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JOINT STANDING COMMITTEE ON MIGRATION

Reference: Review of state-specific migration mechanisms

MONDAY, 11 DECEMBER 2000

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JOINT COMMITTEE ON MIGRATION

Monday, 11 December 2000

Members: Mrs Gallus (*Chair*), Senators Bartlett, Eggleston, McKiernan and Tierney and Mr Adams, Mr Baird, Mrs Irwin, Mrs May and Mr Ripoll

Senators and members in attendance: Senator McKiernan and Mrs Gallus

Terms of reference for the inquiry:

To review and report on the suite of State-specific Migration Mechanisms and the extent to which these meet the

needs of State and Territory governments for skilled and business migrants with particular reference to:

- The adequacy of consultations with States/Territories on the mechanisms that have been developed;
- The level to which State and Territory Governments have utilised these mechanisms;
- Steps that might be taken to increase take-up; and
- Other mechanisms that might be developed

WITNESSES

HENDERSON, Mr Paul Grantley, Department of Immigration and Multicultural Affairs402

LORENZI, Mr John, Acting Business Manager, Migration and Citizenship, Department of Immigration and Multicultural Affairs.....402

TONIN, Mr Serge, Project Manager, Regional Migration, Department of Immigration and Multicultural Affairs.....402

HAREN, Mr John Raymond, Director, Business and Skilled Migration, International South Australia, Department of Industry and Trade402

BRIDGE, Mr Richard, Director, Migration Policy and Analysis Section, Department of Employment, Workplace Relations and Small Business402

MARTIN, Mr Paul, Section Manager, Labour Economics Office, Department of Employment, Workplace Relations and Small Business402

Subcommittee met at 2.06 p.m.

CHAIR—I now open this public hearing of the subcommittee of the Joint Standing Committee on Migration's review of state-specific migration mechanisms. These mechanisms relate to the encouragement of overseas migrants to settle into regional Australia. The review was referred to the committee in June 1999 by the Minister for Immigration and Multicultural Affairs. The purpose of the review is to examine a report on the range of state-specific migration mechanisms and the extent to which these meet the needs of state and territory governments for skilled and business migrants.

The terms of reference focus on the adequacy of consultations with the states and territories and the mechanisms which have been developed, the level to which state and territory governments have utilised these mechanisms, steps that might be taken to increase take-up and other mechanisms that might be developed. At the conclusion of the review the committee will table its findings, conclusions and recommendations in the parliament in a report which will be publicly available.

The committee has received 62 submissions from state and territory governments, migration agents and people with an interest in these issues. The committee normally authorises submissions for publication and they are placed on the committee's web site. If you would like further details, please feel free to ask anybody here today.

I now turn to the proceedings at hand. The committee has long intended to visit South Australia but had to reschedule a planned earlier hearing at short notice because of members' changed parliamentary commitments. One of the reasons for the committee's interest is that South Australia has had extensive experience in the use of state-specific migration mechanisms. This has involved close a working relationship between the relevant state and Commonwealth authorities. In view of this, the committee considered that it would be appropriate for representatives of those authorities to appear before the committee as a group to facilitate discussion. I now welcome witnesses from the South Australian government, the state office of the Department of Immigration and Multicultural Affairs and the state and national offices of the Department of Employment, Workplace Relations and Small Business.

HENDERSON, Mr Paul Grantley, Department of Immigration and Multicultural Affairs

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CHAIR—Although the committee does not require witnesses to give evidence under oath, you should understand that these hearings are the legal proceedings of the parliament and warrant the same respect as the proceedings of the parliament itself. Giving false or misleading evidence is a serious matter and may be regarded as contempt of parliament. The only submission we have is from the state government. I presume there are no changes that you would like to make to that. Would the various departments like to make an opening statement?

Mr Haren—On behalf of the South Australian government I would like to say we are very keen to use the programs and work very closely with the Commonwealth in attempting to develop programs that are providing outcomes for the state to obtain skilled migrants. We are very keen to promote the Regional Sponsored Migration Scheme in particular and the State/Territory Nominated Independent Scheme. We have also looked at areas in family reunion as well and the Skilled Regional Sponsored Program was one which the state and the Commonwealth worked on to develop the current criteria, which should improve outcomes for our state.

We are also looking at issues in relation to students and we are very hopeful that something will happen to enable international students to make applications onshore once they have completed their studies. We are very keen to work with the Commonwealth to develop schemes which would be able to provide skilled migrants to our jurisdiction.

CHAIR—As John has started the ball rolling, perhaps we could address some questions to you and then roll down with opening statements by the other departments.

Senator McKIERNAN—I think that is probably the better way to go. We have South Australia's submission and I have a number of questions that flow from that. Maybe as we wander through from the questioning on the submission you have made, the other departments may feel the need to come in or it may be appropriate at that time to address questions to the two other departments.

CHAIR—I would like to run this as casually as possible so I think anybody can feel free to interrupt. Just indicate if you want to add or take something away. John, from your familiarity with the program, what is good and what is bad about it?

Mr Haren—The good has been the Regional Sponsored Migration Scheme. We have been very much able to encourage and assist employers to use a migration mechanism which provides good outcomes for them. We have been very active in that regard. We have been promoting the scheme to employers and employer groups. We also are able to connect with employers potential migrants who have skills that we know to be in shortage.

It has been a scheme that we have worked on well and we are very pleased with the outcome of that. We did a survey of the outcomes 12 months ago. We were very keen to see what we were getting from that program as a state government. We had 100 per cent employer satisfaction with the contact they had with our office, as opposed to say Immigration, but certainly with us being the face to the employer. We did not expect to get 100 per cent but we were delighted to have done so.

We were also very pleased that 93 per cent of those who are still in our state were still remaining in our jurisdiction and 82 per cent or 83 per cent were still with their original nominating employer. That gave us comfort that the efforts we were putting in from the state government were paying dividends for us.

CHAIR—Have you thought of any ways that it could be improved to better facilitate what you want, presumably to get more business and skilled migrants out here?

Mr Haren—I guess the issue of promoting schemes is always a challenge because people who have the need to use a migration mechanism may not be aware of it at the time they may have that demand. I am not quite sure how to answer that one. It is always difficult to know how to get information out to all the employer groups, all employers in the state, so they have full knowledge at that point in time that they might need to make that decision. We try and connect into the relevant bodies that we think are the keys to making those types of connections.

There are several types of schemes and we have been delighted with the outcome of the Regional Sponsored Migration Scheme. Maybe we have to take a big responsibility to try and promote it to employers within our state and that is something we are happy to do. In terms of the State/Territory Nominated Independence Scheme, we were the first state in Australia to use that particular scheme. We were delighted with the first sort of the database. It contained at that point about 1,000 names of independent migrants who had indicated their willingness to settle in regional Australia.

However, since that first original sort of 1,000 names, every month we have only been seeing a small number of people going onto the database, maybe only 80 or 100 people, and that is across all occupations that are available. I am not sure how many numbers of occupations there are in the ASCO dictionary—the book is about that big—and we are looking at about 24 occupations. Our shortage list here is very small so we see very few people who have the skill set that we are looking for. We find whilst every month we go through the new database we receive, we have had very limited opportunity to nominate people under that scheme.

CHAIR—You are really looking at two aspects of promotion. One is to your own businesses down here, saying, ‘There is a mechanism to get out people with some skills that you probably do not know about’—and I bet you a lot of them do not.

Mr Haren—That is right.

CHAIR—The other one is to let people overseas know that if you have certain skills you might be able to migrate to a better, happier life in wonderful South Australia.

Mr Haren—That is right, yes. We have an Immigration SA Program that the state government began in July 1997 which was targeting independent migrants, and with that targeted promotion we bring with it the state-specific migration mechanism. The state has those up on our web site, saying this is how we are willing to assist promoting our jurisdiction to these people.

CHAIR—Do you think there are people overseas who, if they had the information, would come or do you think it is now because other countries are doing economically well that the people who want to migrate here are simply not the ones who have the skills?

Mr Haren—I think there would be people who would be keen to settle here if they knew about the scheme. In the maze of migration—there are so many different visa options—I do not know whether people are fully aware of the different opportunities that might be available to them. What we try and do is promote the ones that we believe could be of benefit to them. We have a question as to how far we can reach into the global area, we have a limited budget and we intend to move into different markets which we believe historically might serve our purposes. We would be keen for them to be promoted more vigorously, particularly those that might benefit a regional area.

Senator McKIERNAN—The first thing I should do is recognise how pleased I am to be in regional Australia. The definition of Adelaide being part of regional Australia causes some problems and I think part of that has come out in your submission.

Mr Haren—Yes.

Senator McKIERNAN—Is that an embarrassment to you, promoting a capital city as being part of regional Australia?

Mr Haren—It is a regional low growth, regional low populated area of Australia. We tend to use the term ‘low populated area of Australia’ when we are talking about migration mechanisms, more so than Adelaide being regional. The state is a designated area under the Migration Act for these particular programs. The reason it is designated is because we have such a low incidence of skilled migrants settling here in South Australia. We are currently round about four per cent of the migration intake compared to eight per cent of our population of Australia. We find we struggle to have our jurisdiction promoted. I do not know how you define ‘regional’. Certainly in terms of migration it has been a term used for the Regional Sponsored Migration Scheme but, more recently, the Commonwealth I think is using the term ‘state-specific migration mechanisms’, the SSMMs.

Senator McKIERNAN—That is a generic global name for it, if you like, but we are still into regional. It has been a case of contention, particularly because of the fact that Melbourne, again a capital city, is also included and deemed to be part of regional Australia; whatever concessions are available are available to nominees or nominators who have an interest in going to Melbourne.

Mr Haren—Yes.

Senator McKIERNAN—I put to you that the inclusions of capital cities within the definition of regional Australia tends to put the program somewhat into disrepute. Has that been a problem for any of the departments and has anybody turned their mind to a better definition that would serve the same purpose from your perspective?

Mr Haren—The Regional Sponsored Migration Scheme, when it first came out, was meant for these designated areas. That is my understanding. But you are right: with the inclusion of Melbourne as a regional location or a designated area, it does beg the question, how do you define what Immigration is targeting in providing these programs? Is it to provide states or territories with an opportunity to increase their share of skilled migrants and, if it is, how do you define it in a way that is more readily explainable to the ordinary person?

Senator McKIERNAN—Do any of the other departments want to comment on that?

Mr Lorenzi—I agree with that point. When the scheme first started, we spoke purely of designated regions. But it seems that, as time has gone on, we speak about remote, rural, region. The emphasis has somewhat changed. I do not know what has driven that. I think it is something that has happened as the scheme has progressed. Perhaps its relevance is seen as being more towards populating rural and remote areas, rather than capital cities, but I think designated regions is a better way of describing the areas concerned.

Mr Tonin—In moving away from a designated area to parts of Australia that feel they are not getting their fair share in comparison to New South Wales, then the underlying factor becomes a region, such as the experience whereby Melbourne have come on board with regional Australia.

Senator McKIERNAN—I have read the submission, but how do you promote the schemes, and Immigration generally, other than the web site? How many overseas offices does South Australia have, for example?

Mr Haren—I think it is about 14 offices. Each of those offices has a responsibility to promote the migration programs which we support. We do train those staff in our core business to ensure that they connect potential migrants through to us in Adelaide. We have core people here in Adelaide who know the details of the migration schemes. We want to make sure that we have a promotional face in our different markets.

Senator McKIERNAN—As a means of attracting migrants, do you organise particular promotions in the nations where you have offices?

Mr Haren—We do. We visit target countries from time to time and, with Immigration's assistance, we contact independent migrants who are close to their visa process being completed

to inform them about South Australia and to provide them with information about the state. If they have never heard of Adelaide, for example, they may wish to think about our jurisdiction rather than perhaps the eastern seaboard.

Senator McKIERNAN—Under definitions of regional Australia, on the second page of your submission you talk about the changed registration arrangements for general practitioners having the potential for securing urgently needed skills in rural and remote South Australia. The difficulty for a state such as South Australia, and certainly a state like Victoria, is in targeting rural and remote areas for specialist medical services, in particular. You are in the same bailiwick as Melbourne in attracting doctors or nurses into the country. It seems to me it could be a self-defeating proposition by somebody from Mount Gambier, looking for a doctor in Mount Gambier who can get the same concessional arrangements in going to Adelaide.

Mr Bridge—Senator, maybe you could look at the next level down and see how it operates on the ground under the different schemes. For example, with the Regional Sponsored Migration Scheme, even though the Victorian government in Melbourne would be able to sponsor someone—I think the Victorian government has one of their own offices in Melbourne as a certifying body—they would not very often, I do not think, use the RSMS scheme in metropolitan Melbourne. There is the potential for them to do that, but I do not think they are doing it at this point.

They are using RSMS in the regions. I think they have recently certified eight of their state development type departmental regional offices to be regional certifying bodies. They have put themselves down as well in Melbourne, but mainly they are trying to use RSMS to help the regions with critical skill shortages of key people. In Adelaide it is operating a bit more broadly. The state is defined that way and RSMS is being used across the state. But with RSMS in Victoria, there is that differentiation going on.

Senator McKIERNAN—It comes through in your figures from South Australia, the figures indicated in the submission, that the vast majority of the people coming in under the schemes are going to metropolitan Adelaide.

CHAIR—I want to ask a question which has come up before, to get a reaction from all of you. Would you see any benefit in having a three-tiered scheme? Sydney would be a nought tier, so there would be no points, but Melbourne and Adelaide would be in the next group and get some concessional points but not as many for the next tier, which would be maybe Mount Gambier—or Marree I think would be an excellent example. There would be lots of points for agreeing to go to Marree. Nothing against Marree, of course.

Mr Martin—Isn't there a question there, especially if we are talking about medical treatment, of saying, 'Well, first-class doctors to Sydney, second-class to Melbourne and Adelaide and third-class to Marree'?

CHAIR—If you are talking about doctors, you certainly have a problem. But you would not be looking at lesser medical qualifications, would you? You would have to have good medical qualifications. I think there is a problem with doctors, because you are asking for a basic medical qualification and I suspect they do have to meet English requirements or you might have a few disasters. I was thinking of other things. For instance, you could need somebody at

Marree with IT experience, but I guess it is not a major attraction to go there. I think Mount Gambier would probably be better for that. Do you see any of that from the state government's point of view? I think someone has suggested this before.

Mr Haren—I am not sure how that would operate. At the moment the Regional Sponsored Migration Scheme is very flexible, which has thresholds—‘under 45, diploma level qual, speaks English’—and if you do not have those, the employer can put forward an argument why a person who does not hold one of those qualifications still should be of benefit to that particular employer. It is a non-points based assessment visa. I am not sure how the points would offer—

CHAIR—The points for where you are brought in with a sponsor is a relative. You can get in with fewer points under that regional scheme. Which initial is that one? I get mixed up with the initials. That is the Skilled Regional Sponsored Scheme. That is one for points and there may be fewer points if you live in an outer region. But I take your point that with a lot of them it would not be appropriate, because you are not talking about points. But you are talking about age. Then, I guess, you do not want to say, ‘All the old people go out in the country, too,’ do you?

Mr Haren—That is right. There is a problem.

Mr Tonin—I would like to add to that. An employer in a remote location of South Australia must give assurances in the way of a contract for employment of at least two years. If we even proposed or looked at some other three-tier type system with a points test, it would be quite hard to monitor a migrant who comes out under a points test allocation, because we would be considering lessening the points for someone willing to go to a remote location, but the problem would be in maintaining that person in the remote area. It may have been a mechanism for coming out to Australia and then, lo and behold—

CHAIR—The opportunity for abuse?

Mr Tonin—Yes.

Senator McKIERNAN—How much more difficult would it be to monitor them than what happens now? What monitoring are you doing now?

Mr Tonin—Currently John Haren's department, the state government, conducts surveys.

Senator McKIERNAN—I know they do a survey. I thought you were with Immigration. What monitoring do you do now in Immigration of the people coming in?

Mr Tonin—There is monitoring of temporary class of visas, but there is no real monitoring for the RSMS procedures.

Mr Lorenzi—The only real measure sometimes of a success of a scheme is by the number of complaints you get about things going wrong. Technically, I suppose, we do not have the resources to do anything other than a survey because of the location of all the businesses and so forth.

Senator McKIERNAN—The reason I asked the question was because of Mr Tonin's response to the Chair's earlier question, when he said it would be difficult to monitor a three-tier system. If the monitoring is not happening now under a two, what would be different under a three? I will come to the survey, because I have some questions on the survey at a later time.

Mr Haren—The doctors are a unique area. You mentioned our submission. Overseas trained doctors going to rural and remote areas of South Australia are brought in through an agency which has been charged by the department of health to try and supply skills into those areas. The avenues of a person then having arrived as an overseas trained doctor and then being able to qualify to satisfy the permanent visa outcomes is, as no doubt you are aware, very complex. Under the FRACGP and the AMC scheme, doctors who are temporarily resident, on the basis of having passed either of those two exams, are then eligible for unconditional registration. We can then hook into a migration scheme that can help. The overseas trained doctors are only going into rural and remote areas of South Australia; they are not coming into Adelaide. That is carried through the department of health.

Senator McKIERNAN—You raised the subject of doctors in your submission.

Mr Haren—That is right.

Senator McKIERNAN—It is right out front, the second page of your submission.

Mr Haren—That is for rural and remote South Australia. We work in parallel with the Department of Human Services, which is the state government agency which has a rural and remote health agency which is aimed at trying to satisfy shortages of general practitioners in rural South Australia. We work with them to assist them, where we can, to get permanent visas. All of those for GPs, as far as I know, are in rural locations, out of Adelaide.

CHAIR—Before the deputy asks you about your survey, does DEWRSB wish to make any comments?

Mr Martin—I would like to follow-up the three-tier issue a little more. John, you see the cases first. But I have the impression there are some people who are happy to go to country areas and they will—and it would not matter whether it was one, two, three or five tiers—but the majority are not. We get motor mechanics, refrigeration mechanics, people like that. There was a recent group that went to Bordertown. I do not think there was any arm twisting that went on there.

CHAIR—They like the country areas?

Mr Martin—I think we are talking about people who are from rural South Africa in the first place.

Mr Haren—We have found that where someone knows somebody who is in that jurisdiction—if there is a person who is already in Bordertown who is a South African—they might know somebody else and say, 'Yes, it's pretty good in Bordertown,' they are happy to go into a location where they know people and where there is work.

CHAIR—That is interesting. You have just brought up a question that I usually leave until later. I will throw it at you now, because you have brought out the ‘South African knowing everybody’ connection. Are you aware that some of the South African connections are church connections?

Mr Haren—Yes.

CHAIR—You are? How many would you say have come out through that church?

Mr Haren—Probably about five.

CHAIR—Do you think there was a skill shortage requiring those people, or the people who sponsored them really wanted to get out other church members from South Africa?

Mr Haren—It is very hard to say. We only certify cases where we believe there has been a labour market shortage demonstrated, so from our position that is how we have seen them.

CHAIR—What was the one down in Mount Gambier? A saw sharpener?

Mr Haren—A saw sharpener?

CHAIR—Yes, and we wondered whether that was a highly needed skill.

Mr Haren—It did not come through our office.

Mr Martin—No, I do not recall that one but I would take a saw-doctor in Mount Gambier as a completely legitimate labour market need by virtue of the timber industry down there.

CHAIR—You have just answered our question, but we did have some concern that they were all connected to a fairly fundamental Christian religious group.

Mr Martin—We got three in a week or something and then it just died. Either that or we have not noticed.

CHAIR—Maybe they stopped letting you know.

Mr Martin—It might be an admission that we have not noticed but these were quite obvious.

Mr Haren—Yes, we were certainly aware of it. We probably scrutinise those much more than we do ordinarily. Most of them get pretty close scrutiny anyway.

Senator McKIERNAN—If I might just follow that through. You would give virtually automatic approval on a saw-doctor because of the timber industry in the area. Wouldn’t there be an expectation that there would be training going on within the timber industry in the area?

Mr Martin—‘Expectation’ might be too strong a word. ‘Hope’ might be closer to the truth. The point I was making was: would you look askance at a saw-doctor for Mount Gambier? No,

because of the timber industry. Having lived there for three or four years, I know there are a fair number of saw-doctors down there. At the same time I do not know what the apprenticeship numbers are like, but I suspect they are very low.

Senator McKIERNAN—I think that is a legitimate area to ask whether an application for a saw-doctor or a chicken plucker —

CHAIR—That was one. Yes, there was a chicken plucker too.

Mr Bridge—There are still thresholds. Even with a saw-doctor the requirements would still be there for some sort of post-secondary qualification.

CHAIR—We were not questioning that they had the qualifications. We just wondered if the need was genuine or it was part of the church connection to bring people. I suspect one of the answers from South Australia is that, as long as they have got the qualifications, you do not really care.

Mr Haren—We were aware that there was this movement and, where we were of the view that a nomination may have been in that particular bailiwick, we were very thorough with them. At the end of the day if a person meets the criteria for the award of a visa, their personal or religious beliefs are probably secondary to what we are looking at, so that is how we process them.

CHAIR—You mentioned REBA before but nobody seems to use REBA. That was the one for which in 1998-99 the grand figures were nought. What do you see is the problem with REBA? Why is REBA, of all the schemes, just not being used? Not many states use the STNI but South Australia does, so you get a big tick on that one, but you do not use REBA either, so what is the problem with REBA?

Mr Haren—Since those figures you will find that South Australia now does have a REBA case ticked off.

CHAIR—One.

Mr Haren—I think it is only one. Tasmania may have two or three. I am not a practitioner in the REBA are but I am told there was a requirement for persons who have been in Australia as a temporary resident then to have satisfied the requirements for the award of a permanent REBA visa, and that can take up to four years. The periods of time from the point of the initial grant of the temporary visa and the four years are just coming around about now, so there will be some cases which will start to be in the production line. My Immigration colleagues can perhaps comment on that.

Mr Lorenzi—I am not the REBA specialist. Unfortunately Fevronia, who was supposed to be here today, cannot make it; she was more across REBA. But my understanding is that there is a requirement that you have to be the holder of a temporary visa for at least 18 months before applying in most cases, anyway. So that could be, I would suspect, part of the problem. Also, I think another part of the problem is that it is not widely known perhaps, and another problem could be the fact that up until recently all the processing of those types of applications was only

carried out in New South Wales, so we had no contact with employers or people wishing to get involved in that directly.

CHAIR—What about number of employees? There is a specification for number of employees. Have you found that a problem at all?

Mr Lorenzi—I cannot say. I have not been involved in it at all.

CHAIR—It sounds like you are not getting the applications.

Mr Lorenzi—Yes.

CHAIR—We had two cases in Tasmania and the problem was that, although they were running very successful farms, they just did not meet the qualification on the number of employees.

Mr Haren—There has been a concession introduced from 1 November to allow states and territory governments to have powers to waive the existing criteria.

CHAIR—We found that out. We actually discovered that in the middle of a hearing.

Mr Haren—That began on 1 November to try and offset some of those issues where someone might be doing a good piece of business for a state or territory but they did not quite meet all the criteria.

CHAIR—So you have all been officially informed of that, that you have that discretion?

Mr Haren—Yes. The other thing is that, under the whole temporary entry arrangement, the 457 entry, the EBA/REBA profiles are being looked at by DIMA at the moment and have had consultations with state and territory governments. My understanding is that a full 457 independent executive entrant may not necessarily ever qualify for the grant of a permanent visa. They just may not have the skill set, even though they have been granted a temporary visa, to ever qualify as a permanent entrant. So the aim of Immigration is to try and have a more continuous pathway from the point of entry for that 457 independent visa into a permanent visa. There is quite a lot of dialogue between the states and the Commonwealth on what that criteria might look like. Some of the issues that have been talked about are the number of staff you might need, the turnover in the business, and those elements.

CHAIR—Establishment in the community?

Mr Haren—I am not sure if that is one of them.

CHAIR—Wouldn't you say that most people who came out on a 457 did so under the belief that they would be able to take permanent residency at some stage?

Mr Haren—Certainly with a wish to do so, yes.

CHAIR—They would not do it unless they thought that that was going to happen.

Mr Haren—Yes, I think there is an overwhelming wish to try and have that kind of pathway much straighter.

CHAIR—Did anybody else want to make any other comments on REBA or EBA?

Mr Haren—The problem with REBA was that you had to remain longer in regional Australia to qualify for a visa than for an EBA visa. I think it was nine months and 12 rather than 12 and 24, and to me that seems a strange visa criterion.

CHAIR—Was it to get over the problem Mr Tonin suggested before that they wanted some sort of evidence that the person was actually going to stay in regional Australia, and that is why they asked for the longer timing?

Mr Haren—I am not sure of the rationale for that.

CHAIR—DIMA?

Mr Lorenzi—I would not be able to tell you. I do not know.

CHAIR—I wondered about that.

Mr Haren—Therefore, many people qualified under EBA and did not worry about REBA.

CHAIR—They did not worry because it was easier.

Mr Haren—If you can meet the threshold criteria for the grant of a visa, you will go for the one you will pass rather than look for something that might have an R in front of it.

Senator McKIERNAN—I find it a bit surprising that South Australia is not intimately involved in the REBA scheme. I accept that REBA is down the line: they come in on a 457, they are here for a period of time, then the REBA comes into being when they make application. The people we met in Tasmania, for example, and took evidence from, although they say on the record they were not told about it before they came in, they certainly had come in with the intention of applying under that scheme after the qualifying period under the 457 qualification. You have not even gone through the qualification period in South Australia other than the one case you have mentioned?

Mr Haren—No, we are very keen to get hold of 457 executives. We are very much marketing for those people. We provide a lot of support to them from state government. We give advice and support to connect them into industry sectors. We tend to work with migration agents who are often the case managers of these people, and we are very keen to have a system that will work well. If REBA does not work well, we are keen to have dialogue with our Commonwealth colleagues about making something that will work better for us. My understanding from the migration agents in the marketplace is that people just are not ready yet

for these permanent visas. They either have not set their businesses up or they have not got the two or three staff that are required to meet the criteria that is needed to go past the next stage.

CHAIR—Would you have any idea of how many people there are in South Australia who would be on a 457?

Mr Lorenzi—I do not think we could tag that number for you.

Mr Haren—It would probably be a couple of hundred.

CHAIR—If you could get back to us, that would be helpful.

Senator McKIERNAN—Getting back to our saw-doctor, paragraph 3.2.5 of your submission—I think it is the third one— identifies up to 12 occupations that have been nominated the RSMS. Where would the saw-doctor come in under this? The other unusual one that we have come across—I do not think it was South Australia, though it might have been— was the specialist four-wheel drive mechanic. I thought that was a bit unusual. How would you categorise those on the result of the survey? It is page 74 of our documentation. It is the February 2000 submission at 3.2.5.

Mr Tonin—I thought you would classify the four-wheel drive mechanic as a motor mechanic.

Mr Martin—The four-wheel drive mechanic is a motor mechanic is a truck mechanic, at least at the four-digit ASCO level. The saw-doctor is in the precision metal trades. It is not toolmaker, it is about three or four ASCO codes further down the list, but it is in that early metal trades. Have you got your list there, John?

Mr Haren—ASCO list? No, I do not.

Mr Martin—No, the list that the Senator was asking about.

Mr Haren—This is 3.2.5, isn't it?

Mr Martin—Yes.

Senator McKIERNAN—138 different occupations nominated under the RSMS.

Mr Haren—Yes. They are the occupations that have 10 or more scores against them.

CHAIR—So there are other occupations you can get in but you do not get quite the points for them?

Mr Haren—It is just the volume.

CHAIR—They are the real big demand?

Mr Haren—Yes, we had 138 occupations which we certified and of those where we certified more than 10 in each of the occupations is that listing of 12.

Senator McKIERNAN—How many were certified overall?

Mr Haren—All up?

Senator McKIERNAN—Yes. I am running into a bit of difficulty in cross-referencing the figures.

CHAIR—While you are looking for that, just let me ask you why we have on the list—which presumably the South Australian government provided—religious worker and pharmacist? I am not sure why we need religious workers, so you may be able to tell me. The other one is pharmacist. I thought we had so many pharmacists we did not know what to do with them.

Mr Haren—My DEWSRB colleagues can come in on that one.

Mr Martin—We would be pretty close to a national shortage of pharmacists, especially in hospitals.

CHAIR—Really?

Mr Martin—Mainly because they can make more money in retail.

CHAIR—I see. So you are looking for them in the hospital pharmacies?

Mr Martin—Across the board, but the hospital is where the shortage is most acute.

CHAIR—And the religious worker?

Mr Haren—Just on the pharmacist, also the pharmacy degree has been a three-year degree up until this year. It is going to a fourth year so there are no graduates coming off the production line locally. So that is another issue.

CHAIR—I see. So you have got a hiatus there?

Mr Haren—Yes.

CHAIR—And the religious worker?

Mr Haren—National shortage. What can I say? They are.

CHAIR—What do you mean? What do religious workers do?

Mr Haren—It's an occupation. It's like a priest or a minister.

Mr Lorenzi—Yes, there are like imams.

Mr Haren—Or imam.

Mr Lorenzi—A certain Islamic type of religious positions that requires training outside Australia. You would not find locals that could do it. There are no formal training courses in Australia for those type of religious workers either.

CHAIR—So should that read ‘Islamic religious worker’ or are we short of Uniting Church pastors as well?

Mr Martin—No, there is also a worldwide movement within the Catholic system.

CHAIR—So if I was talking to some young people in my office who had trouble finding a career where they would be guaranteed a job, I could suggest religious worker?

Mr Haren—You certainly could.

Senator McKIERNAN—I was just reminded that Ian Paisley had a church once in South Australia. I will not say anything more on that. The point I was trying to make in asking about those occupations was that there have only been 255 people approved over the time period which this submission covers.

Mr Haren—This survey.

Senator McKIERNAN—But the survey is actually talking about 569 nominations. So it is not necessarily the approvals that have been notated here in these most popular occupations.

Mr Haren—No, these are the approvals.

Mr Bridge—There might be a difference between the number of visas issued which might include family members between actual primary applicants or principal applicants, which would be the occupations for which there is a ranking there. That could be one of the issues.

Mr Haren—If you have one saw doctor and he has a wife and four kids, there can be six visas generated by the one nomination.

Senator McKIERNAN—Your nomination would be covering the principal applicant, wouldn’t it?

Mr Haren—Yes.

Senator McKIERNAN—If we are talking about 255 approvals, that would be 255 approvals of the principal applicant.

Mr Haren—Correct.

Senator McKIERNAN—The survey is not necessarily correlating with the visas issued?

Mr Haren—Correct.

Senator McKIERNAN—That satisfies me. Can I go back to your submission, and I will try and wend my way through as quickly as I can. At the bottom of page 4 you talk about the tripartite model operating here in Australia, which enables all participating agencies who have an interest in the integrity of the RSMS to be fully informed. The information we have about the saw doctor brings to mind the question of what training has been done for these people. Has the training and marketplace testing been done in a proper way before a visa is issued? For instance, a specialist four-wheel drive mechanic: Australia has more four-wheel drive vehicles than any other country—and per capita we also have more. Why would we need to bring in specialists from other countries to be four-wheel drive motor mechanics?

Mr Lorenzi—The regional sponsor scheme does not require us to test an employer's training record or what efforts they are making for training. It is a derivative of the Employer Nomination Scheme, which does require an employer to have a satisfactory training record, but under RSMS there is no requirement to look at that. That could highlight the reason why, with some occupations, we are bringing people in where there may be apparent training or there may not be. The scheme simply does not pick that up.

Senator McKIERNAN—Where does the integrity of the scheme come to bear?

Mr Lorenzi—The integrity comes in with all three of us being able to meet at one time and discuss all the intricacies of a case; whether we think there is merit in the employer's labour market testing, whether the state—

Senator McKIERNAN—But there is no labour market testing.

Mr Lorenzi—There is in some cases.

Senator McKIERNAN—Let us just follow through, point by point, on the specialist four-wheel drive mechanic.

Mr Lorenzi—Okay.

Senator McKIERNAN—Is there labour market testing on that?

Mr Lorenzi—There is.

Mr Martin—The testing would come prior to the nomination, in the sense that the employer would test the labour market by advertising. The issue is not so much that the person is a specialist four-wheel drive mechanic or a brake mechanic or a diesel mechanic or whatever; the issue is that nationally there is a shortage of motor mechanics. Therefore, if the Toyota dealer, for instance, is to get a specialist motor mechanic from within the domestic market, the likelihood is that that employer would encourage somebody to come from elsewhere. All they are doing is creating a problem down the road. There is a shortage of motor mechanics. Therefore, if one comes in, that helps to ease the shortage.

Senator McKIERNAN—Are motor mechanics on the skills shortage list?

Mr Martin—Yes.

Senator McKIERNAN—And has been for how long?

Mr Martin—Probably since the fifties. Some of the metal trades in particular have been in shortage literally for decades.

Senator McKIERNAN—Does your department, other than through immigration, have any ways and means of addressing those shortages? Do you look at it domestically?

Mr Bridge—Can I go back slightly? I brought with me a whole bunch of copies that were not available when I last appeared before you in Canberra. That contains the latest skills shortage information that we have, although it also is a little bit dated and we hope to publish the new set of skills shortage information early in the new year. That has quite detailed information, occupation by occupation, on prospects, turnover, job growth and size of the occupation. Two questions come to mind there. The RSMS scheme, as my DIMA colleague states, is similar to the Employer Nomination Scheme. Both those schemes are mainly employer driven: an employer who is trying to get a person to work for them may advertise and still have difficulties, and therefore perhaps approaches the immigration department because they are having to go offshore. It may well be the case that it reflects a national shortage but it is not always the case. It may well be that the difficulty lies in a particular person getting someone to work for them in a particular location.

Some of the occupations are very specialised. We have the general information that is contained there. That is the information you see in the South Australian submission at the occupational level. There are specialisations which are below that level, such as saw doctor, which may well be in shortage but we would not necessarily identify it because it is only one element of an occupation. There might also be a shortage in one or two states but it does not crack the national level.

Mr Martin—There seem to be two issues in labour market testing that we are perhaps talking about from slightly different perspectives. I get the impression, Senator, that by 'labour market testing' you are asking if somebody goes out and establishes that there is a national shortage or a state shortage, as opposed to where we are talking about an application and the employer has taken reasonable steps to get somebody but has been unsuccessful. That is normally what we refer to as 'labour market testing'.

Mr Haren—We would ordinarily ask that they advertise at least twice in the *Adelaide Advertiser*, which is our main paper, and that they also have been through a Job Network provider. If there is a professional or trade association that can offer an independent opinion about whether that particular occupation is in shortage or not, we ask that information to be provided as well. If there are any people who have applied for those positions, we ask to see why they were deemed not suitable for that particular job. We go through a fairly thorough detailed analysis of what they have done for that job.

I had a call today from a locksmith saying, 'Locksmiths are in shortage in this state; in fact they're in shortage nationally.' I thought, 'Oh yeah, I haven't heard that one before.' He told me that he cannot fill a position in Whyalla; he has just spent \$70,000 to \$80,000 outfitting a van so that he can have his Port Pirie person go to Whyalla or someone from Adelaide go to Whyalla. He said, 'What can I do? I'm prepared to go to the UK.' He is from the UK and he knows many people who would be very keen to come out and maybe work in Whyalla. I said, 'Have you advertised?' He has advertised for the last two months. He has been through the Salvation Army, Job Network providers. He has all the information at his fingertips. He has a vacancy which is causing him immense heartache to try and fill. He has gone to the expense of trying to cover it from Adelaide and from Port Pirie. He said, 'Look, I'm now prepared to go to England and do some recruiting for my own needs.' He knows of some other employers, and he might even bring three or four in, rather than just the two he is after.

Senator McKIERNAN—Do not lock the door on them. Part of the reason why I am focusing on a specialist four-wheel drive mechanic is because, as I recall, it related to the nominations that were received from religious groups. It might be one way around a tight, stringent testing for integrity that we should be having. That is why I focused on that, not that I have anything particularly against four-wheel drive mechanics. It is pretty amazing that while Australia leads the world in terms of four-wheel drive vehicles we have to import the people to fix them.

Mr Haren—The occupation pays very poorly. I think it is \$25,000 a year for a motor mechanic. Parents do not necessarily wish their children to be trained in occupations that are low income producing and may be deemed to be hard jobs.

Senator McKIERNAN—I used to encourage my kids to get involved in it so they could fix the car.

CHAIR—I am just looking at my notes. The 456, which I think is the short-term visa: I think you said the South Australian government had made recommendations for some people on the short-term visa that DIMA had knocked back. Are you finding that a problem?

Mr Haren—It has been quiet on that front but I think most states and territories have a similar experience. They might invite somebody to come out on a business ground and find it has been refused. Our position still remains that we would like to have the power to formally sponsor a 456 person. We are still asking the Commonwealth for that power.

CHAIR—Do they give you the reasons for refusal?

Mr Haren—They do but they are often very vague and you might be less than satisfied.

CHAIR—Can you give us an idea of the sort of reason they would give?

Mr Haren—A non-genuine person.

CHAIR—A non-genuine person? This is an alien?

Mr Haren—Yes, like a person from the PRC who we might be wanting to have come down to look at a business proposal. DIMA's decision records are often very—

CHAIR—Is this for privacy reasons? Presumably, if they do an inquiry on someone and find out that person has been in jail or does not have the qualifications they say they have, they just say, 'You're a non-genuine person.'

Mr Haren—I am not sure what the rationale behind it is.

Mr Lorenzi—My guess is that it is a health, character and bona fides issue, as most of our visas are. There is no checking of health or character on very short-term visas. I think in some high risk countries like the PRC and some other areas there might be concerns as to abuse of the thing and how we can actually monitor it. They are only my thoughts; I am not sure.

CHAIR—We will be seeing DIMA in Canberra and we will certainly ask them because we have had these sorts of complaints. Could the three of you just take me through the process. Let us say somebody comes to my office and says, 'Chris, I need a sushi chef.' I then hand it over to you guys. I ring up the special development unit. Are we still going through the special development unit?

Mr Lorenzi—It is the regional sponsored migration area in International SA.

CHAIR—I used to just ring up the special development unit—economic development unit. That was when it was first introduced in 1997, I think. Is that right?

Mr Lorenzi—Yes.

CHAIR—That was a real cinch. That was really great. I rang up and I talked to Ted. Ted would say, 'Chris, if you think it's a good idea, that's fine. Send in the paperwork.' Two weeks later the guy got his visa. This was brilliant, but I think you have changed your process since then.

Mr Lorenzi—Yes. If you rang me now and said, 'Look, I've got this person. What do I need to do?', we would say the employer would need to demonstrate that the labour market could not satisfy that vacancy.

CHAIR—That is by ads?

Mr Lorenzi—By ads.

CHAIR—Showing that he has put ads in the paper?

Mr Lorenzi—Correct. If that is all done, we meet every Thursday—

CHAIR—The six of you?

Mr Lorenzi—No, generally three of us.

CHAIR—One from each department.

Mr Lorenzi—Yes.

CHAIR—Every Thursday.

Mr Lorenzi—We end up with the nomination form. We get a letter from the employer explaining why it is they have had difficulty in filling that job. We have copies of the advertising they have done for that particular position. If people have responded to that advert we want to know why they were not suitable. We would then get a copy of a contract. There is a two-year contract of employment required under the scheme to ensure that the employer gets benefit and the person who has entered is guaranteed employment, given that there is no access to social security for that two-year period. We would normally see a job description and make sure that the job is in fact a skilled job. We check that against ASCO.

When all that material comes, Serge Tonin, who is with the Commonwealth but is currently on secondment to my office, will go through the paperwork with me. If there is anything missing or if we have an uncertainty about documentation, we will go back to the employer and say, 'Look, you've only advertised once. Why was that? Our guidelines indicate you need to advertise at least twice.' We will get the full detail. If we think it needs to be readvertised we will ask them to readvertise it.

When it is all ready, when it has met our parameters for considering the nomination, we bring it to a meeting where DIMA and DEWRBSB will be present. We table the documents at that Thursday meeting. If we got the application on the Tuesday we would make contact with the employer. If all was in readiness we would present it at our meeting on Thursday. Then if either DIMA or DEWRBSB had a concern we would take that concern on board on behalf of the group.

CHAIR—If they didn't?

Mr Lorenzi—It would be approved on the spot. On the Thursday you would get a call from me saying it has been approved.

CHAIR—You do not have to go back to Canberra at all?

Mr Haren—No. It used to be through Canberra. Back in Ted's days, he sent it to Canberra and then it would come back to DIMA Adelaide. That is all done here in Adelaide now.

CHAIR—Now you do not need any central reference at all?

Mr Haren—Correct.

CHAIR—Going back to the ads, is there any requirement on the size or types of newspapers that the ads go into?

Mr Haren—We ask that it fall within the standard for that occupation. If, for example, it is a higher teaching post then it should fall within the teaching sector, with the right profile. If it was a teaching job and it was put in under ‘Wanted’—

CHAIR—It does not qualify, yes.

Mr Haren—in the very small sector of the paper—

CHAIR—In the *Messenger*, for instance.

Mr Haren—Yes, we would say, ‘Sorry, you haven’t demonstrated to us that you have tested that job appropriately.’ We keep an eye on that and make sure that the labour market testing is appropriate.

Mr Lorenzi—Also, there is the wording of the ads so that they are not designed to dissuade—

CHAIR—Discourage people, yes.

Mr Tonin—Other factors are where the ad is placed and whether the ad is in line with, say, another company’s ad in the way they have worded it, et cetera.

CHAIR—There is a standard. You look at it and say, ‘Yes, it looks as though it meets the standard,’ without actually ticking off points.

Mr Tonin—Yes.

CHAIR—Getting back to the rather fanciful matter I raised outside, let us go through it. Let us say you get an application from somebody who has a travel agency and says, ‘We have this travel agency and we specialise in certain offbeat areas. One of the areas we want to specialise in is the subcontinent. Look, we’ve put an ad in the paper and we’ve shown that we have asked for a travel agent with knowledge of the subcontinent. We haven’t got anybody, but we do have somebody right now in Pakistan who operates there as a travel agent and he has really good specialised knowledge of the subcontinent. Can we bring him here under the employer nominated?’ What is your answer?

Mr Haren—From our point of view, the first thing we need to know is: is the job a skilled position as per the definition of the Regional Sponsored Migration Scheme? The definition of a skilled position there is that the occupation must require a diploma level or higher, so we would go to the ASCO dictionary and we would see whether that occupation does, in fact, have that requirement. If the occupation did not have that requirement, we would ordinarily say that the job is not a skilled job; therefore this particular avenue may not be the appropriate one. We might discuss whether it is possible for that person to come and start a business venture and have enough capital to come here and start a business and maybe look at a 457 with a REBA outcome. That may be a possibility and we would see what other options are there.

CHAIR—If that person, let us say, does not have the money to come here and start a business, but the people who want to hire him here are prepared to put up the money for him to start the business here, does that qualify?

Mr Haren—I think it would not.

Mr Tonin—I think we are shying away from the original proposal that this person is being sponsored for employment reasons, not for buying into a business. The position on whether or not someone gets nominated is that it is a genuine and full-time position, so in respect of identifying whether or not an employer is potentially putting a nomination that is genuine, we would look at documents such as the certificate of registration of the company and we would look at the financials of the organisation as well, before we even go that next step and start looking at the position and trying to classify it in respect of ASCO—is it diploma level, et cetera. Then the third phase of it is looking at the labour market implications and what advertising they have done before we go in. It is a step by step process.

CHAIR—We are not ruling it out. We are just saying it would have to go through a fairly close process.

Mr Tonin—Yes. In your particular situation, if there were any reference to potentially investing in the business, then, of course, as immigration officers we would certainly look at them obtaining some type of business visa, whether it be the 456 or the 457 or even some type of permanent residence under the business category, so in that sort of situation, no, because if we did see a nomination and reference was made to some sort of business investment in the company itself then, of course, that deters from the labour market testing of the employer—

CHAIR—It has to be one or the other, yes.

Mr Tonin—and the attempts made to genuinely fill it with an Australian citizen.

Mr Haren—In the example that you are quoting, you might think it is a travel agent's job but we might say, 'Well, what are the duties of the position?', and we might ask you to give us the full details of the duties. Whilst, in your thinking, it is a travel agent, it may be that the position is some other type of position within ASCO. We would check to see whether those duties are in fact those of a travel agent. Maybe they are the duties of an international sales and marketing manager.

CHAIR—I see, yes.

Mr Haren—If it were an international sales and marketing manager position, it might require a person who has a degree. In this case the person may not have a degree but if they have, say, 15 years experience in producing high volume, very good quality programs and projects which might benefit the state, then you would see whether or not a case could be put by the employer that this is an exceptional appointment. Under RSMS that is available. That is a role that we in the state government can do with the employer, whereas I think the Commonwealth probably would be unable to walk them through to that point.

CHAIR—They would just look at the category and say no, whereas you can say, ‘Well, maybe not there, but we can redefine you.’

Mr Haren—They would say yes or no. We could say, ‘But you may look at this,’ and then we might talk with them about, ‘Maybe it’s a travel agent, maybe it’s not. Let’s have a look at the duty statement, the job description. Let’s have a really good look at that and see what the duties are.’ Then maybe we would ask Paul from DEWRSB, ‘Where do you think that job description fits under ASCO? Is it a sales clerk, a 6,000 ASCO’—which is a non-skilled job—‘or is it a travel agent?’—which is still a 6000? We might ask, ‘Is it a top-end sales and marketing manager?’ We tend to try and give it a good hearing. Employers do not always know how some of these mechanisms work and we are trying to help them through.

CHAIR—You have mentioned the exceptional and I wanted to get to that later but, as you have raised it, you have had quite a number under ‘Exceptional’, haven’t you?

Mr Haren—Yes, we have.

CHAIR—How many? You had it somewhere and I cannot remember.

Mr Haren—I am not sure of the percentage.

CHAIR—It was a significant number.

Mr Haren—It is significant. Often you find that there will be people who might be 46 or 48. The cut-off is 45.

CHAIR—They are just over 45.

Mr Haren—Yes. It could be language. There could be a Polish electrician or a Chinese chef. A Polish person might be working with another person of Polish background who speaks English. If they are working on a vehicle, they do not necessarily need to speak from day one with the client, because the manager will work out what is wrong with the car. The Chinese chef could be working in a kitchen with other Chinese nationals who speak English. We always try to make sure that any exceptional case, for a start, adds value to the employer, that there is a reason for that exceptional circumstance that we think is reasonable. It is a bit hard to get a handle on.

CHAIR—It is a bit of a value judgment?

Mr Haren—It is, yes.

Mr Tonin—You could also include religious workers who are over 45 years of age. Under the scheme they would have not so much a significant effect on the numbers that we have under ‘Exceptional’, but you would find that a religious worker, be it a monk, priest or whatever—

CHAIR—You mean they are like wine: they improve with age?

Mr Tonin—They are like wine, yes, exactly.

CHAIR—I want to get to the age ones but, still with the exceptional ones, do you have to touch base with Canberra at all?

Mr Haren—No.

CHAIR—Even with the exceptional ones you can still do that at the local level?

Mr Haren—DIMA has the decision on the exceptional. What we do is to try and help the employer. When we are talking to the employer about all the things they need to provide, we say, 'Oh, here's a person over 45. Do they speak English or do they have a qualification?' If they do not, we invite them to prepare a submission, which is then taken and adjudged by DIMA. They are not given the run-around.

CHAIR—You can make that decision?

Mr Haren—Yes.

CHAIR—It does not have to go back?

Mr Haren—In fact, our policy position from, say, government is that we want everything that affects our state to be dealt with by Immigration Adelaide. The REBA and EBA were in The Rocks in Sydney. We asked the Commonwealth that they be done here in Adelaide and the Commonwealth allowed that to happen.

CHAIR—What I have at the back of my mind is that one of the regional centres we visited complained because recommendations that they were making were being knocked back by central office in Canberra. Is South Australia in a unique position with this?

Mr Haren—For RSMS, no. It depends on what visa category you are talking about. For RSMS, DIMA has total power in Adelaide to determine every case. For EBA/REBA, up until November, they were all done in The Rocks in Sydney.

CHAIR—And now you have the regional—

Mr Haren—And now in Adelaide.

Mr Tonin—All cases after 1 July 2000 are now assessed in the Adelaide office. We have only seen a few nominations around the November period which have come into the office for assessment.

Mr Haren—From a state government point of view we were very keen that the Commonwealth have someone at their front counter who knows about the business visas. If they are not doing processing in Adelaide but saying, 'Go to Sydney,' what kind of a message does that give to people who might be thinking of starting a business in Adelaide? We are delighted that that has happened.

CHAIR—It is a regional scheme, so it is only reasonable that it is negotiated in the regions.

Mr Haren—It should be done in the regions, yes.

CHAIR—You mentioned age. Do you think 45 is too young?

Mr Lorenzi—It could probably go higher, up to maybe 48 to 50. High-powered executives, who quite often have to spend a considerable amount of time within an organisation or who get transferred around the world, find themselves at that age between 45 and 50 and it seems a bit silly to have to cut it off just there. But I think that age is based on some sort of determination of economic benefit of a migrant rather than the actual attributes that a person of that age can bring.

Mr Bridge—We have these various criteria that are able to be breached by the exceptional circumstances. Not only in the RSMS but also in ENS you can put up a case for an exceptional appointment. But they are there for a purpose. It is the case that people who do breach those criteria are less likely to do well in the Australian labour market, in the Australian economy and for the Australian government in terms of tax return. On the issue of greater than 45, published in the points test review was an interesting chart coming out of an American study which looked at people at various levels of qualifications in the States and where they entered America. It was found that people with good post-high school qualifications were a net drain to the American taxpayer after they came at 45, simply because the time involved in the economy, being involved in the labour market, producing income and paying taxes did not offset the draw-down when they were older and incurred pension costs and health costs, so in a life cycle it is better to get migrants who are 25 to 30, 35 to 40, rather than 45 plus.

CHAIR—Do the people who establish a business have to have an age criterion?

Mr Bridge—There is an age criterion with the business people. I am not as well briefed, but it is less linear and it does extend up into the 50s.

CHAIR—Clearly, if somebody is establishing a business, it is unlikely they are going to go on social security, although they do go on the Medicare system.

Mr Bridge—On age, that is the other issue to note. If they do happen to be separated from their employer, the unemployment rate is much higher for older people and the unemployment duration is much longer for older people, and if you do happen to have maybe two of those criteria being breached—maybe less strong English skills and also older—you are getting into a double negative, where the Commonwealth is bearing a significant risk in accepting this person as a migrant, because the chances are they are not going to be a positive on the labour market and a positive for the tax revenue versus the cost outlay.

Mr Martin—We do not take any absolutely hard line that, ‘This person is 45 years and one day.’ It will depend on the circumstances of the individual.

CHAIR—But generally you think it is fair?

Mr Martin—It is a starting point, but if John put something on the table for somebody 47 years of age, an analyst programmer from an English-speaking country with good Visual Basic skills, the likelihood of that person finding alternative employment if the original nomination fell over is extremely good, so therefore we would take a fairly relaxed attitude towards 'Exceptional'.

CHAIR—I must say that the way it is done here seems extremely sensible. My final question here on the graph that you have given us is: why aren't we going like that?

Mr Haren—It is to do with the demand in the labour market. I think you will find that last year the demand under the employment nominated categories overall Australia-wide was down by something like 18 per cent. The RSMS figures almost paralleled what happened nationally under ENS. I think it was more to do with the economic activity within Australia. Things were slower.

CHAIR—I thought of three possibilities: (1) the economic, which I do not like for obvious reasons; (2) once the other states were starting to get into it, South Australia felt the impact of the other states taking some of the people; and (3) we are gradually picking up these skills so that we do not need to import them.

Mr Haren—In fact, on those figures really it was one bad month. We had a very bad December, or November. We had three cases in November. Had we had an average month we would have been probably very much closer to the previous year's numbers. Pro rata this year the ENS nationally is up on last year and our RSMS figures are up.

CHAIR—So we will see another bolt?

Mr Haren—We will see it probably back up again.

CHAIR—You have on your list South Africa, but I do not see any mention of Zimbabwe. I just wondered, with all the problems they were having recently, whether we are getting applications from there or not. I was just curious. It suddenly occurred to me that I did not see it on your list.

Mr Haren—We have not seen a lot from Zimbabwe come through. We have seen South Africa maintain a steady interest. I do not quite know why. I think Zimbabwe tends to be a lot of rural farming communities.

Mr Martin—This is purely speculation, but I get the impression that Queensland has targeted Zimbabwe.

CHAIR—That would explain it. 'Beautiful one day, perfect the next.'

Senator McKIERNAN—Why hasn't South Australia targeted Zimbabwe?

Mr Haren—I think it is down to dollars and cents as to how far you can go. We have very little marketing money. South Africa has been a prime location for us. We were very close to

considering Zimbabwe and how we would respond to it. It may be something that we will turn our attention to the next time we go to South Africa and we will try to include a leg into Zimbabwe.

Senator McKIERNAN—I will just follow through on that and ask again for clarification on what you put in the submissions. You gave us this graph here, which you can identify from the distance. It is on page 20 and I think it is following on from the sample. Then at page R74, the page following the other graph the Chair just showed you, there seems to be a bit of a contradiction. You give us the ranking of 3.2.6, of the following nationalities of nominees. On the first graph you give us the country of origin. One country of origin, fig 1, gives South Africa as being the main nationality, but on the rankings it gives us the United Kingdom.

Mr Haren—I am trying to find that graph.

Senator McKIERNAN—I cannot help you with that one. It is following the key findings of the survey.

Mr Haren—I cannot lay my hands on it.

CHAIR—Having picked that out, have a look here. This has the Ukraine coming in at 4 and the Ukraine is not even mentioned.

Mr Haren—That is an employer survey. That is the response to or outcome of the survey. They are the respondents who were affected by the survey, which is different from the actual numbers who we have certified, the actual numbers of all cases certified. The other table shows that the UK is marginally ahead of South Africa, but they are almost neck and neck. Of the cases surveyed—those who responded from the surveys—we had a slightly higher return of South Africans rather than those from the UK.

Senator McKIERNAN—I have other questions on the survey which I will leave at this time. That seems to make some sense. Thank you for that. In your first submission at point 3—‘Steps that might be taken to increase take-up’—you mention a concern about DIMA’s announcements on the change of the ENS which became effective on 1 July last year and the contract that people are required to enter into. We will be asking some questions of DIMA in regard to this. Have those concerns now been put to rest with the changes that have occurred since then?

Mr Haren—Yes, I must admit I was feeling a dark cloud coming over me when those changes were made. I thought, why not do the same for RSMS as they did for ENS? DIMA had the view, because it is regionally focused—whereas ENS is big city—that it was still reasonable to maintain the contract. I believe the contract is a valid document because there is a stronger commitment between the two parties where you have a letter of contract or a letter of offer of employment.

I must say that since our survey the Commonwealth, through DEWRSB and DIMA, nationally did a survey of RSMS and I think they expressly asked that question. We did not ask that question in our survey, but that was some feedback we got from employers. I think, from memory, from your survey that was done, that issue was not a concern to employers. From our

point of view, at the time of writing it seemed that might have been a concern, but it does not seem to be a concern any longer.

Senator McKIERNAN—Have DIMA got a comment on that?

Mr Lorenzi—I am sure the contract requirement was left in there to keep that retention rate in remote and rural areas. We found from the survey that employers did not seem to think that it was a burden on them. I think, as John said, it has pretty much become a non-issue.

Senator McKIERNAN—That is good. I should have asked this question one before last, on the targeting of South African and English migrants. Is there an a Anglophile feeling about all of this? Are you just targeting English-speaking whites in the process?

Mr Haren—The people who look after our Immigration SA did so on the basis that the UK has historically been a major source country for South Australia. There are long links to UK settlers here in South Australia. That has been a high and consistent location for skilled migrants and we have maintained that. South Africa came on the agenda because of the push factors out of South Africa—not because of any Anglophile focus or any form of focus on English-speaking countries, but purely because there was a fair bit of demand. We were getting knocks on the door from South Africans saying, ‘What do you guys have in South Australia?’

Many people who had come here and visited found that our climate and our lifestyle were very similar to South Africa and so we then picked up South Africa as a location that we would go to and bring to the attention of a few more people. But we have also promoted through Eastern Europe. We have gone through Singapore, KL, Hong Kong and markets where we believe there is more opportunity for us than perhaps some others.

Mr Tonin—Added to that is the fact that a lot of migration agents establish themselves in areas like South Africa more so and, also, recruitment agencies may be targeting areas in South Africa, knowing that there are quite a few people there with the qualifications required here in Australia.

Mr Lorenzi—The qualifications in those countries are usually easily recognisable in Australia. That seems to be a big incentive, too, from those countries.

Mr Martin—If I could add something just perhaps a fraction more circuitous, we were discussing on the way here why South Australia does not do terribly well. Part of it is that we do not have a very big migrant base and one of the attractors is where one has relatives. I do not know whether you have ever checked the numbers, but I get a gut reaction from reading the papers on the table that a lot of the South Africans are actually from England via South Africa. One wonders whether in fact there is that attraction of relatives in Australia anyway, given that we have this strong link to migration from the UK in the first place.

Senator McKIERNAN—But, again, most other states in Australia would claim those links as well.

Mr Martin—I think we could justifiably argue that ours, on percentage terms anyway, are higher.

Mr Bridge—I think that is right. Just on that score, I have never seen anything to indicate that the Commonwealth operates anything other than a racially non-discriminatory migration system. That said, English language per se is a very strong indicator—

Senator McKIERNAN—A good defence of the Commonwealth, but I was actually asking the question of South Australia, rather than the Commonwealth. But thank you, Mr Bridge.

Mr Bridge—That is okay. But English language is a very strong indicator of how people go in the labour market, even just small differences between speaking English ‘very good to good’—that sort of line. In the labour market research that we have done we have come up with quite a significant difference in incidence of unemployment, incidence of long-term unemployment, and even incidence of employment, on the other side of the score. So English speaking is amongst the criteria of skilled migration, and rightly so, as a fair weight, and that is soundly based on research.

Mr Martin—On any sort of mathematical analysis, facility with English is so far ahead of anything else it does not matter.

Mr Haren—We have in fact argued that we do not think the Commonwealth should be so tough on English. We think that, whilst vocational English might be the ideal, low growth areas of Australia, low population areas of Australia, regional Australia—however it is to be defined—perhaps should have the opportunity to attract people who may be slightly below some of those margins. If a person has functional level English and has a commitment to live in our jurisdiction, we would be quite happy to consider the potential to sponsor those people. That is what we tried to do with the Skilled Regional Sponsored program. The Commonwealth did introduce, at our request, a component for functional level English rather than vocational, subject to the nominee meeting the other criteria and paying the English language cost that the taxpayer would otherwise bear.

CHAIR—Just while we are on that, do you guys have slight disagreements at your meetings over this? I can see you sitting there and saying, ‘It doesn’t matter that he hasn’t got very good English,’ and I can see DEWRSB saying, ‘Look, he might lose the job and then we won’t have anywhere to put him.’

Mr Haren—We have healthy debate!

Mr Martin—The Commonwealth and the state have slightly different perspectives on some matters and that emerges in the course of the conversation.

Mr Haren—There are times when we go away and we might cool off for a week and then re-position about where we are arguing from. That is the beauty of the meetings, that you can do it across the table, whereas on paper these things could take two months, three months, maybe never get resolved.

Mr Martin—You have touched on the area where we are most likely to disagree: the exceptional. We, broadly defined, probably are looking for a stronger case on exceptional. John, on occasions, and I—from a DEWRSB point of view—will on occasion say, ‘Yes, the guidelines say to test the South Australian labour market, but I think there are unemployed ones

of these in New South Wales. Why don't you have a look?' That is probably about 90 per cent of our disagreements.

Mr Haren—And I will argue that the scheme is designed for regional Australia and therefore he should not need to worry about New South Wales. We have those philosophical debates from time to time.

Senator McKIERNAN—Do you ever arrive at a situation where somebody is arguing that, because so few people come to South Australia anyway, the fact that somebody does want to come is, in itself, an exceptional occasion?

CHAIR—Could you have worded that a little differently?

Mr Haren—I feel unable to respond!

CHAIR—I think it is a fair question, though just maybe from a Western Australian point of view it was not quite worded the way it should have been. But would you respond, because I think it is a fair question.

Mr Haren—At the end of the day we admit it. We have been delegated a role from the Commonwealth to make sure that the program is administered as it has been designed. We do not want to be a party to breaching any of the guidelines that are laid down. We see it as a very important service we provide to employers. If we prejudice the relationship we have with DIMA, that is not going to help us. We are quite genuine in making sure that any position being filled is in fact properly tested against the labour market. I do not want the Premier responding to a front page *Sunday Mail* article about this type of amendment.

Senator McKIERNAN—You have given some suggestions in your first submission for other mechanisms that might be developed, including the extension of visa stay for students. Have you formally lodged these with DIMA and, if so, what has been the response firstly with the students?

Mr Haren—The extension of the stay was put to DIMA. That has not been directly focused. In our second submission we were wanting them to have the right or the capacity to apply onshore for a permanent visa. That is probably where we would prefer to be from a policy point of view. That has been given very close consideration by the department, and I believe they are moving very closely to finalising their position on that. They have got some legal challenges in terms of how to frame criteria, but I believe that the Commonwealth is very close to taking that request and giving it the tick. That's my belief.

Senator McKIERNAN—Are DIMA able to advance that discussion any further?

Mr Lorenzi—No, I would not be aware of what our policy is.

Senator McKIERNAN—On the temporary residents, again staying with your first submission, I have asked this question about where your overseas representatives are. Firstly, you make an interesting point on your page 15 in the middle of the second paragraph:

South Australia is willing to maintain movement records on all parties visaed as the result of our support.

How would you do that?

Mr Haren—At that point we were saying that, if we were having too many problems with getting temporary business visaed applicants, where we gave our state government's support to that person's entry to Australia we would have some separate papers with the person we were nominating to ensure that they kept us informed of their movements. So if they were coming down here to do a three-week business mission, we would have an agreement that they would be entering South Australia on this date to do this activity and then to return back to their home country.

On return to their home country they would make contact with our overseas rep's office and do a debrief of what the outcome of their mission was, and then we would ask our overseas rep's office to keep us informed that they have actually physically returned back to their home country. So what we had in our mind was that we would have a database on which we would log that movement. We were thinking also of having DIMA involved in that loop so they could do confirmation through their movement database that the person did in fact do what we were hoping they would do. So we were trying to maintain a very strong handle on what it was we were doing in respect of giving those levels of support.

Senator McKIERNAN—What you have just told me is somewhat different from what you have actually put in the submission about monitoring. What you have presented to us orally is that you would be reliant on the individual telling you and on DIMA telling you, but you would not naturally as a state entity be monitoring them yourselves.

Mr Haren—No, we would be. When we were given the request to issue a letter of support, we would be asking the overseas reps to explain to the person we were supporting: 'If we provide you with a letter of support, your obligation to us is to keep us informed of your movements.' That is how we were expecting it to happen. We would be monitoring it from the position we can, which is through the person that we have given the letter of support to.

Senator McKIERNAN—Yes. In the next para the issue of integrity comes up. You are saying that you would only sponsor cases that you believe are genuine.

Mr Haren—Yes.

Senator McKIERNAN—That is the same with everybody. We only believe those that are genuine—and there have been some shonky ones that get through.

Mr Haren—Yes, you are quite right.

Senator McKIERNAN—Identifying the ones that should not have got through afterwards is a useful exercise in trying to close off those loopholes for others coming in and abusing the system in the future.

Mr Haren—Yes.

Senator McKIERNAN—Are you in a position, without being sensational about it, to tell us of some that got through that should not have done?

Mr Haren—We have not had a great deal of success because that system does not exist. What happens is that, if Immigration have a concern, the visas are not granted. So where we had a belief the person was of merit, we wanted to have our overseas rep check the company for whom that person is working to see whether the person is a genuine business person, that they are who they say they are, and we would do virtually a pre-visa clearance in parallel with DIMA.

Our letter of support was not intended to be like, ‘Yes, we would like all people from overseas to enter our jurisdiction.’ We would actually go one step further and we would try and make an objective judgment as best we could that this person was who they said they were, that they were in a position of employ in that company, that they were coming down to undertake business which was known by the company, and that it was not like a back-door entry into South Australia or Australia.

Senator McKIERNAN—Point taken. Thanks for that. Moving on to the survey now, I must say when I read the survey I had some problems with it. The first problem I had is that I am not so sure this type of survey should be done by telephone. That was my very first problem. You do not know exactly who is on the other end of the line and there may be all sorts of other things happening when that is going on. It seemed to me that, in the first instance, brought the survey into question.

Then when I read the summary sheet at the back from question 18, I really did have some concerns, particularly when we get to responses 107 through to 119, all of which are exactly the same. It seemed very much like what we used to term in my previous life a happy sheet at the end of a course or seminar. That brought some concerns to me. How valid do you think the survey is to the work that you in South Australia are doing?

Mr Haren—What we were trying to do was to get a reasonable response to the survey. If you are a busy business person, if one of the 3,000 envelopes that hit your in-tray every day was a survey, what is the likely outcome to it? We had a belief that many of them would hit the bin, particularly if it looked a bit complicated. You are a busy small business person—‘What is all this mumbo-jumbo?’ The other concern we had is that, if we did it by mail, it may go to a person who was not involved with the actual nomination. So if there are maybe 10 people in the company, if they do not know who it was that was the contact, it might just end up like, ‘Oh, it’s too hard, it’s just a questionnaire.’

We thought there was merit in engaging the person who was involved in our transaction, so we were able to be sure that we spoke to the person who was able to comment on the quality of the service that they were receiving and of the program itself. That was the basis upon which we chose to have a telephone inquiry rather than a questionnaire. We wanted to have a higher response rate and we wanted to make sure that the response came from the right person. There were many people who had moved on from the time we did the nomination, so in those cases there was no-one else there who could comment. It is a very personal thing. If you had been involved in doing the nomination, there is only one person in most companies who would know

anything about that particular nomination. It is something that no-one else other than the party that had that transaction with us would know the detail of.

In terms of these comments, there are some employers who had used the scheme on multiple occasions, and the employer who is Nos 107 through to 119 said of those cases that he has dealt with, 'It is the same response. Each time I have approached your office, I have been very pleased. The scheme is easy to use.' He said, 'I can't say something different because each time I've dealt with your office it has been the same.' So that is why 107 through 119 are as they are, because it is the same person. We said, 'Look, you are nominee X. What do you say?' He said this. 'Now, person Y, what was your reaction?' 'Oh, it was the same as person X.' 'How about person Z?' 'It was the same.' So the person who did the survey agreed to record the same outcome of the employer for each of those categories, on the employer's wish.

Senator McKIERNAN—Did you do any form of follow-up of those people who were not able to be contacted by the telephone—people who had moved on?

Mr Haren—We tried to track some down but we were more focused on the employer rather than the employee. The service that the state government gives is to the employer. On behalf of DIMA, we wanted to know as much as we could about what the employer felt about DIMA's service as well, and when we were doing the survey we had to make sure that they knew they were dealing with the state government for this activity and the Commonwealth for that activity. I think in the national survey you were looking more at the outcomes of the employee. Is that the case? We did not dwell on the employees themselves.

Senator McKIERNAN—Just take the point that you did not dwell on the employees themselves, and yet that information as to where the employees are is contained in the results of the survey. You are just simply reliant on the employer for that information or in some cases the migration agent, aren't you?

Mr Haren—Yes, you are quite right.

Senator McKIERNAN—It is another matter to cause me concern on the survey itself—that you are presenting information which may not necessarily have been properly tested. You are saying in the summary results the percentage that remain with the same employer after a period of time. It might be in some instances in the interests of the employer to give incorrect information to that effect, couldn't it?

Mr Haren—It could be, yes.

Senator McKIERNAN—But again that has not been tested?

Mr Haren—No. It begs the question of how you actually source that. I have not thought it through, to be honest, but we were not wanting to be too intrusive on the employer; we wanted to do something that was going to capture the flavour of the program across a reasonably high volume. So on the balance of probabilities these figures would be reflective of our environment. There is potential, like most things, for things to be skewed one way or another.

Senator McKIERNAN—Sometimes the bad news in the survey can be equally useful to those doing the survey as good news. It seemed to me that this was just good news all the way through. There were some criticisms of DIMA, and particularly criticisms of Pretoria, I must say I have noticed on the way through. I must say that my office does not experience those difficulties with Pretoria as such. There are some other posts that we do get problems with. I do not have any advice to offer how better you could do it. It would seem to me, on reading this for myself, that it was almost too much good news. It is done by telephone by an individual—again I am not questioning the integrity of the person who compiled the results of the survey. So it did not mean quite as much to me as perhaps it means to you.

Mr Haren—Yes.

Senator McKIERNAN—The location of the people certified in figure 3 of the sample of demographics of the survey: 87 per cent of them go into metropolitan Adelaide.

Mr Haren—Our aim is to move out into regional or country South Australia, and we are working with the regional development boards and the area consultative committees to try and improve that take-up rate into the regions. It does take a fair bit of moving, in our experience, to get an uptake into country areas. We have worked very closely with the South-East Area Consultative Committee in Mount Gambier and we have seen a reasonable uptake in recent times. But having spoken to many employers over about three years who have expressed that they have shortages, I know they are very reluctant to use the migration mechanisms, even though we have tried to make them as user-friendly as we possibly can from us being an intermediary between DIMA and them.

Mr Tonin—In terms of 83 per cent of nominations coming through the metropolitan area, you would also have to look at the size and population of South Australia and the numbers living in Adelaide as opposed to the regional areas. I think 75 per cent of people live in Adelaide, so 80 to 83 per cent is a figure that we almost come close to.

Mr Martin—It depends how you define the metro area. I think, strictly speaking, on ABS definitions 78 per cent of South Australia lives in the metropolitan area, but the metropolitan area is rather narrowly defined and there is a 10-kilometre or so wide commuter belt outside what is defined as the metro area, which contains a lot of people who, for all intents and purposes, come down the hill or come into the CBD every day, and 85 per cent would not be unrealistic in terms of how many jobs or how many people are closely attached to the CBD or the metropolitan area.

Senator McKIERNAN—I am not too sure what all that adds to the discussion. We were talking about 87 per cent rather than 83.

Mr Martin—Yes, and that is more or less in line with the percentage of the population that is probably in the metropolitan area.

Senator McKIERNAN—It is still going into a city that is over a million in population.

CHAIR—I think that is one of the things about South Australia. We are basically Adelaide with a few centres outside but not many. It is not like Western Australia, by any means.

Mr Haren—But we are a jurisdiction that still only gets 3.4 per cent of migrants.

CHAIR—Yes, eight per cent of the population.

Senator McKIERNAN—That is the latest figure, is it? It is 3.9 in your second submission for 1998-99.

Mr Haren—In the figures just to hand for 1999-2000, South Australia is 3.4 per cent.

Senator McKIERNAN—So it has decreased: four per cent down to 3.9 down to 3.4. I suppose the temporary protection visa holders do not add to the tally.

Mr Haren—No, they do not.

Senator McKIERNAN—You get your share of them, don't you?

Mr Haren—There are a few, yes. There are a couple of hundred.

Senator McKIERNAN—A different topic for a different subject. But that previous discussion is of concern when you look at your second submission. Those predictions from the Bureau of Statistics are for what they are predicting may occur in Adelaide and in South Australia over the next 50 years. Are you looking at a declining population at all?

Mr Haren—That is correct, yes. I think there is only one scenario where we have a growth of population in Adelaide and South Australia and that is with a combination of high migration, high fertility and low outward migration, and that is probably the unlikely scenario. The other two are the more likely, which means that the populations of South Australia and Adelaide will both decline and increase with age.

Senator McKIERNAN—I understand you are having regular weekly meetings on this and that the Minister for Immigration and Multicultural Affairs undertakes these consultations each year before the migration program for the next year is announced. What submissions do you put forward in terms of population policy? That is the global thing, and I do not want to move into an inquiry into population policy at this time, but it is relevant to these state sponsored migration programs that we are doing that you have to address problems such as have been identified at the beginning of the second submission from you, No. 62, which you sent in in October 2000. Does the state put in a submission on population policy to the government?

Mr Haren—The state government do not have a population policy. We tend to respond to the Commonwealth in respect to the areas of focus within the state and we are typically focused on business and skilled migration within my portfolio, industry and trade, so we would respond to the Commonwealth at those consultation rounds about programs that might help us with the business and skilled migration intake. We will be looking at any other visa opportunities. We might be trying to see whether there are some numbers in it for South Australia in that light. To my knowledge the government have not taken a population policy stand. We are a bit like the Commonwealth in that we would deal with migration as one of the elements rather than—

Senator McKIERNAN—But are RSMS and state-sponsored migration schemes only ever going to supply relatively small numbers?

Mr Haren—Yes.

Senator McKIERNAN—If they supply much more than that, there may be problems. I think there is a covering letter actually from the Premier with this submission. The state have thought it important enough to put this population policy into this submission. This inquiry is not going to address those much larger problems.

Mr Haren—No. It is something that we take particular interest in. As far as I know, there is no government policy on what is the optimum population for South Australia and how to achieve that. We are mindful that the ABS stats are indicating substantial challenges in the next 50 years.

Senator McKIERNAN—I notice in passing that in this submission you mention Adelaide being the city state. I just mention it in passing and will move on to the next one. I asked a question earlier about point 4 of your submission, ‘Promotion of South Australia as a migrant destination’. In your third dot point you say you are ‘Presenting seminars to potential migrants in targeted countries to inform them about South Australia’. I now cannot recall exactly what you told me earlier today, so could you elaborate?

Mr Haren—When independent migrants are in the migration process, if they met the initial stage of assessment where they were asked to do health and character checks, we have a working relationship with Immigration where they invite those people to a seminar and we then present to those candidates information about the state. We have some information brochures that we provide to them. We talk to them about what South Australia is, where Adelaide is, what may be an opportunity for them to consider and why South Australia might be a migration destination for them: the cost of housing, cost of living, clean air, lovely beaches, all those features. We try and bring to their attention the fact that our jurisdiction may have something for them; if they have never ever heard of us, this is an opportunity to consider South Australia.

We also have a program called Immigration SA for independent migrants who have no family members, where they are able to be met at the airport and we arrange three months accommodation for them. It is in public housing but it is arranged for them so that it is a first stop for them. They may not like it or they may find something better. There is no bond, so it is a fairly free opportunity for them. There are a few elements in that program that provide the kind of support that maybe they would not find elsewhere and which might be comforting for them should they consider coming to Adelaide. I guess that is the meat in that particular program.

We would also talk to people about the state-specific migration mechanisms, about RSMS or STNI. If people are in the pool under STNI we might say, ‘If you have an occupation of this type, we may be considered as a state government to sponsor you,’ and then we would explain how the STNI operates. In terms of business migration we would also inform them of the various programs available there and our willingness to sponsor people to come to our jurisdiction should they need that sponsorship. We try and cover all the visa areas in the business and skilled migration. We have a specific program under Immigration SA which has

services that are available. We are in the process of refining our business migration package. WA has a very good business migration package that the state government does there. We would want to provide to people some real, tangible support that can be visible in our documentation.

Senator McKIERNAN—You mentioned WA. WA also targets South Africa, doesn't it?

Mr Haren—It does, and actually WA is doing very well. Twenty-eight per cent of skilled migrants go to Perth. I should not say Perth; I should say WA.

Senator McKIERNAN—Perth is not a designated area because it is actually a city.

Mr Haren—Yes, correct. No, it is just not a designated area.

Senator McKIERNAN—No, but it is not a city state.

Mr Haren—But if it wished to become a designated area—

Senator McKIERNAN—All right, I concede. Is that difficult for a place like South Australia where you are competing with another state from Australia for migrants? Of course, we have heard from individual local governments who are also in the marketplace, as it were, targeting potential migrants. Does that raise any problem for you—you in the sense of South Australia?

Mr Haren—It does. WA does very well, we think, for a couple of reasons. Firstly, from Indonesia you have direct flights from Jakarta to Perth and not from Jakarta to Adelaide. You are in, I think, the same time zone as Indonesia in Perth. You are also the first airport to Joburg, so you have South Africa and Indonesia. They are the two biggest source countries for business migrants so there is a natural point. But WA does promote quite vigorously its destination as well. Whenever we are going out into the marketplace we have to be conscious of what our environment is, and WA has some good advantages.

Senator McKIERNAN—Do you get into competition with them?

Mr Haren—No. In fact, I was over in Perth only a month or so ago and I visited the person in the small business development area. We had quite a frank, open conversation. I gave him copies of the information that we give to migrants, he gave me a copy of his, and we do meet at these Commonwealth-state working parties on migration and we often talk about what we are doing, what we are trying to achieve, and where WA's interests are. They are not in attracting independent migrants, because Perth is doing very well from a skilled point of view. Their major focus is in business. Victoria's major focus is independent because they are well below their pro rata of independent skilled migrants to their population, so that is where they are going. Tasmania is very keen to get any assistance it can. The Northern Territory is a different jurisdiction again because of its isolation and the exposure of people who, if they go there without a real firm job, will use it as a point of entry to go to Sydney or Brisbane and not stay in the Northern Territory. Each jurisdiction has its own unique kind of profile. We are very keen to try and increase our skilled migration area and, in particular, attract business skilled migration into our state. They are our two key focal points.

Senator McKIERNAN—What is your budget for Immigration SA?

Mr Haren—The actual promotion budget is probably of the order of about \$70,000 a year.

Senator McKIERNAN—Fourteen posts, I think you told us earlier.

Mr Haren—No, sorry. The marketing of Immigration SA, the actual promotion, is a kind of categorised amount of money for marketing and promoting, maintaining our web site, undertaking specific promotion to those jurisdictions. The offices that we run are commercial offices that have commercial transactions apart from the Immigration element. I was not including in that amount of money any expense that goes through those offices.

Senator McKIERNAN—Do you have a fixed amount that is available for your on-arrival accommodation program? What is the budgeted amount?

Mr Haren—There are 90 houses which are available that can be used for on-arrival accommodation. We have a ceiling of 90. If we go beyond 90, we would be trying to put some pressure on the Housing Trust for a few more houses, but we have the agreement within that package to have up to 90 houses available.

CHAIR—For how long?

Mr Haren—For three months.

Senator McKIERNAN—Is that matched by any of the other states? I do not think we have heard about that previously.

Mr Haren—No. I think we are the only state in Australia that is doing that.

Senator McKIERNAN—State government concessions: the issuing of the cards is one thing. Do you know about the usage of them after the issuing?

Mr Haren—No, I do not have any details on that. It is to provide state concessions for people who are not employed.

Senator McKIERNAN—Public transport?

Mr Haren—Yes. I do not know. That is managed by the department that does issue those. They do that on a consultancy basis.

Senator McKIERNAN—I just come back to a final question and that will be it from me. I come back to the survey again. One of the responses to it was that 80 per cent of the employees commence work within the employer's time frame. Where is the missing 20 per cent and is there a concern about the missing 20 per cent?

Mr Haren—We would prefer to have everybody here within the employer's time frame. The bottom line is that there will always be reasons why a visa was not issued. There might have been a health issue for a partner that delayed the issuing of the visa. We probably do take a position now that we try to encourage every person to arrive on a temporary visa, because once

they are here they can make their application onshore. If there are delays in the formal processing of the migration application, at least the person is here working for the employer, whereas if they are offshore and there is a delay—maybe a health check or whatever it might be—the employer is still champing at the bit because he does not have access to the skills he needs. It is much more of an issue for the employer. We try to get a feel for how urgent the filling of the job is. If it is really urgent, we suggest to the employer that they may wish to consider bringing the person in on a temporary visa so that they can be processed onshore, rather than be caught up in the vagaries of offshore migration processing.

Senator McKIERNAN—That was actually my second-last question to you. My last question is in regard to the Bring Them Back Home program. Has that shown any results yet, or is it too early? Our brief has provided us with a copy of an article from the *Sunday Herald Sun* of 30 April.

Mr Haren—The press release—how do I say this?—heralded some research that was going to be done by Professor Graeme Hugo from the University of Adelaide. He has undertaken that research and is about to report to government, so the program is about to get to some maturity.

Senator McKIERNAN—Thank you very much for that document as well. I have not read it yet but it is one that I will read with interest. That is the DEWRSB job outlook document. Thank you very much.

CHAIR—Before I ask if anybody has anything they want to get off their chest—questions we have not asked—is medical registration still a problem, getting the actual registration of doctors in particular through the college system? Are you experiencing any problem in your regional areas for that?

Mr Haren—If a person comes in as an overseas trained doctor, they come in under conditional registration with the medical board. That registration is on the basis that they work in a particular hospital under the supervision of a particular doctor in that hospital. It could be argued that the rural or remote area is better off under that arrangement than with a permanent visa.

CHAIR—If you have a conditional registration and you go to a remote area, there is nobody that you can work under.

Mr Haren—In most of the cases that I am aware of, that is part of the registration. You would not be registered as far as I am aware—

CHAIR—That is the problem. Having an office in South Australia, I am aware of the difficulty that some very well qualified doctors have who have come out on other schemes—some have come out to do research—and are happy to go to the areas but cannot get their medical registration, even though they could work here previously under the scheme they came out on. You are not aware that this is a big problem for you guys anyway?

Mr Haren—I am not, no.

CHAIR—Malaysian migrants: it was interesting to hear you say there was an air link with Western Australia and Indonesia but there is no link with South Australia and Indonesia. We have a direct plane link with Malaysia. Have you tried to take advantage of that? We have direct flights from Adelaide to Kuala Lumpur.

Mr Haren—I think Malaysia provides very few migrants to Australia in terms of volume. But we do have an office in KL and we will be promoting through our office there any migration opportunities. We have undertaken some business migration promotion in Malaysia, but I am not sure about independent. I think we may have been to Malaysia on one occasion for our independent migration promotion.

CHAIR—In 3.2.6, ‘Nationality of RSMS nominees’, it comes No. 9.

Mr Haren—That is on the RSMS. I am not sure where it falls within the overall volume of people coming to Australia.

CHAIR—You do have an office in KL?

Mr Haren—In KL, yes.

CHAIR—But at the moment you are not picking up many RSMS—

Mr Haren—We are not getting high numbers, that I am aware of.

Mr Lorenzi—It is fair to say, too, that Malaysia provides a high proportion of our overseas students. If we do decide to target our overseas students, there is an avenue there.

CHAIR—That will be one section.

Mr Haren—We have been working with Education Adelaide, which is the body that tries to encourage international students to come to South Australia, to promote the possibility of migration should a person wish to migrate after they have completed their studies. We will continue developing that relationship with Education Adelaide.

CHAIR—On the deputy’s question of getting people out on a temporary basis while they are waiting for their permanent visa, that would explain why 68 per cent of applications for permanent residency actually occur in Australia.

Mr Haren—Yes, that is right.

CHAIR—So they have actually come out earlier?

Mr Haren—Correct.

CHAIR—I want to get this clear. It is because they are targeting people overseas and not targeting people in the country who are on different visas?

Mr Haren—It could be a combination of both. People drop us emails, saying, ‘I am a refrigeration mechanic. I’m thinking of migrating. What chances are there for migration?’ and I will say, ‘Well, if you’re a refrigeration mechanic, your occupation is on the migration occupation and demand list, and if you come to South Australia we know that you’d have a very high chance of getting employment.’ It is easier for them to come out on a visit visa and have a look around to see if they like Adelaide for a start and then see if there is an employer who may have an interest in that person’s skills. That is the kind of dialogue we can have with people.

CHAIR—DIMA, do you have anything you want to add on anything we have missed covering here today?

Mr Tonin—No, nothing.

CHAIR—DEWRSB?

Mr Bridge—I have something that was asked for by one of the committee members at our last hearing before you, a piece of information. I do not think it is particularly earth shattering, but it will add to your stock of information. It was the guidelines that we provided to DIMA and worked with DIMA to give to certifying bodies about labour market testing. I will give that to the committee.

CHAIR—Are they submissions? That is a submission from DEWRSB and an exhibit from DEWRSB.

Resolved (on motion by **Senator McKiernan**):

That this committee receives the submission and an exhibit from the Department of Employment, Workplace Relations and Small Business.

CHAIR—As we have the documents in front of us, are there any comments you want to make on them?

Mr Bridge—Mainly the guidelines show in that case how the ENS scheme works for the interest and for the background information for the certifying bodies. We have not gone down the line of saying, ‘You will do X, Y and Z.’ It has just said, ‘Here’s the mainstream ENS scheme and here are some of the things that are part of the requirements of the scheme.’ Certifying bodies do approach things differently in some different locations and they are responsible for certifying labour market testing, for example, and therefore that is good background information for them.

In the case of South Australia we have gone that step further—there is only the one certifying body in South Australia—and we have been able to come to an agreement about some more specific guidelines. You have copies of those and they are in the public arena also. That is where we have agreed guidelines. But those particular guidelines are more information for the certifying bodies.

Mr Haren—In our state we prefer to have just the one certifying body which services the whole of the state, rather than have other people out and about.

CHAIR—What about Mount Gambier, because you have the Green Triangle down there? Part of that is in Victoria and part of it in South Australia. Do they have their own certifying body?

Mr Haren—The Greater Green Triangle does.

CHAIR—Yes.

Mr Haren—Yes. That is the Victorian certifying body.

CHAIR—Does it worry you that Mount Gambier goes through a Victorian certifying body?

Mr Haren—No, Mount Gambier does not go through the Victorian certifying body. The Greater Green Triangle overlaps that territorial jurisdiction, but there is a certifying body. I think they have a slightly different name. Isn't there a Greater Green Triangle and a Greater Green certifying body, which is physically in Victoria.

CHAIR—I see. So even though it is part of the one area—I thought they all went together. You are saying they come back through you guys.

Mr Haren—Those in Mount Gambier come through us.

CHAIR—That was a misunderstanding on my part because I thought they all went locally into that one Greater Green Triangle certifying body.

Mr Haren—I think there is a Greater Green Triangle which crosses the border as a region, but when it comes to certification, the Mount Gambier ones come through our office.

CHAIR—That is interesting, because I believe that is now the only remaining certifying body in Victoria.

Mr Haren—The only one?

CHAIR—Yes. Didn't we hear that and that they were getting applications from other areas? There must be one in Melbourne, but I remember seeing that it was becoming a problem down there.

Mr Bridge—Since that information there has been a number of certifying bodies gazetted for Victoria.

CHAIR—My memory may be wrong on that, but something came back to my mind there. Are there any more comments?

Mr Haren—The only comment we have is that the state government is very keen to make sure that we work well with the Commonwealth. That includes trying to get policy options for us. Recently we have arranged the secondment of Serge Tonin, who is a DIMA officer, to fill a position in our office. It will give Immigration a chance to see the role that we perform at the

coalface, the role that we perform in relation to the employer, and it gives us access to someone who has a good knowledge of migration issues. We are trying that out as a new initiative, I guess, to see whether we will both get a win-win out of that arrangement.

Mr Tonin—It works both ways. On my return to the Commonwealth, I will certainly look at—

CHAIR—You take that information back.

Mr Tonin—Take that information back, together with the mechanisms and the problems that the states are facing with migration as well, in line with our legislation.

CHAIR—You are South Australian, aren't you?

Mr Tonin—Yes.

CHAIR—You are not going to get the information from what we are doing right here and take it to DIMA somewhere else. Thank you very much for appearing before us today. If there are any matters on which we need additional information, we will contact you. The secretariat—you have met Emma and you have met Steve—will contact you. Each one of you will be sent a transcript of the hearing here today. That is to enable you to check and make sure we have understood what you have said and, clearly, it is being transcribed by Hansard.

Resolved (on motion by **Senator McKiernan**):

That this committee authorises publication of the evidence given to it at the public hearing today.

CHAIR—Thank you, deputy, and thank you very much for appearing before us today. It was really very useful, because, as we have said, you guys have been leading the field so we wanted to know what you were doing right.

Subcommittee adjourned at 4.24 p.m.