

MIGRATION PROGRAM

DISCUSSION PAPER

December 2005

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Summary of Challenges

Challenge 1: How can more employers be encouraged to participate in both the on-shore and overseas expos?

How can early advice about the specific skills that employers need, be obtained prior to the expos to facilitate targeting?

Where should future expos be held?

Challenges 2: How do we ensure that the IOOs are more effective in directly assisting employers using our visa products?

How could some of the activities undertaken by IOOs dovetail in with the expos? For instance could some seminars address visa information for potential attendees prior to the expos so that the interaction between employers and attendees can focus on non-visa matters?

Challenge 3: How can the ROO network improve its effectiveness in tapping into regional networks to broaden and improve the awareness of the range of options for recruiting skilled workers from overseas and facilitating the use of these options by regional employers?

Challenge 4: How can sponsors/employers be more effectively linked with potential Trade Skills Training visa applicants, and how could all the requirements and steps be more co-ordinated?

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Challenge 5: How can the MODL be made more relevant to regional shortages ?

Challenge 6: Whether changes such as:

- altering the conditions of the WHM visa to allow WHMs to work for the same employer for six months, or to study or train for four months;
- allowing successful students who have studied for a minimum of two years in Australia and who have gained a degree or diploma to apply for a temporary visa designed to facilitate work experience, and
- continuing to explore possibilities for negotiating working holiday maker arrangements with other countries;

would benefit the tourism industry, employers and students?

Challenge 7: What steps need to be taken to make businesses aware of the National Skills Recognition portal which will be launched in April 2006?

Challenge 8: The current review of the General Skilled Migration categories is likely to recommend a tightening of some policy criteria. The most likely changes would be:

- higher English language requirements

- the development of a temporary visa regime to get onshore overseas students a period of skilled work experience before they become eligible to migrate.

How would you view such changes? If the changes were to reduce the number of migrants, how would business react?

The 2006-07 Migration Program Discussion Paper

Purpose

The purpose of this paper is to involve industry and business leaders in an informed discussion of the critical policy and program issues associated with the setting of the 2006-2007 Migration Program.

Industry and business views on the size and composition of the immigration intake are highly valued and have been important in contributing to major policy and procedural changes in previous years.

As a result of the last consultations held by the Minister, the skilled migration intake was increased by 20,000 to assist in meeting the specific needs of business for skills and the needs of regional areas. In addition, a number of steps were taken to assist business to obtain the skills they need, such as:

- the organisation of a number of skilled recruitment expos held overseas and in Australia for employers to meet skilled people interested in migrating to Australia;
- the outposting of Departmental officers to peak industry groups to inform their members of the visa opportunities and immigration mechanisms; and
- the expansion of the Migration Occupations in Demand List (MODL) to include a substantial number of additional occupations which are currently in short supply.

The issue of unskilled labour was also raised in previous consultations and subsequently changes have been made to the Working Holiday Maker (WHM) program to help meet seasonal harvest needs.

The consultations are a much valued policy development tool in addressing the needs of business but also the needs of the country as a whole.

This paper provides further details of the outcomes from last year's consultations and raises some likely future challenges.

Migration Program Outcome for 2004-05

The Migration Program has two main streams: a Skill Stream that targets skills which contribute to Australia's economy and a Family Stream which recognises the value and importance of family migration to Australia's social and economic goals. The spouses and fiancés of Australian citizens and residents make up around 80 per cent of the Family Stream. The smaller Special Eligibility Stream includes groups such as former Australian residents who have maintained ties with Australia and certain groups of people subject to resolution of status.

The outcome for the 2004-05 Program was 120,060, the largest and most highly skilled Program in the past decade. It represented a 5 per cent increase on the 2003-04 outcome of 114,360, but is below the levels of the late 1980s when the Program peaked at 124,700 in 1988-89.

The 2004-05 Skill Stream outcome of 77,880 places or 64.9 per cent of the total Program is the highest on record. The Family Stream outcome of 41,740 places (including 33,060 partner visas) was 34.8 per cent of the Program. Special Eligibility visas made up the remaining 0.4 per cent. The balance between Skill and Family Stream visas represents a substantial shift from the program outcome in 1995-96 when the Family Stream made up 69 per cent of the Program. Major factors contributing to this shift include establishment of the Skilled-Australian Sponsored category in the Skill Stream, increased use of the suite of State-Specific and Regional Migration mechanisms, the ability of successful overseas students to apply for migration while still in Australia and a significant increase in employer sponsorship.

Figure 1 : Migration Program Outcomes: 1996-97 to 2005-06 (planned)

Migration Category	96-97	97-98	98-99	99-00	00-01(f)	01-02(f)	02-03(f)	03-04(f)	04-05(f)	05-06(f)
Family										
Spouses/Fiances/Interdependents	25,530	26,180	25,040	26,650	28,870(g)	33,340(g)	35,060(g)	32,350(g)	33,060(g)	33,300(g)
Parents	7,580	1,080	3,120	1,900	1,070	560	510	4,930(h)	4,500	4,500
Dependent Children	2,200	2,190	2,070	2,160	2,120	2,160	2,680	2,660	2,490	2,500
Other Family(a)	1,930	1,860	1,810	1,280	1,400	2,020	2,520	2,280	1,690	1,700
Concessional Family(b)	7,340	—	—	—	—	—	—	—	—	—
Total Family	44,580	31,310	32,040	32,000	33,470	38,090	40,790	42,230	41,740	42,000
% of total program	60.3	46.7	47.2	45.6	41.5	40.9	37.7	36.9	34.8	30
Skill										
Employer Nominations(c)	5,560	5,960	5,750	5,400	7,510	9,560	10,540	10,400	13,020	15,000
Business Skills	5,820	5,360	6,080	6,260	7,360	7,590(h)	6,740(h)	5,670(h)	4,820(h)	5,400(h)
Distinguished Talents	190	180	210	110	230	210	180	230	190	200
Skilled-Independent(d)	15,000	13,250	13,470	15,600	22,380	29,880	38,120	40,350	45,320(i)	59,200(i)
Skilled-Australian Sponsored	—	9,540	9,310	7,900	7,200	6,250	10,470	14,590	14,530	17,700
1 November Onshore	980	370	180	60	60	20	20	10	—	—
Total Skill	27,550	34,670	35,000	35,330	44,730	53,520	66,050	71,240	77,880	97,500
% of total program	37.3	51.7	51.5	50.3	55.5	57.5	61.1	62.3	64.9	70
Special Eligibility	1,730	1,110	890	2,850	2,420	1,480	1,230	890	450	500
Total Program(e)	73,900	67,100	67,900	70,200	80,610	93,080	108,070	114,360	120,060	140,000

(a) Includes Aged Dependent Relative, Carer, Special Need Relative and Remaining Relative.

(b) From 1 July 1997 the Concessional Family Category was replaced by the Skilled-Australian Linked category and transferred from the Family to the Skill Stream. On 1 July 1999 it was renamed the Skilled-Australian Sponsored category.

(c) Includes Employer Nomination Scheme, Labour Agreements and Regional Sponsored Migration Scheme.

(d) Named Independent prior to 1 July 1999. Includes State/Territory-Nominated Independent and Skilled Independent Regional.

(e) Please note that figures have been rounded and total may not be the exact sum of components.

(f) Program numbers do not include New Zealand citizens or holders of Secondary Movement Offshore Entry (temporary), Secondary Movement Relocation (Temporary) and Temporary Protection Visas.

(g) Net outcome. Places taken by provisional visa holders who do not subsequently obtain permanent visas due to refusal or withdrawal are returned to the Program.

(h) Net outcome. Cancelled visas are returned to the Program in the year in which they are cancelled.

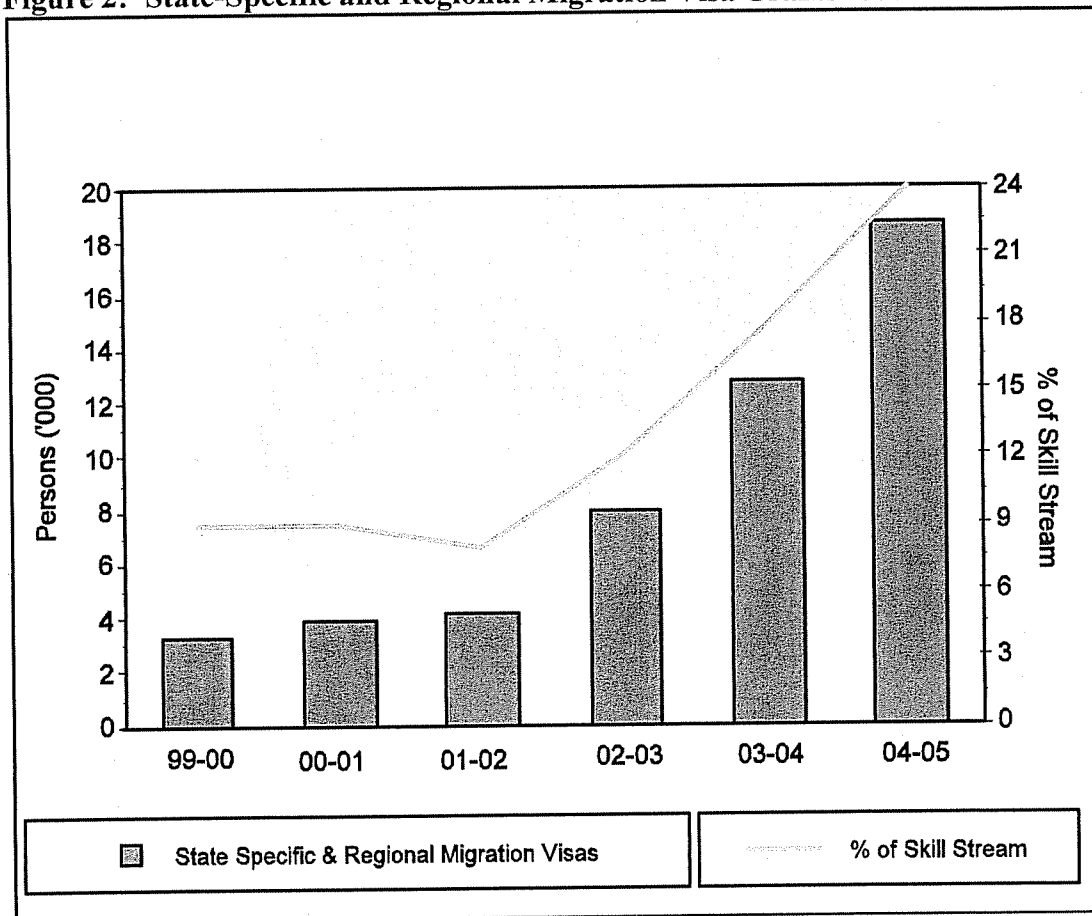
(i) Includes Skilled Independent Regional and State/Territory Nominated Independent.

Over the last decade a suite of visa categories has been developed in consultation with State & Territory governments. These categories are designed to enable State and Territories to have a greater degree of influence over the volume and profile of skilled migrants coming to their jurisdictions. These categories are collectively known as State Specific and Regional Migration (SSRM) visas.

The 2004-05 outcome under the SSRM visas reached 18,700. This is an increase of 47 per cent over 2003-04 and represents 24 per cent of the Skill Stream.

Under some visa categories, applicants can apply for migration visas and be granted those visas while they are in Australia. These are known as onshore visa categories. In 2004-05, 39,600 places or 32.9 per cent of the Migration Program were taken by persons granted permanent residence after entry to Australia. The Skill Stream accounted for 72.6 per cent of the onshore component and the Family Stream 26.7 per cent. The size of the Skill Stream onshore has increased significantly when compared with the 2000-01 outcome of 6,200, reflecting to a large extent the introduction on 1 July 2001 of the provision which allows overseas students completing their studies in Australia to apply in Australia for permanent residence.

Figure 2: State-Specific and Regional Migration Visa Grants 1999-00 to 2004-05



Expected outcome for 2005-06

For 2005-06, the Government announced that the Migration Program would be in the range of 130,000–140,000 places. The level within the range at which the Migration Program will be delivered in any given year depends on:

- application rates in demand driven categories such as spouses, fiancés, children and employer nominated and business categories;
- the take up of State-Specific and Regional Migration categories to achieve a better dispersal of the intake;
- the extent of national skill shortages and the ability to attract migrants with the necessary skills; and
- the availability of high standard applicants in the skilled categories.

Priorities for 2005-06 Program

As a result of the consultations held in January and February 2005, a 3 tier system of prioritisation within the Skill Stream was identified. The priorities (in order of precedence) are:

- Employer-sponsored migration – Employer sponsored migration refers to the recruitment by employers of highly-skilled staff from overseas or from people temporarily in Australia, when they have been unable to fill a vacancy from within the Australian labour market or through their own training programs. This is in recognition of the fact that employers know better than anyone else the skills they need in their businesses. This method of recruiting also ensures that migrants go straight into jobs where their skills are needed most.
- State/region sponsored migration – State or regional sponsored migration allows skilled people who wish to come to Australia under either an employer sponsorship arrangement or with sponsorship by a State or Territory government. Like employers, States and regions are well placed to know the current and future skill needs in their region or state. It is important to assist the States and Regional authorities to select and sponsor the migrants who will help States and regions grow and prosper. There is a range of pathways that States and regions can use, such as Regional Sponsored Migration Scheme (RSMS), State and Territory Nominated Independent visa and the Skilled Independent Regional (SIR) visa.
- In the General Skilled Migration categories, maximising the proportion of migrants who have occupations listed on the MODL – ie occupations which are in high demand.

Initiatives introduced and implementation to date

Skills Recruitment Expos

DIMIA organised a series of Expos for Australian employers to meet skilled people interested in migrating to Australia. These events were planned to address skill shortages and ensure Australia remains competitive in attracting skilled people.

Australia Needs Skills expos have been held in Brisbane, Melbourne and Perth. More than 8,000 people attended the expos.

Expos were also held in London, Amsterdam, Berlin and Chennai. A further 8,000 attended these expos. 49 exhibitors travelled to the overseas expos including State and Territory government representatives, employers and employer representatives and agents, the Migration Institute of Australia, and Trade Recognition Australia representatives. Attendees were screened, inviting those with skills, age and English language capability that best met migration criteria for Australia.

Reports from participants in the Expos have been very complimentary and supportive. Lessons learned include the need for: increased notice about future expos, more employers at expos, more refined profiling of potential attendees at overseas expos and better logistical arrangements for the transport of equipment.

More expos are planned for 2006, for overseas and in Australia. Current thinking is for four expos in Australia (Brisbane, Melbourne, Perth and Adelaide or NSW) and four expos overseas (possibly UK and Ireland, Americas, Asia and Middle East).

Challenge 1: How can more employers be encouraged to participate in both the on-shore and overseas expos?

How can early advice about the specific skills that employers need, be obtained prior to the expos to facilitate targeting?

Where should future expos be held?

Industry Outreach Officers

As an initiative introduced in conjunction with the 2005-06 Migration Program, DIMIA outposted officers to peak industry groups to inform their members of the visa opportunities and immigration mechanisms. 15 senior immigration Industry Outreach Officers (IOO) have been appointed on a part time and full time basis to 20 peak industry and association bodies. The Industry Outreach Officers are outposted to and located with the peak bodies. These officers run information seminars and workshops on using immigration systems. They also use industry newsletters to explain immigration options to meet skill shortages.

In addition to explaining and demonstrating immigration options and opportunities, the Industry Outreach Officers promote immigration expos and immigration options to industry members.

The industry officers took up their positions from August 2005 for a period of 18 months. There will be a review of their placements after 9 months in their positions. A list of officers is at Attachment A.

Challenges 2: How do we ensure that the IOOs are more effective in directly assisting employers using our visa products?

How could some of the activities undertaken by IOOs dovetail in with the expos? For instance could some seminars address visa information for potential attendees prior to the expos so that the interaction between employers and attendees can focus on non-visa matters?

Regional Outreach Officer (ROO)

The ROO network in regional Australia helps business and regional communities gain increased benefits from skilled and business migration. ROOs are specialist DIMIA officers who work out of the Business Centres in DIMIA State and Territory offices but spend a great deal of time “on the road” in regional Australia. This network has been operational since July 2004. The network promotes State Specific and Regional Migration mechanisms and delivers ‘on the ground’ advice to key regional stakeholders, such as employers, regional development authorities, state and local government.

Challenge 3: How can the ROO network improve its effectiveness in tapping into regional networks to broaden and improve the awareness of the range of options for recruiting skilled workers from overseas and facilitating the use of these options by regional employers?

Apprentices in traditional trades from overseas

The Trade Skills Training (TST) visa was introduced on 1 November 2005 as one of a number of strategies to help reduce skills shortages in regional Australia, particularly in the trades. Where a suitable Australian cannot be found for an apprenticeship, the visa enables an employer to recruit an overseas national.

Overseas apprentices are sponsored by an Australian organisation - an employer, or a body representing an industry or a region - who undertakes to support the apprentice to completion.

The apprenticeship must be in a regional area (ie outside Brisbane, the Gold Coast, Newcastle, Sydney, Wollongong, Melbourne and Perth), in a traditional trade that is in shortage, and is undertaken on a full fee basis. To ensure that no Australian will be

displaced, the apprenticeship vacancy is certified by a Regional Certifying Body as being one that could not be filled by local recruitment, and meets the other criteria.

A person can apply for a TST visa from overseas or in Australia eg. overseas students and working holiday makers.

In the month since commencement, 3 applications for sponsorship approval have been received, and one has been approved. The approved sponsor is a large well established group training organisation from regional Queensland and has received approval to sponsor up to 50 apprentices from overseas over the next two years in a variety of trades. No visa applications have as yet been lodged and may not be for a month or two as the only approved sponsor has as yet to identify and recruit apprentices from overseas.

Challenge 4: How can sponsors/employers be more effectively linked with potential Trade Skills Training visa applicants, and how could all the requirements and steps be more co-ordinated?

Expanding the Migration Occupations in Demand List (MODL).

The MODL is a list of skilled occupations identified by the Department of Employment and Workplace Relations (DEWR) as being in significant national shortage. Applicants who have MODL occupations get extra points under the points test. This changes the profile of people granted General Skilled Migration visas in favour of those who have occupations in demand.

The Government added 17 trade occupations to the MODL on 4 May 2005. The MODL is now reviewed biannually so that it is more responsive to labour market trends. On 1 November 2005 four additional occupations were added to the MODL on DEWR's recommendation. The occupations added to the MODL were; chemical engineer, mining engineer, petroleum engineer and dental specialist.

Since the inclusion of the 17 skilled trade occupations on the MODL in May 2005, there has been a significant increase in the number of applications received for offshore GSM visas where the applicant has nominated a MODL occupation.

The Department is constantly monitoring the impact of the MODL with changes being implemented when advised by DEWR.

Challenge 5: How can the MODL be made more relevant to regional shortages ?

Working Holiday Maker visa changes

A number of changes were announced to the WHM program in response to representations from employers in regional Australia who reported facing major difficulties obtaining sufficient labour to meet seasonal harvest needs, at times when the need is most acute. The nature of the industry makes it difficult to plan for labour

needs and is heavily reliant on a transient workforce. A shrinking rural population combined with an expanding industry has led to fewer workers spread across more farms.

The changes to the WHM program came into effect on 1 November 2005 and create greater incentives for WHMs to do seasonal work in regional Australia by offering those who work for a minimum of three months doing such work the opportunity to apply for another WHM visa. Prior to 1 November 2005, an individual was allowed only one WHM visa in their lifetime.

WHMs are young and mobile and offer an easily accessible pool of labour for seasonal work. Many already find work on the harvest trail. Since the introduction of the changes on 1 November 2005, a positive regional impact has already been experienced, which will help regional employers remain competitive and sustainable. As at 30 November 2005, some 660 applications for the second WHM visa have been received. A modest 15 percent take-up rate by WHMs would provide 15,000 more workers to regional Australia (based on 104,000 visa grants in 2004-05). There would also be a positive business impact in regional areas as regional employers would have improved access to a pool of seasonal labour.

At present, only those WHMs who do harvest work in the horticultural industry are eligible to apply for a second WHM visa. There is currently some consideration of whether other industries might also be included in the definition of seasonal work for the purpose of a second visa.

Challenge 6: Whether changes such as:

- altering the conditions of the WHM visa to allow WHMs to work for the same employer for six months, or to study or train for four months;
- allowing successful students who have studied for a minimum of two years in Australia and who have gained a degree or diploma to apply for a temporary visa designed to facilitate work experience, and
- continuing to explore possibilities for negotiating working holiday maker arrangements with other countries;

would benefit the tourism industry, employers and students?

Skills Recognition Web portal

DIMIA is currently developing, in cooperation with the Department of Education, Science and Training (DEST), DEWR, and the State and Territory governments, a web portal which will provide a gateway for prospective and current migrants to access comprehensive information on obtaining skills recognition and licensing.

The portal will address the information needs of those seeking to meet the requirements to migrate to Australia as well as migrants who entered under the Family category, spouses of skilled entrants, and humanitarian entrants who may wish to have their skills recognised.

States and Territories, and in particular, regional areas within those jurisdictions, will benefit from more timely recognition of overseas skills leading to earlier and more effective participation by skilled and qualified new arrivals in the workforce.

The portal is currently being prepared for user testing and will be operational by mid April 2006.

Challenge 7: What steps need to be taken to make businesses aware of the National Skills Recognition portal which will be launched in April 2006?

Surveys

DIMIA has been conducting a number of evaluations of particular elements of the Migration Program.

An evaluation of the Regional Sponsored Migration Scheme was undertaken in response to the findings of the Joint Standing Committee on Migration (JSCM) report "New Faces, New Places", September 2001. The survey found that RSMS was highly successful in placing skilled migrants with employers and in encouraging them to stay in regional Australia. (Evaluation report available on DIMIA website)

An evaluation of the Skilled Designated Area Sponsored (SDAS) program was also undertaken as response to the JSCM report and found SDAS to be reasonably successful but that there was some tendency for sponsored migrants to move away from the designated areas of their sponsors, or indeed not to settle there in the first place. To address this issue, DIMIA will introduce a two stage process for this visa from 1 July 2006 to ensure that applicants live and work in the designated area for at least two years (Evaluation report available on DIMIA website)

An evaluation of the general skilled migration categories is currently being undertaken. A report on the evaluation will be provided to the Government in early 2006. Early findings are that skilled migrants continue to find good jobs quickly after arrival. There are some indications, however, that former students may be finding it difficult to obtain work using their Australian qualifications. We need to make sure that these young, Australian trained people do well. Two options for improving the success of such students may be:

- increasing the threshold English language requirement; and
- creating pathways through temporary skilled work experience to permanent skilled migration.

Challenge 8! The current review of the General Skilled Migration categories is likely to recommend a tightening of some policy criteria. The most likely changes would be:

- higher English language requirements
- the development of a temporary visa regime to get onshore overseas students a period of skilled work experience before they become eligible to migrate.

How would you view such changes? If the changes were to reduce the number of migrants, how would business react?

ATTACHMENT A

Industry Officer Placement with Industry Groups

Organisation	Location	IOO	Part/Full Time
Australian Chamber of Commerce & Industry	Canberra	Michael Christopher	F/T
Master Builders Australia	Canberra	Nadia Davies	F/T
Housing Industry Association	Canberra	Helen Righton	P/T – 3 days/week
Motor Trades Association of Australia	Canberra	Ian Ingle	P/T – 3 days/week
Australasian Railway Association	Canberra	Ian Ingle	P/T – 2 days/week
Commerce Queensland	Brisbane	Glenda Hutch	P/T – 3 days/week
Growcom	Brisbane	Glenda Hutch	P/T – 2 days/week
National Farmers' Federation	Melbourne	Quinn Tran	F/T
Victorian Employers' Chamber of Commerce & Industry	Melbourne	Vin Tully	P/T – 3 days/week
Manufacturing & Engineering Skills Advisory Board Victoria	Melbourne	Vin Tully	P/T – 2 days/week
Australian Industry Group	Melbourne	Chris Coleman	F/T
Australian Industry Group	Sydney	Hasan Sowaid	F/T
Australian Business Limited	Sydney	Peter Lovell	P/T – 3 days/week
Association of Consulting Engineers Australia	Sydney	Geoffrey Atkin	P/T – 3 days/week
Restaurant & Catering Australia	Sydney	Geoffrey Atkin	P/T – 2 days/week
Australian Mines & Metals Association	Perth	Karen Crockford	P/T - 2 days/week
WA Resources Sector Consortium (CME & APPEA)	Perth	Karen Crockford	P/T – 3 days/week
Chamber of Commerce & Industry Western Australia	Perth	Glen Dival	F/T
Business SA	Adelaide	John Haren	P/T – 2 days/week
Tasmanian Chamber of commerce & Industry	Hobart	Vicki Daniel	P/T – 1 day/week

* The Department has requested Minerals Council of Australia (MCA) to identify their needs and requirements and to get a clear idea how they want the department to assist them.

* Northern Territory Chamber of Commerce and the Tasmanian Chamber of Commerce are providing support to the local chamber of commerce and industry.