5

Permanent skilled migration – overview

- 5.1 The Committee was asked to examine the migration entry and program management policies of Germany, Ireland, Japan, the United Kingdom, New Zealand, Canada and the United States of America as they related to skilled migration.
- 5.2 **Germany**, **Ireland** and the **United Kingdom** experienced labour migration (skilled and otherwise) by virtue of their membership of the European Community. Community citizens were entitled to leave their home country to go to another of the 15 member states. This form of internal European migration was outside the scope of the Committee's brief.

Limited opportunities for permanent skilled migration.

- 5.3 Unlike Australia, most of the countries considered by the Committee in this review did not have arrangements to permit skilled migrants to remain permanently.
- In **Germany**, **Ireland**, **Japan** and the **UK** skilled migrants appeared to be considered as temporary residents:

Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, United Kingdom. A Guide to the European Union; European Parliament - Fact Sheets, 3.2.2. Freedom of movement for workers www.europarl.eu.int/factsheets/3_2_2_en.htm Right to Access to Employment, Dialogue with citizens: Germany, Ireland, United Kingdom, europa.eu.int/scadplus/citizens/en/uk/01067.htm#tophttp://www.ecdel.org.au/eu_guide/eu_guide.htm#E UMembers

- **Germany** did not have a pathway to permanency in its skilled migration program which was concerned with recruiting ICT specialists for fixed periods.²
- **Ireland**, for many years a source of migrants, rather than a receiver, did not specifically provide for long term secure resident status for third country nationals.³
- **Japan** had no national policy to accept migrants into its society,⁴ and therefore had no systematised program to settle skilled migrants or identify skill shortages.⁵
- The **United Kingdom** had a number of schemes aimed at a group called "highly skilled workers" and these offered "indefinite leave to remain" which, as the name implied, was not the same as permanent residence, although it could be renewed.⁶

Countries with permanent skilled migration

5.5 Like **Australia**, **Canada**, **New Zealand**, and the **USA** had permanent migration programs applicable to skilled migrants.

Rationale for permanent skilled migration

- 5.6 **Australia's** *General Skilled Migration* program targeted:
 - people who are highly skilled, are under 45 years of age, and who will quickly make a contribution to the Australian economy.⁷
- 5.7 The goal of the **USA's** *Permanent Labor Certification* program was to increase the skills and education levels of the permanent migration intake which was dominated by family reunion immigration.⁸
- 5.8 **Canada's** Federal Skilled Worker Program and New Zealand's, General Skills Category differed from the Australian pursuit of specific skills.

² See chapter Temporary skilled migration.

³ Minister for Justice, Equality and Law Reform, Public Consultation on Immigration Policy, 1/6/01, Department of Justice, Equality and Law Reform, www.justice.ie

⁴ Embassy of Japan in Australia, Submission No 55, p. 1.

⁵ Embassy of Japan in Australia, Evidence, pp. 118-119.

^{6 &}quot;Indefinite leave to remain", ASG Immigration Ltd, www.asgvisa.com/index.html

⁷ DIMIA, General Skilled Migration to Australia, www.immi.gov.au/migration/skilled/index.htm

⁸ USA Country Profile, *Migration Information Source*, Migration Policy Institute, May 2003, www.migrationinformation.org/Profiles/display.cfm?ID=6; S. Martin, "U.S. Immigration Policy: Admission of Highly Skilled Workers" in 2001 *DoD SME Leaders Conference Report*, December 2001, Logistics Management Institute http://web.lmi.org/edugate/conference/2001/2001_conference_report.pdf

Canada emphasised the desirability of skilled migrants who showed the potential to adapt to local conditions and aimed:

to build a stronger Canada by maximizing the benefits from the global movement of people;... and managing access to Canada.⁹

a human capital approach, which is aimed at selecting workers who ... have the basic qualities—education, language, general generic skills—to fit into a range of things in the Canadian labour market and to be able to adapt as that labour market changes.¹⁰

5.9 **New Zealand** rejected its earlier "human capital" approach because of its perceived a:

terrible mismatch leading to a waste of skills and talent.¹¹

5.10 Its policy in mid 2003 was to welcome:

people who will contribute to our country by bringing valuable skills or qualifications... and strengthen our relationship with other parts of the world.¹²

5.11 When the Skilled Migration arrangements were completely revised in December 2003, the underlying rational remained the same, with New Zealand seeking the migrant:

who wants to live and work in New Zealand, and who has the skills that New Zealand needs to help it prosper nationally and internationally.¹³

Numbers

5.12 Table 5.1 below (from Chapter 1 *International competition for labour*) indicates the recent permanent immigration intakes of the countries the Committee considered. As noted in Chapter 1, the permanent migration statistics were not readily comparable between countries, but the data did give a sense of the scale of migration relative to the

⁹ CIC, Fact Sheet No. 16 Skilled Workers, www.cic.gc.ca/english/irpa/fs-skilled.html

¹⁰ Canadian High Commission, Evidence, 18/8/03 p. 139.

Hon Lianne Dalziel, Skilled Immigration Policy Announcement 1/7/0, www.beehive.govt.nz/dalziel/skilled-immigration/briefing-notes.cfm

¹² NZIS: Self-Assessment, Residence, www.immigration.govt.nz (Link removed when new arrangements introduced in December 2003)

NZIS, About the Skilled Migrant Category, www.immigration.govt.nz/Migrate/AbouttheSkilledMigrantCategory.htm

domestic labour force. The differing aims and natures of the programs also made direct comparison difficult.

Country	Workforce	Program	2000	2001	2002
Canada	15.1m	Skilled Worker	118,307	137,112	123,357
USA	135.1m	Permanent Labor Certification	107,024	179,195	174,968
		Financial years			
			2000/1	2001/2	2002/3
Australia	9.1m	General Skilled Migration	44,730	53,520	66,050
		Migration			

Table 5.1: Permanent skilled migration: selected countries: 2000-2003¹⁴

- 5.13 **Australia**, **Canada** and **New Zealand** did not set specific limits on numbers. Instead all identified annual targets.
- 5.14 **New Zealand** planned for 27,000 27,300 economic migrants in 2003, or 60 per cent of its immigration program. Likewise **Canada** appeared to aim for economic migrants to make up 60 per cent of its annual intake, or 220,000 245,000. **Australia** expected 63,000 migrants in its skill stream in 2003/4, some 57 per cent of the total non-humanitarian intake.¹⁵
- 5.15 The **United States** aimed to settle "at least 140,000" each year in its employment-based scheme. ¹⁶ In 2002 some 384,000 immigrants arrived in the US. Employment Visas numbered 40,050 (10.4%), over half of which (24,342) were issued to spouses and children. ¹⁷

Who gets in?

5.16 In each country there were mandatory requirements which the applicants had to meet. In addition, Canada and New Zealand, like

¹⁴ For sources, see Table 1.3 in Chapter 1.

¹⁵ **Australia**: Minister's statement, 2003-04 Migration Program Will Increase Benefits To Australia, MPS 18/2003, 31/3/03. **NZ**: What's New? FACT SHEET 1: The New Zealand Immigration Programme 2003/04, www.immigration.govt.nz/. **Canada**: CIC News Release 2003-12, Canada Welcomes Close To 230,000 New Permanent Residents In 2002, www.cic.gc.ca/english/press/03/0312-pre.html

¹⁶ U.S. Department of State, Bureau of Consular Affairs Visa Services, Visa Bulletin IMMIGRANT NUMBERS FOR OCTOBER 2003, http://travel.state.gov/visa_bulletin.html

¹⁷ Relatives of US citizens comprised some 179,000 (46.8%), family sponsored arrivals totalled 123,541 (32%), and visa lottery arrivals comprised 10%. *IMMIGRANTS, FISCAL YEAR 2002; Table 5, Immigrants admitted by type and class of admission, fiscal year 2002*, in 2002 Yearbook of Immigration Statistics, at http://uscis.gov/graphics/shared/aboutus/statistics/IMM02yrbk/IMMExcel/table5.xls

- Australia, identified a range of attributes against which applicants were measured. These are examined in the following chapters dealing with the mandatory and points test aspects of permanent skilled migration.
- 5.17 In general, Canada, the United States, the UK and Australia all wanted migrants who spoke the local language, would get jobs and fill gaps in the workforce.
- 5.18 Overall, the **USA's** permanent migration program was weighted towards admission of relatives of US citizens and refugees with no annual numerical limits, but there was provision for five categories of employment-based migration.¹⁸

Table 5.2: USA - Skilled migrant intake 2002¹⁹

Employment category		Primary applicants	Spouses	Children	Total	
Priority & proportion	Description	(New arrivals – excludes change of status of those in the USA)				
1 st = 28.6%	Extraordinary ability/outstanding researcher/multi- national executive	3,939	2,637	3,009	9,585	
2 nd =28.6%	Professional with advanced degrees	2,588	1,933	802	5,323	
$3^{rd} = 28.6\%$	Skilled workers	3,756				
	Professionals with baccalaureate degrees	4,555	5,747	7,858	21,916	
	Needed unskilled workers	393	342	806	1,541	
4 th = 7.1%	Ministers/US government officials abroad/etc	461	1,	1,172 1		
5 th = 7.1%	Employment creation – un targeted	10	9	15	34	
	Targeted employment creation	6	4	8	18	
TOTAL		15,708	24,	342	40,050	

5.19 The five employment-based categories covered a range of skills which were not directly comparable with Australia's skilled permanent

¹⁸ U.S. Department of State, Bureau of Consular Affairs, Visa Services; Tips for U.S. Visas: - IMMIGRANTS. http://travel.state.gov/visa;immigrants.html

Table 5, Immigrants admitted by type and class of admission, fiscal year 2002, in 2002 Yearbook of Immigration Statistics, at http://uscis.gov/graphics/shared/aboutus/statistics/IMM02yrbk/IMMExcel/table5.xls

- migration visa classes. There was, for example, a small group of "needed unskilled workers" who were permitted permanent residence in the USA, but which had no Australian equivalent.
- 5.20 Canada defined a skilled worker as a person who had one year's full-time work experience in a specified range of occupations in the previous ten years.²⁰ It described skilled workers as those whose job skills, education and experience would help them to find work and make a home in Canada.²¹ Canada therefore valued skilled immigrants who could:

effectively compete and succeed in the country's knowledge-based economy... [with the] emphasis on... flexible skills...rather than... intended occupation²²...

people who have the ability to learn and acquire new skills.²³

- 5.21 **New Zealand** sought migrants with a job offer who had work experience and a suitable level of qualifications.²⁴
- 5.22 **Australia** generally sought:

young, skilled, English proficient migrants with skills in demand who are able to gain employment quickly and who are able to make a positive contribution to Australia's economy.²⁵

- 5.23 Those who wished to join the skilled permanent migration stream to Australia had a selection of visas from which to choose:²⁶
 - **Skilled-Australian Linked**²⁷ allowed Australian citizens or residents to sponsor their parents, brothers, sisters, nephews, nieces and nondependent children. Applicants had to meet a points test which took into account their age and work skills as well as various sponsor attributes;
 - **Independent** was for unsponsored applicants whose education, skills, English language ability and ready employability would contribute to the Australian economy;

²⁰ S 75(2), Immigration and Refugee Protection Regulations, Canada Gazette Pt II 14/6/02

²¹ CIC, Applications and Forms, Applying as a Skilled Worker, www.cic.gc.ca/english/applications/skilled.html

²² CIC, Fact Sheet No. 16 Skilled Workers, www.cic.gc.ca/english/irpa/fs-skilled.html

²³ Canadian High Commission, Evidence, 18/8/03 p. 139.

²⁴ NZIS, Self-Assessment Guide for Residence in New Zealand, www.immigration.govt.nz/NR/rdonlyres/C30B0E60-D875-439D-9781-4CBB912DF67C/0/nzis1003.pdf

²⁵ DIMIA, Submission No 25, p. 36.

²⁶ DIMIA, Immigration Update, 1999-2000; 2000-2001; 2001-2002, November 2003, pp 40-41, www.immi.gov.au/statistics/publications/immigration_update/update_jun02.pdf

[&]quot;Concessional Family" until 1/7/97.

- Regional Linked allowed sponsorship of skilled relatives to designated areas of Australia. Both applicants and sponsors had to satisfy certain criteria;
- Employer Nomination was for highly skilled people nominated by employers in Australia who had been unable to find or train skilled workers in Australia for the position. This included the Labour Agreement category for people who were nominated by an employer or organisation under a Labour Agreement, ²⁸ Labour Australia Support Skills²⁹ or the Regional Sponsored Migration Scheme³⁰ and who had the skills, qualifications, and experience required; ³¹
- Business Skills covered successful business people with established skills in business who had a genuine commitment to owning and managing a business in Australia; and
- Distinguished Talent was for people who had outstanding records of achievement in a profession, occupation, the arts or sport.
- 5.24 Table 5.3 below shows the relative importance of each of these permanent migration schemes for Australia.

Table 5.3: Skilled Migration Visa - Arrivals, 1999/00-2002/3³²

	1999/00	2000/01	2001/02	2002/03
Independent	16,419	21,155	21,778	24,375
Business Skills	5,631	5,600	6,409	5,421
Skilled – Australian Linked	8,882	6,743	4,586	4,505
Employer Nomination Scheme	1,212	1,307	1,817	1,748
Regional Linked	139	830	1,374	2,394
Distinguished Talent	67	80	72	63
TOTAL SKILLED	32,350	35,715	36,036	38,504
Total settlers	92,272	107,366	88,900	93,914

²⁸ Labour Agreements - enable Australian employers to recruit (either permanently or temporarily) a specified number of workers from overseas in response to identified or emerging labour market (or skill) shortages in the Australian labour market.

²⁹ Labour Australia Support Skills (replaced Regional Headquarters agreements from 1 July 2002) - designed to encourage international firms to choose Australia as a location for foreign direct investment. It allows companies that make a significant investment in Australia to bring out essential key expatriate managerial and specialist employees from within the company group.

Regional Sponsored Migration Scheme - designed to help employers in regional or low population growth areas of Australia, who are unable to fill skilled vacancies from the Australian labour market.

³¹ DIMIA, Employer-sponsored Migration, www.immi.gov.au/migration/employers/index.htm

³² DIMIA, Immigration Update, 1999-2000 - 2001-2002, November 2003, p. 9; Submission No. 25a, Table 10; ABS, 2004 Year Book, Table 5.32.

- 5.25 The figures in the table overstate the number of skilled persons arriving because they include both the *Primary Applicants* and their dependants. In 2001/02, for example, 15,199 of the 36,036 visas were issued to the *Primary Applicant*. Of these 15,007 were employed, mainly as professionals. Among the 20,827 *Secondary Applicants* (i.e. the dependants of the primary applicants), 5,330 were employed, again mainly as professionals. Thus only just over half of the skill visas actually brought skills into the Australian economy, but those were high level skills.³³
- 5.26 In this review, the Committee concentrated on the main source of skilled migrants, the Skilled Independent program, because:
 - The other major programs, Business Skills and Skilled-Australia Linked, drew little comment in submissions and evidence.³⁴ The Business Skills program had been recently reviewed by DIMIA,³⁵ and the Committee did not wish to duplicate that detailed activity particularly because the program had been substantially modified as recently as March 2003 to permit greater State/Territory influence in the program.³⁶
 - The Committee had previously reviewed regional/non-metropolitan permanent migration arrangements in 2000 in its report *New Faces, New Places.* ³⁷ In that report the Committee examined the *Regional Sponsored Migration Scheme* (part of Employer Nomination); *State/Territory Nominated Independent Scheme* (a component of Skilled Independent); *Skilled-Designated Area Sponsored* (in Regional Linked); and *Regional Established Business in Australia* (in Business Skills). ³⁸
- 5.27 The Committee therefore does not re-examine those schemes in this report.

³³ DIMIA, Immigration Update, 1999-2000; 2000-2001; 2001-2002, November 2003, pp. 13-14, www.immi.gov.au/statistics/publications/immigration_update/update_jun02.pdf

³⁴ Skilled-Australia linked had been reviewed in February 1999 - Review of the Independent and Skilled-Australian-Linked Categories Report www.immi.gov.au/research/publications/independent_sal.htm

³⁵ DIMIA, Discussion paper: Improving the Performance of Business Skills Migrants (2002), Attachment C to Migration Institute of Australia, Submission No. 26.

³⁶ Minister for Immigration..., Regional Boost for Business Migration, MPS 10/2003, 26/2/03, www.minister.immi.gov.au/media_releases/ruddock_media03/r03010.htm

³⁷ Joint Standing Committee on Migration, New Faces New Place – Review of State-specific Migration Mechanisms, September 2001.

Regional Sponsored Migration Scheme - see "Employer Nomination" above; State/Territory Nominated Independent - enables States and Territories to sponsor Skilled-Independent category applicants who are willing to settle in States and Territories where their skills are in demand; Skilled-Designated Area Sponsored. - skilled relatives sponsored for migration to designated areas of Australia; Regional Established Business in Australia - allows people temporarily in Australia on Business (Long Stay) visas to apply for permanent residence if they have successfully established a business in a designated area of Australia. Fact Sheet 26. State/Territory Specific Migration, www.immi.gov.au/facts/26state.htm

Joining the queue

- 5.28 In the **USA** applications for skilled migration were generally made by the sponsoring employer through a recruitment process that met US Department of Labor guidelines and demonstrated that no minimally qualified U.S. worker was available.³⁹
- 5.29 In **Canada** it was the intending skilled migrant who submitted the application to a visa office. Most skilled worker applicants were required to attend a selection interview with an immigration officer.⁴⁰
- 5.30 In **Australia**, the application arrangements varied according to the nature of the visa. Those seeking admission through Skilled Independent visas had to apply to the Adelaide Skilled Processing Centre in South Australia.⁴¹
- 5.31 **New Zealand** required skilled migrants to submit an "Expression of Interest" including their points score. The New Zealand Immigration Service would then:

decide whether we will invite you to apply for residence in New Zealand based on the points you qualified for.⁴²

5.32 The New Zealand arrangement appeared to commit the government to detailed skill matching and other assessments. This distinguished it from the other countries' approaches under which an applicant meeting the required standards could expect to be eligible to migrate. Because the change was introduced only in mid-December 2003 there was, at the time of the Committee's review, no information about how the New Zealand innovation would be managed.

Queuing up

5.33 In **Australia** applications were generally processed in order of receipt. Priority could be given to State/Territory sponsored migrants, applicants under Skilled Designated Area Sponsored schemes, and nurses. ⁴³ According to the DIMIA *Annual Report* for 2002/3, the median processing times for Independent visas ranged from 3.8 – 4.7 months for onshore applications and 11.7-13.4 month for offshore.

³⁹ U.S. Department of State Bureau of Consular Affairs Visa Services - Tips for U.S. Visas: EMPLOYMENT-BASED VISAS, http://travel.state.gov/visa;employ-based.html

⁴⁰ FAQ - Canadian Skilled workers category, Immigration firm.ca, www.immigrationfirm.ca/faqskilled.html

⁴¹ DIMIA, General Skilled Migration Booklet.

⁴² NZIS, About the Skilled Migrant Category, www.immigration.govt.nz/Migrate/AbouttheSkilledMigrantCategory.htm 43 DIMIA, Submission No 25a, para 7.

Three quarters were actually processed within 6.5 months onshore and 16.4 months offshore.⁴⁴

- 5.34 Canada's processing time for permanent residence applications was between six and 10 months. Like Australia, the actual time depended on the individuals' circumstances and their location. Processing of skilled migration applications for Beijing, for example, averaged four years. Applicants could check the status of their applications online.
- 5.35 There were no comparable data available for **New Zealand** because its new program had only recently started. Once processed, applicants' Expressions of Interest would remain in the selection pool for three months.⁴⁹
- 5.36 Gaining permanent migration status for the **USA** was a more prolonged process which could take several years. Employers and would-be immigrants therefore tended to use temporary visas, pending a grant of permanent residence.⁵⁰ As a consequence, the Committee noted, more than eighty percent of the primary applicants for permanent immigration admitted under the Employment visa arrangements were changing status from an existing visa, that is they were generally already in the USA.⁵¹
- 5.37 The Committee was given evidence that Australia's migration arrangements were themselves disincentives to some migrants:

I have lost a number of potential clients almost as soon as they learn of the "minimum 52 weeks" estimated processing time... Over the last two years, the majority of those... have chosen Canada as their first option... there is an increasingly popular belief... that Canada does make it much easier and simpler - and that the Welcome Mat is laid out more willingly in Canada for such migrants, as compared to Australia.⁵²

⁴⁴ DIMIA, Annual Report 2002-03, p. 42.

⁴⁵ CIC, In-Canada Application Processing Times, www.cic.gc.ca/english/department/times/process-in.html

⁴⁶ FAQ - Canadian Skilled workers category, Immigration firm.ca, http://www.immigrationfirm.ca/faqskilled.html

⁴⁷ Average times - First Review at 19 months; Interview after 28 months. Canadian Embassy Beijing, *Processing Times*, as at 30/1203, www.beijing.gc.ca/beijing/en/navmain/visa/process/index.htm#02

⁴⁸ CIC, What Happens After You Apply, www.cic.gc.ca/english/skilled/after-1.html

⁴⁹ NZIS Expression of Interest Guide http://www.immigration.govt.nz/NR/rdonlyres/44F65F74-B745-4D90-8726-46D8150F2C25/0/EOIGuide.pdf

⁵⁰ S. Martin, "U.S. Immigration Policy: Admission of Highly Skilled Workers" in 2001 DoD SME Leaders Conference Report, December 2001, Logistics Management Institute http://web.lmi.org/edugate/conference/2001/2001_conference_report.pdf

^{51 63,570} of 79,274 in 2002. Table 5: Immigrants admitted by type and class of admission Fiscal Year 2002, 2002 Yearbook of Immigration Statistics, http://uscis.gov/graphics/shared/aboutus/statistics/IMM02yrbk/IMM2002.pdf

⁵² The Questbay Group, Submission No 49, p. 1.

USA and European nations make it easier for firms to recruit skilled workers.⁵³

The US admissions system... for admitting highly skilled temporary workers is fast and relatively cheap.⁵⁴

5.38 However, in the case of permanent migration, there was evidence that Australia's arrangements were less onerous that some other countries:

The UK recently opened up a skilled category for potential migrants...in our opinion the most difficult entry criteria we have ever assessed. The entry criteria to the USA is complex and very time consuming.⁵⁵

[Their] certification process for admitting highly skilled workers as permanent migrants to fill vacant jobs is slow and costly.⁵⁶

5.39 In discussions with the Committee the South Australian Government said that, for State-sponsored applicants, an approval process which might take 15 months for an Independent migrant could be shortened to three to five months because the Minister:

is able to specify priority processing of applications.⁵⁷

5.40 Dr S. Wearne, who migrated in 2000, told the Committee of a different administrative disincentive:

We applied for our visas six months prior to our departure. They arrived three weeks before we left. We were told that the visas are only processed according to the planned date of departure from England. The visa forms tell you not to book a flight until the visa has been issued. This is inconsistent. The delay in the visa meant that we continued to pack up and leave our jobs without any certainty that we would be let into Australia. This is unacceptable for a country that is actively trying to recruit medical personnel to areas of need.⁵⁸

5.41 The Committee did not wish to under-estimate the stress and frustration which might be associated with migrating to Australia. It did, however, note that the introduction of a major disincentive, the withdrawal of migrants' eligibility for immediate access to most social

⁵³ NSW Government, Submission No 37, p. 6.

⁵⁴ Institution of Engineers Australia., Submission No 10, p. 8.

⁵⁵ Prime International (now SIRVA Relocation.), Submission No 18, p. 2.

⁵⁶ The Institution of Engineers, Australia., Submission No 10, p. 8.

⁵⁷ SA Government, Evidence, p. 87.

⁵⁸ Dr. S. Wearne, Submission No. 47, p. 3.

- welfare payments, had not appeared to lessen the desire to move to Australia.⁵⁹
- 5.42 That such a major change could be implemented with little apparent effect on migration application was some indication of the strength of Australia's attraction. It also indicated that migrants based their decision on a range of considerations, weighing short-term drawbacks against longer-term benefits they expected to gain through migration.
- 5.43 In view of this, the Committee was loath to pursue new policy remedies for processing speeds, particularly when there was capacity for ministerial intervention to provide priority processing, as had been done with occupations on the Migration Occupations in Demand List.

Summary

- 5.44 Of the seven overseas countries examined, few contemplated permanent migration.
- 5.45 The Committee discovered that, like Australia, all of those which countenanced permanent skilled migration had adopted a series of filters to identify the migrants who would be selected.
- 5.46 In the next three chapters the Committee examines the mandatory requirements and the selection processes.