requirements or conditions apply to jobs you might want to do.¹¹⁸
- 9.101 One third of the migrants contributing to LSIA said that they had required information about recognition of qualifications.¹¹⁹
- 9.102 An example of the process to be undertaken by migrants was set out in the entry for the Australian Pharmacy Examining Council (APEC) in the pages devoted to *The Skills Assessment Process* in DIMIA's Skilled Occupations List.
- 9.103 Intending migrants were advised that they were required to have their qualifications recognised by APEC prior to applying to migrate, and that pharmacy degrees obtained in the UK, Ireland and New Zealand and a licence to practice in UK, Ireland and New Zealand were immediately acceptable to registering authorities. This implied that registration was required if the migrant wished to practice in Australia, but did not specifically state that pharmacists must be registered with their local State/Territory authority to practice lawfully.¹²⁰

117 Independent = 58%, ENS/Business = 62%, DIMIA, *The Labour force Experience of New Migrants*, p. 65, electronic version. www.immi.gov.au/research/publications/labour_force/nilsreport.pdf

118 DIMIA, *General Skilled Migration* booklet, p. 47.

119 NILS, *Life in a New Land: The Experience of Migrants in Wave 1 of LSIA1 and LSIA2*, p. 236. www.immi.gov.au/research/publications/lsia/index.htm

120 Australian Pharmacy Examining Council. www.apec.asn.au/geninfo.htm

- 9.104 To be eligible to be registered in Australia, intending migrants were advised that they must:
- have completed the equivalent of a three-year full-time pharmacy course;
 - be eligible to be registered in the country in which they gained their qualification; and
 - undertake an examination process conducted by APEC.
- 9.105 The four-stage registration process began with a written multiple choice question examination. On successful completion of this, APEC provided the relevant skills assessment required for migration purposes.
- 9.106 The intending migrant had not yet completed the process leading to registration. This comprised:
- interview and counselling;
 - a period of supervised practice in an Australian pharmacy; and
 - a practical and oral examination conducted in Australia.
- 9.107 The last two steps could only be undertaken in Australia, but successful completion did not guarantee that the migrant would then be able to be registered because the local State/Territory authorities might impose additional requirements.¹²¹
- 9.108 The Committee chose to examine the APEC example because its summary in the DIMIA document alerted a potential migrant to both the process and potential delays involved in becoming a pharmacist in Australia. This was in contrast to other summaries of professional skills assessment processes, some of which were less informative or, in the case of 14 of the 33 listed accreditation bodies, non-existent.¹²² Only the Australasian Veterinary Boards Council, for example, explicitly stated that “to practice... you must be registered” in its entry on the SOL.¹²³
- 9.109 In the Committee’s view, omissions of basic information compromised the usefulness of the DIMIA *Skilled Occupations List* for skilled workers contemplating moving to Australia and encountering

121 DIMIA, *Skilled Occupations List*, p.19. www.immi.gov.au/allforms/pdf/1121i.pdf

122 DIMIA, *Skilled Occupations List*, has contact details for 33 national assessing bodies, but only 19 provide outlines of the skills assessment process. p.13-15 and 16-22 respectively. www.immi.gov.au/allforms/pdf/1121i.pdf

123 DIMIA, *Skilled occupations list*, p. 19, <http://www.immi.gov.au/allforms/pdf/1121i.pdf>

an explanation of the Australian concept of a skilled occupation for the first time.

- 9.110 The need for such information was highlighted by a migrant medical practitioner who outlined for the Committee what, in retrospect, had been needed, but had not been available in applying to work as a doctor:

Since my arrival here I have answered numerous enquiries from doctors both here and in the UK trying to find out what the process of coming to work here involves... The stages include obtaining:

- a suitable post
- working visa – either temporary or permanent
- medical registration
- recognition of qualifications by professional colleges
- provider number and prescriber number from Medicare – prerequisites are visa and registration
- medical indemnity insurance

It should be possible to have all this organised prior to arrival in Australia, but I have yet to meet a doctor who has achieved this. The resulting delay in starting work can mean financial hardship at a time when outgoings are high as deposits are needed and purchases made. This flowchart should be supplemented by a booklet which outlines the roles of the Medical Boards, the professional colleges, DIMA, HIC etc.¹²⁴

- 9.111 The Committee was heartened to hear from a number of professional organisations that they were addressing the specifics of skill recognition through international agreements, on-shore training and, within Australia, attempts to align the varying requirements of the States and Territories.
- 9.112 The Australian Nursing Council had developed consistent standards and policies for recognition of overseas nurses enabling nurses registered in an overseas country to gain immediate registration in Australia. Other nurses in countries outside that agreement could be required to demonstrate English language proficiency by undertaking an English language test, successfully complete a competency-based assessment program in Australia and/or come to Australia to

complete a migrant bridging program before being eligible for registration and migration.¹²⁵

- 9.113 The Institution of Engineers Australia had formal agreements with engineering accreditation bodies in other countries through its *Washington* and *Sydney Accords* under which engineering accreditation bodies recognise as equivalent the engineering courses of study in a number of countries.¹²⁶
- 9.114 The Speech Pathology Association of Australia was reviewing the possibility for mutual recognition of qualifications with UK, Canada and USA.¹²⁷

Recognition of overseas qualifications- Conclusion

- 9.115 From the intending migrant's viewpoint, the Committee concludes, it would be beneficial to specify which occupations require registration when this issue is first raised in the Skilled Migration booklet.
- 9.116 There would also be an opportunity to clarify the process and the varying State/Territory requirements and potential outcomes as part of the information incorporated in the Skilled Occupations List.

Recommendation 12

- 9.117 **The Committee recommends that the General Skilled Migration booklet list the skilled occupations and migration occupations in demand which require migrants to be registered prior to practising in Australia.**

Recommendation 13

- 9.118 **The Committee recommends that DIMIA seek the cooperation of assessing authorities in providing migrant-oriented summaries of their Australian assessment, post-arrival obligations, and registration requirements in its Skilled Occupations List publication.**

125 Australian Nursing Council, Submission No. 15, pp 1-2; Submission 15a, pp. 1-2.

126 *Washington: Accord* Australia, Canada, Hong Kong SAR, Ireland, New Zealand, South Africa, United Kingdom, United States of America and Japan. *Sydney Accord*: Australia, Hong Kong China, Ireland, New Zealand, South Africa and the United Kingdom. Institution of Engineers Australia, Submission No. 10, pp. 14-15.

127 Speech Pathology Association, Submission No. 11, p. 2.

Recommendation 14

- 9.119 **The Committee recommends that assessing bodies continue to seek harmonisation of registration requirements across the States and Territories.**
- 9.120 These recommendations found parallels in the *Review of Settlement Services for Migrants and Humanitarian Entrants* which recommended that:
- DIMIA, AEI-NOOSR and Trades Recognition Australia seek to engage key stakeholders in the development of streamlined arrangements for obtaining information about skills assessment in all States/Territories.
 - AEI-NOOSR and Trades Recognition Australia consider the scope to provide more targeted assistance to groups of permanent Australian resident overseas-trained professionals and tradespeople, including humanitarian entrants.
 - DIMIA, in collaboration with AEI -NOOSR Trades Recognition Australia, the Department of Family and Community Services and Centrelink review information provision, including pre-embarkation information, about skills recognition processes to prospective and newly-arrived migrants...¹²⁸
- 9.121 The Committee endorses these recommendations.

Conclusion

- 9.122 An initial examination of the skilled permanent migration arrangements could give the impression of a lop-sided bargain under which migrants are asked to clear demanding hurdles to qualify to come to Australia but are offered no guarantee that they would be able to resume their careers or use their skills.
- 9.123 However, it appeared to the Committee that criteria for selection were generally appropriate because the detailed data from LSIA showed that skilled migrants generally entered the labour force quickly, and

¹²⁸ Recommendations 11-13, DIMIA, *Report of the Review of Settlement Services for Migrants and Humanitarian Entrants, May 2003*, p. 130. www.immi.gov.au/settle/settle_review

were employed within 18 months in jobs which required their qualifications.

- 9.124 The Committee acknowledged that there were exceptions to this among migrants in the skill stream. Those with skills who arrived under other arrangements, such as the humanitarian or family arrangements did not have to meet the skilled migration thresholds and therefore may have found greater difficulty in settling.
- 9.125 In that context, the Committee viewed with interest the **New Zealand** experiment in requiring skilled migrants to have a job or job offer in New Zealand before they became eligible for selection. The program had only recently begun when the Committee reported so it could not determine, for example, whether the job requirement meant that skilled migrants found employment appropriate to their skills and qualifications.
- 9.126 The Committee also considered that the **Canadian** scheme, which was a more laissez faire approach requiring potential rather than specific skills, would exacerbate the employment problems if transferred to the smaller Australian economy.
- 9.127 A 2003 International Labour Organisation paper commented that:
- Australia has been a leader in trying to minimize brain waste, using “competency-based” assessments of migrant skills; the theory is to assess competency, not necessary educational qualifications.¹²⁹
- 9.128 The Committee observed that its Canadian counterpart, the Standing Committee on Citizenship and Immigration, when examining the recognition of credentials and foreign experience, recorded that:
- the government of Australia has established offices that coordinate the assessment of foreign credentials for their federal, state and territorial governments, as well as the various independent professional bodies. The Committee recommends that the federal government in Canada establish a similar office.¹³⁰
- 9.129 The Committee took these as endorsements of the approach used in Australia, but not necessarily of the detailed processes. Some of these,

129 P. Martin, *Highly Skilled Labor Migration: Sharing the Benefits*, International Institute for Labour Studies, Geneva 2003. www.ilo.org/public/english/bureau/inst/download/migration2.pdf

130 Canada, Standing Committee on Citizenship and Immigration, *Settlement And Integration: A Sense Of Belonging - "Feeling At Home"*, p. 12. www.parl.gc.ca/InfoComDoc/37/2/CIMM/Studies/Reports/cimmrp05/cimmrp05-e.pdf

as the Committee recommends above, require attention in order to improve their facilitation of skilled migrant settlement.

Summary

- 10.1 In the course of its review, the Committee encountered a number of other reviews relevant to, or dealing with, aspects of the Committee's terms of reference. The Committee has refrained from attempting to duplicate those efforts and, where appropriate, has drawn attention to and endorsed conclusions of recent studies.
- 10.2 These include:
- *Bridging the Skills Divide* - recommendations concerning "Skill Shortfalls and Future Skill Needs" including the development of an integrated and nationally consistent approach to the collection and reporting of labour market and current and future skill needs.¹
 - *Review of Settlement Services for Migrants and Humanitarian Entrants* – recommendations covering:
 - ⇒ development of new service options for migrants;²
 - ⇒ development of streamlined arrangements for obtaining information about skills assessment;
 - ⇒ more targeted assistance to overseas-trained professionals permanently resident in Australia;
 - ⇒ review of information provision, including pre-embarkation information.³

1 Chapter 4 of this report, citing: Senate, Employment, Workplace Relations and Education References Committee, *Bridging the Skills Divide*, November 2003, *Recommendations 1 - 4*.

2 Recommendation 10, DIMIA, *Report of the Review of Settlement Services for Migrants and Humanitarian Entrants*, May 2003, p. 124, http://www.immi.gov.au/settle/settle_review

- *Temporary Residence Program Review: Report of the 2000-02 review's* conclusion concerning the need for clear pathways to permanent residence for skilled workers.⁴
- 10.3 In examining international competition for skilled labour (Chapters 1-3) the Committee identified the large scale of international labour migration, and considered that Australia's comparatively high per capita intake indicated that it was competitive.⁵
- 10.4 The Committee considered (Chapter 3) that Australia's migration arrangements are enhanced by its open and straightforward points system and the policy of accepting skilled migrants as permanent settlers without further qualifying arrangements or residence requirements.
- 10.5 The potential attraction which might come from the long-term stability of program requirements is, however, compromised by the adjustments made to accommodate policy imperatives.
- 10.6 The Committee considered that the reluctance of many countries to pursue permanent migration offered Australia a potentially powerful selling point in the international skills marketplace.⁶
- 10.7 The Committee found (Chapter 2) that migrants to Australia ranked job opportunities lower in importance as reasons for migrating than their families' future and lifestyle/climate,⁷ and that this indicates that, whatever Australia's perception might be, skilled migration is not primarily about jobs - at least for the migrants.
- 10.8 Examining the role of State and local authorities in attracting skilled migrants (Chapter 2), the Committee found coordination to be an issue of concern. It recommends some steps to increase and improve access to existing data on migrant desires and views and to the visibility of State, Territory and regional areas of settlement through improved use of the internet. (Recommendations 1, 2, 3). It also suggests that communities seeking to promote migration to their areas might profitably engage with their migrant populations and

3 Recommendations 11-13, DIMIA, *Report of the Review of Settlement Services for Migrants and Humanitarian Entrants, May 2003*, p. 130, http://www.immi.gov.au/settle/settle_review

4 DIMIA, *Temporary Residence Program Review: Report of the 2000-02 review*, para 2.97. <http://www.immi.gov.au/general/review.htm>

5 Table 1.1, Paras 1.5-1.8; 1.20.

6 Para 3.20.

7 Estimated from Tables on p. 5 and p. 47, NILS, *Life in a New Land: The Experience of Migrants in Wave 1 of LSIA 1 and LSIA 2*, Tables 3.3, 3.6. www.immi.gov.au/research/publications

- their informal overseas links, and notes that overseas recruitment by firms was also likely to be successful.⁸
- 10.9 The Committee reviewed competition for skilled migrants to meet temporary demand and the associated national programs in Chapter 4 and identifies some means of improving the commitment to local skilled training. (Recommendations 4, 5)
- 10.10 In considering permanent migration the Committee examined the mandatory requirements and points systems in a number of competing countries (Chapters 5 – 8). In view of the evidence of the importance of local work experience provided in Chapters 7 and 9, the Committee proposes increasing the points allocated to it for the purposes of the points test. (Recommendations 6, 7).
- 10.11 Examination of overseas and Australian consideration of the importance of age (Chapter 8) leads the Committee to propose adjustments to both the maximum age limit for migrants and their spouses and to the points allocated for age. (Recommendations 8, 9, 11).
- 10.12 Having considered overseas points allocations for the applicant's spouse the Committee recommends that more weight should be given to their experience and qualifications in the Australian arrangements. (Recommendation 10).
- 10.13 When considering whether new migrants were settling well (Chapter 9), the Committee placed emphasis on their labour force outcomes because these were the rationale for pursuing permanent migration and would provide the foundation for the migrants' wider participation in Australian society. The Committee therefore examined the factors thought to be key hindrances to positive labour force outcomes, and for recognition of overseas qualifications and the need for local work experience.
- 10.14 The Committee noted that the requirements for gaining recognition of qualifications and being able to use them in practice in Australia were not well explained to potential migrants and recommends immediate action and improved cooperation to overcome this. (Recommendations 12, 13, 14).
- 10.15 In the course of its consideration of other countries' skilled permanent migration programs it was evident to the Committee that there had

8 The NILS, *Life in a New Land : The Experience of Migrants in Wave 1 of LSIA 1 and LSIA 2*, reached the same conclusion, p. 19, www.immi.gov.au/research/publications

been substantial cross-fertilisation of ideas in the application of mandatory criteria and the weighting of the points system. The similarities reflected a concern to identify skilled migrants who were going to be successful in their new country, and a concern that the process be as objective and transparent as possible.

- 10.16 In the Committee's view the differences between the systems are not an indication that one country was any more informed about how to select migrants than any other. Rather it is evidence that differing nations have differing philosophies of skilled migration and have adjusted their filtering systems accordingly.
- 10.17 It follows that, while the Committee's recommendations may have been informed by overseas ideas and practices, they are aimed at ensuring that both skilled migrants and Australia gain from their joint endeavour in migration.

TERESA GAMBARO MP
CHAIR
March 2004



Appendix A: Submissions

No.	Individual / Organisation
1	The Australasian Institute of Mining and Metallurgy
2	Mr Mauricio Diaz-Chavarro
3	Mr Michael Joseph
4	Ms Lorraine Chance
5	The Royal Australian Chemical Institute Inc.
6	Dr. B. Birrell
7	The Rock Resourcing Group
8	Ms Liana Allan
9	Om Dhungel
10	The Institution of Engineers, Australia
11	Speech Pathology Association of Australia Ltd
12	Mackay Regional Council for Social Development
13	Australian Nursing Federation
13a	Australian Nursing Federation (Supplementary)
14	Critical Care Nursing Agency
15	Australian Nursing Council
15a	Australian Nursing Council (Supplementary)

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- 16 Ms Katherine Cheng
 - 17 CONFIDENTIAL
 - 18 SIRVA Relocation
 - 19 Department of Education, Science and Training
 - 19a Department of Education, Science and Training (Supplementary)
 - 19b Department of Education, Science and Training (Supplementary)
 - 20 Sustainable Population Australia - Canberra Region
 - 21 ACT Government
 - 22 Tasmanian Government
 - 22a Tasmanian Government (Supplementary)
 - 23 Australian Centre for Population Research, Australian
National University
 - 24 South Australian Government
 - 24a South Australian Government (Supplementary)
 - 25 Department of Immigration and Multicultural and Indigenous
Affairs
 - 25a Department of Immigration and Multicultural and Indigenous
Affairs (Supplementary)
 - 26 Migration Institute of Australia
 - 27 Queensland Government
 - 28 Ms Jill Curnow
 - 29 Tourism Task Force
 - 30 Blacktown City Council
 - 31 Department of Employment and Workplace Relations
 - 31a Department of Employment and Workplace Relations
(Supplementary)
 - 32 Young Shire Council
 - 33 Western Australian Department of Training
 - 34 Maryborough City Council

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- 35 Northern Grampians Shire Council
 - 36 City of Kalgoorlie - Boulder
 - 37 New South Wales Government
 - 38 R T Kinnaird & Associates Pty Ltd
 - 39 Gulf Savannah Development
 - 40 Northern Territory Government
 - 40a Northern Territory Government (Supplementary)
 - 41 Mr Nick Juradowitch
 - 42 The Australian Institute of Quantity Surveyors
 - 42a The Australian Institute of Quantity Surveyors (Supplementary)
 - 43 Australian Pharmacy Examining Council Inc.
 - 44 Council of Small Business Organisations of Australia Ltd.
 - 45 Construction Forestry Mining and Energy Union
 - 46 Australian Council of Trade Unions
 - 47 Dr S. Wearne
 - 48 Media Entertainment and Arts Alliance
 - 49 The Questbay Group
 - 50 Skilled Migrant Network
 - 51 Dolphin Migration Services Australia
 - 52 Australian Manufacturing Workers' Union
 - 53 National Institute of Accountants
 - 54 Australian Institute of Medical Scientists
 - 55 Embassy of Japan
 - 55a Embassy of Japan (Supplementary)
 - 56 Embassy of the Federal Republic of Germany
 - 57 New Zealand High Commission
 - 58 Victorian Government



Appendix B: Public hearings & witnesses

Monday, 11 November 2002 - Canberra

Department of Immigration and Multicultural and Indigenous Affairs

Mr Abul Rizvi, First Assistant Secretary, Migration and Temporary Entry Division

Mr Chris Smith, Assistant Secretary, Migration Branch

Mr Peter Job, Director, Business Employment Section

Ms Julia Niblett, Director, Business Skills Section

Mr John Ryan, Director, Economic and Environment Section

Ms Claire Cooper, Assistant Director, Economic and Environment Section

Ms Lisa Gregg, Assistant Director, Migration Programs Section

Friday, 7 February 2003 - Canberra

ACT Chief Minister's Department

Mr Nic Manikis, Executive Director, Multicultural and Community Affairs Group

Dr Jun Xiao, Business Migration, Office of Multicultural Affairs

Department of Education, Science and Training

Mr Paul Mills, Director, Skills Analysis Section

Ms Ann Baly, Acting Branch Manager, Information and Analysis Branch

Ms Penny Lovibond, Assistant Director, National Office of Overseas Skills Recognition

Department of Employment and Workplace Relations

Mr Scott Matheson, Assistant Secretary, Economic and Labour Market Analysis Branch, Employment Analysis and Evaluation Group

Mr Ken Douglas, Group Manager, Employment Analysis and Evaluation Group

Ms Jane Press, Acting Director, Migration, International and Modelling Section, Economic and Labour Market Analysis Branch

Institution of Engineers, Australia

Mr Athol Yates, Senior Policy Analyst

Ms Kate Hurford, Policy Analyst

Wednesday, 19 February 2003 - Sydney**Community Relations Commission for a Multicultural NSW**

Mr Stepan Kerkyasharian, Chair and Chief Executive Officer

Mr Richard Acheson, Division Manager, Community Relations Service

Mr Victor Duranti, Senior Community Relations Adviser

Thursday, 20 February 2003 - Adelaide**South Australian Department for Business, Manufacturing and Trade**

Mr John Haren, Director, Business and Skilled Migration

Ms Katrina Nicholson, Assistant Director, Business and Skilled Migration

Monday, 18 August 2003 - Canberra**British High Commission**

His Excellency Sir Alastair Goodlad, High Commissioner

Mr Stanley Blake, Consul

Mrs Nina MacKenzie, Third Secretary

Canadian High Commission

Ms Marlene Massey, Counsellor, Immigration

Ms Johanne Gauthier-Coles, Immigration Program Assistant

Embassy of Japan

Mr Jiro Kodera, Minister and Deputy Chief of Mission

Mr Akihiro Asakawa, Researcher/Advisor

Embassy of the Federal Republic of Germany

Dr Wolfgang Klapper, Counsellor, Economic and Legal Sections

Mrs Anja Cyriax, Consular Attaché

Miss Caroline Ade, Legal Intern

Monday, 13 October 2003 - Canberra**Embassy of Ireland**

His Excellency Mr Declan Kelly, Ambassador

Mr Ciaran Byrne, First Secretary

Monday, 3 November 2003 – Canberra - Round table discussion**Australian Nursing Council**

Ms Marilyn Gendek, Chief Executive Officer

Ms Jan Fletcher, Overseas Assessment Manager

Department of Education, Science and Training

Mrs Penelope Gould, Acting Director, Professional Recognition Unit

Federation of Ethnic Communities' Councils of Australia

Mr Abd Malak, Chair

Institution of Engineers, Australia

Mr Michael Bevan, Associate Director – Registration

The Rock Resourcing Group

Mr Richard Talbot, Director

SIRVA Relocation

Ms Amanda Tinner, Manager, Visa and Immigration Division

Skilled Migrant Network

Ms Bushra Shoukat, Chairperson

Mr Prasad Polwatte, Committee Member

Mr Edison Yongai, Committee Member

Speech Pathology Association of Australia

Ms Louise Brown, Overseas Qualifications Supervisor

Mrs Victoria Dawson, Senior Advisor - Professional Standards

Friday, 13 February 2004 – Canberra**Department of Immigration and Multicultural and Indigenous Affairs**

Mr Abul Rizvi, First Assistant Secretary, Migration and Temporary Entry Division

Mr Bernie Waters, Assistant Secretary, Business Branch

Mr Noel Barnsley, Acting Assistant Secretary, Migration Branch

Mr Steve Meredith, Director, Migration Program Section, Migration Branch

Mr Michael Christopher, Director, Business Skills Section, Business Branch,

Mr Jeff Grant, Acting Director, Skilled Migration Section, Migration Branch,

Ms Elizabeth Hoffmann, Assistant Director, Business Employment Section, Business Branch



Appendix C: Exhibits

Exhibit No.	Organisation or Individual and Title
1	AMES Booklet entitled <i>Living in Australia - A practical guide for skilled migrant</i> Mr Mauricio Diaz-Chavarro (related to sub. 2)
2	CD Rom - Northern Grampian Shire Council to promote employment opportunities within the Shire. <i>Northern Grampian Shire Council</i> (related to sub. 35)
3	<i>Impact of skill migration on skill formation and labour market</i> , New South Wales Government (related to sub. 37)
4	<i>Migrants in NSW, May 2001</i> New South Wales Government (related to sub. 37)
5	<i>Engineering for Rail Sector Growth</i> , Institution of Engineers, Australia
6	<i>Country Education Profiles – Chile</i> , Department of Education, Science and Training
7	<i>Immigration South Australia</i> , SA Department for Business, Manufacturing and Trade
8	<i>The Race to Qualify</i> , New South Wales Government
9	Community Relation Commission for a multicultural NSW <i>Annual Report 2001-2002</i> , New South Wales Government
10	<i>Skilled Temporary Specialty Works in the United States</i> , New South Wales Government

- 11 *European Union and Australian Key Facts May 2003*, Embassy of the Federal Republic of Germany
- 12 *Common Information for Schengen Visa Applicants* and other papers in German, Dr Wolfgang Klapper, Embassy of the Federal Republic of Germany
- 13 Fact Sheet 16 - *Skilled Worker*, Ms Marlene Massey, Canadian High Commission
- 14 *HSMP Past Earnings: sample income requirements*, HE Sir Alastair Goodlad, British High Commission



Appendix D: Conducting the review

Following the Minister's request that the Committee review skilled labour entry programs, the Committee sought submissions on "How can Australia attract skilled migrants?" through advertising in the *Financial Review* on 29 June 2002. The review was also highlighted in the regular *What's happening at your house?* advertisements in the *Australian* on 3 July and 7 August 2002, and again under *Parliamentary Committees launch new investigations* in the *Australian* on 21 August 2002.

More generally, the review was mentioned in "Hot Property: the global market for skill" in *About the House*: November/December 2002, and in "Regional skills shortages: an overview of demographic, economic and social influences" in *Sustaining Regions*, October 2003.

The Committee wrote to all State Premiers and Territory Chief Ministers and to relevant Federal Ministers seeking their contribution to the review.

In addition the Committee wrote to a range of stakeholders inviting comments:

- 7 industry/business groups
- 56 Area Consultative Committees
- 23 Regional Development Councils
- 46 unions
- 14 employer associations
- 19 skill recognition bodies
- 11 organisations with interests in working holiday makers

- 36 people or organisations who had previously contributed to the Committee's 2001 review of State-specific migration mechanisms
- Federal, State and Territory Medical Councils/Boards

The Committee directly sought out non-metropolitan comment on 17 October 2002 when it faxed 447 municipal and shire councils, inviting submissions under the heading *Finding skilled migrants – can you get the skilled workers you need? What's stopping you?* A number of councils were also e-mailed a similar invitation under the heading *Have Your Say*.

The Committee also wrote to, or e-mailed, 40 individuals or organisations whose reported comments on migration and/or employment issues in the media indicated that they might have experience of relevance to the Committee's review.

To cover the migration programs of the countries mentioned in the terms of reference the Committee sought information and/or briefings from the appropriate consulates and embassies. The Committee broadened its perspective on overseas migration practices through research in the relevant Government agency websites, academic publications, and migration-oriented websites.

In preparation for the round table discussion held on 3 November 2003, the Committee circulated an *Issues Paper*, inviting comment. The 120 recipients of the paper comprised existing contributors to the review, including the State and Territory Governments and Federal Government departments; skill recognition bodies; academics in relevant fields; and a number of peak organisations.

Overall, the Committee received 68 submissions and supplementary submissions from 58 individuals or organisations. It took evidence from 52 people representing 18 organisations at eight public hearings in Canberra, Adelaide and Sydney (as listed in Appendix B) and inspected the Skills Processing Centre in Adelaide on 20 February 2003.



Appendix E: Glossary¹

456 Visa See *Business Visitor (Short Stay)*

457 Visa See *Temporary Business (Long Stay)*

AEI-NOOSR See *NOOSR*

Business Skills

- **Business Talent (Migrant)** for high calibre business people owning/part owning an overseas business with a successful business career, significant business assets and who have a commitment to participate as a principal in the management of a new or existing business. (This category must be sponsored by a State/Territory Government.)
- **Provisional/Resident** for those with successful business record as business owners, senior executives or investors either in Australia or overseas wishing to work in Australia and use their skills and experience in business ventures. Comprises:
 - ⇒ *Senior Executive (Provisional)* for senior executive employees of major overseas businesses responsible for strategic policy development who have significant net assets and a genuine commitment to participate as a principal in the management of a new or existing business. This category may be sponsored by a State/Territory Government, with lower level criteria applying.
 - ⇒ *Business Owner* - initially a *provisional* visa for people with a successful business career, who have significant business assets

¹ More information on most of the terms may be found on the source of much of this information, the DIMIA website, <http://www.immi.gov.au>

and a genuine commitment to participate as a principal in the management of a new or existing business. A *residence visa* depends on the provisional visa holder owning an interest in a business in Australia for at least 2 years with significant turnover and personal and business assets as well as a minimum number of employees. (May be sponsored by a State/Territory Government, with lower level criteria applying.)

- ⇒ *Investor* Initially a *provisional* visa for investors/business people who have an overall successful record of business/investment activities, significant net assets, who are willing to invest in a Designated Investment in Australia for four years and have a genuine commitment to maintain business and investment activity in Australia. Conversion to a *residence visa* is achievable if the provisional visa holder has a Designated Investment for the minimum 4 years and has lived in Australia for at least 2 years in the 4 years immediately before the application is made. (This category may be sponsored by a State/Territory Government, with lower level criteria applying.)
- ⇒ *Established Business in Australia visa* for proprietors who show at least a 10 percent ownership in an Australian business, for at least 18 months prior to application; total net assets in Australia greater than A\$250,000; with net assets in business greater than A\$100,000.
- ⇒ *Regional Established Business in Australia* (see REBA)

Business Visitor - Short Stay

Permits temporary entry of business people who come to Australia for short visits (up to 3 months at a time).

Designated Area

For *REBA* defined as any area *except* Sydney, Newcastle, Wollongong, Brisbane, Sunshine Coast, Gold Coast, and Perth. For *Skilled-Designated Area Sponsored* the designated areas are all parts of Australia *except* Sydney, Newcastle, Wollongong, Perth and Brisbane.²

Employer Nomination

Employers may nominate personnel from overseas for permanent entry through the *Employer Nomination Scheme*; the *Regional Sponsored Migration Scheme*; *Labour Agreements*; and *Invest Australia Support Skills* (previously *Regional Headquarter Agreements*).

² DIMIA *Regional Australia Programs: REBA*, www.immi.gov.au/migration/regional/reba.htm *Regional Australia Programs: Family Sponsorship*, www.immi.gov.au/migration/regional/regional4.htm updated 30/11/03.

ENS (Employer Nomination Scheme)

Allows Australian employers to fill 'highly skilled' positions with overseas employees when they are unable to fill a vacancy from within the Australian labour market or through their own training programs.

Invest Australia Support Skills

Encourages international firms to choose Australia as a location for foreign direct investment. It allows companies that make a significant investment in Australia to bring out essential key expatriate managers and specialist employees from within the company group (this program replaced *Regional Headquarters* agreements from 1/7/02).

Labour Agreements

Permit temporary and/or permanent entry employment under agreements between employers and the Commonwealth. These enable Australian employers to recruit (either permanently or temporarily - mainly for 3 years) a specified number of workers from overseas in response to identified or emerging labour market (or skill) shortages in the Australian labour market.

Medical Practitioner temporary entry

Medical Practitioners are recruited to fill identified "area of need" positions with the focus being on providing services to regional and remote areas. Maximum of 2 or 4 years depending on registration status.

National Integrated Settlement Strategy (NISS)

A planning framework within which Commonwealth, State/Territory and local government agencies, and community organisations work together to provide migrants, refugees and humanitarian entrants with services essential to their settlement and to help them to access those services when they need them so that they become independent, productive members of the community as quickly as possible.

NOOSR (also identified as AEI-NOOSR)

National Office of Overseas Skills Recognition is responsible for approving assessment authorities. It is part of Australian Education International (AEI) Division located within DEST.

REBA (Regional Established Business in Australia)

Applicants have to be in Australia on a Business - Long Stay (457) visa, own at least 10% of a business in a *designated area* for at least two years and be registered with a State/Territory Government authority which will provide sponsorship.

Regional

In the *Regional Sponsored Migration Scheme*, “regional” refers all areas of Australia except Brisbane, the Gold Coast, Sydney, Newcastle, Wollongong, Melbourne and Perth. In the context of “regional or low population growth areas” applicable to overseas students’ places of study in Australia, it includes all parts of Australia except the ACT, Sydney, Newcastle, the Central Coast, Wollongong, Melbourne, Perth, Brisbane and the Gold Coast.³

RSMS (Regional Sponsored Migration Scheme)

Designed to address skills shortages in regional and low population growth areas of Australia, and to achieve a more balanced dispersal of migrants by enabling employers in regional Australia to fill positions with overseas workers where the positions are of a skilled nature and cannot be filled from the local labour market.

Regional Certifying Bodies

Gazetted bodies based in local regions which certify that a job has been unable to be filled locally, enabling employers to take the next step in sponsoring suitably qualified staff from overseas.

Skilled Australian Sponsored

Permanent entry for those meeting minimum requirements for the core criteria of skill, age and English language ability; must be sponsored by a relative already living in Australia and have an assurance of financial support. Points tested. If the sponsor lives in a designated area applications can be made under the Skilled – Designated Area Sponsored (SDAS) visa which is not points tested.

Skilled Independent:

Permanent non-sponsored entry scheme, points tested on English language ability, age, skills, and work experience, i.e. the ability to maximise the potential to contribute quickly to the Australian economy.

SDAS (Skilled Designated Area Sponsored Visa):

State/Territory Governments seek skilled migrants to settle in designated areas of Australia. The applicant must have a sponsor who is a relative and assurer. Not points tested, but must satisfy the basic requirements of age, English language, qualifications, nominated occupation and recent work experience.

3 DIMIA, Fact Sheet 26: *State/Territory Specific Migration - Regional Sponsored Migration Scheme*, (19/2/04), <http://www.immi.gov.au/facts/26state.htm>; *General Skilled Migration to Australia: Regional Australia/low population growth metropolitan areas* (30/11/03) <http://www.immi.gov.au/migration/skilled/regional.htm>

SMD (Skill Matching Database):

Designed to link people whose qualifications meet Australian standards and who are interested in going to regional Australia, with either specific vacancies or a State or Territory where the applicant's skills are in demand.

SMV (Skill Matching Visa):

Provides opportunities for skilled people who do not meet the current pass mark under the Skilled-Independent category to be included on the SMD without having to pay the initial visa application charges.

STNI (State/Territory Nominated Scheme):

States and Territories sponsor Skilled-Independent and Skill Matching Visa category applicants who are willing to settle in States and Territories where their skills are in demand. They can be identified through the Skill Matching Database.

Temporary Business (Long Stay) subclass 457 visa:

Temporary entry by people recruited by Australian companies as skilled personnel (3 months up to 4 years). Employers must demonstrate that the entry of overseas personnel will provide benefit to Australia; that suitably qualified Australians could not be found to fill the positions; and that they have a satisfactory commitment to training Australian residents.

Labour market testing is not required but positions that a sponsor nominates to be filled must meet minimum skill and salary levels (award wages or at least a designated minimum salary of \$37,720) to be approved.



Appendix F: Skilled migration data sources

Data sources for Table 1.2

Workforce

Data as at 2001, International Labour Organisation, *LABORSTA*, <http://laborsta.ilo.org/>

AUSTRALIA

2000/1 - DIMIA, *Annual Report 2000-01*, "1.1.5 Temporary Residence",

www.immi.gov.au/annual_report/annrep01/report17.htm;

2002/3 - DIMIA, Fact Sheet 47 *Temporary Residence in Australia*

www.immi.gov.au/facts/47temporary_residence.htm

CANADA

Over 90,000 foreign workers enter annually, working temporarily to help address skill shortages. *Working Temporarily in Canada: Overview*, Citizenship & Immigration Canada, www.cic.gc.ca/english/work, updated 28/6/02. Of these, those with skill level O, A, B are required for skilled perm migration are considered for Table 1.2. Citizenship & Immigration Canada, *FACTS and FIGURES 2002 - Statistical Overview of the Temporary Resident and Refugee Claimant Population*, www.cic.gc.ca/english/pub/facts2002-temp/facts-temp-4.html#a June 2003.

GERMANY

Data derived from: "Green Card Experiment Questioned", *International Herald Tribune*, IT Special 25/7/03, www.ith.com/pdfs/faz/FAZ-Weekly-KW30-Seite09.pdf; "'Green Card': Taking stock after the first year", *efms Migration Report* July 2001, www.uni-bamberg.de; "'Green Card' Program Boosts foreign IT Hires...", German Embassy, Washington, 13/8/02, www.germany-info.org/relaunch/business/new/bus_green_card.html

IRELAND

Data is for *Work Permits* plus *Working Visas/Work Authorisations* issued or renewed. Does not include EEA or UK skilled workers who do not require permits. B. Ingoldsby, *Regular Migration to Ireland*, paper delivered to Incorporated Law Seminar, Dublin, 14/5/02, Department of Justice, Equality and Law Reform, www.justice.ie 2002 data from OECD, *Trends in International Migration*, SOPEMI, 2003, p. 212.

JAPAN

“*Status of Residence*” permitting skilled work: Professor; Artist; Religious; Journalist; Invest/Business Manager; Legal/ Account; Medical; Researcher; Instructor; Engineer; Humanities/ International Services Specialist; Intra-company transfer (of engineer or humanities specialist). “Population and Households” section of *Japan: Statistical Yearbook*, www.stat.go.jp/english/data/nenkan/index.htm (“*Entertainer*” is reported as a “side-door” method of recruiting bar hostesses. T Tsuda, *Reluctant Hosts: The Future of Japan as a Country of Immigration*,) www.migration.ucdavis.edu/cmpr/feb01/Tsuda_feb01, p. 9.

NEW ZEALAND

“W1 - Work Applications Decided”, NZIS
www.immigration.govt.nz/Research/Statistics/Statistics.htm updated 24/7/03.

UK

Work permits entered: “Work permit holders”, *Control of Immigration: Statistics United Kingdom*, 2000, 2001, 2003 editions, www.homeoffice.gov.uk/ Excludes EEA nationals, includes dependants (approx 27% of total).

Work permits issued: J. Dobson *et al*, *International migration and the United Kingdom: Recent patterns and trends*, Home Office RDS Occasional Paper No 75, December 2001.

USA

“**Temporary Admissions**” Fiscal Years 2000, 2001, 2002 in 2000 and 2001 *Statistical Yearbook of the Immigration and Naturalisation Service*; 2003 *Yearbook of Immigration Statistics*, US Citizenship and Immigration Services (USCIS), www.uscis.gov/graphics/shared/aboutus/statistics/TEMP02yrbk/Temp2002text.pdf Number of petitions exceeds number of workers because of multiple employer applications.

Data sources for Table 4.1

AUSTRALIA

Economic Stream = *Business Entry* (Business – short stay, Business – long stay, Labour Agreement, Invest Australia...); *Education and Medical practitioner* classes. DIMIA, Fact Sheets 46-*Temporary Entry: An Overview*; 47-*Temporary Residence in Australia*; 48- *Assisting Skilled and Business People* www.immi.gov.au/facts...

CANADA

Foreign Worker Programs – work permit Foreign Worker Programs – work permit: CIC, *Working Temporarily in Canada*, www.cic.gc.ca/english/work;

2002 data: With skills levels equivalent to those required for permanent skilled migration (skill level O, A, B) CIC, *FACTS and FIGURES 2002 - Statistical Overview of the Temporary Resident and Refugee Claimant Population –*

www.cic.gc.ca/english/pub/facts2002-temp/facts-temp-4.html#a; updated June 2003.

Total skill: 2000=94,893; 2001=95,555; 2002=87,910.

GERMANY

IT Specialists:

- **Program** - *The Federal Republic of Germany's IT Specialists Temporary Relief Program*, www.auswaertiges-amt.de
- **Quotas** - Originally 2000-2004 maximum of 20,000 rescinded 2003. *Green Card – IT Experts Initiative*, Deutsche Botschaft, New Delhi, www.germanembassy-india.org/en/home/greencard.html
- **2000-2002 intake** - *Green Card” Program Boosts Foreign IT Hires, Creates Jobs*, German Embassy, Washington DC, www.germany-info.org/relaunch/business/new/bus_green_card.html;

Project tied Program: Includes both skilled and unskilled. The other main programs are for semi or unskilled worker, with the exception of a limited number of nurses from former Yugoslavia. P. Martin, M Teitelbaum, *Immigration, Integration, and Enforcement*, <http://migration.ucdavis.edu/ols/ber.html>, P. Martin, *Managing Labor Migration: Temporary Worker Programs For The 21st Century*, International Institute for Labour Studies, Geneva, September 2003.; www.ilo.org/public/english/bureau/inst/download/migration3.pdf

IRELAND

Department of Enterprise Trade and Employment (DETE), www.entemp.ie/lfd/wp.htm

Working Visa issued to a holder of a passport of countries required to have visas to travel to Ireland. **Work Authorisation** for all others. Residents of the UK and European Economic Area, among others, are not required to have visas. B. Ingoldsby, *Regular Migration to Ireland*, paper delivered to Incorporated Law Seminar, Dublin, 14/5/02, Department of Justice, Equality and Law Reform,

[www.justice.ie/802569B20047F907/vWeb/fIMJDE5AEJ39/\\$file/regular+migration+to+ireland.pdf](http://www.justice.ie/802569B20047F907/vWeb/fIMJDE5AEJ39/$file/regular+migration+to+ireland.pdf) ;

2002 Intake: *Total Work Permits issued by Year and by category: 1999-2002*,

www.entemp.ie/lfd/wp-statistics.htm

JAPAN

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