

**JOINT STANDING COMMITTEE ON MIGRATION
REVIEW OF SKILLED MIGRATION**

SKILLED MIGRATION ISSUES AND VIEWS

NORTHERN TERRITORY RESPONSE

WHY SKILLED MIGRATION?

Australia's Skilled Migration programs, particularly those which focus on regional Australia, are valued by the Northern Territory as they provide flexibility to access skills which are not available within the local labour force.

The Regional Sponsored Migration Scheme and other schemes which have been developed in an effort to reflect the differing needs of regional Australia, are the principal conduits through which skilled migrants enter the Territory.

However within the extremely competitive migration environment that currently exists in Australia smaller jurisdictions such as the Northern Territory will continue to be at a disadvantage. The Territory's social and economic infrastructure, while well developed for its population size, make it difficult for it to compete on an equal footing with jurisdictions such as Victoria, South Australia and the ACT. Melbourne, Adelaide and Canberra can all take advantage of the regionally oriented skilled schemes and accordingly attract a considerable proportion of the skilled migrants who enter Australia under regional programs. These jurisdictions experienced similar difficulties before the introduction of regional programs when they were required to compete for skilled migration share against Sydney.

The Northern Territory's size and distances, its demography and population spread present challenges in competing with other States and Territories for an equitable share of skilled migrants.

At the Economic Development Summit conducted by the Northern Territory Government in late 2001, Northern Territory business representatives identified the need for a critical mass of people to facilitate business and industry growth. Accordingly the Northern Territory Government would welcome any changes to migration programs that would allow it to attract and retain the skilled migrants it needs.

While welcoming the flexibility that regional schemes provide, the Northern Territory Government recognises that increasingly program changes are transferring administrative responsibilities to State and Territory Governments without a commensurate transfer of resources. The impact of the need to appropriately resource such functions is far greater on smaller jurisdictions. The irony of this situation is that smaller jurisdictions such as the Northern Territory, that rely heavily upon skilled migration to address skills shortages, are restricted in their ability to respond to the opportunities because of the size of their budgets.

The Northern Territory Government, as part of a broad approach to population growth and social development, is developing a Population Policy. This policy

will address all population growth factors and will include a strategy for increasing business and skilled migration to the Northern Territory. This planned and structured approach to population is focused on increasing the skilled resources of the Territory, enhancing business enterprise development and boosting population levels.

While skilled migration is important for the Northern Territory other migration streams are also considered important to our future. Family migration is considered by the Government to be a valuable contributor to the social and cultural fabric of the Northern Territory.

The economic benefits of Australia's skilled migration programs have been well researched and documented in recent years. The March 2003 OECD Economic Survey of Australia highlighted the crucial role that migration has played in the development of Australia's society and economy. This survey concluded that Australia's current migration policy is effective in terms of its economic effects. However little research appears to have been undertaken to evaluate the non-economic benefits that accrue to Australia from other migration streams.

It is important for Australia to recognise and factor into its policy considerations the non-economic benefits from allowing the establishment of broader family units in our country through our family migration programs. The availability of family support networks often result in better migrant settlement particularly in regional areas where community support networks are not easily accessed. The non-economic benefits, which may be difficult to quantify, include family stability and support as well as cultural diversity and maintenance, increased international networks and enhanced international relationships.

The Northern Territory Government is pleased to have played a role in and welcomes the positive outcomes from the ministerial consideration of the East Timorese asylum seeker cases. However, the process through which these decisions were made has been lengthy and expensive and they have placed considerable pressure on the people whose futures were uncertain.

The Northern Territory's strategic location in relation to East Timor, the role Australia played in that country's move to independence and our nation's historic links with the East Timorese people required a compassionate response even if the East Timorese did not meet the United Nations High Commissioner for Refugees criteria.

WASTED TALENT?

The skilled migration program aims to attract in excess of 60,000 migrants annually, to augment skills, education and knowledge resources of Australia. Other migration programs, such as the Family Stream attract some 40,000 each year and the Humanitarian Program settles a further 12,000.

- ***Do Australia's migration arrangements maximise the opportunities for migrants with skills to make a contribution?***

There is strong anecdotal evidence that the benefits from the skills of migrants, who enter Australia outside the skilled stream, are not being maximised.

It is important for Australia to capitalise on all migrant skills, knowledge and expertise and to maximise the benefits that flow from migrants entering the country. Where migrants are not able to fully participate in the Australian workforce it is not only wasted resource for our country but also may contribute to settlement problems for those migrants. With the ageing of our nation we can ill afford to squander such resources.

The Standing Committee on Immigration and Multicultural Affairs (SCIMA) identified that there were barriers to migrants having their overseas qualifications and skills recognised in Australia. It further agreed that a working group of interested parties would be convened by South Australia to examine and document the current arrangements and to identify possible improvements to enable migrants easier access to information on recognition requirements. This work is progressing and the Working Party is to report back to the 2003 November SCIMA meeting.

In the Northern Territory complexities are added to the processes where there are national bodies governing the recognition processes and issues relating to the recognition of overseas work experience.

Skilled migration to the Northern Territory is mainly driven by identified employer need. However, it is recognised that even though the principal migrants generally do not encounter difficulties, other members of their family may still encounter these difficulties.

To maximise benefits it is important for the systems of recognition to be responsive, for linkages to be clearly defined, the processes to be effective and simplified and information on the systems of recognition to be made readily available. It is important that systems of recognition evolve to accommodate the expanding horizon of the international movement of skilled migrants from new source countries.

Cultural understanding within the Australian employment environment is also important for skilled migrants seeking work in Australia. Employer awareness raising about workplace equity and diversity must be ongoing, as must the Commonwealth's efforts highlighting the benefits of skilled migration through national public education campaigns. The emphasis must be on the benefits at the business/employer level.

PERMANENT OR TEMPORARY WORKERS?

Each year, the Skilled Migration program currently permits some 60,000 people to settle permanently. Temporary migration allows another 43,000 to work here for fixed periods.

- ***If the problem is simply a shortage of skills, why is permanent migration a solution?***

The Territory experiences acute labour force skill shortages especially in its rural and remote centres. For its optimum development the Territory must have access to as broad and diverse a skills base, including international expertise, as possible to meet its needs for specific skills. A mixture of permanent and temporary workers is appropriate.

Many skills in short supply in the Northern Territory often require tertiary study as well as several years experience or alternatively require considerable on the job training. Consequently while a training response is appropriate it could not be expected to address the skills deficit for several years.

Work patterns have been changing dramatically in recent years and many overseas based skilled workers consider themselves to be global employees only remaining in Australia for contracted periods of time before moving to other challenges in other countries. However others, particularly those whose quality of life may have been affected by changes in political or economic circumstances within their own countries, are seeking to settle permanently in Australia. Their ability to gain Australian permanent residency and ultimately citizenship is a competitive advantage for Australia in attracting the world's best skilled people.

Another consideration in examining the permanent migration solution to skill shortages is the displacement that may be experienced by temporary resident skilled workers who spend prolonged periods of time away from their "home" country. Undoubtedly some skilled overseas people would continue to accept work in Australia as a temporary resident. However, without a future permanent residency option, many would not find the offer attractive. Being required to leave the country after spending long periods of time working in Australia would place considerable pressure on overseas skilled workers. Families of people in Australia for several years as skilled workers may face hardships in returning to live in their own countries in areas such as employment, children's education and

settlement back into the different lifestyle. This situation would be exacerbated for children who were born in Australia.

The Northern Territory requires an increase in its population to continue to grow and develop so that it can compete nationally and internationally in social and economic arenas.

The Territory has a relatively young population and has a strong focus on future development to place it on an equal footing with other Australian States and Territories. Access to appropriate skills is crucial to the sustainable development of the Territory.

Permanent skilled migration is seen as not only providing the Territory with a conduit through which it can attract skills but also providing an effective mechanism through which to grow the Territory's population.

Permanent residency constitutes an attraction incentive for those skilled migrants seeking a new life.

EXPLOITATION OF MIGRANT WORKERS

The current Skilled Migration arrangements are designed to minimise abuse of migrant workers, yet there are cases of exploitation reported.

- ***How significant an issue is this?***
- ***How might it be remedied?***

Media reports suggest that despite all the arrangements that have been put into place to minimise the abuse of migrant workers, incidents of exploitation continue.

It is important for incidents of exploitation to be identified and measures put in place to address any gaps in the arrangements. It is also important that the actions of a minority do not adversely impact on the majority of Australian employers who adhere to the employment obligations. New migrants should be provided with information on Australia's industrial and occupational health and safety laws and encouraged to familiarise themselves with the Australian employment framework including employment support mechanisms, such as, Working Women's Centres, the role of Unions and anti-discrimination processes.

State and Territory development agencies and other bodies with certification responsibility for regional nominations must be vigilant and thorough in their processing to ensure that sponsorship is only given for bona fide skilled positions. In addition, the Commonwealth must ensure appropriate monitoring frameworks are in place and resources are available to police employer adherence.

Employer education including raising awareness of responsibilities and accountabilities should be an ongoing and shared responsibility between the Commonwealth and States and Territories.

THE POINTS SYSTEM

Australia's skilled migration selects migrants by requiring them to meet a specific numerical score based on points allocated for attributes such as English ability, age, whether their skill is in demand etc.

- **How well does the points system serve Australia's interests?**

More than half of Australia's intake of skilled migrants in 2002-03 (32,200 out of 60,700) were approved under the Independent scheme based upon their points score. It is interesting to note that the majority of these migrants choose to settle in New South Wales. While the information is not readily available it would be reasonable to assume that their destination was Sydney.

Based on figures from 2001-02 the four most populous states, New South Wales, Victoria, Western Australia and Queensland enjoyed 94% of the total intake of Independent migrants. Both the Northern Territory and Tasmania attracted less than 0.5% each.

The current program appears to have no linkages to the stated Commonwealth objective of dispersal of migrants to regional areas. Given that this scheme now makes up around half of all skilled migrant entry to Australia consideration should be given to how the program could be restructured or refocused to deliver improved outcomes for regional Australia.

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- ***What is the migration program's role?***

In the Northern Territory the skilled migration program facilitates entry of skilled professionals and paraprofessionals to rural and remote areas to fill essential roles in education and health. Further the program has been pivotal in allowing Northern Territory employers to gain access to the expertise and experience they need to participate in the emerging offshore oil and gas developments in the Timor Sea. Without the skilled migration program it would be both difficult and costly for the Territory to gain benefit from such major new developments.