



COMMONWEALTH OF AUSTRALIA

# Official Committee Hansard

JOINT COMMITTEE ON MIGRATION

**Reference: Review of state-specific migration mechanisms**

THURSDAY, 24 FEBRUARY 2000

MELBOURNE

BY AUTHORITY OF THE PARLIAMENT

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## JOINT COMMITTEE ON MIGRATION

Thursday, 24 February 2000

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

**Senators and members in attendance:** Senators Bartlett, McKiernan and Tierney and Mr Adams, Mrs Gallus, Mrs Irwin, Mrs May and Mr Ripoll

### Terms of reference for the inquiry:

To review and report on the suite of State-specific Migration Mechanisms and the extent to which these meet the needs of State and Territory governments for skilled and business migrants with particular reference to:

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

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**Committee met at 9.57 a.m.**

**CHAIR**—I declare open this public hearing of the Joint Standing Committee on Migration, which will be reviewing state specific migration mechanisms. This review was referred to the committee in June 1999 by the Minister for Immigration and Multicultural Affairs. The purpose of the review is to examine and report on the range of state specific migration mechanisms and the extent to which these meet the needs of state and territory governments for skilled and business migrants. The terms of reference focus on the adequacy of consultation of the states and territories, the mechanisms that have been developed, the level to which state and territory governments have utilised these mechanisms, the steps that might be taken to increase take-up and other mechanisms that might be developed.

At the conclusion of the review, the committee will table its findings, conclusions and recommendations of the parliament in a report which will be publicly available. The committee has received 28 submissions from state and territory governments, migration agents and people with an interest in those issues. The committee normally authorises submissions for publication and they are placed on the committee's web site. The committee has received a number of submissions specifically for this hearing. Is it the wish of the committee that the submissions tabled by Mr Gordon Stephens, Western Murray Development, and the Victorian state government be accepted as evidence to the inquiry and authorised for publication? There being no objection, it is so ordered.

If you would like further details about the review, please feel free to ask any of the committee staff here at the hearing. I now turn to the proceedings at hand. The committee will take evidence from witnesses as listed on the program. However, if any member of the audience wishes to comment on any aspect of the issues raised, we will try to make time available for you.

[9.59 a.m.]

**ARGALL, Ms Karen, Western Area Manager, Rural Workforce Agency, Victoria**

**KOSMINA, Ms Sharon, Workforce Policy Manager, Rural Workforce Agency, Victoria**

**CHAIR**—Welcome. Although the committee does not require witnesses to give evidence under oath, you should understand that these hearings 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 contempt of parliament. Are there any corrections or amendments you would like to make to the submissions you have given us? The committee prefers the evidence to be taken in public, but if you wish to give confidential evidence to the committee, you may request the hearings be held in camera and the committee will consider your particular request. Before we ask questions, Ms Argall or Ms Kosmina, would you like to make an opening statement?

**Senator TIERNEY**—Chair, before they make their statement, could I just ask why, when we did have witnesses from the Victorian government down to attend at 9 o'clock, that did not occur?

**CHAIR**—Can I refer it to the secretariat? I believe we got a phone call late yesterday afternoon to say they would not be appearing. Is that right? They thought their submission presented their position adequately.

**Senator TIERNEY**—It may or it may not, but I would just like to place on record my disappointment at the absence of the Victorian government. I had specific questions I wanted to ask them particularly relating to state specific migration mechanisms where we have had recently over 1,000 in that program but only 56 out of 1,000 came from Victoria compared to, say, South Australia, with 635. I wanted to ask some specific questions on why that mechanism was not working in Victoria. I just place on record my disappointment that they are not here to answer those questions.

**CHAIR**—Thank you. Can I put to the committee that we might like to discuss this after the witnesses –

**Mr ADAMS**—I would have thought that that would have been a more appropriate time – in a private meeting – rather than raising it in the middle of –

**Senator TIERNEY**—I wanted to put it on the public record that they are not here.

**CHAIR**—Can I suggest that after the witnesses leave today we have a private meeting and discuss what sort of response we wish to make to the Victorian government on this matter?

**Mrs IRWIN**—Did they give an indication last evening that they would like to have another time for the meeting in Canberra?

**CHAIR**—I do not believe so. No, they did not. Sorry, that was a bit of a diversion.

**Senator TIERNEY**—My apologies.

**CHAIR**—Would you like to make a statement at this stage?

**Ms Kosmina**—Thank you. Firstly, originally Dr Jane Greacen, our CEO, was intending to come this morning. She sends her apologies. She has been called away to a meeting with Minister Wooldridge to discuss rural health issues this morning so I am here to give you a bit of background.

As our submission says, the Rural Workforce Agency was established in July 1998 to improve the recruitment and retention of GPs to rural Victoria. In rural Victoria, we have a substantial shortage of GPs. On current estimates, we have 260 listed vacancies. If one looks at the community need, there are substantially more vacancies. As an organisation we were established to attempt to redress this situation. We have two main programs through which we do that. One is called the Rural Locum Relief Program whereby we have been given the power through the legislation to provide exemptions for doctors to work in rural areas of need and they are given provider numbers to do that. The second program, which is a new program initiated by the previous state government in July last year, is a state government program which looks at recruiting doctors mainly from overseas. In terms of this inquiry, the programs that we deal with particularly are the Regional Sponsored Migration Scheme and within that employer nominated schemes. Since we put our submission in late last year, there have been a number of developments with that program. I would like to just bring you up to date with where we are at with that.

**CHAIR**—Please do.

**Ms Kosmina**—With the state program, we have had more than 1,300 inquiries from doctors overseas to come to the country and we have been through a first stage process looking at determining who is eligible. Of those, at the moment we have 305 eligible GPs. In Victoria the assessment process is done through a committee of the Medical Practitioners Board of Victoria. We are at the stage where there are still a number of

elements of the program that need to be signed off between the Commonwealth and the state. However, immigration issues are obviously a key factor for us in the delivery of our programs.

In setting up systems to look at recruitment and retention in 1998, we did a major review, talked to all of our key stakeholders – GPs, rural GPs, the communities, the hospitals, divisions of general practice and others. One of the key issues that came through our early review was that immigration requirements were considered a major barrier to recruiting GPs in that there are a series of complex bureaucratic arrangements that have to be gone through to get a GP on board and the rural divisions and practices themselves found the process quite daunting. I have to say that it is not just immigration and recruiting GPs in terms of Victoria; it is also about determining what is an area of need and about determining the registration requirements. So all of those things taken together provide considerable barriers to ease of entrance into rural Victoria.

That has been a consistent theme that has certainly come to us and, indeed, in the management of our own programs. We have recently completed a feasibility study into recruitment and employed some consultants to assess the market in Victoria. One of the things they did was to interview private recruitment agencies as well as divisions of general practice and others involved in GP recruitment. One of the key messages that came through that from the private agencies was that they are simply exiting the rural GP recruitment market because it is too hard – largely because of the bureaucratic barriers to recruiting overseas trained doctors. Because they are private agencies, they are finding the market too difficult and heading into other markets, mainly metropolitan markets and other health professionals. It poses us with a great challenge to recruit GPs who are, firstly, eligible to be registered and therefore meet the standards set by the medical practitioners board, but then to actually recruit them and keep their interest in coming here when the process can take an extensive amount of time. As I said before, that is not just an issue of immigration; it is also about the other barriers, but immigration is a part of that.

In terms of our submission, we became aware of the regional sponsored migration scheme only a short time ago, late last year, partly because we had only just initiated an overseas recruitment campaign then and so it was appropriate for us to then pursue the appropriate immigration arrangements. Since then we have a number of doctors who are ready to be placed through the regional sponsored migration scheme, but that has been stalled in Victoria because at this stage there is not a certified body established for the system. So we are in a position where, as I said before, for a range of reasons, not just immigration – but that is so, certainly in this case – the options we have to keep attracting GPs is to bring them in as temporary residents and then go through the process of applying for permanent residency at a later date. All of these things mean that we face the tension of keeping their interest and involvement in coming here and risking the fact that over a period of time we will lose them.

**CHAIR**—Lose them when they come here or before they come here?

**Ms Kosmina**—Before they come here. I think our submission talks about how we work with GPs, the sorts of supports that we put in place and the fact that the issue of quality is not an issue in our case because those quality issues are determined by the Medical Practitioners Board of Victoria. In summary, some of the key issues for us are the desire to see a more streamlined process that will support our attempts to recruit GPs and to have a point of contact within the department where all of our divisions, GP practices and ourselves can identify and streamline the process for the people we are attempting to recruit.

**CHAIR**—In the migration department?

**Ms Kosmina**—Yes.

**CHAIR**—Ms Argall, did you want to briefly add to that?

**Ms Argall**—I could add some information more specifically in relation to the actual overseas trained doctor recruitment process. As one of the area managers, I have been acting as a placement consultant for some of the higher priority doctors, and by that I mean those doctors that have equivalent training to the Australian trained general practitioners. As Sharon alluded to, we have been working through some of the barriers that are currently in place with these doctors. We are now at the stage of being ready to undertake applying for permanent residency through the Regional Sponsored Migration Scheme, and the certifying bodies are not currently in place.

I am in constant contact with Irene Tkalcevic from Employment Victoria, and I have advised her that, yes, we have a number of candidates who already have their medical registration through the Medical Practitioners Board of Victoria and we are simply waiting for those certifying bodies. Our concern is that there has been quite a long delay, obviously, with the change of government and a holding period. But now we certainly have concerns that we need to be very timely, and as soon as these certifying bodies are in place and the staff are trained, the rural divisions of general practice and the area managers are very prepared to talk to those certifying bodies about the specific issues and give them any assistance that we can. Also, as Sharon said, there is the sheer frustration from the divisional staff that are dealing with immigration in relation to temporary resident doctors as well as permanent resident doctors.

**CHAIR**—Thank you very much. I just want to clarify one matter. You will understand that, as a migration committee, we are not actually expert on the medical matters. You talked about two things, the certifying board and the registration. The registration, I take it, is medical. Is that up to the Royal Australian College of GPs?

**Ms Argall**—There are two areas. The actual medical registration is through the Medical Practitioners Board of Victoria, and they have their standards and requirements.

**CHAIR**—Is that medical practitioners board a private board run by the doctors?

**Ms Argall**—No, it is a state body.

**CHAIR**—A state government body?

**Ms Argall**—Yes.

**CHAIR**—Okay, so that is the medical practitioners board.

**Ms Argall**—Yes, it deals purely with registration matters for medical practitioners – under various categories of registration. The Royal Australian College of General Practitioners is the peak body at this time. We have been involved with the college in relation to setting standards. Specifically in relation to the Victorian government's overseas trained doctor program, it is the college working with a group called the National Reference Panel which has set standards so that the applicants meet those standards and fall within specific categories.

**CHAIR**—So the college sets the standards and says, 'Okay, we will allow medical practitioners who have these standards to come here and be registered to practise as GPs,' and then it goes to your Victorian board to certify them?

**Ms Argall**—Yes.

**CHAIR**—When the Royal Australian College of GPs says, 'Okay, we will accept these sorts of qualifications,' how does it do that? Does it do it by country and say, 'We will accept certain countries' qualifications?'

**Ms Argall**—Yes. The college has already done a lot of work and has accepted standards of postgraduate general practice training from overseas countries. For example, doctors from the United Kingdom who have specific postgraduate general practice training are considered to have equivalent qualifications to the Australian fellowship standard and therefore are automatically granted on application a fellowship of the Australian College of General Practitioners. There are New Zealand, Canadian and Malaysian trained doctors with postgraduate general practice qualifications that are also equivalent to the Australian standard. There is a second group of qualifications not directly recognised by the Australian college, but those doctors will have the opportunity to sit the fellowship exam. They do not actually have to go through another training program, but they need to sit the Australian fellowship exam. Once they pass that, then they have the Australian equivalent.

**CHAIR**—How easy is that exam for them? How many have passed?

**Ms Argall**—In relation to this Victorian government program, we talk about category 1 and category 2 doctors. The college and the medical practitioners board have certainly been very supportive, and it is simply a process of making application to the college on an application form.

**CHAIR**—So they are getting through. They are passing the selection.

**Ms Argall**—Yes, absolutely.

**Mr ADAMS**—Are there any figures, because that is contrary to evidence I have received? How many people who have sat these exams have passed them?

**Ms Argall**—I am talking specifically about this Victorian government program. The doctors that I have been dealing with are mainly those that have the equivalent qualifications. So they are making application and are being automatically granted the fellowship.

**Mr ADAMS**—That was not my question. The question was: how many have passed the exam that is set by the board?

**Ms Argall**—By the royal Australian college?

**Mr ADAMS**—Yes.

**Ms Argall**—I could not give you those figures in relation to this program.

**Mr ADAMS**—Could you take it on notice?

**Ms Argall**—Yes.

**CHAIR**—Mrs Irwin has a follow-up question on exactly that same point.

**Mrs IRWIN**—Yes. It is just a follow-up on the chair's question. You stated that you have received 1,300 inquiries. There are 260 vacancies in the rural area and you have had about 350 doctors who have shown an interest. You have named the UK and Canada. What other countries are these inquiries coming from?

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**Ms Kosmina**—From many countries around the world. The third group – Karen described the three groups – that we are looking at as eligible for this program are doctors who have had a minimum of five years general practice experience but who do not have qualifications equivalent to the fellowship qualifications. Within those, they are being considered by the Medical Practitioners Registration Board for their eligibility. These arrangements are yet to be signed off between the Commonwealth and the state, but the eligibility would be that they come into the country to work, placed on the condition that they undertake and complete a fellowship as part of their training.

**Mrs IRWIN**—How are you finding these doctors? Are you advertising or is it through an Australian post?

**Ms Kosmina**—The previous state government conducted an international and national advertising campaign.

**Ms Argall**—I would clarify that those 1,300 applicants are not all from overseas. The majority of those applicants are doctors who are already in Australia as permanent residents but they have not worked either in the Australian hospital system or even in medicine since obtaining their permanent residency.

**Mrs IRWIN**—Regarding Medicare, if these doctors who have not practised in Australia go out to a country area, will they be entitled to be classified as a ‘Medicare’ doctor straightaway?

**Ms Argall**—That is a complex answer. Firstly, those doctors need to be eligible for medical registration, so there are certain standards that they have to meet. Then, depending on whether they are a permanent resident in Australia or a temporary resident doctor, they access a provider number through two different programs. The Rural Workforce Agency is responsible for what is called the Rural Locum Relief Program, which relates to overseas trained doctors who are permanent residents. We have set up a process whereby all applicants through the Rural Locum Relief Program are interviewed on a face-to-face basis. After having already obtained their medical registration, then we can discuss with them the level of support and any additional supervision or training that they need. On the Rural Workforce Agency’s recommendation to the Health Insurance Commission, these doctors are able to access a provider number and hence Medicare.

**Mrs IRWIN**—That is different from suburban doctors who would be starting up a practice.

**Mrs MAY**—I have a follow-up question on the number of vacancies. In your opening statement you said that there were 260 vacancies and there were 305 eligible GPs. What is the take-up rate by those eligible GPs? Is this where it is falling down, that they are not taking up the jobs on offer? Is that what is happening?

**Ms Argall**—There are certain delays. This is, once again, specifically in relation to the Victorian government overseas trained doctor recruitment program. As Sharon advised, the actual program specific to Victoria has not yet been signed off by the state and Commonwealth governments, so there has been a broad outline of the program but no guarantees or no legislative changes put in place.

Some of the initial inquiries would have been from doctors just testing the water, so to speak, and who have since lost interest or changed their mind. There are other doctors who have made the decision to come to Australia, have accepted a practice, are working through the Rural Workforce Agency and the rural divisions of general practice and have been matched with a practice vacancy in rural Victoria. It is now just a frustratingly slow process either to have them come to Australia as temporary resident doctors or to try and apply for their permanent residency through the regional sponsored migration scheme.

**Mrs MAY**—Is it going to make a difference when the state government signs off? Is that going to fast-track it?

**Ms Argall**—Very much so, because there are also other issues in relation to areas of need, identifying which rural areas within Victoria should be eligible for one of these doctors through this program. Resolving that issue has been ongoing and, as I said, until the state and Commonwealth governments sign off, there are no guarantees able to be given.

**Mrs MAY**—Is there any indication of a time frame when you can expect that sign-off?

**Ms Argall**—It is our understanding that it is going to occur within the next one to two weeks.

**Mrs MAY**—Okay.

**Ms Argall**—The Rural Workforce Agency and the subcommittee of the Medical Practitioners Board of Victoria have certainly been working very hard and having discussions with the department of human services in relation to having this program developed and put to the Commonwealth.

**Mrs MAY**—You would still have a pool of doctors there ready to move once the sign-off occurs?

**Ms Argall**—Yes. Certainly the area managers have been maintaining quite regular contact with the category 1 and category 2 doctors and saying, ‘We haven’t forgotten about you. This is the stage where we’re at. Is there any information we can assist you with in the meantime?’

**Mrs MAY**—Thank you.

**Senator McKIERNAN**—The shortage of doctors in regional areas is not something unique to Victoria, it happens right across Australia. Does your organisation in Victoria look to the training of our own people and increasing the numbers who can be qualified within Australia?

**Ms Kosmina**—Yes, indeed. Because the shortage is so severe we are looking at both short- and long-term strategies. Indeed, attracting our existing medical graduates is a priority for our organisation. Over the years it has been very difficult to get people to move out of metropolitan areas into rural areas for a range of reasons, but we are working through the universities on promoting and developing rural training programs and training that can occur in rural areas and developing links with those organisations to support students, particularly those who come from the country, to go back to the country because all of the research tell us that is the most likely thing to happen. Those GPs more likely to go to the country are either from the country themselves or have a spouse from the country. So we have a system of family support and other programs in place to support the retention of GPs, to keep them there as well as to attract them.

**Senator McKIERNAN**—Good. Under the normal migration program, where people are tested on their skills, doctors who apply from overseas have actually got to jump a higher hurdle than other applicants such as architects or computer programmers; they have got to score additional points. Why would there be that barrier in the way for permanent migration of doctors and yet a much lower barrier under these skills programs for persons coming under temporary residency? Isn't there some contradiction of terms there?

**Ms Argall**—Yes, I think there is a contradiction of terms. I would think this would be as a result of the impact of the change of legislation back in 1996 on the restriction of the provider numbers. Certainly, from our discussions with some of these overseas trained doctors, they simply cannot overcome the barrier of the negative amount of points and are looking at these alternatives through the regional sponsored migration scheme or the Employer Nomination Scheme to obtain their permanent residency. It was certainly the broad thrust of the Victorian government program, as part of their advertisement and promotion of rural vacancies, that the immigration process would be made easier and more streamlined.

**Senator McKIERNAN**—You have mentioned a number of organisations where dialogue and discussions occurred. One key name that has not been mentioned yet is the union, the AMA. Where do they sit in terms of the programs that you are currently promoting and talking to us about this morning?

**Ms Argall**—A representative of the AMA is actually on this Clinical Practices Advisory Committee which is a subcommittee of the Medical Practitioners Registration Board involved with this Victorian government recruitment program. The AMA is also involved in various discussions and negotiations as well.

**Senator McKIERNAN**—And they have approved the program?

**Ms Argall**—Yes. The AMA have been very much involved in discussions specifically in relation to area of need within rural Victoria and trying to streamline that process initially.

**Senator McKIERNAN**—And the doctors that you successfully recruit from overseas that agreed to practise in rural or regional areas of Victoria, how do you maintain them to the commitment? There are no restrictions on movement in this country. If a person comes into the country that person can move interstate at will. How do you hold him or her in that rural township?

**Ms Argall**—Certainly through the different mechanisms. For temporary resident doctors there are no specific mechanisms to actually tie them in one certain rural area for a certain period of time. But obviously the process is through employer nomination, restriction on provider numbers, and so on. They are certainly restricted to practising within rural areas. There are similar programs to the Victorian government program in other states. They are not equivalent to the Victorian program so, once again, that could certainly raise an issue, but the restriction on the provider numbers is the key issue which ties these people to rural practice.

**Ms Kosmina**—Within that, they are able to move but they need to move to another area of need.

**Senator McKIERNAN**—That restriction would allow them to practise in a regional area but would not allow them to practise in the metropolitan area.

**Ms Kosmina**—Or an area considered not an area of need – that is right.

**Ms Argall**—There are currently issues in relation to regional areas that you are mentioning.

**Senator McKIERNAN**—But, in terms of regional areas, Melbourne is considered in some of the migration programs regionally sponsored as a region in its own right, the city of Melbourne, the second most populous city in the country. How does this restriction on the provider number impact on Melbourne if that is part of the region?

**Ms Argall**—In terms of area of need, Melbourne is not considered an area of need. Within the agency we work on the basis of rural divisions of general practice outside of Melbourne. In fact Melbourne and Geelong are both considered not to be rural areas eligible as areas of need.

**Senator McKIERNAN**—Have you got a bit of paper which outlines that restriction on the provider number and where the individual can practise? If so, could you provide the committee with a copy of that?

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**Ms Kosmina**—Yes.

**Senator TIERNEY**—In your submission it indicates that you have not been consulted on the skilled migration issue. I was just wondering if you could just elaborate on why that is the case or what links you have had with the states specific migration issues, if any. We just note a very low take-up rate right across all these programs in Victoria.

**Ms Argall**—I think basically it is as simple as a lack of knowledge that this program exists. Until it becomes a necessary part – by that I mean when you then go out to seek information on how you can implement this program – you are not necessarily aware of all the programs or schemes that are actually operating. The Rural Workforce Agency originally became aware of this program, as part of this Victorian government program, and we initiated discussions with the department of immigration on the practicalities of making this program work and the most appropriate way of ensuring permanent residency for these doctors. It was a case of necessity. We have had some discussions with the department of immigration and, also, with Employment Victoria. We are working to develop our understanding of the regional database or skills database and also of the regional sponsored migration scheme.

**Senator TIERNEY**—How did you finally find out that this existed?

**Ms Argall**—We set up a meeting with representatives from the Department of Immigration to discuss the most appropriate way of applying for permanent residency. We heard then about the Regional Sponsored Migration Scheme and were given the name of Irene Tkalcevic. I set up a meeting with Irene and we went and met with her face to face and discussed this and obtained some information. As part of that discussion we then heard about the skill matching database, and I have been having ongoing discussions with Julie Fitzgerald at the Office of Business and Skills Migration in Employment Victoria. It has been very much setting up an individual relationship and a working relationship.

**Senator TIERNEY**—In summary, you just found out about it by accident. Is that correct?

**Ms Argall**—Yes, we found out about it by accident.

**Senator TIERNEY**—That's really amazing.

**Mrs IRWIN**—Are you saying then that the department did not even contact you and you had to go to the federal government?

**Ms Argall**—It is understandable to a point because, as I said, this Victorian government program has not actually been signed off by the Commonwealth. It was our initiative to go and discuss it in advance with the Department of Immigration and Multicultural Affairs and alert them to this program and find out any potential impact and issues that we needed to be aware of.

**Senator TIERNEY**—Obviously you are trying to attract doctors to rural areas. Could you give us some sense of what your problem might be in terms of losing doctors – I assume there is a two-way movement here – and how you are going in that balance with attracting and losing people out of rural Victoria in medicine?

**Ms Argall**—The Rural Workforce Agency has a number of incentive programs available. Retention is as much a part of our brief as recruitment. We are also working very closely with the rural divisions of general practice, with the Rural Medical Family Network, to be directly involved with these doctors. Therefore, if any issue arises with either the doctor or their spouse, we are involved with the actual family and also the division of general practice and we work very much on a one-to-one basis in trying to resolve any of the issues. Alternatively, sometimes people are going to look for inter-rural relocations or they are going to retire, and it is accepted that there is a changing nature to rural general practice and it takes a lot of energy.

**Ms Kosmina**—Certainly expectations of GPs are changing. Traditionally a GP might have moved to a country area and settled down and stayed for 20, 30 or 40 years. That is not the case any more. The market research and other research we have been doing suggests that the younger people coming through medicine do not see a lifelong commitment to a particular rural community as a priority. Generally, people move jobs more frequently, and that is certainly the case within the general practice area as well.

**Senator TIERNEY**—I think it was in your submission where I saw that you more or less have a policy of trying to fill the vacancies in bigger towns first to create a critical mass that then flows on to the other areas.

**Ms Argall**—Yes.

**Senator TIERNEY**—Could you explain that a little further? I would have thought the greater shortage and problem was in the smaller communities. Victoria is a lot more densely settled than most other states and maybe it works a bit better here. Could you explain the rationale for that mechanism?

**Ms Argall**—We have a two-pronged approach – the acceptance of the idea that market forces will apply, and that you are going to fill the most desirable vacancies initially. The Rural Workforce Agency supports filling vacancies in regional centres because, if not, pressure is applied to the outlying areas and those GPs who are working in those areas. There is the belief that if we have an adequate work force in a regional centre, that lessens the pressure on the outlying areas. The other thing in relation to the more rural and remote practices is

working with the rural divisions of general practice, doing specific advertising and very much promoting lifestyle as well as the vacancy. We accept that it is perhaps better to have a doctor placed in a regional area and, as I said, alleviate the pressure rather than have no doctor at all.

**Ms Kosmina**—We have an example now with Bendigo where most of the GPs in Bendigo have closed their books to new patients, forcing people to go to outlying areas to get services. Our view is that if we can provide support in Bendigo that relieves the pressure on the nearby towns. That is partly a product of the geography of Victoria but also, in the long term, solo general practice is largely unsustainable for GPs, in terms of their workloads, levels of support and so on. Our move is to develop and provide services that will support them more on a group basis where we can. That builds in support after hours for all the extra work that they might do. That is not necessarily the case. We do need solo GPs placed in areas because there are still long distances in Victoria that people have to travel but, where we can, we try to build the supports within existing practices so that they can develop visiting services and support systems for other GPs.

**Ms Argall**—In those more rural or remote areas, we are working with the communities and also the hospitals and local government to make it easier for a doctor to come in and leave as well and for a community to own the infrastructure of the practice and perhaps to provide accommodation for the doctor and spouse and even any assistance with employment for the spouse and so on, looking to make those more rural and remote areas quite desirable in certain terms as well.

**Senator TIERNEY**—One of the themes in regional development is developing local initiatives to solve some of the problems in regional Australia. We are talking here about some of the top-down initiatives from federal and state government. In the area of medicine, is there any concerted move at a regional level to actually try to solve it from their own level and attract doctors to that sort of region? Could you explain if there is anything happening along those lines?

**Ms Argall**—Very much, at the moment. There are a lot of discussions going on in relation to setting up regional training programs – having training programs for doctors out in the regional areas and also being able to deliver training directly to where the doctor is actually working. There is a series –

**Senator TIERNEY**—By Internet technology –

**Ms Argall**—The whole mixture of distance education, the Internet and working through the divisions of general practice. There is currently a series of regional training networks being discussed and hopefully developed. There is one, for example, taking in the Greater Green Triangle and working with the Otway Division of General Practice, the South-East Division of General Practice in South Australia, the university at Warrnambool and the training program that is currently through the College of General Practitioners. That is happening in a number of areas around the state so that is certainly a strong initiative at the moment and has really developed as part of this recruitment program, not just looking to support the overseas trained doctors but those Australian doctors who are interested in rural general practice but cannot get into the college's training program.

**Mr RIPOLL**—On the issue of residency and visas, is that a major barrier for doctors actually coming into this program, particularly in relation to the fact that you said there are already quite a number of doctors that are here and wanting to go through the program? Is that a major barrier?

**Ms Argall**—The barrier is the amount of paperwork that has to be gone through and the fact that it would be very useful to have a step-by-step process or have specific contacts set up. You would have a case manager that would be either working with the applicant or in a two-way communication.

From my discussions with some of the divisions of general practice that are working with Immigration I know about the sheer level of frustration because they are not being advised that this form or that form is missing and, when they do phone to ask, 'Have you got all the information that you need?' they are told, 'Look, stop phoning – the more you phone and the more you interrupt the less we are going to be able to actually be hands on.' So it is a knowledge of exactly what is required and then having the actual process in place.

**Mr RIPOLL**—Does the country of origin have any significance with regard to difficulty of getting residency or visas?

**Ms Argall**—I could not answer that from my experience. In relation to this Victorian government program there are various categories of applicant, but in relation to medical registration and immigration I am not aware of any barriers at this time.

**Mr RIPOLL**—Can you take that on notice, in terms of country of origin, and I will pursue it with DIMA. I am also interested in whether you have any data on how many doctors are coming through the program and then leaving after they have been in the program, after they have gone through the process and been accepted. How many are we getting through who then decide to opt out?

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**Ms Argall**—Within the western region we have had two doctors, a husband and a wife, leave already. That was for family specific reasons. They had come to Australia as temporary resident doctors and then had heard about this program. They had been progressing through the program but then their family situation changed and they decided to go back to the United Kingdom. The program has not been signed off, but in the infancy of the program there are people already moving in and moving out, changing status, or having already been in the country as temporary resident doctors then finding out about the possibility of this program and obtaining their qualifications or permanent residency.

**Mr RIPOLL**—I am just trying to establish whether there is any sort of link between the residency issue and whatever the visa status might be and a doctor either staying or deciding not to stay based on whether they have got permanent residency or not. I think there is a link there.

**Ms Argall**—With a number of doctors that I am currently dealing with there is a level of frustration that this is not instantly happening. There are certain requirements, health checks, police checks and so on, that Immigration require which are perfectly fair and reasonable. Medical registration is a part of that as well. There are time constraints and requirements at each step of the way. The issue with some of these doctors who are overseas is that they may say, 'This is all too hard and it is taking too long.' That is really an individual's expectation as well.

**Mr RIPOLL**—So, based on what you have told me and where we are going on that question, is it harder to get people to enter the program and come to Australia or is it harder to keep them when we get them here?

**Ms Argall**—I would say both.

**Mr RIPOLL**—You would say they are both significantly a problem?

**Ms Argall**—Yes, because it is very much a matching process. You can talk theoretically, but even in instances where some of the overseas doctors have come to Victoria on a holiday, looked at some of the practice vacancies, gone away and looked at all the information they have obtained and then made a decision with the best of intentions, when they actually move there there may be circumstances which lead them to decide that it was a poor decision or it is not working out and they need to move elsewhere. So I would say both.

**Mr RIPOLL**—You have been asked about this before and we have raised it a number of times: the issue of Melbourne being regarded as a regional district in terms of this program. Does that have an impact in terms of how real regional areas might be serviced by this program?

**Ms Argall**—The impact that we are finding is through the Rural Locum Relief Program, which is a placement of some of these overseas trained doctors who are already here as permanent residents. They want to be as close as possible to Melbourne. The Workforce Agency is only involved with rural areas under the boundaries of the 15 rural divisions of general practice and, as Sharon said, in relation to area of need. Apart from some direct knowledge of where some of these doctors want to be placed, I could not say if Melbourne was having a huge impact.

**Mr RIPOLL**—Just following on from that, if residency and issues of permanent visas could be streamlined and targeted to more specific areas, do you believe that that would have a better impact in attracting doctors to rural and regional areas?

**Ms Argall**—The simple answer is yes, because if people are aware that these are the vacancies, that these are the processes, that these are the choices, they can make decisions based along those lines.

**Ms Kosmina**—A comment was made earlier about this being an Australian issue. It is also an international issue. Internationally there are shortages in rural areas across the world. There has been research that looked at the migration of doctors around the world from country to country. So, from that point of view, if we can facilitate ease of entry into this country, that helps to make this country a more attractive place.

**Mr RIPOLL**—Are we losing our doctors to overseas postings?

**Ms Argall**—As much as overseas countries are losing their doctors to Australia, yes.

**Mr RIPOLL**—Thanks very much.

**Mrs IRWIN**—You stated earlier that to your knowledge two doctors had left due to family commitments. You said they had come from the UK. Have you had any doctors who have been in the program who have left because of discrimination? The reason why I ask this is that in a country town that I know, a highly qualified Indian doctor with two children went into the town, a predominantly white Anglo-Saxon town. However, no-one would come and see him because of his nationality. He was determined to stay but his children were being discriminated against within the country town. Have you experienced any of that?

**Ms Argall**—Not in relation to this Victorian government program because it has not been operating for long. The other thing is that we very much take a hands-on approach with these doctors and we work with the communities and with the rural divisions of general practice. We have a number of doctors placed through the Rural Locum Relief Program who have certain religious requirements and they have been placed in a rural

community that cannot meet those requirements so they are actually having to travel. The communities that I am aware of are very supportive of having a doctor and understand their different backgrounds and religious requirements and so on.

**Mrs IRWIN**—So you actually speak to the community. If you say to them that you have got one, two or three doctors that want to come to this community to work, that this is their nationality, they can virtually choose which person they want from whatever overseas country. Is that correct?

**Ms Kosmina**—It is a matter of toing and froing a bit with the GP, their family requirements, the practice, and taking into account the skills of the GP. Some positions require GPs with additional skills. For example, in some practices they can work in the local hospital and do obstetrics. It is a matching process continually to make the best fit where we can.

**Ms Argall**—It is a matching process more on a skills basis, and then ethnic backgrounds and what support is actually needed comes into play.

**Mrs IRWIN**—Looking at what ethnic groups are in that particular community?

**Ms Argall**—Yes.

**CHAIR**—I can go back 20 years to St Marys in Tasmania – and St Marys probably has the smallest ethnic population of any place that I know of – when the town had an Indian doctor who was highly regarded in that community, and it worked out excellently well. I think you get different results in different communities. Having said that, Mr Adams, would you like to ask some questions?

**Mr ADAMS**—Yes. The market does not seem to be working for doctors in rural Australia. We seem to have two standards, category 1 and category 2, and that is what I wanted to deal with. I think there was an Indian doctor about a year ago in Sydney who went on a hunger strike because of the difficulties he was having. You were saying that you think that most of that is resolved now as far as this examination is concerned and that we could bring doctors from India and Pakistan and place them into regional Australia as long as they meet our migration program. Is that correct?

**Ms Argall**—Yes, and so long as they meet the eligibility criteria for whichever program they are looking to be placed through. By talking about categories 1 and 2, I certainly do not mean to denigrate anyone, but that is just virtually –

**Mr ADAMS**—But there are two standards, aren't there?

**Ms Argall**—The standards relate to the different postgraduate general practice qualifications, or lack of postgraduate general practice qualifications, more than to where the actual basic medical degree is obtained.

**Mr ADAMS**—They get a provider number, but it is only limited to that region?

**Ms Argall**—In any case, yes, and that is under area of need requirements.

**Mr ADAMS**—How many doctors have moved on from where they have started within the community? Sharon mentioned that there is a change in process and thinking and the way people operate now from a doctor's point of view in rural practice. How many people have stayed for, say, two years in the practices they have gone to? Are there any statistics in relation to that?

**Ms Argall**—We would not have any direct statistics at this time. The Rural Workforce Agency is going to be only two years old in July this year. Through the Rural Locum Relief Program, we could certainly give you details of the numbers of doctors that have been placed, but some of those placements are actually short-term locum placements, so it would be only for a period of a couple of weeks or a couple of months and then the doctor is going to move on anyway.

**Mr ADAMS**—Does that lead to at least the doctors having a look at where they may like to be?

**Ms Argall**—Absolutely. There has been a doctor who was initially employed as a temporary resident doctor who came through this Victorian government program and actually moved within Victoria. Certainly, there were concerns from the community that made the effort in the first instance to recruit that doctor when the doctor moved on.

**Ms Kosmina**—A number of general practice divisions, in fact, recruited their permanent staff through their locum program. So someone comes and tries it and stays.

**Mr ADAMS**—There are a couple of local councils in my electorate that have struck a rate to pay for the accommodation and also the car so that they get a local doctor; the residents do that. Is that a growing trend?

**Ms Argall**—Yes, very much so.

**Ms Kosmina**—Either a private company, the hospital or the community itself.

**Mr ADAMS**—Are those doctors actually doing the pharmaceutical work as well because there is no pharmacist within the region?

**Ms Argall**—In very remote communities if the doctor has pharmaceutical prescribing rights, then yes. That is a slowly developing trend, especially, as I said, in those remote communities that are actually losing their pharmacists.

**Mr ADAMS**—Probably for some people lack of transportation makes it more difficult for people to get out to get pharmaceutical needs?

**Ms Argall**—That is right, so it is a community needs driven response. Also the interrelationship between the pharmacist and the general practitioner is so mutually supportive that if the pharmacist goes, then the likelihood is that the town in solo practice towns could lose their doctor as well.

**Mr ADAMS**—It looks like the federal government has failed to promote the skill based programs; it needs to certainly get its act together and get out there and promote these programs a lot more. You had no idea that the programs existed?

**Ms Argall**—No. Since I found out that it has existed, I have actually got some of the CVs specifically. Although the work force agency is only at this time working with general practitioners, I have got some of the information on nurses and allied health specialists and passed that on to a number of rural hospitals within my area. I advised them about this Office of Business and Skills Migration database and gave them the contact.

**Mr ADAMS**—Are there many nurses out there in regional Australia doing basic medical care?

**Ms Argall**—There is an identified shortage of nurses in rural areas. There is ongoing discussion in relation to the role of the nurse practitioner.

**Mr ADAMS**—What about giving injections of certain drugs? In Victoria, is there a continuing debate on what their level is?

**Ms Argall**—It is a continuing debate, yes.

**Mr ADAMS**—Thank you.

**CHAIR**—I have a quick question because we have gone over time. How closely are you keeping in contact with similar bodies interstate?

**Ms Kosmina**—Very closely. We have an organisation of all the state rural work force agencies, so we work together on common issues.

**CHAIR**—Finally, do you use videoconferencing at all?

**Ms Kosmina**—Yes, we do, where we can. We use more teleconferencing than videoconferencing.

**CHAIR**—As there are no more questions, I thank you very much for appearing before us today. If we have any more questions, we will get back to you.

**Proceedings suspended from 10.55 a.m. to 11.06 a.m.**

**COPE, Mr Andrew James, National Vice-President, Migration Institute of Australia**

**CHAIR**—Welcome, Mr Cope. Although the committee does not require witnesses to give evidence under oath, you should understand that these hearings are the legal proceedings of the parliament of Australia 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. Are there any corrections or amendments you would like to make to your submission? The committee prefers that you give your evidence in public, and I presume you have no objection to that?

**Mr Cope**—No objection at all. I have brought an opening statement with me. I should mention that I am a director of the Migration Institute of Australia, which is also the Migration Agents Registration Authority, but that that is not the capacity in which I appear today. The matters may interrelate. I would hope they do not, but if they do I am willing and certainly able to answer in that capacity as well. I do not know if I should read the whole of the opening statement.

**CHAIR**—How long is it?

**Mr Cope**—It is three pages of large print.

**CHAIR**—Perhaps you could quickly talk to it.

**Mr Cope**—The first paragraph simply says who we are and how we see ourselves. The second part is a welcome to the committee and notes the good work that it has done before in migration in the formulation of policy. The third part is the submission by the institute, simply bringing up the seven main points that we put in that submission and refreshing the committee's memory. Certainly, the Migration Institute would see that migration agents can and do play a positive role in this process. I can speak to the administrative action a bit further, because the department has made a submission to the committee and I have read that and made some comments on that submission. We would see that there is good scope to simplify the regional visa issue. It is possibly a difficult one for the department, because it does represent the spectrum of migration categories. Up until now that has not been coordinated, and as a result the community, perhaps the committee itself and certainly the applicants would be very confused by the range of offerings that have been put out by the department over a period of time.

We also made a very specific set of recommendations as far as developing a visa subclass was concerned. That was simply a way of showing how there could be fairly rapid amendments made to the migration regulations to facilitate increased access and utilisation by the community. We believe there are some weaknesses in the existing categories. There is not a wellspring of community support and demand, particularly for working holiday makers. Given that the committee has had a large focus on working holiday makers in the past, that may be a very interesting subgroup, given their demographics and variety of nationalities, and the fact that they tend to travel to regional Australia more than many other visa holders.

In terms of the submission by the department, and referring to page 2, we are certainly not here to damn and criticise the department. Firstly, the idea simply is that migration regulations is a very convoluted area. The department has attempted to develop appropriate policies, but we still feel that that the actual processing of the existing categories has caused a lag in demand and had some effect on the processing of existing visa applications. Secondly, in terms of the points test on the various subclasses which you have there, there is a one-page summary of categories. I have tried to divide those up into the different streams. They are business skills, company sponsored, state sponsored, family sponsored, skill matching and independent. Independent, skill matching and family sponsored categories are all points tested, other than the regional sponsored subclass 139.

So, in terms of those categories, there is in our view a pass mark which is too high. The independent category is too high to allow even some of the very good applicants who met the pass mark under the categories that existed before July 1999. They no longer can get through. We have just come up with an example of a 35-year-old economist or a management consultant who may be on a temporary visa in this country, who may be in relative demand, and who chooses to apply for permanent residence, but that person may not pass the points test under the new category as it stands.

**CHAIR**—Would he be able to access the regional migration program, which is different on the points?

**Mr Cope**—Yes. For example, if that management consultant or economist was working in South Australia, they could come through under RSMS, sign a two-year agreement and proceed. That is not to say that they should not do that, but there are occasions where visa applicants choose for their own reason to apply for permanent residence at a time before the organisation or the company has actually made a decision as far as localising that person is concerned. There are often personal reasons for people choosing to want to stay in the

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country. If they access those categories they may add to the regional skill pool, but they simply may not be able to get through any more. That is a matter of concern.

The department said in its submission that there is a certain amount of demand. There is a world competition, as it were, between the various providers of visas such as Canada and the United States. Given that there is a finite group and that those countries are vying for those applicants, the only way of getting a higher number of skilled people into Australia would dilute the skill level. We do not agree with that and the example is given above. We have only picked those two occupations out at random. There is a range of others. In effect, that is a crucial issue.

The research of the department showed that if the person is aged under 45, is highly skilled and has vocational English, they are the factors which will lead to a high level of employability in the country. The crucial issue, and I am not sure whether the committee has heard yet, is the fear within the migration agents, as well as potential applicants, that any change to the rules, if it does not occur within a sufficient timeframe, could well lead to people who have got a good claim for permanent residence in this country not being able to apply. An example of that in South Australia is the Regional Established Business in Australia category.

Whilst South Australia represents some four per cent of the migration program, there are currently 68 applicants who are considering applying or are in the process of applying for permanent residence. In other words, those cases are coming. They have not actually seen the light in the department at this point. Sixty-eight per cent would probably represent 200 people. So it is a very significant REBA quotient indeed – and that is only within South Australia. Those people have not applied and, if there was a change in that category that adversely affects them, then they may have been planning on that. I am really very concerned that the committee is aware of the need to carefully change these rules with a reasonable lag time. For example, in the Established Business in Australia category, you have to have an ownership interest for 18 months of the actual business. It obviously has to achieve certain levels over a 12-month period, so there is automatically an 18-month lag between the time in which they actually arrive and start up their business through to the earliest time in which they can actually apply. They may take longer than that. They may take two, three or four years. We have put this issue to the department before and I think they would be aware of that, notwithstanding the pace of regulatory change that might be forgotten.

**CHAIR**—Thank you. Deputy Chair, would you like to open the questioning?

**Senator McKIERNAN**—Thank you Mr Cope. You mention the pass mark being too high. Isn't that what it is actually designed for? It is a mechanism to control the migration program, is it not?

**Mr Cope**—Yes.

**Senator McKIERNAN**—And, in terms of the skills area and the independent area, it moves and fluctuates up and down?

**Mr Cope**—Yes.

**Senator McKIERNAN**—So by putting in programs such as the various regional and state sponsored migration programs, isn't that getting under the barrier somewhat?

**Mr Cope**—They meet the threshold criteria as well, so there are less than 45 vocational English highly skilled components. What is happening in my view is that the points test pass mark being too high is actually reducing the demand for those categories. Some people will not apply if they do not feel they are actually going to meet the pass mark.

**Senator McKIERNAN**—But, on the other hand, when the government puts the points test pass mark up it is actually to control the number of applicants and control the number who will pass, is it not?

**Mr Cope**—There are also capping mechanisms and the capping mechanisms can ensure that the program is delivered within a certain number. I agree. We are not seeking to encourage the minister to have the program running out of control. It is simply that the number of applications that might be coming through because of the high pass mark will dramatically reduce.

**Senator McKIERNAN**—You can see the dichotomy we are in when the previous set of witnesses talked about the medical profession and the limitations there are on doctors seeking to migrate permanently to Australia. They have to jump a much higher barrier but through original sponsored migration they can come in at a much lower level. They do not have to jump over that higher barrier. Similarly, with your 35-year-old economist, that person would have a greater chance of getting in under a state-sponsored scheme than they would under the normal migration program, would they not?

**Mr Cope**—Yes.

**Senator McKIERNAN**—What we are really talking about here, apart from the unique programs, is the general migration program as well?

**Mr Cope**—Only insofar as it relates to the area of the committee's interest. It is simply that some people will enter under a category which they feel they best meet. For example, to be sponsored will mean that they

will need to locate a sponsor if they are overseas. If they do not locate a sponsor or if they put an application in, waiting for a sponsor to appear, there is an uncertainty. It is that uncertainty which will then translate into a low rate of applicants coming through under the regional categories. What we are saying is that there are some people who may go to regional parts of Australia who will not necessarily apply through the regional visas.

**Senator McKIERNAN**—We heard from the last set of witnesses that, if a doctor did go to a regional area, that person's presence in that regional area could be controlled through the issue of the provider number. If, for example, an economist came in under the same scheme, how would you ensure that that person remained in the regional area for the duration of the commitment that the individual entered into?

**Mr Cope**—As I understand it, the RSMS, the Regional Sponsored Migration Scheme, and probably the State and Territory Nominated Independent – I have not looked at that specific subclass today, but certainly the RSMS – requires a two-year commitment into that country. Our proposed subclass has the same undertaking. So the person stands to have their visa cancelled if they choose to leave the regional locations. That is important. If the person comes to Australia as a permanent resident without having to go through the regional process, then there is no control on that person to stay.

**Senator McKIERNAN**—Your organisation is happy with that restriction on people?

**Mr Cope**—Absolutely. If a regional location is offering a position, there should be a quid pro quo.

**Senator McKIERNAN**—Turning to a different avenue of the MIA's submission, that of working holiday makers, isn't your suggestion again about jumping the standards of our non-discriminatory migration program? I ask that question in the context that there are only a limited number of nationals that do come into Australia under the Working Holiday Maker Scheme?

**Mr Cope**—I think there has been an amendment to subclass 417, the working holiday visa, to allow persons from other than the main countries – where there are reciprocal arrangements – where there are particular circumstances. The greater majority of applicants will come from Canada, Japan, UK, Ireland, et cetera, but there is capacity for migration officers, at their discretion, to grant a working holiday visa to someone from, say, South America.

**Senator McKIERNAN**—Are you aware of such a visa being granted to somebody from South America or, indeed, from Asia, other than Japan?

**Mr Cope**—I do not think we get statistics to that level. I could not answer that. The fact that the change to the regulation occurred would, in my mind, give rise to the view that somebody within the department of immigration has seen that there is a discrepancy there and that that is an opportunity to be redressed. Usually if there is an amendment to a regulation it is there to encourage or because of a limitation previously felt.

**Senator McKIERNAN**—Do you know what the individual sets of numbers are for those coming in under the WHM scheme as opposed to the numbers coming in under the skills stream?

**Mr Cope**—I do not. I would not be surprised if it was something in the order of 30,000 to 50,000 temporary working holiday visa applicants, but that is a number just pulled out of the air. Perhaps a member of the committee may have better recall.

**Senator McKIERNAN**—I am just interested in the fact that there are actually more than double the number of WHMs coming in than those coming under the independent category.

**Mr Cope**—I see.

**Senator McKIERNAN**—So it has dramatically increased again in recent times.

**CHAIR**—Last year I think it was up to 68,000.

**Senator McKIERNAN**—I think that 68,000 is the current year.

**Mr Cope**—The number of skilled, temporary residents would be, again at a guess, of about the same order – about 70,000 – but that number varies in accordance with demand. Perhaps the Y2K issues of last year may well have stimulated a fairly high number of temporary residents.

**Senator McKIERNAN**—I have a couple of questions on the Employer Nomination Scheme and students, but I am aware that I have taken a lot of time from my colleagues, so if we get time I will come back to that.

**CHAIR**—Dick, do you want to put a question here?

**Mr ADAMS**—No, I will come in later.

**Senator McKIERNAN**—With regard to the Employer Nomination Scheme, there has been some considerable publicity in recent times about individuals rorting the scheme, that people have been brought in and not been paid proper salaries or provided with their proper conditions. Are you aware of any problems in that area?

**Mr Cope**—Not at all. In most circumstances, the department of immigration is required to sight the contract between the employer and the employee. If that is the case and that is sighted, one would have thought

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either party would have a fairly enforceable right against the other – the employer against the employee just as much as the employee against the employer – for any breach of contract. If, for example, the contract had specified a certain salary and that was not met, then one would have thought that that would constitute a breach of contract.

**Senator McKIERNAN**—You are not aware of any that have been?

**Mr Cope**—No.

**Senator McKIERNAN**—There has been quite a deal of publicity about the matter. Okay, I will leave that one then. Are you suggesting that a more liberal attitude be taken to students who train in Australia? The government has recently put in place a new scheme to give incentives to those educated in Australia to come back here and settle on a permanent basis. There are clauses about them leaving for a short period of time and the application being processed overseas. Are you aware of the scheme? How does that fit into the suggestions contained in the MIA's submission?

**Mr Cope**—It is partly based on sighting and experience of that new category. The category you are talking about is again of those skilled independent, skilled regional and skilled Australian sponsored. For example, under 136 and 138, those persons must apply within six months of the completion of their qualification. There are two aspects that are limitations in those. Firstly, the person will probably have been settled here for many years, maybe three to five years. They often have come and studied English and then perhaps studied course No. 1. Having completed that, they have possibly done a further course No. 2 or gone on to do honours, maybe even a master's degree and in some cases even up to a doctorate. Those persons are well settled in the country and it does seem something of an aberration to require the person to leave in order to access a visa to come back again where their profile is well known to the department. It is not as if the person is not within their area of experience. It is as if the person is being looked at for the very first time. That is the first aspect.

We support that change by the department. It came as a surprise but it is certainly to be encouraged because it does give an advantage to Australian educated students. Certainly, employment research is showing that it is not the person's nationality but where they have studied which has a major influence on their employability. With that in mind, obviously the category reflects that.

**Senator McKIERNAN**—You talk about them being settled for a number of years. How do you equate being settled for a number of years with the fact that they are on temporary visas?

**Mr Cope**—Obviously, they are well aware of the limitations that they need to complete their studies and that they need to depart on the completion of those studies. But I think that once a person stays in a country for a number of years they may feel a lot more comfortable in that country than when they first arrived. So their residence intention may change over the course of their study. A person does not necessarily intend to come over with the purpose of staying permanently but after a number of years, perhaps living in an apartment or a house that they have bought, it starts to mean that their intentions are beginning to change. They develop friendships and networks – those sorts of opportunities. Their capacity to settle in the country one would think would be higher than somebody overseas that has had no experience in Australia. The category is a bit artificial in that respect. It acknowledges the benefits of having someone study in Australia but says you still have to go overseas through your process.

**CHAIR**—With regard to the regional migration program, if you are looking at people staying here being required to stay here in the regions for two years, what do you estimate will be the percentage that will actually then stay? Can you visualise this program being used by people who want to come and settle in Sydney – and I suppose in Melbourne, which is legitimate – using this program and saying, 'Okay. I will do the two years in the regions and then I will whip straight back to Sydney'? If we are having trouble keeping Australians in the regions, surely we are going to have trouble in keeping people from overseas in the regions as well.

**Mr Cope**—I agree with you. I looked at the very well prepared report by the Parliamentary Library that actually displayed some statistics on that and, in fact, came to the conclusion that that is exactly what is going to happen. From a migration agent practitioner's point of view, migration agents do not always remain in contact with their clients for many years unless they provide other services – legal, accounting or other services. It is hard to know, but generally a person does tend to settle where they intend and certainly where they land. Where a person puts down roots that tends to be the case. If the person's intention and experience are that they land in the country and settle in, one would think that that person is going to give that a reasonable shot and not just be stuck by some legal obligation.

**CHAIR**—Because of your experience in the area can you think of anything we can do to get them to stay there, not to get them into the regions. Once we have people there can you think of anything to make it such an experience that they will stay in the regions?

**Mr Cope**—Yes, that is a settlement question in some ways. The danger the committee has is that if it is seen to be providing more services to a migrant than the community that might actually cause some reverberation within the community and give some feel to the community's misguided belief that a migrant

gets more and gets all sorts of benefits and opportunities. It is a difficult one to balance. In terms of what? That is the first issue of what would be the consequence, if anything, that is proposed. Perhaps reinforcement of options to then sponsor other families because, obviously, the further entrenched a family becomes in the country –

**CHAIR**—That is interesting, isn't it? You are here and you want to bring in great aunt Maude but you cannot unless she has some skills. If you are in the region, you can actually sponsor people to come out but you will not be able to if you move out of the region.

**Mr Cope**—Exactly. The regional sponsored categories do provide a wider group.

**CHAIR**—That is an incentive in itself.

**Mr Cope**—It might be an information dissemination process only to make people aware of that.

**CHAIR**—Is two years long enough, or would it be onerous to actually require them to stay longer than two years?

**Mr Cope**—Circumstances can change for both sides. Putting three years, for example, on the process might have some impact on the organisation that actually intends to sponsor as well. Your question seems to me to be focused on whether the applicant will leave, rot, avoid or comply with the minimal amount necessary when there could be two sides to the story. In my private capacity I work in a law firm and we act for companies that sponsor people for temporary or permanent residence. Certainly the three-year contract can be an issue for some companies. The existence of a contract which is for a fixed term can be a problem because in business circumstances not all business can predict exactly where they are going to be in three years. In a regional location it could be even harder to predict the vicissitudes of business. You need to look at it to balance the two interests. It is not really just the person staying; it is also the organisations honouring those arrangements. Information certainly is important. This might sound like a hoary chestnut, but some sort of research in this area – checking settlement intentions and doing some sort of longitudinal study – would not be altogether wasted.

**Mr ADAMS**—What does your organisation feel about, not just the employer sponsored program, but a program that would say that a person with points down could become a permanent resident of Australia if they go to a certain nominated regional area or areas and stay there for five years?

**Mr Cope**—If you made the person some sort of conditional migrant, they could have their circumstances in a period of suspended animation. For example, Australian law is quite complicated across the board for temporary residents, especially for their taxation and superannuation situation, entitlements to purchase property – a whole raft of Australian legislation and state legislation will impact on them in a way that you may not have expected. Therefore, if you made that a provisional or conditional visa, that will certainly stop a large number of people applying. On the other hand, maybe you may not see the right to cancel a permanent visa as much of a distinction but, from an applicant's point of view, that could have quite a significant consequence.

**Mr ADAMS**—I understand what you mean.

**Mr Cope**—For example, there is the time it takes to get a provider number. I am not a medical person in any way at all, but they may not be able to access a provider number for the very thing that you are intending to encourage them to go and do. It may mean that a raft of legislation of miscellaneous amendments to legislation will come forward as a result of that recommendation.

**Mr ADAMS**—So you could have the councillor, the permanent giver, issue something like permanency but under the conditions of whatever?

**Mr Cope**—Absolutely. The business skills categories all have the three-year monitoring obligation. If the person does not start a business and does not show an active intention – or in an investment link category, if they pull their money out that they have actually invested – their visa can or will be cancelled.

**Mr ADAMS**—Do you know the history of the Snowy Mountains or the Tasmanian hydro schemes? What kept all those migrants in those areas? There was no government requirement on the migration.

**Mr Cope**—It predates my knowledge a little. They are different times.

**Mr ADAMS**—But you have read a bit about migration.

**Mr Cope**—And met people that have worked there. There was a great camaraderie. They were tremendous projects. It was a nation building activity and it was a win-win in many ways for the community. Also, you have to look at where those people came from. Many of those people who came were displaced. They were not looking to Australia. They were still looking behind and running from the demons of their country's past. In that sense there is an osmosis that has occurred in that. You are virtually asking: is it worth while the country establishing the major projects and will people come in?

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**Mr ADAMS**—No. I was trying to say that those people actually stayed there in that work. Even though they got skills or became familiar with Australia after a year or so, from what I can ascertain, the majority stayed within that situation and continued on for many years. They had a motivation, but without research we will not know that.

**Mr Cope**—Their migration status was never really in question.

**CHAIR**—The question that Dick is asking is: what attracted them to stay in the region when, after they fulfilled their job, they could have moved to the city? Why did they stay? Can we use that experience.

**Mr ADAMS**—You may not know that. I thought you might have read a bit about it.

**Mr Cope**—It is an interesting question.

**CHAIR**—Can we use that experience to get people to stay. Is that your question, Dick?

**Mr ADAMS**—Yes, it is.

**Mr Cope**—In a broad sense, obviously the fact that everybody was working in the same direction made those conditions possible, I agree.

**Mr ADAMS**—Do you think we should do some research on this issue and also on the family coming in and having better opportunities of bringing them in?

**Mr Cope**—That is already in place now with those categories. It may be that applicants themselves are not aware of it or that they have planned six years down to track to say they will come, settle and sponsor. I am not sure that people are that clinical in their planning.

**Senator BARTLETT**—Firstly, thank you for your submission. There were a lot of good ideas to ponder on. There are one or two ideas that I would not mind exploring a bit more. How would your suggestion to consolidate all permanent regional visas into a single class work? There are a number of different visas, I understand, that have a regional component to them in terms of waiting. Are you saying that we scrap all that and just put in a single regional pathway type of visa?

**Mr Cope**—There are perhaps two ways. One is a very simple administrative task of presenting the existing disparate categories in a booklet. At the time we wrote that submission, there was only one booklet and now there are seven or eight, I think – they are growing. But simply to have a regional visa theme in one of these booklets is another way to do that, and the department could do that now. It would be a little harder for it to prepare because of the broad number of categories.

To answer your specific question, we actually did that in the proposed visa category. We called it an 888 regional visa. That really is an onshore category but there could be, as in these booklets, offshore as well as onshore categories. We have drafted this in the way that a regulation actually looks inside schedule 2, which sets out the visa categories. You could have a regional visa stream 111, for example, or just pick a number that begins with one. Where it says primary criteria, we have put 888.212 – visa options, and then just put the various visa categories. So you could just cut and paste virtually.

The problem is that the criteria are so different, the forms are different, the fees are different. The ramifications for the department, I think, from an administrative point of view would be very significant. That is why we floated it as an option before your committee – it would have to mean that there would have to be a set fee for the regional visas. Maybe there would not have to be, but it would seem apparent, and that may be another favour. Having appeared before this committee years ago on change of status on grounds of spouse when there was a disparate fee between applying onshore and applying offshore, that had no effect. If somebody wanted to apply, the application fee, provided it was not extraordinary, would not affect the person's intention. That would not be a decisive factor, so the fees are not really an issue. The thing about the regulations now is that they are very easy to change in terms of their structure. We put that there as a way of making the committee see how it would look. The department is to be commended for drafting its regulations and having the skeleton set out in such a way that you can move things around without destroying the program.

**Senator BARTLETT**—One of your other suggestions is this idea of a lottery from the pool. Does that necessarily need to be linked to this other proposal of yours of a single regional visa or is that just linked to the existing pool?

**Mr Cope**—No. I do not think you would have someone being able to apply through some sort of lottery onshore at all. That would be a disaster. I think that would be an inducement for people to come here and apply in Australia and take a lottery, and I would very much discourage that. The American lottery system – not that I am an expert on it – certainly requires the person to apply from overseas, and that is certainly one category that you would quarantine from everything else. We really only suggested that in the sense of people who are in the context of actually meeting the fundamental core criteria of less than 45 vocational English and recognised skills already. We have put to the department before that, in the pool, or the skill matching database, any of the people who cannot pass, for whatever reason – such as the 35-year-old economist – will probably not apply. They are not going to sit there and wait for someone to actually sponsor them. So you may

need an inducement to get the applicants to put their application in, and that would certainly, I would imagine, simulate that skill matching process.

**Senator BARTLETT**—As I understand it, there is a change passing through that will enable people to stay swimming in the pool longer – for two years or something. You do not think that is really addressing the problem?

**Mr Cope**—That is an administrative thing. We actually raised that. The fact is partly that applications take so long to process. Often the department can come right to the end of being ready to grant the visa and, of course, they have fallen out of the pool in that time. That is an administrative recognition of the long processing times that exist plus a desire to have that pool to be useful. The process is a very long process, so any longitudinal research will be quite longitudinal.

**CHAIR**—I want to clarify a bit there. I get the impression that you are for existing subclasses. You are suggesting that they should have an onshore component as well as an offshore component?

**Mr Cope**—Yes, in certain restricted circumstances – the eligibility to apply in that category, if that is what you are saying, is to try to contain that. A lot of the onshore categories preclude a wide range of people from applying.

**CHAIR**—Yes. Do you think we should be widening that onshore category?

**Mr Cope**—Not the people who are eligible to apply but what categories you can apply for within Australia.

**CHAIR**—For instance, is your poor executive who should qualify but who has to leave the country and come back an actual case?

**Mr Cope**—Yes.

**CHAIR**—Can you briefly give us the outline of what happened in that one?

**Mr Cope**—That person is working for a company here in Australia – it has happened before – and he simply rang up. He turns 35 in 10 days. He rang me last week. There is no way he is going to get through getting all of the documents and skills assessment processes to actually file his application and have it sitting overseas before he turns 35. He can be 34 years 11 months and 30 days and pass.

**CHAIR**—I am not sure if he is the one I am talking about. It was the independent executive applicant who already has a business in Australia and actually has to depart.

**Mr Cope**—I am sorry. That is an entirely different one.

**CHAIR**—Do you have him?

**Mr Cope**—Yes. For example, we had one case where a person had three companies: his assets were in one company, his employments were in another company and he had investments and other activities in a third company. His visa was due to expire. Because the rules provide for two companies and he did not design his businesses around migration rules, he actually met the rules in principle, but he did not meet them at law. His only option was to apply overseas for extension of his independent executive visa. Those people get very cautious about their application being finalised before their visa expires because their business has to be shut down. He almost met the permanent rules and it was very frustrating. We are not saying that you should change the business rules to allow three companies or four companies because there will always be those scenarios, but it just highlighted the problem that this particular person had.

**CHAIR**—Just on Senator Bartlett's question about the regional visa, if it was actually headed 'Regional visa' and people coming here got that regional visa, rather than the other subclasses, do you think that would actually prompt them to realise more that they are supposed to be focusing on the region and to be a permanent reminder to them that they are brought here into a region rather than as a business migrant or as a family reunion or something like that?

**Mr Cope**—That is a good question. It is clear from the materials that have come forward to the committee that this has grown on an ad hoc basis and now it is coming to a point where one can look back and say, 'What can we do better going forward?' Certainly it has to be presented in a different way and in a more concentrated fashion. Whether it is done in a legal sense or just in an information sense, it could have the same effect of making people think of the region and whether they want to come to this region to start a business, to be with their family and to seek employment, et cetera.

**Mrs IRWIN**—We have heard today about the high demand for doctors in rural and regional Australia. What other jobs do you feel are out there in those particular areas for overseas applicants?

**Mr Cope**—I am not really an employment expert. I believe the Department of Employment, Workplace Relations and Small Business have put a submission to your committee. I think they are looking at trying to produce those sorts of statistics. One would have thought that a lot of the trade qualifications provided a traditional area of migration to the country from across the world. Tradespeople who go through the trades

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recognition process and arrive here probably have got a better, hardier experience than maybe a white-collar person, a manager, for instance, who will not have the cultural links. Most people in the country know that you have to have some really good workable, provable skills to be beneficial to that community. Trade skills are always pretty much in demand and good tradespeople are always highly prized. One would think tradespeople would actually stand a pretty good chance. In terms of the categories, they actually do quite well in their points outcome, and I think partly for that reason.

**Mrs IRWIN**—It is a shame that we are not really encouraging and giving some sort of incentive to our Australian citizens to go to our rural and regional areas.

**Mr Cope**—Yes, I think everybody laments that reason. That is one of the reasons for coming up with this regional proposal from the community side rather than having people foisted on a community. To actually have community demand and interest is very much a part of that. I do not know whether that is something the committee is really looking at.

**CHAIR**—Thank you very much, Mr Cope. If there are any matters on which we need additional information, the secretary will write to you. Is it the wish of the committee that the opening statement tabled by Mr Cope be incorporated in *Hansard*? There being no objection, it is so ordered.

*The document read as follows—*

### **Opening Statement**

Andrew Cope

National Vice - President - Migration Institute of Australia

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

The MIA warmly welcomes the Committee for taking the step of sitting away from Canberra and sitting in Mt Gambier and now here in Melbourne. Welcome. The MIA supports the Joint Standing Committee in its review of regional migration and of State Specific Migration mechanisms and its work generally. The Committee has made some important contributions in many of its past reports such as Working Holiday and the Migration Agents Scheme, to name but two.

### **Submission by MIA**

We reiterate our comments in our submission. In summary these include :

- Stakeholders making better usage of migration agents in the identification and marketing to prospective applicants
- Enhanced administrative action by the Department of Immigration in its dealings with existing visa applications
- Consolidation of all regional visas into an onshore and offshore class or failing that the development of a visa application booklet that encompasses all regional visa options
- Ensuring program integrity and benefit to regional Australia by establishing processes where visa applicants sign undertakings.
- Seek the Committee to build on its good work and understanding of the Working Holiday program by recommending that working holiday makers be given maximum opportunity to apply for permanent visas onshore. Such entrants benefit regional Australia economically, socially and culturally
- Develop opportunities for overseas students who are recent Australian graduates to apply for migration
- work with local community as well as regional organisations to encourage persons to apply to remain in Australia under a possible new visa subclass - Regional Visa

A further comment is that if the MIA proposed Regional visa is not considered favourably the Committee and the Department may give consideration to an onshore version of the STNI category.

### **Submission by DIMA**

The Department of Immigration has put forward a valuable submission to the Committee and they should be congratulated on their initiatives, for both sides of politics, to develop regional visa options.

In the MIA's view the Department have failed in several key areas:

- in the past few years it has not given adequate resources to processing visa applications - some applications languish for years before being decided. Even if the application is ultimately approved, this delay can prejudice their investment proposal
- the current points test pass mark is too high - many good applicants are either unable to apply or will not meet the pass mark - this will stifle potentially valuable applicants. For example a 35 year old economist or management consultant, even with work experience in Australia, may no longer pass the points test.
- The Department's view that decreasing the pass mark will dilute the quality of skilled migrants is not totally correct. The statistical evidence they are producing to show the economic benefits will be from the earlier program - given the long lead time between application at the Overseas Mission through to visa grant and ultimate arrival and settlement in Australia. The good employment outcomes will come from core factors of less than 45 years, recognised skills and vocational english.
- The agent community is very concerned at the frantic pace of legislative change and the dangers of over tampering with the categories. For example there is a long lead time for the temporary resident 457 Business Long Stay Visa Holders to apply for permanent residence and many may well be about to qualify and be in the stage of preparing to apply. If there is a change it could very seriously affect their chances, and prejudice employment opportunities and small business investment in Australia. The fact there is a low take up of subclass 845 (EBA) does not mean there is not a number of cases in the pipeline. Recent research from South Australia, which represents approximately 4% of the migration program, is there are some 68 applications in the process of being submitted for permanent residence. This could mean that a significant number nationally will be applying to the Department
- One legislative change of adverse consequence requires an Independent Executive applicant who already has a business in Australia to actually depart Australia and apply for an extension of that visa from overseas. This is unheard of for nearly any visa category and has been highlighted in the recent report of the Business Advisory Panel. It is a very savage change introduced in late 1997 because of a perceived problem with some applications. This is tarring the good with the bad and again has harsh consequences on genuine business persons.
- We urge the Committee to be aware of the many good and genuine applicants already in Australia and to take account of them in any of its recommendations



[11.53 a.m.]

**ALLPRESS, Mr John Gordon, Migration Agent**  
**GARRETT, Mr Richard Mark, Migration Agent**

**CHAIR**—Welcome. Although the committee does not require witnesses to give evidence under oath, you should understand that these hearings 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 parliament. Are there any corrections or amendments you would like to make to the submission? I presume you do not want to give in camera evidence. You do not have anything that is of a particular private nature that you wanted –

**Mr Allpress**—We may find some of the questions difficult to answer, in which case we will say so. But, no, there is nothing that we wish to say that would not be on the public record.

**CHAIR**—Do you want to make an opening statement?

**Mr Allpress**—I apologise for the absence of Mr Stephens; he was hoping to be here.

**CHAIR**—At least somebody arrived.

**Mr Allpress**—Secondly, I want to apologise for the brevity of our submission. What I would like to do is just go over the points that I have raised and Mr Garrett will help me later. Firstly, with regard to the Regional Sponsored Migration Scheme, in our experience the most difficult problem here is that there are just not enough of them in the Victoria. If you look at this most recently published booklet, there are only two regional certifying bodies in Victoria so most of Victoria has not got access to the scheme. Eighteen months ago there were four of these bodies. Two of them have closed their doors to applications. We do not know the reason for that but we suggest that the committee might find it interesting to see if they can find out what the reason is.

**CHAIR**—We did hear evidence about that when we were in Mount Gambier. Down there, they are being asked to look after certification for areas in Victoria.

**Mr Allpress**—That would be right. Places like Geelong, for instance, and in Gippsland it is notoriously unavailable – the system does not work in Gippsland. I also referred to the definition of diploma in the regulations. I do not want to spend any time on that. In fact, the policy department in Canberra have recognised that there is a problem there and they have made some adjustments to their guidelines, so the new definition of diploma is now acceptable in the RSMS application.

Returning to the RSMS, I believe the scheme itself is very good. It puts responsibility for the initial assessment of an employer nomination in the hands of persons who are committed to regional development and who are familiar with the problems of recruiting skilled or experienced personnel in small towns outside the major centres. Perhaps we should also say that we do not think it is appropriate that Melbourne should be referred to as regional in this connection; we are talking about places like Bendigo, Ballarat, Swan Hill, Moe, Bairnsdale and so on.

**Mr ADAMS**—If offends you a bit, does it, Melbourne being a region?

**Mr Allpress**—It does not offend me, but I think it is unrealistic to include Melbourne along with Swan Hill. I used to live in Melbourne. I now live in Melton, which was regional 30 years ago but I would not call it regional now. Richard's father and brother live in Kerang – they moved there recently – and he may have something to say about that.

There is a second difficulty we have run into, apart from the paucity of regional certifying bodies. We have found that these bodies have been very thorough in their investigation of a proposal from an employer in the region and have come up with a certification which is well supported, well documented, and sometimes the department will accept it without any further comment and the thing goes through smoothly and may only take two or three months; at other times the department, in their wisdom or lack of it, will overturn the decision of the regional certifying body without even referring to the person that made the original assessment. I submit that this is hardly fair.

If the government want these people to do the job, they should at least have some say in the decision making process. I would also contend that the certifying body is in a better position to make an informed decision than someone on the 23rd floor of Casseldon Place. It is clear that the department must oversee the whole program, but the regional certifying body approach is an excellent one in terms of development of regions and so on and its opinion or certification should be given a lot of weight in the final determination.

I made a comment about labour market testing. I would just point out that there is a lot of confusion about labour market testing in the RSMS. First of all, there is nothing in the regulations which indicates a

requirement for labour market testing. In fact, in the discussion paper that was sent to me with the inquiry information about this committee, on the last page, in the table on the main features of the various state specific migration mechanisms, it says on the RSMS that no labour market testing procedures are required by employers. Now I am not saying that that should be the case –

**CHAIR**—Yes, there is a discrepancy between them.

**Mr Allpress**—but it is confusing. If we look up the appropriation form, No. 1054, it says the position cannot be filled from the local labour market. That seems a reasonable thing to expect. It hardly seems reasonable for a person in a place like Bendigo or Kerang to have to advertise nationally. It is very obvious that Australians are tending to move out of regional places rather than into them. Perhaps it is the job of the regional certifying body, as it would appear from the regulations, to assess what level of labour market testing, if any, is appropriate in the circumstances.

**CHAIR**—I realise you are in the middle of a statement, but I am just curious about that. Why do you think it is not appropriate that somebody in Bendigo does advertise it nationally? It is not all that hard to advertise nationally. You can just put a little advertisement in the *Australian* and you have basically advertised nationally.

**Mr Allpress**—That is true, except that when the department talks about national advertising, if they want an advertisement in the *Australian* it probably costs \$1,000.

**CHAIR**—Do you have evidence of that?

**Mr Allpress**—That would be right, wouldn't it?

**Mr Garrett**—Definitely.

**CHAIR**—So they are not just talking about advertising under the 'Jobs wanted' heading; they want a large advertisement.

**Mr Garrett**—They must be in display advertising normally.

**CHAIR**—If you are looking for a welder in Bendigo, you have to put a \$1,000 advertisement in a national paper.

**Mr Allpress**—It is not always the case. It seems to be up to the individual case officer who gets the job of assessing the situation. I would submit that it is probably more appropriate for the regional body to make that determination. Very often I think the regional body will actually visit the employer's premises and talk personally with the people involved. They are fairly familiar with small business in regional places and they know the problems. I think their opinions should be taken account of.

**CHAIR**—I am sorry to interrupt you. I just wanted to clarify that point as you were going.

**Mr Allpress**—In our experience some of these RSMS applications go through quite rapidly, in two or three months, while others take more than 12 months. There does not seem to be too much rhyme or reason about what causes the delays. In practice, a lot of employers have already become familiar with the person they want to employ through contacts. They will short-circuit the system legitimately by bringing the people out on a long-stay business visa for four years. This has happened in quite a number of cases in our experience. The intention of these people who come is that eventually their RSMS application will be processed and they will get permanent residence. There is one advantage of a temporary visa from an employer point of view. That is that the nominee cannot change his job without permission from the secretary. In the RSMS there is a two-year contract but we understand that, if the nominee decides to quit during that period, there is no redress against him from the department. So, in fact, the employer has a stronger hold over his employee if he comes on a four-year temporary visa.

**CHAIR**—Can I clarify that again with you. Are you saying that, if they come on the permanent visa to the regions, there is no requirement to stay two years?

**Mr Allpress**—It is written into the regulations that a two-year contract has to be drawn up between the employer and the employee, but advice from the department is that, if the employee decides to take another job somewhere – and he has already got permanent residence – he can do that without incurring any penalty.

**CHAIR**—That is interesting because it is different from what I heard. I knew that was the case – that you could take up a job, stay a couple of weeks and then say, 'Sorry, I'm just about to open my own business. It was nice of you to pay all this money to get me here, but goodbye.' I had understood that – I think it was either last November or the November before – we had actually changed that to require that somebody who was taking up that position actually had to stay with that employer for two years. Are you telling me that that is not happening?

**Mr Garrett**—I had a meeting with a senior case officer in a Melbourne business centre just prior to Christmas. He advised me that, if someone left within two weeks after becoming permanent, it is not a basis

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for a visa cancellation. There could be a breach of contract between the employer and employee, but they would have some –

**CHAIR**—They would have to take that in a civil action.

**Mr Garrett**—Yes, it would go to a civil court. As far as the department is concerned, they said they would have no basis for a visa cancellation.

**CHAIR**—Would you clarify that as you go through again? We should just move along, because I am sure my colleagues now have lots of questions.

**Mr Allpress**—Because of the delays with the RSMS, this scenario of people coming on a temporary basis and then switching over prompts us to suggest that this may be something for the committee to consider as a normal way for people coming to a regional area – that is, they come on a four-year basis. And provided their employer and they are happy and they settle after four years and they want to stay, transfer to permanent residency could be more or less automatic, apart from health and public risk factors and so on. It would be a little like the spouse visa arrangement where you have got to do a two-year probationary period, and if husband and wife are still together, they confirm it and make it permanent. I do not know whether the committee would take that on board or not, but it is just a suggestion that we would like to make.

**CHAIR**—Mr Allpress, we appreciate all your suggestions. Whether or not we take it on board, we do appreciate your making the effort to make them, and we will certainly take that on. Have you finished, so we can ask some questions?

**Mr Allpress**—I think Richard wants to say something about Regional Established Business in Australia.

**Mr Garrett**—I will briefly refer to our experience with the Regional Established Business in Australia. We are involved with a number of cases in regional areas – Moe, Ballarat, Bendigo, Nathalia, Kyneton. Obviously, we have not had any applications for permanent residence as yet, because of the two-year period that is required for the owner and the operator of the business to become established. We have a very real problem. I will give one example of someone who has been in Australia for about six months in the Gippsland area. He has established a business and he is working towards permanency in perhaps two to three years. His oldest son at home completed year 12 last year and he is turning 18 next month in March. The dilemma that the father faces is that, when he makes his application for permanency, say, in three years time, the son will be perhaps 21 years of age. And there is a very real possibility that his son will be refused a permanent visa because he is failing to satisfy the new definition of dependency.

**CHAIR**—That is right.

**Mr Garrett**—This particular father is presently in a very real dilemma. He has invested money in Australia. There is a lot of effort to establish a business, especially in a regional area. He is committed; he is already employing at least one local Australian citizen. I have spoken to policy in Canberra about it. They are really unable to offer any solution. I think committee members would be sympathetic with parents who have a genuine concern to protect and care for their families and would understand the dilemma that this applicant has.

**CHAIR**—They certainly do.

**Senator McKIERNAN**—Mr Allpress, on how many occasions would the regional certifying body recommendations be overturned? When one is overturned, are reasons given why the matter has been overturned or why it has not been approved?

**Mr Allpress**—Generally speaking, it revolves around the exceptional appointment aspects. Maybe the applicant is over 45 years old, or else he has not got a formal qualification. I think they would probably be the main reasons.

**Senator McKIERNAN**—If he is over 45, he does not actually get into it, does he?

**Mr Allpress**—Yes, he can. The new general skill migration visas prohibit anybody applying over 45 but, under the employer nomination, if you are over 45 you have to put up a special case.

**Senator McKIERNAN**—So the concerns you have expressed here today are about the special case?

**Mr Allpress**—Yes.

**Senator McKIERNAN**—On how many occasions would that occur then? Have you got an idea?

**Mr Allpress**—We have only had a very limited amount of experience. I suppose we have handled about 10 applications. In fact, for two of the applications, which were initially refused by the department, we lodged a complaint. After many months of intensive work, those decisions were overturned, and the original recommendation of the RCB was satisfied.

**Senator McKIERNAN**—Are reasons given when they are overturned?

**Mr Allpress**—Yes, they are.

**Senator McKIERNAN**—Yes, so there is an understanding. You mentioned how people get around the system by coming in on a four-year temporary business visa: a welder, for example, would not be able to do that, would they?

**Mr Allpress**—I probably used the wrong term by saying ‘get around’. There are quite legitimate routes to come in temporarily for people like welders and tradespeople. The sponsor has to establish that he needs such people and cannot get them. In fact, they do have to advertise nationally in that case, unless it is a key position. Of course, if you take someone in a place like Kerang who needs a welder to increase his business and he advertises locally, or perhaps over the area 100 kilometres around, and cannot get anybody then it is almost a key position situation. It is up to the department of immigration in that case to determine whether the application for a key position is justified or not.

**Senator McKIERNAN**—What amounts of money would be involved in that instance by seeking to recruit a person from overseas? What would the employer’s expenditure be in recruiting somebody to fill that position from overseas?

**Mr Allpress**—I do not know that I could answer that.

**Senator McKIERNAN**—I ask it in the context of a \$1,000 advert in the *Australian* being pretty expensive. How do we balance that off? What am I looking against?

**Mr Allpress**—It depends very much whether the employer pays his relocation expenses, which could be many thousands of dollars.

**Senator McKIERNAN**—It still might be easier to try for an Australian?

**Mr Allpress**—Yes, it could be, certainly.

**Senator McKIERNAN**—It might be. You also said that in some instances it is because people know each other.

**Mr Allpress**—Pretty much.

**Senator McKIERNAN**—We have had mention of expert duck pluckers, and previously we have had chicken sexers brought in as specialised people from Korea. That is actually serious – they were brought in. We had evidence in Mount Gambier a couple of weeks ago about a specialist four-wheel drive mechanic. Is that the type of thing? I will not say ‘manufacturing’ because it is too strong a word, but are people inventing shortages in order to reunite families or relations or friendships on the basis of this knowledge of each other?

**Mr Allpress**—I do not know how to answer that quite fairly. Why do people want to come to Australia? They have probably either been here and liked the place or they have relatives and friends here. In fact, that is often a benefit because it provides the support that they need. Let me say that within the framework of the existing migration regulations, quite legitimate and justifiable applications can be made with those parameters included.

**Senator McKIERNAN**—Do you think these state-sponsored migration programs are to fill Australia’s needs or to fill the needs of those people who are overseas who are trying to get in here or who are not able to make it on the normal migration program?

**Mr Allpress**—We are not talking about the people who are trying to get in outside the normal migration program. We are talking about people who are qualified to come in under the normal migration program. They are going to regional places where they will probably be of more benefit to Australia than they would be if they came to Melbourne, for example.

**Senator McKIERNAN**—The Northern Territory government have a concern about bringing people in and, in fact, it is a liability concern if no job is found for the individual after he or she arrives. Secondly, the government’s concern is about holding people in the territory for a period thereafter and, in fact, in the instance that you have talked about. What can be done to correct that difficulty?

**Mr Allpress**—That is a very valid question. I think the four-year probationary period would have some consistency. If a person stays in a place and has a good relationship with his employer, or if he has started up a business and has a good relationship with his customers in that place and he has been able to show a profit, then over a four-year period – if he has purchased property, for instance – he is not going to uproot and shift to a capital city nearly as readily. For example, Richard Garrett’s father and brother moved within the last 10 years to Kerang which is only a small place. They are quite happy to stay there for the rest of their lives. They have established a little business.

**Senator McKIERNAN**—I do not know about Kerang. I have never heard of it before. I have never been there.

**Mr Garrett**—The scope of this inquiry is about state- specific migration mechanisms. We are very supportive of it. It has real benefits to regional areas. I referred earlier to these Regional Established

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Businesses. They are attracting investments, money, and they are providing employment opportunities for Australian citizens in these smaller towns.

**CHAIR**—I think Kerang is up towards Bendigo.

**Mr Allpress**—It is on the Murray.

**Mr Garrett**—Yes, near Swan Hill.

**CHAIR**—We are losing the senator even more.

**Mr Garrett**—There are 3,000 or 4,000 people in the area. It is a small place.

**Senator McKIERNAN**—Thank you. This is my final question. There is a down side to being on a temporary visa in this country, the taxation treatment being but one of them. How would one address that? Would you remove those barriers on the treatment of temporary people in the instances that we are talking about?

**Mr Allpress**—I have to admit I have not thought it through properly. It is just a suggestion. They do not get any medical benefits. They do not get access to Medicare. They are allowed to purchase property, with permission from the Foreign Investment Review Board. Once you have got a four-year visa, you are allowed to purchase property.

**Mr ADAMS**—And have children at university?

**CHAIR**—I think that is a major issue, children at university.

**Mr ADAMS**—They have to pay overseas fees.

**CHAIR**—Yes, and also there is the issue that you raised about dependency.

**Mr Allpress**—That is a critical one.

**Mrs IRWIN**—Mr Allpress, you stated that you have got grave concerns about labour market testing being a cost. You quoted about \$1,000 for a small business in Bendigo. We are all aware of the reason why we want labour market testing. It is because a small business might be offering a job for, let us say, a Chinese cook in the local restaurant, so we have got to prove to the government that there is no Chinese cook in Australia who really wants that job in Bendigo. The cost factor is a big thing for a small business. With Employment National and their database, this great scheme that people think is doing wonders for the Australian people, what are your feelings? Do you reckon that the database should be used? It would not cost that small business employer any money.

**Mr Allpress**—Perhaps I have been misunderstood. I am not objecting to labour market testing. It is just that there is confusion in the literature that the department provides as to whether or not it is required. I quote from this book here.

**Mrs IRWIN**—To my knowledge it is required. They have virtually got to prove that there is no-one in Australia to take that particular job.

**Mr Allpress**—The regulations are silent about it in the case of RSMS. It needs to be spelt out so that there is no confusion. My suggestion is that the regional certifying bodies are the best people to decide how much labour market testing is appropriate in particular circumstances.

**Mr RIPOLL**—Just to follow on with that same line, do you believe it is necessary at all to have any market testing? As you have already alluded to, perhaps it is the case that employers already have someone in mind and that is why they are using the program and the scheme. Therefore, to go out and test the market is really just a cost to them that has no real purpose because in fact they have someone in mind. There are other reasons why they might want to get someone from overseas. Is that closer to reality?

**Mr Allpress**—I know of one situation where labour market testing was undertaken. One of the applicants was suitable, so the employer put him on as well. But let us face it, in a small business in a rural area there are only a few employees, and if it is a skilled key position a great deal of consideration goes into the selection of an applicant. If there is some personal knowledge or contact or relationship and some connection, it carries a lot of weight.

**Mr RIPOLL**—You just said that they put somebody else on, that they still put on the person they originally had intended to put on. So the market testing in itself did not provide them with the person they were looking for. The market testing in that one case actually delivered an extra person. In fact, going out and testing the market really has no bearing on the person they employ: they already have the person they want. This is why in the first place they are using the scheme, otherwise they would not be using it. So in fact that part of the legislation is really just not effective. In your experience, would you say that is the case or not?

**Mr Allpress**—I think it is a legitimate suggestion, yes.

**Mr ADAMS**—I want to explore that a bit more; it is something that has come up. A specific group of people may be attracted through this system from overseas and, no matter what advertising is done, the employer really is going to put on the person they have got from overseas because it fits into what they want to

do. Have you had any experience of that, other than what you just said about someone who showed up? They must have had another reason why they were going to put the person on from overseas as well. There must have been another linkage there –

**Mr Allpress**—Yes.

**Mr ADAMS**—over and above what we are saying about the need for the country. I think we all agree on what Richard said about repopulating regional areas and getting skills into regional areas. But we have picked up these other lines as well. Do you have anything on that?

**Mr Allpress**—I do not know that I can make any further comment. I agree that a number of factors enter into it.

**Mr ADAMS**—The other matter I want to touch on is about the contract. As far as wages and conditions are concerned, I guess that is an Australian workplace agreement contract or it is a civil contract?

**Mr Allpress**—It is not as formal as that. The department seemed quite satisfied with a simple contract. Have you had any experience with that, Richard?

**Mr Garrett**—No. A simple contract is normally suitable.

**Mr Allpress**—It would be legally enforceable, but apparently not by the department.

**Mr ADAMS**—Not in the sense that, if there is a breakdown between the employee and the employer, you would like the department to use the pressure of cancelling the visa to rectify that.

**Mr Allpress**—I think the arrangement the department has with regard to the four-year employer sponsored visas is that you cannot change your job without permission from the secretary. In other words, the department has the jurisdiction –

**Mr ADAMS**—So there is an umpire?

**Mr Allpress**—Yes, exactly.

**Mr ADAMS**—Yes, that is what I was looking for. You would need to have some sort of process there to protect because it is all a bit one way, isn't it?

**Mr Allpress**—It is all very much one way. I was surprised when we got that opinion from the case officer that in fact the department would not pursue it. It really is rorting the system if somebody comes along and, after a fortnight, they take another job somewhere.

**Mr ADAMS**—It is, but if the conditions or the contract itself, which was signed overseas et cetera, was not quite what it measured up to be and there were legitimate –

**Mr Allpress**—Well, in that case, yes.

**Mr ADAMS**—I can see where there can be some real difficulties there. It can certainly be pressure one way from the employer's point of view as opposed to the employee's point of view. So there is probably a need for us to make sure that there certainly is an umpire or somebody who can make some judgments about that and make some recommendations.

**Mr Allpress**—I surely agree. I mean, it is a bit unreasonable to expect an employer in a small place to take anybody to court. But if you could refer back to somebody who is nominated in the regulations to sort the thing out, it would be a big help, wouldn't it?

**Mr ADAMS**— Sure.

**Senator TIERNEY**—In your submission you refer to conflicting definitions of the term 'diploma'. I have some sympathy with this, because my five-year-old granddaughter Jessie recently graduated from preschool with a preschool diploma. So perhaps the currency has been downgraded a bit. You seem to be indicating there should be one more relevant definition for 'diploma'. Would you like to expand on that?

**Mr Allpress**—I do not have the regulations with me, but there are two definitions within a space of two or three pages of the regulations.

**Senator TIERNEY**—So there is an internal conflict.

**Mr Allpress**—Yes. One is a diploma, which I probably could have got when I left school 40 years ago. There used to be quite a big distinction between university and technical college. The technical colleges issued diplomas, and the universities issued degrees. The new definition of 'diploma' is related to the Australian qualifications framework. It also includes what they call 'competency based diplomas'. I think it is a much more realistic assessment of skill, and perhaps particularly so in regional areas, than the old definition. I do not think you were present but we understand that the procedures advice manual from the department has recently issued a new direction on that which specifically says that the new definition of 'diploma' is acceptable for the regional sponsored migration scheme. So they have solved the problem that arose.

**Senator TIERNEY**—Thank you.

**CHAIR**—If there are no more questions, I thank you for appearing before us today. For any matters about which we need additional information, the secretary will write to you. You will be sent a copy of the manuscript and, if you want to make any editorial corrections, please do. Thank you very much for coming. We do appreciate your input because it lets us know what is happening on the ground. You have raised issues that we had had raised previously in our hearing in the south-east of South Australia. That confirms ongoing problems, so we thank you for that.

[12.28 p.m.]

**EAKIN, Mr Laurie, Executive Director, Western Murray Development**

**CHAIR**—Welcome. Although the committee does not require witnesses to give evidence under oath, you should understand that these hearings are legal proceedings of the parliament, and warrant the same respect as the proceedings of parliament itself. Giving false or misleading evidence is a serious matter and may be regarded as a contempt of parliament. Are there any corrections or amendments you would like to make to your submission?

**Mr Eakin**—No thanks.

**CHAIR**—I take it you have no problem. You do not want to go into camera or anything?

**Mr Eakin**—No.

**CHAIR**—Before we ask questions, do you have any opening statements you would like to make?

**Mr Eakin**— I will make a brief statement and, with the chair's indulgence, perhaps address a few of the issues that have just been raised, given that Western Murray has had experience as a regional certifying body.

**CHAIR**—And you are still one that exists?

**Mr Eakin**—It still exists. I may be able to shed some light on the others.

**CHAIR**—I think we would appreciate that. Thank you very much.

**Mr Eakin**—The submission from Western Murray is brief and covers the role of the RCB and questions about that, which I think were raised in the previous discussion; secondly, the issue of promotion of the RSMS, and there is a very brief statement on that; and, thirdly, the issue of Western Murray Development charging for the service which we have done in recent times.

I will explain the role of the RCB very briefly. In the discussion with the previous witnesses there was a question raised about the role of the RCB and what I would call second-guessing of a certification by the department. I have had some correspondence with the department on that issue. The outcome of it, after many months, has been that they have relied on their internal legal interpretation, which is that, in effect, irrespective of an RCB certifying a particular nomination, that can be overruled by the minister or his delegate. To me, there seem to be some inconsistencies with that approach that relate primarily to the local knowledge factor of the situation and the circumstance of the particular business and region that are concerned, even where that overruling is in the context of the exceptional appointment part of the form, and that is where most of them have occurred. Again, it has to do with local knowledge and local issues, and the RCB is probably in a better place to certify as to need than either the minister or his delegate in the circumstance.

With respect to the promotion of the RSMS, Western Murray's view is that there appears to be no coordinated promotion at all. The department made some attempts some months ago – I am thinking back 15 or 18 months or longer – but there has not been much by way of promotion of the scheme since then. The RCB on the whole has been unable to undertake that promotion because of the primarily voluntary nature of the activity. It takes resources to go out and do that sort of thing and we simply have not had the resources to do it ourselves. The lack of resources is the reason we have embarked upon a charging regime for RSMS nominations. I would have to say that this has put several potential nominations off – some businesses have felt unable or are unwilling to pay for that.

**CHAIR**—What are your charges?

**Mr Eakin**—Our charges are a \$500 non-refundable fee for service, which includes the first eight hours of work – if it is a straightforward thing you would expect to be able to get through it in that time – and any time beyond that is charged out at \$80 an hour. That is in the submission.

There was some discussion about the RCB coverage and the process. The coverage, as has been indicated previously, has diminished in recent times because of two of the four RCBs in Victoria effectively going out of business. Several of the RCBs arose from or were attached to regional development organisations. These organisations, you may be aware, were set up under the former federal Labor government's regional development policy. That program was scrapped by the Howard government on 17 July 1996. The then minister made the announcement that that program was to be scrapped – I think that was in the context of the budgetary processes in the Howard government's first term. Nonetheless, of those organisations that were established under that program, most of them have now gone out of operation. Western Murray Development continues, perhaps on a wing and a prayer at times, but it is still there.

With respect to the process of an RCB, in the case of Western Murray Development what we have endeavoured to do when we have had a nomination is to visit the business to understand what they are trying to

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achieve as a business and what role the nominee would play in the business, and therefore make some judgment about how important that person will be to the business and its operation.

There has been this issue of the RCB putting a nomination forward and the department giving no feedback at all in relation to the fate of that nomination. That has happened a number of times, so as an RCB we do not often find out the outcome of a particular nomination. An example of a nomination I put forward which I do not think was ever approved was a case in Swan Hill, where I live. After some weeks, if not months, and correspondence, the case officer in the Melbourne office of the department who was examining it said, 'Well, I had better come up and have a look and talk to the business.' In my discussion with that officer I said, 'That is something I have done. I have been through the business and this is what it is about,' and I went through what the business was about. The officer said, 'Oh, well, that is great, I did not realise you did that.' The other aspect of that was that an officer said to one of the nominating companies, 'I had better come up and have a look. Should I do it this afternoon?' obviously not understanding the geography of the place and realising that Swan Hill is 350 kilometres from Melbourne. It would have taken him about four hours to drive there and four hours to get back again. So the issue of the regional body understanding the nature of the region and the businesses is an important one.

On the issue about labour market testing, I agree there is some confusion. I also read the paper attached to the inquiry papers that came out to me and I was surprised that there was a reference to no labour market testing being required because we have certainly been required to demonstrate labour market testing. I also agree that the cost of some national advertising for a job in Kerang or Swan Hill is quite significant for a small business. Then if there are discussions with a potential applicant who is at some distance, if they are somewhere else around Australia, that adds to the cost as well. And I suspect it is a bit more than \$1,000 for a reasonable size ad in the *Australian*. I do have somewhere a relatively recent departmental letter which makes reference to labour market testing and that it is not required in some instances. I think it is still required in some instances and not in others. I can provide a copy of the letter if the committee wants that.

On the questions that came forward from the chair about a regional visa, personally I think that is not a bad idea. However, on the downside of that is the potential for the necessity to put in place some regional visa police to make sure that these people do not go off to other regions very quickly. The idea that the RSMS brings forward, that regional nature, is to get people into the region for a start and, hopefully, some or many of them will stay there because they will enjoy and understand the quality of life that is associated with the region. Mrs Irwin put forward the issue of skills shortages, and doctors were an obvious case that was mentioned. There are other skills shortages in trades and even skills shortages in what might be termed skilled but unqualified jobs.

Senator McKiernan made reference to duck pluckers and chicken sexers, but there are in our region, for example, table grape pickers. That might seem a fairly simple task but, again, it is an unqualified task but a skilled one. There are many Australians who would not last half a day out in the grape paddocks picking table grapes but there are people who are skilled at it from overseas who could actually contribute to the output of that industry, as well as the stone fruit industry. You may have heard references to shortages in areas like Shepparton, as well as up in our region. Another example of that was a case I was involved in with a saw doctor required for a Ballarat company. This is a very specialised skill.

**CHAIR**—What sort of doctor?

**Mr Eakin**—A saw doctor – somebody who fixes the teeth and sharpens circular saws. It is sufficiently qualified that the owner's son had a certificate – and you cannot get a certificate in saw doctoring in this country – from a technical college in a metal working area and he had several years experience working in the business. But the owner did not feel he would be sufficiently able to make the decisions necessary to make the appropriate angle changes, et cetera, to the various saws required for different types of wood without perhaps another 10 years experience. So the person they sought to bring in was actually well over 45 years of age but extremely well qualified and extremely experienced, and we had, I would have to say, enormous difficulty getting that through the department and getting them to understand that there are skills and there are qualifications and the two are not necessary coincidental.

**CHAIR**—But presumably once he was here, then he could train other people in those skills?

**Mr Eakin**—Absolutely, and that was the whole point. He could actually train this person's son as well as others.

**Mr ADAMS**—What country?

**Mr Eakin**—South Africa, I think. There are just two others, I think, and perhaps they relate to this. Mr Adams asked the question about other factors, and I suspect he may be alluding to the issue of religious affiliations – I am not sure for he did not actually spell that out.

**CHAIR**—I think he might have been.

**Mr Eakin**—You asked the question, Mr Adams, about other factors that might be influencing decisions in relation to businesses.

**Mr ADAMS**—I asked them, yes, of the previous witnesses.

**Mr Eakin**—I suspect that you might be alluding to the issue of religious affiliations.

**Mr ADAMS**—It has come up in other hearings, yes.

**Mr Eakin**—It does not surprise me because a number of the nominations that have come forward to Western Murray have been demonstrably from groups that have religious affiliations with those that they have been seeking to bring out to this country. Again, the experience we have had with those – and I would say that I am not of the same affiliation of either of the groups that have approached us on that – is that these people, when they have been approved, have come to the country, made a contribution and, again, contributed to the economic, social and other wellbeing of the area that they have come to. They are contributing in an area where investment and employment are crucial and important, areas that have undergone significant downturns in recent times because of the withdrawal of services, et cetera, by governments and other organisations.

**Mr ADAMS**—Let me just say that I do not think anybody on this committee has a concern with people's religious affiliations or anybody from those groups, but the issue of whether somebody gets the nod because they have got a connection, or somebody is chosen with the same skills found within Australia, is an issue that this committee needs to look at and that is the context in which we are asking those questions.

**Mr Eakin**—I will respond to that briefly. That does, in my mind at least, bring up the dilemma about the labour market testing issue, whether or not you should need to labour market test and, again, how extensively one ought to do that.

**Mr ADAMS**—Sure.

**Senator McKIERNAN**—I am intrigued by the story on the saw doctor.

**Mr Eakin**—It is a long story.

**Senator McKIERNAN**—I am intrigued about it because you talked, in one instance, about 10 years to train a person and then you talked about the person coming in who was over 45 being also able to train others. I find it remarkable that in Australia, with timber industries in many states, we would not be able to provide that training ourselves.

**Mr Eakin**—Yes.

**Senator McKIERNAN**—In the instance that you mentioned, was the individual being brought in related, in any way, to the sponsor?

**Mr Eakin**—Not as far as I was aware.

**Senator McKIERNAN**—But they were known.

**Mr Eakin**—Yes, they were known. There is no question about that.

**Senator McKIERNAN**—How would they have been known?

**Mr Eakin**—It was through a religious affiliation that they became known.

**Senator McKIERNAN**—That bothers me because I am aware that some groups in our society will not employ people outside of their denomination. We do run at a national level a non-discriminatory migration program and I would not like to see that program being used for religious or discriminatory reasons. That is something we will obviously have to address to the department when we meet with the department. That is a real concern of mine now that it has been raised.

**Mr Eakin**—Yes. My understanding of the legislation is that it is non-discriminatory and it provides an objective means by which people can come to this country. I agree – as an Australian I do not like to see discrimination where it exists.

**Senator McKIERNAN**—You mentioned in your submission the details of the charges that Western Murray Development has made. Have that \$500 and the \$80 been approved by the minister or by the department?

**Mr Eakin**—I am not aware that there was any requirement for the minister or the department to approve those things. In fact, I have some correspondence from the department which makes reference to the regional certifying body being able to make its own decisions in that regard.

**Senator McKIERNAN**—Your letter went off on 16 November 1999 and there has been no response to say they cannot do it so it must be approved.

**Mr Eakin**—As I said, I do not know that it is a role of the department or the minister to approve or not approve those charges, unless there is something in the legislation that you are aware of that I am not.

**Senator McKIERNAN**—I just had not heard of other certifying bodies imposing charges of that nature.

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**Mr Eakin**—I am aware of one other that did. It is one of those that is no longer in existence. Again, I can quote from the letter from the department where it says:

Given that the arrangements on the imposition of charges for RSMS certifications is largely a matter for the regional certifying bodies, I would welcome your comment on the nature and basis of W&D certification charges so a response can be prepared.

That is a response to Dr Stone.

**Senator McKIERNAN**—Thank you for that. In the earlier part of your submission you talk about employment in the region. Do you know what the current rate of unemployment is within the region?

**Mr Eakin**—In the whole region it is a bit hard to say. Swan Hill, for example, has about the lowest level of unemployment in regional Australia. It has a very high level of employment. Areas close to it like Kerang, which is only about 60 kilometres away, also have a fairly high rate of employment or a low rate of unemployment. It varies across the region and across the seasons because much of the region's income is derived from the primary sector both in the horticultural and broadacre farming areas. Much of that work is therefore seasonal so unemployment goes up and down but the issue about the skills and the difficulty of businesses attracting skilled people is there and it is a significant one.

**Senator McKIERNAN**—No studies have ever been done on the skills shortage?

**Mr Eakin**—That is not correct. I did not say that they had not been done.

**Mr ADAMS**—Audits have been done.

**Mr Eakin**—Several years ago there was a skills audit done. I am not sure under what auspices it was done.

**Mr ADAMS**—Labour market programs.

**Mr Eakin**—It may well have been but it would have been five or six years ago in the area probably now covered by the area consultative committee which is based in Echuca but moves up to the west of that.

**Senator TIERNEY**—I want to focus on the low take-up rate of state-specific migration mechanisms, particularly in Victoria. There are five programs of business skills. In 1995 RSMS was added; in 1996 SRS was added; in 1997 STNI was added, and in 1998 REBA was added. Do you think this variety of schemes and the quick introduction of a range of schemes are creating some problem out there in regional Australia and businesses in terms of taking part in various mechanisms that the government has set up?

**Mr Eakin**—I am not sure I am able to answer that question. I would have to say that my experience has been limited primarily to the RSMS. This is not a full-time occupation for me. I was not aware of those other schemes. That probably highlights the promotional issue that I referred to earlier. Whether there is confusion simply as a result of additional schemes existing or there is simply a lack of awareness of the schemes that exist I could not say. I suspect the low rate of take-up has to do primarily with the lack of awareness and perhaps, secondly – and I am just speculating here – because of the difficulty of getting through the system. One needs some specialist advice to go through the myriad of things you need to get through the system.

**Senator TIERNEY**—You are a regional development body and you are not aware there is a scheme called Regional Established Businesses in Australia?

**Mr Eakin**—That is correct. All we were appointed to do – and this was my first introduction to the Migration Act – was to become an RCB. The reasoning behind that was of our knowledge of the region, not our knowledge of any migration rules and regulations.

**Senator TIERNEY**—I will turn to the RSMS. In Victoria the take-up rate is 43 out of an Australian total of 765. It seems that Victoria is punching way below its weight, particularly when you consider that South Australia, which is quarter the size, has 10 times the take-up on RSMS at 436. Could you explain perhaps why it is so low in Victoria compared to South Australia ?

**Mr Eakin**—I could only speculate. Perhaps the South Australian government has been behind a promotion of the scheme there and that had not been the case in Victoria. I was aware that in the last days of the Kennett government there was some government activity looking at the schemes and moving them into more prominence. I suspect it was because of some dollars being put behind the promotion. In the instance you have put forward I suspect it was government involvement. I do not think that necessarily means – and I do not know whether it has been the case in South Australia – that the government has actually been involved in the certification. In some instances I am aware that a number of local governments were approached in Victoria to become regional certifying bodies and they declined to do that because of the costs to them of doing that. We did take it on board but have had to address that cost issue in another way.

**Senator TIERNEY**—These mechanisms are federal and state driven. They do not seem to be penetrating very far into the regions. Could you comment on whether you are aware in your own area or any

other region of local initiatives to actually bring migrants in for specific jobs? Is there anything working from the region to actually improve the profile in particular areas?

**Mr Eakin**—No, I am not aware of local initiatives aimed at bringing migrants in per se except perhaps for the Albanian fruit-growers in the Shepparton area which stems from, I guess, a cultural and –

**CHAIR**—Is that Albanian or Turkish?

**Mr Eakin**—Albanian.

**CHAIR**—In the Shepparton area?

**Mr Eakin**—In the Shepparton area. There has been quite a deal of correspondence and representations in relation to those fruit-growers. I am sure Dr Sharman Stone would be able to enlighten you on that issue. That is the only, if you like, organised attempt that I am aware of to either bring in or retain under one of these schemes – and in this instance the RSMS – people in a particular area. The other comment I will make on that is that in rural and regional Australia I do not think that small businesses are so well organised that on the whole they would even contemplate mounting a campaign for this sort of exercise.

**Senator TIERNEY**—I was thinking more across councils and perhaps regional organisations as being driving forces for specific skills shortages and those sorts of things.

**Mr Eakin**—Again, I think there is the potential for that but I do not think that potential has been realised for various parochial or other reasons.

**Senator TIERNEY**—Your organisation, finally, must be one of the last surviving REDOs. What are your funding sources?

**Mr Eakin**—At the moment we have a number of projects under the Networking the Nation program. We getting very few –

**Mr ADAMS**—Is this a relevant question, Chair? I think the organisation's bona fides are –

**Senator TIERNEY**—I am not questioning the bona fides at all.

**CHAIR**—I think he is just interested as to how –

**Senator TIERNEY**—It is just a matter of interest, as a person interested in regional development.

**Mr Eakin**—It has not been receiving funding for some time. The board of the organisation is actually looking at its reorganisation with, perhaps, a much larger involvement and commitment by the local governments in the area. But, yes, I have been doing this on a pro bono basis for some time.

**Senator TIERNEY**—Thank you.

**CHAIR**—How many people do you know, approximately, that have been brought in because there has been a lack of a skill in your region? We talked about the man with the saw. How many like that do you know?

**Mr Eakin**—I have put forward only about 10 or a dozen myself.

**CHAIR**—Of those 10 or a dozen how many would have some religious connection? I just want to get this clear because it keeps coming up again and again.

**Mr Eakin**—I suspect eight out of 12.

**CHAIR**—Three-quarters have had some religious connection to come in.

**Mr Eakin**—Yes.

**Mrs IRWIN**—You talked about the religious connection: how about family connection out of those 10 or 12?

**Mr Eakin**—No, I am not aware of any family connection at all.

**CHAIR**—Thank you very much, Mr Eakin, for coming in today and giving us your time which I know is very valuable. We do appreciate what you have told us today.

Resolved (on motion by Mr Ripoll)

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

**Committee adjourned at 1.00 p.m.**