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JOINT STANDING COMMITTEE ON MIGRATION

**Reference: Skilled migration inquiry**

WEDNESDAY, 19 FEBRUARY 2003

SYDNEY

BY AUTHORITY OF THE PARLIAMENT

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**JOINT COMMITTEE ON MIGRATION**

**Wednesday, 19 February 2003**

**Members:** Ms Gambaro (*Chair*), Mr Rippoll, Senators Bartlett, Eggleston, Kirk and Tchen and Mr L. Ferguson, Mrs Gash, Mrs Irwin and Mr Randall

**Senators and members in attendance:** Ms Gambaro, Mrs Irwin, Senator Kirk, Senator Tchen

**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**

**ACHESON, Mr Richard, Director, Community Relations Service, New South Wales Community Relations Commission.....68**

**DURANTI, Mr Victor, Senior Community Relations Adviser, New South Wales Community Relations Commission.....68**

**KERKYASHARIAN, Mr Stepan, Chair, New South Wales Community Relations Commission.....68**



**Committee met at 10.08 a.m.**

**CHAIR**—I formally open the third public meeting of the Joint Standing Committee on Migration's review of skilled migration. I have a number of apologies: Senator Bartlett, Senator Eggleston, Mr Laurie Ferguson, Mrs Gash, Mr Randall and Mr Ripoll. The committee has been asked by the minister to examine and report on Australia's migration and temporary entry program for skilled labour. The review will focus on: international competition for skilled labour; the degree to which quality, skilled, permanent migrants are being attracted to Australia and are settling in well; whether there are lessons to be learned 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 or procedural mechanisms that might be developed to improve competitiveness; and the settlement patterns for new arrivals, including the role played by state and local authorities.

The committee has received 42 submissions from interested organisations and members of the public. If you would like further details about the inquiry, please feel free at any time to ask any of our committee staff here at the hearing. I will now turn to the proceedings at hand.

[10.09 a.m.]

**ACHESON, Mr Richard, Director, Community Relations Service, New South Wales Community Relations Commission**

**DURANTI, Mr Victor, Senior Community Relations Adviser, New South Wales Community Relations Commission**

**KERKYASHARIAN, Mr Stepan, Chair, New South Wales Community Relations Commission**

**CHAIR**—I welcome representatives from the New South Wales government's Community Relations Commission. Although the committee does not require witnesses to give evidence under oath, these hearings are 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 a contempt of parliament. The committee prefers that evidence be taken in public but, if at any time you wish to give any confidential evidence to the committee, you may request that the hearings be held in camera and the committee will be very happy to facilitate your request. Are there any corrections or amendments you would like to make to your submission?

**Mr Kerkyasharian**—No.

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

**Mr Kerkyasharian**—Essentially our submission stands on its own. It is very important to bear in mind that New South Wales continues to attract a significantly higher proportion of all settler arrivals to Australia. The population of New South Wales is about 34 per cent of the national population, but it attracts 43 per cent of new immigrants. In that context, I welcome this hearing being held in Sydney to take account of the special needs of New South Wales.

Sydney is the primary destination of settlers, which presents a special challenge to the people of New South Wales. There is concern that the recent increases to the immigration program will lead to increased pressure on New South Wales, and particularly on Sydney, because it is the primary destination. The issue of the skills of immigrants will then become of greater significance because not only will we have problems relating to increased infrastructure support—housing, hospitals, schooling, water resources management, sewerage et cetera—but also problems related to employment issues. We welcome this particular review, and we welcome your committee meeting being held in Sydney.

**CHAIR**—Would any other witnesses here today care to add to the opening statement?

**Mr Duranti**—I have nothing further to add.

**CHAIR**—That must be one of the shortest opening statements we have ever had. I am sure the committee members have many questions to ask you. Thank you very much for your submission; it was quite extensive. I might get the ball rolling by asking you for a little background on the Community Relations Commission—how long you have been in operation and how you are resourced. I note in your submission that you sought information from various

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departments, including the New South Wales Department of Health. How do you interact with each of those departments and what is your resource base?

**Mr Kerkyasharian**—The answer might be longer than my opening statement.

**CHAIR**—Take your time; you are very welcome.

**Mr Kerkyasharian**—The Community Relations Commission for a Multicultural New South Wales was established by statute under the Community Relations Commission and the principles of the Multiculturalism Act, which went through parliament in 2000 and was enacted in 2001. Essentially, the commission is a successor to the Ethnic Affairs Commission of New South Wales, which was established by legislation in 1978. The original commission was established following a very extensive review by the New South Wales government of the settlement of migrants. It was based on the *Participation report*, which looked at the participation of people from non-English-speaking backgrounds in all aspects of life in New South Wales—including social, economic, political, artistic, commercial or whatever.

The principal objective of the Ethnic Affairs Commission was to promote unity among ethnic communities. In 1999-2000, the state government proposed changing the name of the commission and making some significant changes to its objectives and its modus operandi. There was extensive public discussion. We circulated more than 3,000 copies of a discussion paper, which had to be reprinted. Public meetings were held, not only in Sydney but also in rural and regional areas. There was extensive parliamentary debate, including an inquiry by the New South Wales Legislative Council into the whole issue of multiculturalism and the change of name. Ultimately, the legislation was passed through parliament. So the existence of the Community Relations Commission is something that has been subject to a lot of public discussion and has been considered thoroughly by people at the parliamentary level.

The significant differences are not only in the words but also in what they mean and where they place the issue of multiculturalism in the 21st century. One of the significant word changes occurred in the objectives, which went from talking about promoting unity to promoting harmony. This is supportive, and it explains the change of name from the Ethnic Affairs Commission to the Community Relations Commission: we in New South Wales see our society as a community made up of communities with a common bond and a common commitment to Australia and to the interests of Australia. In other words, we accept the existence of diversity of race, religion, language and ethnicity. That is in the legislation.

We accept the existence of communities based on those four descriptors, but we now have an instrument—the Community Relations Commission—that promotes the positive and productive interaction of those diverse communities within a whole community. That is the principal task of our commission: to promote a cohesive and united multicultural society where differences are accepted and respected but where there is also a common commitment to Australia and its future through citizenship—that is, citizenship in its more generic sense and citizenship where English is the common language of the state.

In that context, we have to make sure that migrants—people who choose to come to Australia and have been accepted by Australia—settle and integrate in our society as full, participating members. To do that, we have to make sure that government policies and public policy are conducive to and supportive of that settlement process. The functions of the commission

specifically relate to those activities as well, in that we oversight the Ethnic Affairs Priorities Statement—EAPS—program in New South Wales, whereby each New South Wales government agency has to provide a priority statement and report against that in their annual report.

There are five components to the EAPS program. They include participation in decision making processes, communication and consultation. The EAPS program does involve areas generally covered by the Office of the Director of Equal Employment Opportunity in Public Employment and it includes the targeting of programs to the specific needs of a particular community. A good example of that is the availability of drivers licence tests in different languages. That is a very simple example.

A number of key agencies are identified by the commission and approved by the Premier as agencies that have to report in greater detail against the set of standards. They report to the commission annually on the basis of self-assessment. Under the act, the commission is required to lodge a report in March every year, through the minister to parliament, on the state of community relations in New South Wales.

**CHAIR**—Thank you for your very extensive answer. In your submission you talk about working with the Commonwealth on the Commonwealth-State Working Party on Migration to Sydney and New South Wales. How is that going, particularly in respect of regional New South Wales?

**Mr Kerkyasharian**—The working party was set up following a meeting between the Premier and the federal Minister for Immigration and Multicultural and Indigenous Affairs. The Community Relations Commission is a member of that committee. The working party has almost completed its deliberations. It had one meeting in a rural area—in Wagga Wagga. The final draft is currently subject to some minor amendments between the Commonwealth and the state and, as I understand it, it has not yet been presented to the Premier or to the minister. All I can report at this stage is that there is great cooperation and enthusiasm. We are hopeful that there will be some excellent recommendations that will build great assistance. I am sure the committee will understand my inability to go into detail because it has still not been finalised.

**Mrs IRWIN**—On page 10 of your submission, you state:

... the Commonwealth must work closely with the NSW Government both in framing the migration program itself and in the planning and coordination of services for new arrivals, wherever these arrivals are located.

What are the priority areas? You mentioned Wagga Wagga. In the last parliament, the Mayor of Griffith, New South Wales appeared before another inquiry. They were desperate for migrants to that particular area. The problem for Griffith was resources—the resources were not there for newly arrived migrants. Can you give us a bit of background on what you think the priority areas are and why?

**Mr Kerkyasharian**—In determining the priority areas, we need to look at who the stakeholders are and what the dynamics are. The immediate problem that confronts New South Wales is the influx of migrants into Sydney and the tensions that is creating, particularly with respect to development, buildings and all the other infrastructure issues I referred to.



Looking at the issue of migration to rural and regional areas, it is very important to have the support of the local people and the local councils and the participation of local enterprises and business, as well as having community structures in an area. There are two issues—and this is probably something that needs to be clarified, and hopefully it will be. The first issue relates to whether it is possible to speak about regional migration without speaking about regional development. I think the two go hand in hand. For regional migration to be an effective, successful program and initiative, there will have to be thousands of people settled in rural and regional areas—not just in New South Wales, but all over Australia. When thousands of people move into a new area—when even 500 people move into a place like Bourke or Griffith—given the population numbers and the ratio of the increase to those population numbers, significant issues will be created, not only in terms of employment but also in terms of social interaction. Therefore, there needs to be a comprehensive plan of action to ensure that the settlement of those people is productive, not only in economic terms but also in social terms and in the longer term. I submit to the committee that that cannot be achieved unless there is total and absolute cooperation and partnership between local government, state government and the federal government.

**Mrs IRWIN**—I agree with you. Another submission we have had before us states:

We are unable to place our sponsored nurses in public hospitals in New South Wales (unless in emergency situation) due to Department of Health regulations.

We have been told that there is a shortage of nurses in New South Wales and in other states in Australia. What are the arrangements governing those placements?

**Mr Kerkyasharian**—Unfortunately, I am not in a position to answer that in detail, because I do not know which regulations they are referring to.

**Mrs IRWIN**—I am curious about qualifications. Immigrants are finding it very hard to find employment in the nursing professions. Do you find that they are not qualified enough?

**Mr Kerkyasharian**—If it is a question of qualifications, I can answer that question in slightly broader terms. The whole issue of qualifications and recognition is one that needs to be looked at. It can probably be resolved through a process such as this inquiry into skilled migration.

From my point of view, there are two approaches to the issue of qualifications as it applies to immigrants. I put the two approaches under the following classifications: recognition and equivalence. Those are my terms. What has been practised until now is equivalence. In other words, if someone applies to migrate to Australia—whether on a permanent or temporary basis—their qualifications or skills are assessed to determine what they are equal to in terms of Australian requirements, but if an equivalence is determined it does not automatically translate to recognition. So you have a situation where a potential immigrant has their qualification assessed and is told that their qualification is equal to or equivalent to this particular degree or that particular professional qualification, but when that person comes here, if their qualification relates to a regulated profession or trade and the person has to get a licence or be registered, the registering or licensing board says, ‘Hang on. In pure academic terms your qualification might be equal to this, but we cannot register you and we cannot give you a licence.’

Therefore, in my view, there has to be a significant shift from equivalence to recognition, so that we do not create undue expectations among immigrants and so that we can be more confident that, when a person is issued with a visa where the person's qualifications play a role, those qualifications will then be recognised and accepted.

With respect to nursing—and I am speaking from memory here, so I may be corrected on this—my understanding is that in some countries the primary and high school period is only 10 years instead of 12 years and so, while the tertiary or postsecondary qualification course for nursing is equivalent and accepted to be of the same quality as that provided in Australia, the registering bodies say, 'Your postsecondary qualifications are okay, but you haven't underpinned that with 12 years of schooling, and therefore we cannot recognise those qualifications.' It is these little subtleties that create problems down the track. They create disenchantment among immigrants and they create problems for employers, because they have an understanding that so many people with a particular skill level will come in with the next batch of migrants and then when they arrive they hit a brick wall because their qualifications are not recognised.

**Mr Duranti**—Further to that, sometimes there is a bit of a catch-22, when having local experience is a prerequisite for, say, registration. People arrive here with formal qualifications that are certainly equivalent, but they are not able to get that local experience to underpin their formal qualifications, and that precludes some employment options.

**Mrs IRWIN**—That answers my third question. Page 7 of your submission explains how this becomes a circular trap for migrants, who cannot get a job because they do not have 'local experience'.

**CHAIR**—I would like to go back to the issue of skills recognition, which this inquiry is trying to resolve. We have had the institute of engineers come before us. When you say that there is a difference between recognition and equivalence, does that go back to the professional bodies themselves, who may or may not have a vested interest in the number of professional people operating in their particular fields of expertise? The National Office of Overseas Skills Recognition, NOOSR, has given evidence to us, and they say that they regularly submit quality assurance programs to the different institutes of engineers, architects or whatever. At what point are we failing? I hear about this all the time. Two weeks ago I was on an information booth, and a nice Filipino gentleman who was an architect told me that he had sat three times for the Royal Australian Institute of Architects exam. Where, as you see them, are the points where we fail? What can be done to rectify this problem? Is it something that is not happening when migrants are applying offshore? I have heard about this problem for a number of years, and I am trying to find out how we can improve the situation.

**Mr Kerkyasharian**—I think it is very difficult to comment on the motivations of registering bodies, although the media occasionally does raise the issue. When I chaired a review into the issue of doctors' overseas qualifications, we spoke to the chief executive officer and the then president of the New South Wales Medical Board about the treatment of doctors on temporary visas who went on to become permanent residents. People were being allowed to come to Australia on temporary visas and were being given registration by the Medical Board to practise, either as general practitioners or specialists; however, when those people applied for permanent residence and obtained visas, their registrations were cancelled immediately and they

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were asked to sit a test. If they failed the test, they were told that they could not practise because they were not safe—and the word ‘safe’ is a formal word in the medical profession.

So I asked the president of the Medical Board what it is that changes in an individual at the moment that the immigration department says, ‘Yes, you have a permanent visa,’ transforming them from someone who is safe to practise into someone who is not safe to practise. The response was something along the lines that when these people come here they promise that they will not become permanent residents. Here we have an example where a body charged with the responsibility of determining skills makes decisions on the basis of market forces.

**CHAIR**—Leading on from that, when these people wanted to become permanent residents, who was the authority that required that they sat for the examination? Was it the Medical Board again?

**Mr Kerkyasharian**—Yes, and the Medical Board is independent of government; in other words, the government or the minister cannot direct the board to register someone as a medical practitioner. So the Medical Board has complete independence, and it can revoke someone’s registration at any time, and it can register anyone at its collective will. There is one exception—those who have qualified in Australia or New Zealand. There is an implication that they will be accepted and registered.

**CHAIR**—In your experience, are there any in-built factors for overseas doctors, related to where they are from? Is it much more difficult if they are from certain countries of origin? You said that people who have qualified in Australia and New Zealand will be accepted and registered. I understand that people who have qualified in South Africa will be too, but is there an in-built prejudice towards medical practitioners from some countries? Prejudice is probably the wrong word, but have medical practitioners from some countries experienced more difficulties than practitioners from other countries? Have you come across that in the work you do?

**Mr Kerkyasharian**—Australia and New Zealand are specifically legislated for. The discretion of the New South Wales Medical Board is limited to proving that the person is not safe to practise. I found no particular evidence to suggest that there was prejudice on the basis of country of birth.

**CHAIR**—I was referring more to how the qualifications are perceived.

**Mr Kerkyasharian**—I think you will find that a predominance of people from particular countries are accepted or pass the test. I would not put that down to prejudice or bias but rather to the similarity of attitude and approach to medical practice in those countries and probably to the fact that they do their training in English.

**CHAIR**—So would the English factor be more of an advantage in that situation.

**Mr Kerkyasharian**—Obviously, if someone comes here having practised in an English-speaking country where the professional practices are similar, that person has a familiarity and has the type of experience which will give them the edge, so to speak. So I would not be confident in saying that there was bias in the assessing authorities. If there is a perceived higher

success rate, I would say that that would simply be a reflection of the experience those people have gained in the places that they come from.

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

**Senator TCHEN**—Firstly, thank you for your outline of what your commission does. Certainly, in terms of community relations and multiculturalism, your power is far more encompassing and far reaching than the legislation of other states allows for. I know you said that there is a difference between qualification and equivalence—meaning certification and permission to practice—but, looking at qualification recognition and your experience of having the power to require government agencies to report to you and to oversee government agencies in their work, I think recognition is very much a Commonwealth area, whereas my understanding is that most of the equivalence or certification areas are agencies or statutory organisations under state legislation. For example, although you say the Medical Board is independent of government, nevertheless I understand it will be operating under state legislation. In your experience, how far have you been able to influence the ways these bodies operate, where such operation may be contrary to the interest of providing support for skilled migrants, as you described earlier? I know you have given us your experience with the Medical Board, but a range of other boards exist—going from boards looking at dental and nursing qualifications all the way through to bodies looking at the certification of plumbers and electricians.

**Mr Kerkyasharian**—I have found that there has been a quite significant change, particularly in the area of health, over the last four or five years. There is a very positive attitude, and I think it was only a few months ago that New South Wales health changed one of its award conditions, making it more appropriate in terms of allowing overseas qualified specialists who meet our requirements to practice in the public health system. So, from the New South Wales government's point of view and from the point of view of the instrumentalities which are under the control of the state or are creations of the state, there has been a very positive move towards accommodating overseas qualified people—without jeopardising quality and standards, understandably.

There are some instrumentalities which are completely outside the control of governments, particularly the specialist colleges. I think some of them still operate under letters patents from the Queen. Under those circumstances, it is very difficult to get responses from them, if one wants to make inquiries about some issues. When it comes to areas like skills—and you mentioned plumbing et cetera—the New South Wales TAFE conducts courses, and some of the licensing bodies even conduct tests with interpreters. So, where language is not a safety issue, the skills of people are recognised—language does not become a barrier to that recognition. So there has been very positive approach to this by the New South Wales government; that is what we are finding.

**Senator TCHEN**—I am pleased to hear that.

**Mr Kerkyasharian**—We will be tabling our 2002 report to parliament at the end of March, and in that we will be detailing some of the progress that has been made, particularly in the area of health.

**CHAIR**—The committee would be very happy to receive a copy of that, if you could forward it on to us.

**Senator TCHEN**—You also made a very telling point when you said that you believe that regional development and regional migration need to go hand in hand. Can you enlarge upon that and share your insights with us, particularly in relation to what the New South Wales government is doing in the area of regional development?

**Mr Kerkyasharian**—The point I made was a generic point, in that, if we are to see an effective program of encouraging or even enticing immigrants to settle in regional Australia—let alone in New South Wales—the developmental needs involved in the settlement of thousands of people should be addressed at the same time as the immigration issue. That was the generic point I made. In terms of the details—what the options are and where we can work together in New South Wales—those matters are being canvassed by the working party. I would ask your indulgence to allow me to wait until that report has been finalised.

**Senator TCHEN**—The reason I asked is that in your opening statement you referred to the fact that New South Wales attracts a disproportionate number of migrants, which is something that puts excessive pressure on New South Wales's infrastructure, particularly in Sydney. That is a theme that Mr Carr has consistently pursued. I understand where he is coming from—that he is not against migration but against the concentration of migrants in Sydney. You said that 43 per cent of migrants are coming into New South Wales, and particularly into Sydney. Are you talking about the total number of migrants or just the skilled migrants? The number of skilled migrants is less than half the total number of migrants.

**Mr Kerkyasharian**—Yes, I understand that. It is 43 per cent of the total number of migrants—but that does not include the temporary residents.

**Mr Duranti**—The figure of 43 per cent refers to the number of settlement arrivals. Therefore, it is referring to a broader group than just skilled migrants. It obviously includes the family stream and so on—but that was a global figure, basically.

**Senator TCHEN**—Yes. My understanding of the statistics is that skilled migrants are economically far more independent than migrants in other categories, and so I was wondering whether the additional loads on the infrastructure that you mentioned relate to migrants in the unskilled categories rather than those in the skilled category?

**Mr Kerkyasharian**—There are two things relating to that issue. One is that the lines between skilled migration and humanitarian migration, under which family migration used to sit, are very blurred now—I would submit that they are blurred to the extent that they are indistinguishable. A lot of skilled migrants come in under the family reunion program, so the line is indistinguishable.

I would agree with you that the net economic benefits brought by migrants who are purely defined as skilled would be greater than the benefits brought by those coming in under other programs—but that would be in the longer term. At the end of the day, however, whether they come in under the humanitarian category, the family category, the skilled category or whatever type of category, migrants are human beings who arrive in this city and need accommodation, food, showers and electricity. They are additional people needing to be serviced by the

infrastructure. Adding another 43,000 people a year to metropolitan Sydney requires a lot of up-front initial investment; more than that, it creates planning problems for an overcrowded city.

**Senator TCHEN**—Firstly, let me suggest a correction. The humanitarian resettlement program is a very specific program; it is not a part of the general migration program.

**Mr Kerkyasharian**—I am not speaking against those programs.

**Senator TCHEN**—No, it is just that the family reunion program is not a humanitarian resettlement program. Perhaps people come to Sydney or to New South Wales because they see that there are greater opportunities for enjoying its infrastructure.

**Mr Kerkyasharian**—It is a lovely place.

**Senator TCHEN**—In your submission, you also look at the competition aspects mentioned in the terms of reference, and you observe that the USA and the European nations make it easier for firms to recruit skilled workers. Can you expand on what they do, as you understand it?

**CHAIR**—Thanks for putting that in your submission, because we have not heard a lot about overseas experiences. Your input on that is very welcome. I think you mention China and Japan.

**Mr Kerkyasharian**—Which page was that on?

**Senator TCHEN**—You first mention it on page 6, in the second three lines of paragraph 2. You also refer to it on page 7, at the end of paragraph 4. Some specific information about those schemes in Canada and the USA would be very helpful.

**Mr Kerkyasharian**—I do not have details of the specific schemes with me at the moment, but one of the references there is to salary. I think that if you are in a profession like accountancy or nursing, if you go to England you get paid the same number of pounds as you get dollars here. So the salary they get there is probably about three times the salary those people would get in Australia. The main thing to do is to take a more complete look at skills and the issue of flexibility—at the extent to which the immigration program can localise its skills requirements, in other words; the extent to which there can be different sets of priority skills for regional New South Wales, for example, and for Melbourne. I think those are things that need to be looked at. The greater the capacity for flexibility and the greater the capacity for areas with smaller populations to have differing skills bases, the greater the ability for enterprises or employers operating in a particular area to facilitate the migration of skilled people to meet their specific needs—therefore making it easier for people to come in. But we can get details of some of those programs and submit them to the committee.

**Senator TCHEN**—That would be very much appreciated.

**Mr Duranti**—We will take that on notice and get back to you.

**Senator TCHEN**—Thank you. You also mentioned Japan and China in the competition context. In the case of China, it is mainly a case of attracting back the expatriates, which is probably a special circumstance. You said that Japan is a non-migrating country, but they invest

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resources in the shorter term to reap long-term benefits by attracting high quality academics, students and skilled workers through scholarships and company packages. However, those people are on very short-term temporary types of entry, and so that is different from skilled migration. Can you tell us the lessons we can learn from that? Are you suggesting that Australia should also develop another migration category that will attract people like that?

**Mr Kerkyasharian**—We are simply pointing out to you some of the forces that are competing in Australia.

**Senator TCHEN**—I appreciate that.

**Mr Kerkyasharian**—I am not necessarily saying that temporary migration is a better way of establishing a country that is based on migration.

**Senator TCHEN**—I just wanted to clarify—this is my final question. Going back to the issue of regional development and the study that the working party is doing, it seems to me that the issue of Sydney and other metropolitan areas attracting a disproportionate number of migrants is very much an extension of the situation we have seen in Australia for many years, where Sydney attracts a disproportionate amount of investment, workers and population generally, compared with regional New South Wales and regional Australia. The same mechanism would apply to reverse the flow of migrant settlement from country Australia into metropolitan Australia. Do you know whether that issue is being looked at? I know you cannot talk about the outcome yet, but do you know whether the issue is being looked at in the terms of reference?

**Mr Kerkyasharian**—My understanding of the question is that is about whether the working party is looking at the issue of stopping the internal migration from regional areas to metropolitan areas. I do not think that is in the working party's terms of reference.

**Senator TCHEN**—Do you know whether other departments of the New South Wales government are looking into that problem?

**Mr Kerkyasharian**—I cannot answer that question because I have not looked at that issue.

**Senator KIRK**—I have a couple of quick questions. What interaction, if any, do you have with other Commonwealth agencies, such as the Department of Employment and Workplace Relations and the Department of Education, Science and Training? If you do have any interaction, what is its nature?

**Mr Kerkyasharian**—Our principal interaction is with the Department of Immigration and Multicultural and Indigenous Affairs. Any interaction we might have with other agencies would depend on the issues we are dealing with at any given time.

**Senator KIRK**—Do you consult them, or do they consult you?

**Mr Kerkyasharian**—Both.

**Senator KIRK**—Depending on the issue?

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**Mr Kerkyasharian**—Depending on the issue, they consult us and we consult them.

**Senator KIRK**—What is an example of a recent interaction?

**Mr Acheson**—Yesterday I had a call from Canberra, and they asked us for a copy of the *Race to qualify*, the report on overseas doctors' qualifications.

**CHAIR**—You mentioned that in your submission. Could we have a copy of that?

**Mr Acheson**—Yes.

**Mr Kerkyasharian**—I am trying to think of other examples, but they have skipped my mind.

**Senator KIRK**—So they call on you when they need information and vice-versa?

**Mr Kerkyasharian**—Yes.

**Senator KIRK**—Do you have interaction with other states?

**Mr Kerkyasharian**—We do have interaction with other states. Again, it depends on the issues. Sometimes we participate in joint programs. I was recently invited to meet with the Victorian Office of Multicultural Affairs, to brief them on what we are doing in New South Wales and how it is progressing. We cooperate in the area of interpreting and sometimes on policing issues. As an example, we provided funding support for the publication of a police booklet on religions, which has been circulated nationally to all the police services.

**Senator KIRK**—So nothing specifically to do with skilled migration?

**Mr Kerkyasharian**—Not recently.

**Mr Duranti**—The commission is a member of the Standing Committee of Immigration and Multicultural Affairs, so we certainly have ongoing liaison with our state colleagues. Falling out of that there are sometimes various working parties and so on—so there is cooperation at that level. Of course, there are the regular meetings of the standing committee, which the commission takes part in, and I guess that is another avenue.

**Mr Kerkyasharian**—We are not specifically looking at skills in other jurisdictions at this point.

**CHAIR**—On page 6 of your submission, in the second paragraph from the top, you say:

As well as attracting people who have a pattern of international mobility, Australia is at risk of attracting inexperienced over experienced migrants ...

You gave an example:

... in the first seven months of 2000-01, under the Skilled Independent program, 29 per cent of all elected were computing professionals and 19 per cent were accountants. Over half held Australian qualifications. Most would have completed these qualifications as full-fee paying overseas students in Australia and may not have local work experience, let alone experience in other parts of the world.

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Can you expand on the problems you perceive? We have a very strong student program here, and we actively engage our universities to attract Asian students in particular to study here. What would be the risks of that? I would like you to expand a little more on what those factors would be. Surely having Australian qualifications would be advantageous?

**Mr Kerkyasharian**—It would be, but it all comes down to the issue of qualifications and, more importantly, skills requirements and skills needs. I mentioned earlier the issue of equivalence—official acceptance and registration. There is also a need to do a more thorough analyses of the skills that are required on a regional basis.

We should also look at the projections. I will give you an example. If there is a perception in the Australian community, supported by evidence such as advertisements in the newspapers, that there is a particular shortage of a particular skill—for example, the IT industry is expanding and there will be jobs in the IT industry over the next five years—one would expect that a lot of people who are just finishing high school will pick the IT industry as a career prospect. You would expect an increase in the number of people pursuing IT courses in our tertiary institutions, which means that three or four years down the track there will be some highly qualified local people in that industry. In the meantime, if the immigration department says it will start to recruit people from overseas to fill the IT skills shortage, given the natural lag between people applying and being processed, three years down the track people will be coming in under the skills program with a predominance of IT skills, while at the same time your local tertiary institutions will be producing more people with the same qualifications.

So projections need to be made. Nowadays, with computers and the types of data we collect, it is not difficult to set up models to do three-year, five-year or maybe seven-year projections to see what skills will be required down the track. In that way, what you determine today in terms of your immigration profile will not create problems for you down the track.

**CHAIR**—That is what I was going to ask you next. During an inquiry on industry I was involved with—five years back probably—the same sorts of skills prediction problems arose. I do not think we have progressed much further down the track in predicting skills. One of the departments spoke to us about an influx of IT people in the 1990s and how they had to have another look at the levels of IT professionals and upgrade them. You said that there are models that can predict those skills shortages and what will happen down the track. Although we have gone down the track of skills recognition and predictions, we are still pretty much in the same place we were several years back. Whose role is it to develop those? Is it something that DIMIA should be doing? Is it something that the National Office of Overseas Skills Recognition should be doing? Is it the state governments' role? The three levels could be involved. What are your opinions on this?

**Mr Kerkyasharian**—It should be developed at the national level with the cooperation of state institutions—particularly educational institutions.

**CHAIR**—There is a vested interest in universities going out there. They might be promoting business courses to overseas students, but they have economic interests that are sometimes very different from skills shortages. Do you think that is a problem?

**Mr Kerkyasharian**—My personal view is that it would assist everyone if the universities had better databases and better information on projections. They could then market more

successfully. Their potential clients are students who, if they had any intention of staying in Australia, would know what the landscape would be by the time they graduated. I think this is one of those win-win situations—not to be cute about it—that will benefit everyone. It should be done in cooperation with the Department of Employment and Workplace Relations and in conjunction with the federal education department and the cooperation of state governments.

**CHAIR**—That is something that has never happened in the past.

**Mr Kerkyasharian**—The department of employment has started to collect some data, but it does need to be broader and more methodical. Some modelling programs to do those kinds of projection should be developed.

**Mrs IRWIN**—I found your submission very interesting to read. You have made some valid points. From page 6 to page 9, you talk about skilled, independent stream migrants facing barriers to settlement, when compared with skilled Australian-sponsored people. The reason I am asking this question is that I speak to a lot of community groups throughout New South Wales. There is a lack of explanation at the posts where they apply to migrate to Australia, and they come out here thinking, ‘Yes, I have been accepted. I have the qualifications.’ The overseas posts say there are jobs and they will be in demand in Australia, but they get here to find that there are no jobs. Can you give us some examples? Do you feel that this is a point that a lot of people within the community are making once they get to Australia?

**Mr Kerkyasharian**—It is a very complex situation. Obviously this issue of equivalence versus recognition plays a role. If a person has made the pass mark and their qualification or skill has played a role in their being granted a visa, under either the family skills program or the pure skills program, that person has an expectation that when he or she arrives in Australia there will be a job waiting for them—that it will be just a matter of weeks before they get a job. Human beings being what they are, they also tend to see things through rose-coloured glasses. When they get a visa, they expect that when they get to Australia everything will be fine. So there are cases where people have been disappointed but, if you go back about 10, 12 or 15 years, you will see that we had a similar situation with engineers. There was a shortage of engineers towards the end of the 1980s or in the mid-1980s I think, but by the time we got into the late eighties and early nineties engineers were driving taxis, because there were a lot of locally qualified engineers as well—there was an oversupply of civil engineers et cetera.

So it is a very complex situation. Obviously the information that is put out by the immigration department in print is quite good and does warn people of all these traps. What happens in a personal interaction between an Australian visa officer and an individual is a matter for interpretation on either side. People who are excited about getting a visa to Australia probably overestimate sometimes.

**Mr Duranti**—With regard to, say, the skilled Australian-sponsored migrant—where there will be a level of support for the person coming here—I would certainly also suspect that the immigration department would portray that support as being of assistance in the settlement process and being helpful in supporting that person, in the initial stages at least, not necessarily getting them a job but certainly providing support for the family. It is certainly a valid assumption that having those connections here will assist in the process, but it certainly does not overcome the issue of guaranteeing that the person has a job once they come here. Some words have been said on that already.

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**Mrs IRWIN**—Do you also find that they are finding it hard to access a wide range of government agencies? Do you also find that another frustration that they are going through, especially the skilled independent stream migrants, is that they get here and they think they will have a job but they cannot find a job and their income virtually goes out the back door, mainly because they cannot get any assistance from the government for two years after arriving here?

**Mr Kerkyasharian**—Over the last years, there has certainly been a tightening up of the kinds of support that migrants get. Even things like English classes, where you have to pay in advance, have become more regulated. The numbers of places where these facilities are available have been rationalised, so to speak. But, in general, some people might not have a very good understanding of the environment into which they are migrating. I can say from my own personal experience that I could not have envisaged the distances involved in terms of day-to-day travel—having come here from London—where going for a job interview might take you two or three hours, even though it is in the same city. It is impossible to estimate and gauge the impact on an individual of little things like that. I guess those little things also motivate people to go to Sydney, because community infrastructures are there. Familiarity is there in terms of the environment.

**Mrs IRWIN**—This is what some of the submissions I read when I was involved in an inquiry in the last parliament said: people do want to come to the major cities like Sydney, because they have family support, their churches and community groups, and they do not have those in the country areas where we are desperate for skilled migrants—in rural and regional Australia. I think that was the statement you made in the beginning—that we have to put those in place in those areas. We have to have local, federal and state governments working together, because we want to attract migrants to rural and regional Australia and keep them there—especially young migrants—and to keep them there you have to have those facilities. Are you finding that if there were more facilities like temples and community halls and affordable housing in our rural and regional areas that would attract more migrants to those areas and away from the cities?

**Mr Kerkyasharian**—It would, but I think we have to be realistic about the planning issues involved here as well. In some cases some of these facilities need to follow rather than precede the migrants because, having settled in an area, they might change their perceptions of what their needs are. So we need to put in place a cooperative structure which is flexible, functional and local. To me, that is the bottom line. What is needed is the commitment and then the flexibility to react.

**CHAIR**—Just on the question of the added risk of a flow back into the city that exists—and Mrs Irwin talked about building temples, and I know that the minister is trying to look at some regional mechanisms—do we need some very structured regional mechanisms where there is some leeway in the area of points maybe? How do we stop that flow back and how would you address that, because, as you said, the perceptions of regional Australia may be very different and people will still migrate back to Sydney and you will still have the same problems you were trying to overcome. Do we address this through more generous skilled migrant mechanisms? How do we look at it? I know you are looking at it through a working party.

**Mr Kerkyasharian**—That is right. There are no easy answers to that.

**CHAIR**—Because I do not think any government wants to be punitive, saying to people, ‘Once you have migrated to a region you cannot come back to the city—otherwise you will not

be able to access any of those benefits.’ That is not how I am saying you should do it, but there must be some way we can make it more attractive. I was at a local government conference yesterday in Hobart and one of the problems that a state like Tasmania faces is that it is very regional and there are no major cities. How do we attract migrants to a place like that? Tasmania is always wanting migrants to go down there, but their cities are very regional and small. The councils there are looking more and more at becoming involved in regional economic development and also work programs and are very interested in attracting migrants to those areas, but you may have migrants who have come from large metropolitan areas and have never lived in small regional areas and that may be a difficulty that needs to be overcome.

**Mr Kerkyasharian**—I think there are some broader issues here which probably do not fit within existing policies and programs, whether they be short term or long term. It is a question of what the overall objective of the immigration program is. This is something that your committee might wish to also ascertain. Is the overall objective of the immigration program to continue to populate this continent or is it to support the economic development of industry? Everything flows from that—where people settle et cetera.

**CHAIR**—Thank you for that.

**Senator TCHEN**—Mr Kerkyasharian, I would like to follow up on the question you discussed earlier about overseas students staying on in Australia, looking at it also in terms of the supply of skilled people in particular areas. Given the mobility of the labour force within Australia—and now the mobility on a global basis, which you identified—it seems to me that the only supply side control factor that we have is actually what places the training institutions, the universities, are able to program themselves. Are you suggesting that approach? This is a very difficult issue because if such a model gets developed we might come to the point where we say, ‘The immigration department or the employment department can come to the education department and say that they forecast that there will be a global supply of engineers in three years time and therefore our universities should stop training engineers and just pick them off the world market—or doctors or whatever. I am not sure that is an outcome we wish to follow.

**Mr Kerkyasharian**—I did not for a moment suggest that. What I was saying is that, if information is available, then educational institutions can make more informed decisions about their marketing programs.

**Senator TCHEN**—Yes, but if they have confidence in their own ability to train highly skilled people, the educational establishments may well say, ‘All right, there will be a supply side oversupply; however, we are confident that our graduates will be better placed than any graduates internationally and therefore we should continue our program, training more.’

**Mr Kerkyasharian**—I am sure Australian institutions would surpass many of the institutions internationally. My comments were in the context of skills shortages in Australia. Therefore, the more information available, the better the quality of the decisions—and there are no suggestions that the independence of the decision making process of the institutions be impinged upon.

**Senator TCHEN**—I am just pointing out that sometimes existing information actually limits, predetermines or affects the decisions to be made. But following that line, my logic—not yours—suggests to me that another way of doing it would be to look at the Japanese model, which you have discussed, and have a very short-term supply of skilled people from the world

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market. However, I would suggest that that runs contrary to our idea, which I am sure you share with me, of Australia's migration as a nation building process.

**Mr Kerkyasharian**—My personal view on this, which I have articulated many times, is that one has to look at the impact of immigration on a country and on nation building. If one looks at Germany, for example, there was an immediate need for unskilled labour decades ago and they started bringing people in as 'guest workers'. I know that guest worker is not a term we use in Australia, and I know that people do not want to think about that, but the German experience shows that the message to the German people was, 'Do not worry about these people who are coming in; they may not be speaking German and they may be different from you, but they are only coming in as guests and when we do not need them they will go back,' and the message to the workers was 'Do not have any ideas of staying here; you are only guests here.' Of course, the reality is that 30 years down the track you have second and third generation guest workers, and their numbers are in the millions. These are people who have been born in Germany and are German, whether or not they are the sons and daughters of guests or not, and there is no way that anyone is going to kick them out of the country. Yet you have created a social psychology which divides off a set of people into the category of those who arrived as guests, overstayed their welcome, basically, and are now claiming territory. In Australia, on the other hand, whether by accident or through deep thought, we went down the other way and we said to our immigrants—

**Senator TCHEN**—Deep thought, I think.

**Mr Kerkyasharian**—I am sure you are right. We said, 'You are coming here as Australians. We want you to come here, and once you are here you are going to become Australians.' That is why, even though we are now more diverse than some other countries in terms of culture and religion, we are a more stable and cohesive society than those other countries, and I would not want anything to threaten that stability.

**Senator TCHEN**—I appreciate that. Thank you. I particularly wanted that point clarified.

**CHAIR**—We have asked you a number of questions and you have been very forthright and frank with us. Thank you for providing additional time to the members of the committee. I would like to take this opportunity to thank you very much, Mr Kerkyasharian, and also Mr Duranti and Mr Acheson. Thank you for attending the committee hearings today. If there are other matters we need more information on, the secretary will write to you, and you will also be sent a copy of the transcript of the evidence, and you can make editorial corrections to that.

Resolved (on motion by **Mrs Irwin**):

That this committee authorises publication of the proof transcript of the evidence given before it at public hearing this day.

**Committee adjourned at 11.28 a.m.**