

## Overview of State-specific Migration Mechanisms

2.1 This chapter introduces the main State-specific Migration Mechanisms (SsMM). Later chapters examine the concepts involved in the individual SsMM and the details of the schemes.<sup>1</sup>

### Purpose

2.2 SsMM are intended to permit individual States and Territories to use aspects of the Commonwealth migration program to support their individual development strategies, including:

- addressing skills shortages;
- encouraging a more balanced dispersal of the skilled migrant intake; and
- attracting overseas business people.<sup>2</sup>

2.3 As an early study of population migration to regional areas noted, the settlement of new migrants is:

only a very minor part of any solution to issues of population growth pressures and regional development.<sup>3</sup>

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1 A brief outline of the key concepts can be found in the Glossary in Appendix F.

2 DIMA, Fact Sheet 26 *State/Territory Specific Migration*, 12/1/01.

3 DIMA, Exhibit 12: *Migration to Regional Australia and the Less Populated States and Territories*, Prepared for Ministers for Immigration and Multicultural Affairs by the Commonwealth/State/Territory Working Party on Migration to Regional Australia and the Less Populated States and Territories, December 1996, p. 4.

- 2.4 SsMM are therefore not a substitute for, but a complement to, the overall economic and social development strategies of the States and Territories.<sup>4</sup> Their special nature lies in their aim of attracting migrants to areas of Australia to which they would not commonly go – new faces in new places.

## Origin

- 2.5 SsMM emerged as a result of Federal/State/Territory consultations on regional and skilled migration. In the course of these consultations it was evident that there were concerns about skills shortages and the skewing of Australia's migration intake towards the larger metropolitan centres.<sup>5</sup>
- 2.6 In response to these concerns, a range of State-specific migration initiatives was undertaken. These were partnerships between the State/Territories and the Commonwealth which allowed States, Territories, and regions to use provisions of the migration arrangements selectively.

## Mechanisms

- 2.7 The mechanisms chosen to encourage overseas migrants to settle outside the main urban areas operate through:
- enabling States and Territories and regions to choose specific provisions of the Federal Government's migration program and use them to attract more overseas migrants to their own jurisdictions; and/or
  - offering incentives or concessions to migrants to settle within in those jurisdictions.

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4 DIMA, Submissions, p. 20.

5 These consultations are summarised in DIMA Exhibit 12, *Migration to Regional Australia and the Less Populated States and Territories*, Prepared for Ministers for Immigration and Multicultural Affairs by the Commonwealth/State/Territory Working Party on Migration to Regional Australia and the Less Populated States and Territories, December 1996; and DIMA Exhibit 13, *Report to the Council of Ministers for Immigration and Multicultural Affairs*, Commonwealth-State Working Party on Skilled Migration, April 1999.

## Main schemes

2.8 The main SsMM examined by the Committee may be summarised as:<sup>6</sup>

- *Regional Sponsored Migration Scheme (RSMS)*: This scheme has operated since October 1995 as a variation on the existing Employer Nomination Scheme (ENS). The RSMS allows employers in regional Australia to nominate overseas workers for migration when the employer has been unable to recruit suitable skilled personnel through the local labour market.
- *State/Territory Nominated Independent (STNI)*: Since November 1997 State and Territory Governments have been able to sponsor Skilled-Independent category migrants who are willing to settle in specified areas where their skills are in demand.
- *Skilled – Designated Area Sponsored (SDAS) – [formerly Skilled – Regional Sponsored (SRS)]<sup>7</sup>*: Under these arrangements, initiated in November 1996 and revised in July 1999, Australian citizens and permanent residents in specified areas of Australia are able to sponsor skilled relatives for migration.
- *Regional Established Business in Australia (REBA)*: This visa category was established in July 1997. It allows people to apply for permanent residence if, while on a long-stay temporary business visa, they have established successful business ventures in specified areas of Australia.<sup>8</sup>

2.9 The features of the main SsMM are considered in subsequent chapters and are tabulated in Appendix D.

## SsMM utilisation

2.10 The SsMM are relatively new developments, having been introduced progressively since October 1995. Take-up varies between schemes and

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6 Descriptions are drawn from DIMA, Fact Sheet 26 *State/Territory Specific Migration* (12/1/01)

7 SRS/SDAS effectively replaced *Skilled Australian Linked (SAL)* which provided bonus points in a points test if the migrant's sponsor lived in a designated area. SAL was not considered by the Committee because it was discontinued from 1 July 1999, although visa applications made prior to that date continue to be processed and approved: 1996/97 **850**; 1997/98, **984**; 1998/99, **1744**; 1999/2000, **2384**, DIMA, Submissions, pp. 415-16.

8 In addition to REBA, there is a *Business Skills* category. This allows for State/Territory sponsorship of Business Owner and Senior Executive visa classes. The scheme is small (34 settlers in three years, DIMA, Submissions, p. 31). It did not arouse comment in submissions or evidence, and the Committee did not pursue it.

between individual States and Territories. These aspects are addressed in the chapters on the individual schemes.

## **SsMM safeguards**

- 2.11 The SsMM were designed to encourage positive contributions by migrants to Australia's economy.
- 2.12 In RSMS and STNI, for example, the employment prospects of non-business migrants were maximised by the requirement that there be a local shortage of the migrant's particular skills. In addition, under RSMS, the sponsor had to provide employment.
- 2.13 Under RSMS and STNI the requirement that there was a demonstrable skill shortage also served to ensure that the local workforce was not denied employment opportunities.
- 2.14 Under SDAS, there was no requirement that there be a skills shortage or guaranteed employment. However, the Federal, State and Territory Governments' interests were protected by the requirement that the migrant's family in Australia must undertake to provide them with financial support.
- 2.15 In the case of REBA, the applicants had already demonstrated business success in Australia.

## **SsMM resources**

- 2.16 Guidance on the skilled labour market in Australia was available through the Migration Occupations in Demand List (MODL) compiled by DEWRSB. MODL listed occupations or specialisations that were found to be in ongoing shortage in Australia.
- 2.17 Matching of potential migrants' skills with those in demand in Australia was facilitated by the DIMA Skill Matching Database (SMD) through which potential sponsors were able to examine the skills of many applicants. SMD is examined in more detail in Chapter 4.