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# Official Committee Hansard

JOINT STANDING COMMITTEE ON MIGRATION

**Reference: Skilled migration inquiry**

MONDAY, 11 NOVEMBER 2002

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**JOINT COMMITTEE ON MIGRATION**

**Monday, 11 November 2002**

**Members:** Ms Gambaro (*Chair*), Mr Ripoll (*Deputy Chair*), Senators Bartlett, Eggleston, Kirk and Tchen and Mr Laurie Ferguson, Mrs Gash Mrs Irwin and Mr Randall

**Senators and members in attendance:** Senators Eggleston and Kirk and Ms Gambaro, Mrs Gash and Mr Ripoll

**Terms of reference for the inquiry:**

To inquire into and report on:

Australia’s migration and temporary entry program for skilled labour with particular reference to:

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

**WITNESSES**

**COOPER, Ms Claire, Assistant Director, Economic and Environment Section, Department of Immigration and Multicultural and Indigenous Affairs .....2**

**GREGG, Ms Lisa, Assistant Director, Migration Programs Section, Department of Immigration and Multicultural and Indigenous Affairs .....2**

**JOB, Mr Peter, Director, Business Employment Section, Department of Immigration and Multicultural and Indigenous Affairs.....2**

**NIBLETT, Ms Julia, Director, Business Skills Section, Department of Immigration and Multicultural and Indigenous Affairs.....2**

**RIZVI, Mr Abul, First Assistant Secretary, Migration and Temporary Entry Division, Department of Immigration and Multicultural and Indigenous Affairs.....2**

**RYAN, Mr John, Director, Economic and Environment Section, Department of Immigration and Multicultural and Indigenous Affairs .....2**

**SMITH, Mr Chris, Assistant Secretary, Migration Branch, Department of Immigration and Multicultural and Indigenous Affairs.....2**



**Committee commenced at 9.15 am.**

**CHAIR**—I declare opening this hearing of the Joint Standing Committee on Migration on the review of skilled migration. The committee has been asked by the minister to examine and report on Australia's migration and temporary entry program for skilled labour. This review will focus on international competition for skilled labour. It will also focus on the degree to which quality, permanent skilled migrants are being attracted to Australia and settle in well and whether there are lessons to be learnt by Australia from the entry program and management policies of competing nations such as Canada, New Zealand, USA, Ireland, UK, Germany and Japan. It will also focus on the degree to which Australia's migration and temporary entry programs are competitive and whether there are policy or procedural mechanisms that might be developed to improve competitiveness, and also settlement patterns for new arrivals, including the role played by state and local authorities.

The committee at this stage has received 31 submissions from interested organisations and members of the public. If you would like further details about the inquiry, please feel free to ask any of our committee staff here at the hearing. I now turn to the proceedings at hand. The committee will take evidence from the witnesses who are listed on the program today.

[9.17 a.m.]

**COOPER, Ms Claire, Assistant Director, Economic and Environment Section, Department of Immigration and Multicultural and Indigenous Affairs**

**GREGG, Ms Lisa, Assistant Director, Migration Programs Section, Department of Immigration and Multicultural and Indigenous Affairs**

**JOB, Mr Peter, Director, Business Employment Section, Department of Immigration and Multicultural and Indigenous Affairs**

**NIBLETT, Ms Julia, Director, Business Skills Section, Department of Immigration and Multicultural and Indigenous Affairs**

**RIZVI, Mr Abul, First Assistant Secretary, Migration and Temporary Entry Division, Department of Immigration and Multicultural and Indigenous Affairs**

**RYAN, Mr John, Director, Economic and Environment Section, Department of Immigration and Multicultural and Indigenous Affairs**

**SMITH, Mr Chris, Assistant Secretary, Migration Branch, Department of Immigration and Multicultural and Indigenous Affairs**

**CHAIR**—I welcome the representatives of the Department of Immigration and Multicultural and Indigenous Affairs. Although the committee does not require you to give evidence under oath, you need to understand that these proceedings are legal proceedings of the parliament and warrant the same respect as proceedings of the parliament itself. Giving false or misleading evidence is a serious matter and may be regarded as a contempt of the parliament. The committee prefers that the evidence be taken in public. If you wish to give confidential evidence to the committee, you may request that the hearing be held in camera, and the committee will consider your request. Are there any corrections or amendments that you would like to make to your submission?

**Mr Rizvi**—I do not believe so.

**CHAIR**—Before we ask you some questions, would you like to make an opening statement.

**Mr Rizvi**—Yes, thank you, Madam Chair. Thank you for the opportunity to make some introductory remarks. Skilled labour from overseas, be it on a permanent or a temporary basis, is vital to Australia's economy and to our population future. With the demographic transition to below replacement rates of fertility, most developed nations are coming to the realisation that they need to attract skilled people from overseas. There is an increasing global demand for a limited international pool of skilled workers. Countries that have not traditionally sought migrants are now joining the race to attract talented young workers from overseas. These include countries such as Germany, the United Kingdom, Singapore, Ireland and Korea; indeed, Japan has been debating this issue for some time. Those countries are, of course, in addition to the traditional immigration countries that you referred to earlier, Madam Chair.

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Increased international trade and investment and the creation of new and growing markets for young skilled workers has led to more and more people moving around the world as new employment avenues open up. It is increasingly clear that the future of legal migration is one of constant traffic in and out of various countries. This means that Australian industries, including our international education and tourism industries, will be a significant determinant of the composition of our population at any point in time. To take advantage of these opportunities, the government has increased its focus on attracting young skilled permanent migrants and has also developed streamlined short and long-term temporary entry provisions. It should be noted, however, that the movement of skilled people benefits not only the receiving country but also the countries from which skilled workers come. Australia's dual citizenship laws can assist with this.

We know that many skilled workers maintain ties with their countries of origin and this helps to build trade and business relationships as well as social and cultural relationships. Some skilled workers send back remittances to their countries of origin while others may eventually return, taking with them further developed skills they acquire in Australia.

But the core issues in the terms of reference for this inquiry relate to Australia's competitiveness in the increasingly important global skilled migration market. Are we competitive? Are our current migration arrangements delivering benefits in Australia's national interest? Could we do better? With regard to the first two of these questions, we believe the undoubted answer is a resounding yes. The evidence for this lies in the fact that we have constantly maintained a net positive balance in the movement of skilled people. Far more skilled people come to Australia every year than the number who leave. Australia is an attractive place to live and work. Factors that contribute to this include our temperate climate, the cosmopolitan, easygoing lifestyle, Australia's well-established immigrant population and resulting cultural diversity, the relative attractiveness of our broad citizenship and settlement policies and the relative efficiency, timeliness and user-friendliness of our visa application processing arrangements.

Our performance in attracting skilled overseas labour can be measured by the success of recent skilled migrants and the extent to which they have employability characteristics that Australian industry needs. By any measure, Australia is performing very well. Research by the National Institute of Labour studies shows that skilled independent migrants are performing many times better in the labour market, with higher rates of employment and higher incomes than those who entered under the same category in the past. Today's skilled independent principal migrants are younger. Around 63 per cent are aged 18 to 29 years compared with 51 per cent in 1994-95. They have better English language skills. About 90 per cent achieve maximum points for English compared with 83 per cent in 1994-95. They have skills in demand. Some 44 per cent of general skilled migrants hold qualifications that are in national shortage.

Australia's success in the global competition for skilled labour can also be measured by the economic, budgetary and labour market impact of recent skilled migrants. Again, the story is a very positive one. The focus on skilled temporary and permanent migrants is delivering strong economic, budgetary and labour market benefits to Australia. Professor Ross Garnaut has found that immigrants with levels of economically valuable skills higher than the Australian average tend to raise average incomes, including the relative incomes of Australian workers with fewer

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skills. In other words, there is a benefit in terms of putting downward pressure on income inequality.

Living standards are improved. Modelling by Econtech suggests that the 2002-03 migration program, if maintained until 2007-08, together with the increasingly strong focus on skilled migration and the many improvements made to migration policy over recent years, will deliver an increase of \$344 per head in living standards for all Australians compared with a continuation of the migration programs of the early and mid-1990s. The net benefit to government budgets is increased. Access Economics modelling shows that the Commonwealth budget would benefit to the tune of \$4.3 billion over four years and \$32.7 billion over 10 years if the 2002-03 migration program level continued. Further, the Commonwealth budget benefits by about \$17.6 million in the first year for every 1,000 long-term temporary business entrants coming to Australia.

Many elements of Australia's immigration system represent world's best practice in terms of policy settings, legislation, systems, research and statistics. This is not to say, however, that we can rest on our laurels. The intensity of the competition that is emerging means that we must stay on our toes to stay ahead of the game. We continue to look for ways in which our arrangements can be improved. Areas in which we believe improvements can be made include building on the partnerships we have developed with state and territory governments and regional authorities to enable a better regional dispersal of migrants. This is clearly our No. 1 priority for skilled migration at this time. We are also aiming to improve the quality and consistency of decision making through increased use of what we call global working and electronic visa lodgment.

Finally, we need to make sure that our skilled migration arrangements continue to be responsive to the changing needs of Australian industry. It is not a matter of putting the policy settings in place and then being satisfied that everything will be right forever and a day. The needs of Australian industry are constantly evolving and our skilled migration arrangements need to continually evolve with them. We would be happy to elaborate on any of the above. Thank you.

**CHAIR**—Thank you very much, Mr Rizvi. Firstly, I would like to ask you about short-term business visas. I noticed in your submission you said that we need to attract skilled people from overseas to supplement the work force. The largest program is the business visa short stay. On page 47 of the submission it is indicated that that accounted for 258,038 visas in the year 2001-02. These are three-month visas. Can you tell the committee what benefits you feel Australia has to gain from these very short-term visas?

**Mr Rizvi**—The short-term business visitor visas essentially focus on two, perhaps three, functions that the individuals coming to Australia might play in the three months they are here. The first is essentially associated with business visitors who come to Australia to meet with partners or prospective business partners in Australia to discuss business opportunities, to examine how they might progress their mutual business relationships. Most of these business visitors tend to come to Australia for very short periods—indeed, much shorter than the three-month length of visas that they have.

Secondly, business visitor visas can also be utilised in emergency circumstances where an Australian business may need very urgently some very specific skills that are not readily

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available in Australia. Perhaps the best example that I am aware of was a couple of years ago with the scoreboard at the MCG following the preliminary final. Much of the circuitry was burnt out. The scoreboard had been purchased from a company in Japan. At the time, the company that operates the scoreboard at the MCG was not able to readily access from within Australia individuals to fix the scoreboard. Of course I think the committee would appreciate the emergency situation of having the scoreboard fixed in time for the grand final. The company was able to obtain the workers from Japan. The workers were able to obtain business visitor visas within a matter of minutes. They were able to arrive in Australia and, thankfully, the scoreboard was fixed in time for the grand final.

The business visitor visas are very much designed with those sorts of circumstances in mind. I would have to emphasise, however, that the business visitor visas are not designed for short-term low-skill work, for work which involves day-to-day wage and salary type payments. For those circumstances, there are alternative visas available. However, where low-skill work is involved, generally Australia's immigration system seeks to deny entry for those persons.

**CHAIR**—I want to ask you about the business owner category. I understand that they require an investment of \$200,000. That was higher at one stage, was it, or has it always been at that level?

**Mr Rizvi**—I will ask Ms Niblett to respond to that.

**Ms Niblett**—It is the net assets in business requirement. It was reduced from \$300,000 to \$200,000 in 1999.

**CHAIR**—What have been the impacts of that? Have you found any evidence to date that that has been a sufficient level?

**Ms Niblett**—It certainly has increased the number of people who are eligible. In fact, the numbers of business migrants have increased since that period. We find basically people do not have trouble meeting that \$200,000 requirement.

**CHAIR**—Can you elaborate on the types of businesses. Do you have any information on the type of business owners? What sorts of skills and businesses do they tend to bring with them? Do you have that information to date?

**Ms Niblett**—There are a range of businesses that people engage in. There are a lot of export businesses, wholesale, small manufacturing businesses, retail and shops and things like that.

**CHAIR**—Is retail pretty high up there?

**Ms Niblett**—I would have to look at a report to confirm the actual number that are in retail. I could check that for you.

**CHAIR**—If we could have that information, that would be wonderful. Could you provide that to the committee. In your submission at paragraph 4.44 you talk about business migrants whose visas have been cancelled for failing to make a genuine effort to engage in business. What have been the main causes of business failure? In one of your submissions you talked about having greater access to information et cetera. Are most of the reasons for business failure

fraud? Are they reasons of mismanagement or just lack of quality information available to them in terms of setting up business practices?

**Mr Rizvi**—I might just take that in two parts. I will ask Ms Niblett to respond to the second part of that. The business skills visa requires the individuals who enter to make a genuine effort to get into business. The people whose visas are cancelled are essentially those people who fail to demonstrate they made a genuine attempt to get into business. That is really a subset of the larger group who may not actually succeed in getting into business. I might ask Ms Niblett to comment on the group who actually get their visas cancelled.

In respect of the larger group, certainly most of the feedback we get indicates that those persons who fail to make a success of their business ventures in Australia generally experience difficulties in understanding the Australian business environment, understanding Australian business regulations. They may have come from a country where the regulatory arrangements were quite different. That is a source of concern for us. We believe an increase in the business success rate could be achieved if we can communicate better to the individuals concerned the nature of Australia's business environment and regulations. Certainly most of the feedback we get suggests that that is an area of concern. Another one is perhaps a tendency to underestimate the cost of getting into business in Australia. It is not small. That needs to be also taken into account. They are probably the two major factors in respect of the larger group. In respect of the group that have their visas cancelled, I think Ms Niblett might be able to provide more information on the factors that lead to that.

**Ms Niblett**—That is right. As Mr Rizvi said, failure to make a genuine effort to engage in business is the ground for visa cancellation. Looking at data that we have collected from business migrants who arrived during 1996-97, 36.5 percent of those respondents listed that they were still managing a business in their previous countries as the main reason for not engaging in business. Around 20 per cent claimed that the lack of business information available was the main reason they were not engaging in business.

**CHAIR**—Thank you for that.

**Senator EGGLESTON**—Page 4 of the document I have here talks about the possible maximum proportion of points. For Australia, work experience counts for eight per cent whereas in Canada it accounts for about 30 per cent according to this table. Occupation in demand in Australia accounts for four per cent whereas it accounts for 14 per cent in Canada and 20 per cent in New Zealand. So I just wondered why in Australia's case those two categories of work experience and occupation in demand earn so few points.

**Mr Rizvi**—I think there are two dimensions to that answer. I might take up the first question. Essentially, to be able to get a skilled migration visa for Australia, it is generally harder to pass the test than it is to pass the equivalent test for Canada, as a general rule. As a result, the factors which may actually have very little weight can often be the factors that get someone from below the pass mark to over the pass mark. The extent to which that is achieved in our view is probably more significant than the relative weightings alone. Nevertheless, having said that, we do believe there is a case for perhaps more weighting to be given to the migration occupation in demand factor. In respect of the experience factor, there is a trade-off there that has to be considered. The greater the experience requirement, essentially what you are looking at is a

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person who is older. There is a trade-off in terms of economic benefit between age at entry and the additional experience.

As the person gets older, the length of working life that Australia benefits from after their entry reduces. We also find that if the person is older, their prospects of getting into employment in Australia tend to diminish. Yes, there is a trade-off because they have more experience, depending on whether Australian employers value that particular experience. In some instances, the evidence suggests that they do. In others, it suggests that they do not. Much of the research that we have seen done in this area indicates that Australian employers place a high premium on people with qualifications that they can readily accept. That is where Australia's arrangements perhaps differ in that we place a significantly higher premium on Australian-obtained qualifications.

**Senator EGGLESTON**—That takes me to a second question. It says here that some submissions have pointed out the difficulties faced by skilled migrants in getting appropriate jobs. It suggests that one in five of our skilled migrants are not getting jobs in their chosen field. Part of the issue seems to be perhaps recognition of qualifications. Would you like to comment on that.

**Mr Rizvi**—Thank you. The reference to skilled migrants needs to be carefully considered. A skilled migrant may have entered Australia under categories that are not actually in the skilled stream—that is, they may be the spouse of an Australian. They may have in fact entered through the humanitarian program. But they would be labelled often as skilled migrants. A skilled stream migrant is a very different kettle of fish in that they have entered Australia precisely because of the skills they hold. In the general skilled migration category, a principal applicant cannot be visaed to enter Australia until they have, prior to lodging their applications, had their skills assessed by the relevant skills assessing body, to be able to demonstrate that their skills meet Australia's requirements and standards. A spouse with skills may have entered through the family stream but that person would not have their skills assessed prior to entry.

**Senator EGGLESTON**—I see. It is a little misleading to categorise them as skilled, isn't it, in that sense?

**Mr Rizvi**—We try to use as much as we can the term 'skilled stream migrants' rather than 'skilled migrants'.

**Senator EGGLESTON**—You have a category for medical practitioners who are given temporary residence for up to four years provided they work in a designated area of special need.

**Mr Rizvi**—Yes.

**Senator EGGLESTON**—A lot of these doctors fit very well into the communities in which they are located. We do have this great shortage of medical practitioners in country areas, which are usually the designated areas of special need. What procedures exist to extend those four-year visas, if any?

**Mr Rizvi**—There are procedures in place to enable those visas to be extended. I will ask Mr Job to comment on the extension arrangements. There are also procedures in place to enable

those persons to convert from temporary residence to permanent residence. The key factor we look at in that context is whether the individuals will be able to obtain full registration in Australia. It is risky to offer permanent residence to a doctor where the evidence that they will obtain full registration is not there. We really do rely on evidence that proves to us that they will be fully registered. That is the key to obtaining permanent residence. In terms of extension of temporary residence, I will ask Mr Job to comment on the procedures involved.

**Mr Job**—Thank you. The applicants for the medical practitioner visa can apply for that visa either offshore or onshore. If they apply onshore after they have had two years normally in the first instance, because that limited period of visa validity is essentially to ensure that they get full registration or full fellowship status in Australia in that two-year period until such time as they have unrestricted registration, they are required to work under supervision. So we limit the visa to a maximum of two years.

Once they have full registration, we would provide visas up to four years. That can be applied for after that four years is about to expire at any time or indeed if they want to change employer. The nomination is to remain with that employer in that location where the need was established. If they want to change employers, they ought to apply for another visa. At any time after they have full registration or they are a full fellow of the royal college or they have passed the AMC examination, they can be nominated by their employers for permanent entry either under the Regional Sponsored Migration Scheme or the employer nomination scheme. But, again, the employers have to establish the need for that doctor in that location. Quite often, the regional areas of Australia—what states designate as areas of need—have very little difficulty meeting our requirements for permanent residence under the employer sponsored migration categories.

**Senator EGGLESTON**—Thank you. You mentioned the AMC exams. People can come in with, say, a qualification from Poland or Egypt who can then work in Australia under supervision without doing the AMC exams. Is that essentially what you are saying?

**Mr Job**—That is a matter for the medical registration boards in each state. Immigration does not make that assessment. The medical registration boards determine whether they are going to allow that person to work in Australia, under whatever conditions they lay down, and once they have verified that registration is provided, we would then grant the visa on the condition that they will be under the supervision of their sponsor and under the jurisdiction of the medical registration board. I believe medical registration is an annual event. All doctors in Australia have to register. That gives the medical registration board an opportunity to again examine the overseas-trained doctors who are registered in Australia and the work that they are doing. They are certainly carefully monitored by the state health authorities. Indeed, many of the state health authorities are responsible to put these doctors in rural or remote areas, where there is quite a drastic and urgent need for doctors.

**Mr Rizvi**—Would it be helpful, Senator, if we were to provide some of the statistics on the number of doctors entering under these arrangements? The numbers have been rising quite steeply in recent years.

**Senator EGGLESTON**—Yes.

**CHAIR**—We would be very happy to receive that.

**Mr Job**—I think in terms of permanent residents it was something like 117-odd doctors that were granted permanent residence last year under the Regional Sponsored Migration Scheme or the Employer Nomination Scheme. In terms of the 422 medical practitioner visas, the temporary residence doctors, we can say that at 30 June, there were 1,392 overseas trained doctors in Australia holding that visa. There were also other dependants that accompanied them. They were predominantly in Queensland; 35 per cent were in Queensland.

**CHAIR**—That was my next question to you—whether you could give us a state by state breakdown because I do not know how many we have.

**Mr Job**—The next two biggest were Western Australia with 23 per cent and Victoria with 22 per cent. So you can see that there is a fairly high reliance on overseas trained doctors in those states.

**CHAIR**—Senator Eggleston, do you have further questions?

**Senator EGGLESTON**—No, thank you. Thank you for those answers.

**Senator KIRK**—I have a question about terminology in relation to this skilled versus skilled stream business. Is it clear what is meant by ‘skilled’ in the Australian migration context and whether or not there are different categories that you divide it up into, such as highly skilled, semi-skilled? Exactly what does ‘skilled’ mean in this context? I suppose I am asking what sort of qualifications are taken into account when determining whether a person is skilled. For example, is it only university qualifications or TAFE qualifications? My question is along those lines.

**Mr Rizvi**—As a general rule—there are exceptions to the rule, particularly for regional Australia—any occupation in ASCO group 1 through to 4 is regarded as skilled. If I recall, that is professionals, associate professionals, tradespersons and managers that are regarded as skilled. The qualifications needed in respect of any particular occupation within that broad grouping vary quite considerably depending on the nature of the occupation. We essentially rely, in making that assessment, on the relevant skills assessing body that has been nominated by the National Office of Overseas Skills Recognition. Those bodies take a variety of different approaches to testing whether people have adequate skills or not. They perhaps range from the most rigorous and sophisticated processes, which are used particularly in respect of doctors, through to processes which may simply look at the person’s overseas qualifications, looking at the equivalence with Australia and, if that is adequate, that might be sufficient. The doctors, of course, have to go through extensive testing.

**Senator KIRK**—Understandably. Thank you. If under a point system obviously highly qualified people are going to score well and are going to be granted entry as skilled independent migrants, I wonder whether this might mean that we are encouraging the migration of people whose skills are already in oversupply in Australia. Are you determining it on the basis of qualifications, if you are bringing people in? Could we have an oversupply of people in certain qualifications? I wonder how you deal with that.

**Mr Rizvi**—Essentially, in the general skilled migration categories, or indeed as a general rule, the situation of the Australian labour market is that it is highly polarised. If you look at unemployment rates among skilled occupations, almost every skilled occupation has an

unemployment rate well below the national average. Many skilled occupations have unemployment rates of one and two per cent, which is actually a reflection of shortage rather than oversupply. On the other hand, if you look at unskilled occupations, almost every unskilled occupation has an unemployment rate in Australia well above the national average. So, as a general rule, it can be taken that if you are talking about a skilled person who meets the Australian standards, the probability is that the occupations they will be seeking to enter in Australia are probably in shortage.

Having said that in a broad sense, we then take advice from the Department of Employment and Workplace Relations as well as advice through the mechanisms we develop with relevant state governments and regional authorities to see where variations in that shortage take place. For the last five or six years, for example, the consistent advice from the Department of Employment and Workplace Relations and the department of health has been that in aggregate terms Australia has an oversupply of doctors. We have an undersupply clearly in some parts of Australia. But in other parts of Australia, the advice has been that we have an oversupply. My understanding is that over the last few years that has been shifting. Indeed, the areas of shortage are growing and the areas of oversupply in respect of doctors have been shrinking. That is something we monitor in conjunction with those other departments.

As a result of that historical advice, doctors are unable to migrate under the general skilled migration categories. That is an action that we can take. If there were other occupations where we received advice from the relevant authorities that there was an oversupply, that is the kind of action we could take.

**Senator KIRK**—In relation to priority processing, I notice that in paragraph 3.17 you say that, in the case of nurses, priority processing has been instituted. How is it that DIMIA actually assesses the changes in skills needs that there are in the community? How do you make that determination that there will be priority processing for some occupations over others?

**Mr Rizvi**—The minister has gazetted essentially two groupings within the skilled stream which are to receive priority processing. As you say, nurses are one grouping. The other is any applicant who is entering under one of the state-specific or regional migration categories that has been determined by the government to be of high priority—the latter, of course, for a slightly different set of reasons than the former. The former we determine essentially on the basis of advice from the Department of Employment and Workplace Relations. Where that department has advised us that a particular occupation is in significant national shortage, that may well be the basis of further advice to the minister that that occupation should receive priority processing. For example, nurses at the moment are on the migration occupational in-demand list, which means they get bonus points. But they are in such a level of shortage that the advice from the Department of Employment and Workplace Relations is that they should also in fact receive priority processing.

**CHAIR**—I turn to the working holiday maker visa. Most of the work that is done is unskilled work. Is there any scope for more skilled work to be undertaken? I believe you can only work in one position for three months. I notice in other countries, particularly in Canada, there are no work restrictions. In Malta, there are no restrictions on the length of stay with any one employer during 12 months. Is there any scope to change that—I know that the majority of work is seasonal fruit picking and unskilled work. Can we enhance our program further in the skilled category?

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**Mr Rizvi**—It is correct that the bulk of working holiday makers—although it may be changing gradually—do work in unskilled occupations, often seasonal work, moving around Australia, fruit picking and that sort of work. We are, however, seeing an increase in the number of working holiday makers working as nurses and in some other skilled occupations. That trend is there. So the opportunity for working holiday makers to work in a skilled job is certainly there. Some, admittedly the minority, do. It is a function of whether they can obtain the job and whether they have the appropriate skills to be able to be registered for that work in Australia.

In respect of the question of whether they should be allowed to work for more than three months, I guess it goes back to the question of the primary purpose of the working holiday maker visa. The primary objective of the working holiday maker visa is a holiday, not work. Work is regarded as incidental. Hence, for that reason, the requirement that they work for no more than three months with a single employer has now been in place for well over a decade. I think a predecessor of this committee actually examined the issue and weighed up whether that should be changed or not. I think at that time they came to the conclusion that it should not. The government agreed with that view. So the restriction has remained in place.

It is certainly possible for the regulations to be changed if the government were so minded to make an adjustment to that. I guess it would be a question of whether we should be conceiving of the working holiday maker visa differently from the way we have conceived of it in the past—that is, it is predominantly about holiday rather than work.

It is true, though, that where a working holiday maker is in Australia and has a skilled job, it is very possible for them to convert from that working holiday maker visa to, say, a long-stay temporary business visa or indeed to a permanent visa if they so wish and if their employer is prepared to sponsor them. So where, for example, nurses have entered Australia on a working holiday maker visa and wish to continue to work, say, in a hospital for more than the three months, we would encourage the hospital—indeed, we are encouraging the relevant state health authorities—to form labour agreements with us to enable those people to more rapidly change to a long-stay business employment visa.

**CHAIR**—So there is scope there for that to occur with the working holiday maker program?

**Mr Rizvi**—There is scope to do that. A rising percentage of working holiday makers are now taking up that opportunity. We believe more should, and we are trying to encourage the relevant state health authorities to form agreements with us to enable that to be fast-tracked.

**CHAIR**—I will also ask about the overseas students undertaking study in Australia. I understand you are looking at being able to grant permanent residency to these people without their leaving Australia. How has that program been working to date? Are there any discrepancies or problems with overseas students? I am concerned that we are losing a number of students, particularly in the medical area. Senator Eggleston touched on this. We are losing that talent.

**Mr Rizvi**—I think there are two parts to that question. In respect of the medical students, it is true that at the moment it is not possible for a medical student to convert to a general points-tested skilled migration visa because they are excluded from being able to do so. That is based on historical advice. It may well be that the labour market has changed and it is time to revisit that. Certainly discussions between ourselves and the department of health are proceeding on

that basis. Having said that, it is possible for an overseas student, if they can be nominated by an employer in Australia and they meet the relevant registration requirements—perhaps even conditional registration requirements—to convert to a temporary resident doctor visa in Australia without having to leave. So there are avenues available. They do not have the same breadth of avenues available as others have based on the historical advice we have received that medical practitioners are in oversupply in Australia. That situation may well have changed.

**CHAIR**—It has changed, I am sure, particularly in outer metropolitan regions.

**Mr Rizvi**—Yes. That is something that we are talking about with the department of health very closely. The situation has indeed changed. We are looking at the best way of addressing that development. At the same time, we would need to avoid getting into a situation, as we had, say, five or six years ago, where there was an oversupply and we were being asked to crank back on the entry of doctors. I think we have to take a balanced approach.

In respect of the student conversion in general, application rates are strong. Some 11,000 persons have applied so far on the basis of having completed their qualifications in Australia and have applied to remain. Those applications are being processed in our Adelaide office, where all general skilled migration visa applications are processed. As a general rule, we believe that that initiative has worked well. There are areas in which we believe it can be improved. One is in terms of greater targeting the benefits of that stream of people for regional Australia. The second is perhaps in terms of the extent to which overseas students are seeking to convert to permanent residence after having spent only one year of study in Australia and cutting short study on the overseas student visa with a view to being able to complete their studies on a permanent residence visa. There are some concerns in that regard in some parts of government. The government has announced an intention to look at some changes to that.

**CHAIR**—I was going to ask you about that. Have there been abuses?

**Mr Rizvi**—I wouldn't want to term them as abuses because the people are applying on the basis of the law that is there. Therefore, they have not necessarily abused it. They have taken perhaps advantage of the opportunity. They are clever people. Like all clever people, they will benefit from the opportunities that the law provides. The question is whether conversion after one year was something that was anticipated and whether it should be allowed to continue or whether government should expect them to study for a longer period before being allowed to convert. There is a balance to be struck there, and that is something we are looking at.

**CHAIR**—Thanks very much for that. We might take a short break now.

**Proceedings suspended from 10.01 a.m. to 10.21 a.m.**

**CHAIR**—Welcome back. At this stage, I will get Mr Rizvi to give an update on improving the performance of the business skilled migrant category and make a presentation to the committee on that particular area.

**Mr Rizvi**—If I may, with the committee's indulgence, I will make a correction to an earlier statistic I gave. Madam Chair, you asked about overseas students onshore applying for general skilled migration. I indicated that around 8,000 applications had been received since the inception of that change. I am told the figure is actually just over 11,500 to the end of September, but that is persons. So 11,500 persons have applied under that overseas student

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converting to general skilled migration onshore since it was introduced. I suspect the number of applications relative to the number of persons is very close, because very few of them have dependants. Most of them are young and single.

**CHAIR**—Thank you very much.

**Mr Rizvi**—On the business skills changes, I understand the minister has written to the committee about the changes. He has also recently written again to all the state and territory premiers outlining the changes, which are now scheduled to start from 1 March 2003. As the minister outlined in his letter, there are three key objectives associated with the changes proposed. First, the minister would like to see a better dispersal of the business migration intake to those states, territories and regional areas of Australia that most want an increase in that intake. There is also a consideration in that context that Premier Carr indicated that overall the level of migration to Sydney is of concern and that he would want to be able to use mechanisms to reduce the level of migration to Sydney. We are hopeful that the changes will help to meet both objectives.

Secondly, with the changes we are seeking to achieve an increase in both the number and proportion of business migrants who successfully engage in business. In other words, we want to increase the success rate of every business migrant who comes to Australia. Thirdly, we want to improve the integrity of the category to require business migrants to establish a business in Australia before obtaining the benefits of permanent residence. There will be an exception to that, and I will come to it very shortly. Firstly, in respect of dispersal, while Australia's current business migration arrangements encourage successful business people to settle in Australia, the vast majority settle in the major metropolitan centres, and in particular Sydney. Sydney is the magnet for business migration to Australia. Very few business migrants settle in regional Australia.

The current state sponsorship arrangements that exist with the business migration arrangements carry very little weight. They make very little difference to whether someone will get a visa or not. And they are rarely used. Whilst they have been in place for over a decade now, the level of state and territory government sponsorship is very low.

The proposed arrangements would see state sponsorship being given much greater weight and would be required at both the provisional and the permanent resident stages. That would be in exchange for significantly lower requirements when an applicant is sponsored as opposed to one who is not sponsored by a state or territory government. We believe those two changes will mean far more business migrants are sponsored by state and territory governments. We believe that that will enable state and territory governments to have much more influence over the volume that come to their state, whether they want more or whether they want less.

The proposed structure of the new visa arrangements, with the increased emphasis on state sponsorship, is consistent with the recommendations of this committee in its report *New faces, new places*, where the committee recommended that the Commonwealth government continue to pursue mechanisms to expand state-specific and regional migration initiatives. The change also moves away from sponsorship eligibility relying on the business being in a 'designated area'. Rather, it moves to an arrangement where a state or territory government has the flexibility to determine who it will sponsor and under what circumstances.

We believe the linking of more business migrants to state and territory government sponsorship, particularly through the state development departments, will help with the difficulties that business migrants currently face in understanding Australia's complex business rules and regulations. Around 20 per cent of business migrants who fail to set up a business in Australia report that a lack of business information is the principal reason for this. We have been talking with state and territory governments, particularly state development departments, who are keen to assist business investment and business migrants succeed in their states and to help them through the difficulties that they sometimes encounter in understanding Australia's business rules and regulations.

Finally, in terms of improving integrity, we believe the two-stage visa arrangement will provide greater motivation for the business migrant to get into business as quickly as possible. In discussing the changes that were proposed with state and territory governments, an issue that state and territory governments did raise with us is that in respect of particularly high calibre business migrants, where the state or territory government may be involved in perhaps attracting very significant business to their state or territory, they would like to be able to retain the ability to offer immediate permanent residence to those high calibre business migrants where the attraction of that business to their state may well turn on that particular issue. It was in this context that the minister agreed that, in addition to the two-stage process that is proposed for business migrants who are particularly high calibre and who have state or territory government sponsorship, there will be the option of immediate permanent residence in order to maintain competitiveness.

The minister in his letters to the state and territory premiers has indicated some minimum threshold requirements for immediate permanent residence. We have had discussions on those requirements with state and territory governments. We believe there is broad consensus now on that. Admittedly, it would have to be said that, for example, the Tasmanian government would be prepared to offer permanent residence, I suspect, to high calibre migrants at a level closer to the minimum threshold whereas perhaps the New South Wales government may be more reluctant if the business migrant were to set up in Sydney.

At the end of the day, I think it is a judgment for the individual state government to make. I would say, however, that extensive use by, say, a smaller state of the immediate permanent residence option would carry with it a risk in that at the moment full permanent residence is granted, of course the state government loses any ability to limit where that business migrant then sets up business, at least as far as the immigration arrangements are concerned. So the risk there is that a smaller state may sponsor the person and the person then decides, 'Well, I now have my permanent residence visa and I would much prefer to set up my business in Sydney.' So we have recommended to the state and territory governments that when they use these mechanisms, they need to take some care to make sure that the person is genuinely interested in investing in their state and not interested in something else. That is broadly how we are pursuing this change.

For those people who have already entered Australia prior to 1 March on what is known as the 457 independent executive visa, where they are intending to set up a business in Australia, or where persons have already applied under the existing categories, they will continue to be processed as normal under the existing arrangements. For the people who have entered Australia on the existing temporary visas intending to set up a business in Australia, they will have a dual pathway. That is, they can opt to take the existing pathway that is available to them

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to permanent residence or they can take the new pathway if they can obtain state or territory government sponsorship.

**CHAIR**—Thank you very much, Mr Rizvi. I think I asked earlier about the business failure with the business investment category. In terms of the monitoring of businesses with this new approach, do you see some added benefits that will come with these new proposals?

**Mr Rizvi**—We believe the two-stage proposal will help in two respects. First, there will be greater motivation to get into business within the four-to six-year window that the person has. Secondly, we believe they will be more motivated to adhere to the monitoring requirements. At the moment, not all business migrants who enter Australia adhere to our monitoring requirements. That does cause us some difficulties. We believe that this will improve that.

**CHAIR**—Business engagement rates have been declining over the last three years. Do you think it is because of increased monitoring or is it the other factors we discussed earlier? You have been a bit more stringent in your monitoring.

**Mr Rizvi**—We have been more stringent and we have been following up. That has led to higher cancellation rates. That may well be linked to that. In addition, we have also placed greater emphasis on site visits where we have some doubts about the monitoring information that has been provided to us. I think that has also led to some changes in the data.

**CHAIR**—I was going to ask about the Northern Territory and Tasmania. One question I was going to ask you, particularly with the low participation rates in those states, is whether there was anything further that could be done to entice people to those states. You mentioned that it is a matter for individual states. I guess it is pretty much a bargaining process. Do you see it would ever get to the stage where Tasmania might be offering greater inducements, even though the unemployment rate is very high there? Would that be the only avenue they could take—lowering their minimum requirements?

**Mr Rizvi**—In establishing the new arrangements, the Commonwealth will establish some base minimums for everybody.

**CHAIR**—Okay. And everyone has to adhere to them?

**Mr Rizvi**—And everyone has to adhere to them. It is up to individual states to choose the level at which they will set their sponsorship requirements above the base minimums. I do not want to be speaking for Tasmania, but my suspicion is that they will probably set their requirements at the same level as the base that the Commonwealth sets. On the other hand, going on comments by Premier Carr in respect of migrants settling in Sydney, I suspect the requirements that the New South Wales government might place on sponsorship for business migrants intending to settle in Sydney may well be significantly higher.

**CHAIR**—Is the poor uptake of those areas due largely to a lack of business resources, or is it a cultural factor such as a lack of migrant resource centres?

**Mr Rizvi**—I suspect in respect of business migrants, migrant resource centres and settlement services such as that are probably not a significant factor. Business migrants do not tend to

make great use of migrant resource centres. It tends to be more migrants entering under the humanitarian stream or the family stream.

**CHAIR**—I should qualify what I meant by ‘migrant resource centres’, which is not the right term to use. Migrant populations is probably what I meant.

**Mr Rizvi**—I think that is probably a factor. The drawcard of Sydney is no doubt just the fact that Sydney is a very vibrant and economically rapidly growing city but also the size of its migrant population. I am sure both those factors are driving the extent to which Sydney attracts business migrants. Hence, certainly Tasmania and other parts of regional Australia do face an uphill battle in that regard. To the extent that we can design arrangements which give them added opportunities and advantages, that helps to overcome that. Having said that, I think the ball is also in the court of relevant state governments to do more to attract more people to their particular states. It is true that some states have already set up much more significant arrangements to help both in the attraction and the settlement of business migrants in their states compared to other states. There is some variability in performance in that regard.

**CHAIR**—Thank you very much for that.

**Mr RIPOLL**—I am particularly interested in how the Commonwealth-state working party on migration functions and how to get a better understanding of how that body does encourage state-sponsored migration and so forth.

**Mr Rizvi**—Essentially, the working party meets two or sometimes three times a year. It will deal with a range of matters ranging from, firstly, promotion. We work closely with them on promotion arrangements, particularly overseas. We have probably not done enough in terms of promotion to employers in Australia. That was a finding of this committee in its earlier report. That is certainly something we are wanting to put much more emphasis on in the context of this working party. Secondly, the working party looks at existing initiatives that are in place and how they are operating, whether they are successful or not, and what we might do to improve them. The working party will often commission research to examine how these things are operating. Thirdly, the working party looks at new initiatives that might have been proposed either by the state or territory governments or by the Commonwealth and consults on those new initiatives in terms of making recommendations to the minister and to state premiers on further enhancements. They are the three areas of its focus.

**Mr RIPOLL**—Is there any focus on trying to involve local government? I know from Queensland that there are local government authorities which are particularly interested in trying to attract not only investors but skilled migrants to particular areas. They are having some success but finding that the mechanisms are difficult.

**Mr Rizvi**—I agree with you that that is certainly a significant part of the challenge. We have on the working party a representative from the Australian Local Government Association, who contributes from that perspective. But clearly, given the dispersed nature of local government, it is very hard through that mechanism alone to make progress. What we tend to do, and have started to do much more of in recent times, is to conduct training sessions with what are called our regional certifying bodies. There are 44 regional certifying bodies around Australia—there are 49 now. Through our state offices, we meet with them regularly, firstly in terms of training in terms of our requirements but secondly in terms of how we can work with them to increase

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promotion in regional Australia. I agree with you that that is probably our biggest challenge—how we get our message across as to what is available to employers in regional Australia.

What we have found is that often employers are really only interested in these mechanisms at the time they need them. As a general rule, the level of interest is not there. As a result, when we try to promote or raise awareness in this regard, we really only get interest in terms of the employers who have an immediate need. That is a challenge we have to deal with.

**Mr RIPOLL**—Is there any work done through the area consultative committees?

**Mr Rizvi**—A number of area consultative committee representatives are also on our regional certifying bodies. But we do not deal directly with the area consultative committees; we deal with the Department of Transport and Regional Services, which is responsible for building the area consultative committees. No, we do not deal directly with them.

**Mr RIPOLL**—Do you see a great opportunity, in terms of trying to get that increased delivery and better outcomes, in going right to the source of the people who talk to the employers, particularly in regional areas, where they are dealing with particular businesses that are looking for solutions? As you say, they may not understand they exist. Are you working much closer through local government authorities and area consultative committees and those mechanisms?

**Mr Rizvi**—Yes.

**Mr RIPOLL**—I am wondering whether there is more thought going into how that might operate.

**Mr Rizvi**—There is certainly thought going into that area. As I said, at this stage we tend to deal with the regional certifying bodies, many of whom do actually overlap with the area consultative committees as well. Whether we can also deal directly with the area consultative committees is something that is certainly worth examining. Perhaps it is something we can talk to the Department of Transport and Regional Services about.

**Mr RIPOLL**—Has the department got any data on comparisons between Australia and other countries where those countries have specific programs—like high intake levels and the competitive advantages they have as compared to other countries which have lower intake numbers?

**Mr Rizvi**—We certainly monitor what our main competitors are doing. We monitor closely what New Zealand does, what the United States does, what Canada does. Increasingly now, we monitor countries such as Germany, the United Kingdom, Ireland and Singapore because they are entering into the skilled migration market. Probably the country we monitor the most is Canada because they are most similar to us in terms of structure of migration program and requirements. I think it would be fair to say that we have probably borrowed as many ideas from them as they have borrowed from us in learning in this area.

**Mr RIPOLL**—But is there any particular data that says where a country has a high intake level there is a higher degree of development and better economic outcomes? Is there any data

that says that, compared with restrictive countries that have very stringent and restrictive policies?

**Mr Rizvi**—Certainly the research we have done in respect of Australia, particularly through Access Economics, Econtech, the National Institute of Labour Studies, strongly supports a strong migration program with a skill focus, such as the one we have at the moment. The budgetary benefits and the economic benefits are undoubted. As to whether our arrangements are, in that research sense, better than others, Professor John Salt did some work on that recently for the OECD. We have certainly looked at that. His work certainly comments on what we have done quite favourably. There are other OECD committees that have also done work in this area. I would have to say that much of that work, though, is at a fairly superficial level in terms of us really learning from those reports what is happening. Migration for the OECD is still a relatively new issue. The focus remains amongst those bodies on asylum seeker policies and those areas rather than skilled migration. Skilled migration issues are really only becoming significant in the last perhaps two or three years.

**Mr RIPOLL**—Obviously, the biggest question out there is the migration to specific areas, Sydney being the largest example of where people migrate to. Is there work being done in terms of how we can really deal with this problem? This is why I started with the local government authorities. I think an opportunity exists at that level to give those authorities, those local government bodies, further ability to be able to encourage directly. They have links themselves with their own business people and business community. Can we use them directly to encourage people go to an area? My view would be that if somebody goes to a particular rural or regional area, a city or a town, starts up a business and the business is successful, there is no reason why they would suddenly pack their bags and suddenly move to unknown territory. I think that is where the opportunities lie for us. I was wondering how much work has looked at doing something along those lines.

**Mr Rizvi**—I strongly agree with that. In respect of business migration, the changes proposed for 1 March take a much stronger step in really devolving that to state and territory governments. There is an open question as to whether the best way of pursuing that devolution that you are referring to is for the Commonwealth to push ahead and go to regional authorities and local governments or whether we should work through the state and territory governments to the regional authorities. To date, in respect of business migration, the view that we have taken is to go through state and territory governments. I suppose it is something that probably should be revisited once this has been in place for some time to see whether it has worked well or whether we should have gone directly to regional authorities.

**Mr RIPOLL**—Perhaps the thinking on this needs to be reversed while we think of migration only at the Commonwealth level—sometimes going right down to the source and sampling those local communities directly, bypassing all the other mechanisms, and going directly to a federal department and saying, ‘Look, we actually want to bring people in. We have some ideas on places and people. How do we go about it?’ In a sense, they bypass a whole range of bureaucracy to get straight to where they want to be.

**Mr Rizvi**—We have done that in respect of the Regional Sponsored Migration Scheme. It is the 49 certifying bodies that deal with it. On 1 November this year, the minister extended those arrangements to operate in respect of skilled temporary residents as well. I guess, Mr Ripoll, you are suggesting that we ought to perhaps do that also in respect of business migration. I

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guess it is an open question, one that perhaps we need to talk further with the state and territory governments on. At this stage, the view coming from the state and territory governments generally is that they would prefer to manage the arrangements within their own states and they will work out the links to local government within their states. If the state and territory governments do indeed pursue that with some vigour and do extend it that way, we think it is probably a good way to do it. If they do not, then perhaps we should have done it directly as we have done with the regional sponsored migration scheme. At this stage, the decision has been taken to do it through the state and territory governments.

**CHAIR**—I thank the deputy chair for that suggestion. I am on a committee inquiring into local government and cost shifting. It might be something that we can ask at the economics committee hearings. Thank you for raising that. I want to ask a question about the disparity in performance between the business skilled migrants and those who have come in under the 457 EBA1-REBA route. By any measure, the latter seem to be more successful in terms of operating businesses and the turnover of their businesses. When you look at the business skilled applicants, as you have mentioned in your submission, they have to be chosen and meet higher eligibility thresholds. What is the reason for that? Why are they more successful?

**Mr Rizvi**—I would have to speculate to answer that question. I will ask Ms Niblett to comment on it further. One factor, we believe, may well be that the business migrants who enter initially on a temporary visa and then are required to perform in order to convert are really under much greater incentive to get on with it and really succeed in order to get the permanent residence visa. The person who is coming in with a permanent residence visa is not nearly under the same pressure and may well be quite relaxed about continuing to operate their business overseas and may not be under exactly the same pressure to set up business in Australia. That may be a factor. I would have to say, though, that I have no empirical evidence to either support or deny that particular claim. I think Ms Niblett may have more information on that.

**Ms Niblett**—I agree with that. I think it largely goes to the issue of motivation. Those holders of the 457 independent executive visa need to meet specific business performance standards in order to obtain permanent residence. I would perhaps suggest that their motivation is very strong. With the business migrants who come in, although it is on the basis of their proven track record in business, once they enter Australia, they have obtained permanent residence. Perhaps some of them feel that that was the goal they wanted to achieve. Having achieved that, there is not such great incentive to get into business.

**CHAIR**—You also mentioned that the area of citizenship was of concern to you. Applications for citizenship usually come through before there is evidence of permanent businesses being established. How do you overcome that? It is obviously an area that the department is looking at closely at the moment.

**Mr Rizvi**—That is of concern to us. We believe there has been an element of abuse in that regard, where business migrants have sought to obtain citizenship before they have really made the effort to get into business, which is, I think, contrary to the spirit of that visa. There are two ways to deal with that issue. One is to change citizenship laws to prevent those people obtaining citizenship before they have completed a business. We consulted on that matter with the policy areas responsible for citizenship. There was generally a view that the citizenship laws in Australia should not be manipulated in that sort of way. That is, there should be one standard for citizenship for all people who migrate to Australia rather than to change citizenship laws in

respect of a particular visa category—that there is a great deal of symbolism associated with citizenship and that playing around with citizenship in that way is really inappropriate. That left us really with the only option being to change the way the business migration program operates to prevent people taking advantage of it in that way.

We believe we achieve that essentially by giving greater emphasis to the two-stage process—that is, temporary residence and then permanent residence after you have performed. Then, once the person has obtained permanent residence, of course that is fine if they obtain citizenship because they have already delivered for Australia what Australia wanted.

**CHAIR**—And I think you mentioned that the appeal mechanisms do not come into effect until 28 days after the cancellation decision. So there are future avenues there for additional appeals through the AAT?

**Mr Rizvi**—Under the current arrangements, there are those appeal mechanisms available. They can also lead to a situation where a person obtains citizenship really before they should have obtained citizenship, given the commitments they made to Australia in terms of business migration. That will also not be possible because of the two-stage process. They cannot actually get to that appeal because there is nothing to actually appeal.

**CHAIR**—That is good. Thank you very much. I have a question on the investment category. In one of the submissions—I think it was your previous submission—you mentioned that it is investments in securities. Is that the definition of what a business investment is?

**Ms Niblett**—It is in state and territory government treasury bonds.

**CHAIR**—For example, if people tried to get around that by investing in real estate, what are the restrictions on that?

**Ms Niblett**—No. That is not possible. You have to invest in what we call a designated investment, which basically consists of state and territory government treasury bonds. So the investments are limited to those only.

**CHAIR**—There is no manipulation of that type of investment?

**Ms Niblett**—No.

**CHAIR**—And it is also carefully monitored and vetted?

**Ms Niblett**—Yes, absolutely.

**Mr Rizvi**—Our arrangements there are quite tightly restricted to state and territory government treasury bonds deliberately because over a decade ago we encountered difficulties in that area where alternative investments being made were of a dubious nature. Similar problems have been encountered in the last decade by Canada. My understanding is that the Canadian government is looking to redress that by moving to arrangements that are perhaps more similar to Australia's, where the nature of investments you can make is much more narrowly defined.

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**CHAIR**—Thank you for that. I think at this stage we have no further questions of the department. I want to thank you very much for coming along. I understand you have a laptop demonstration that you are going to leave with us.

**Mr Rizvi**—We do have it set up there.

**CHAIR**—Would you like to do it for us? Is that regarding skills matching?

**Mr Rizvi**—It is actually set up there. It is the skill matching database.

**CHAIR**—That is to look at, is it?

**Mr Rizvi**—Yes. We can leave it with you.

**CHAIR**—We can look at it now. It is also on population predictions. Thank you very much for your attendance here today. The secretary of the committee will write to you about any matters on which we need additional information. You will be sent a copy of the transcript of your evidence here today. You can make editorial corrections to that.

Resolved (on motion by **Mr Ripoll**):

That this committee authorises publication, including publication on the parliamentary database, of the proof transcript of the evidence given before it at public hearing this day.

**CHAIR**—Thank you all for your attendance and for that very extensive submission. I also thank the secretariat and Hansard staff for their wonderful work.

**Committee adjourned at 10.55 a.m.**