Australian Government

Department of Immigration and Citizenship

Submission by the Department of Immigration and Citizenship to the Joint Standing Committee on Migration 'Inquiry into the contribution of migration to Australian society'

May 2011

The Department of Immigration and Citizenship (DIAC) welcomes this opportunity to contribute to the Joint Standing Committee on Migration's (JSCM) 'Inquiry into the contribution of migration to Australian society'.

This submission responds to the inquiry's brief to consider the economic, social and cultural impacts of migration in Australia by presenting information about relevant portfolio policies and programs. It acknowledges that a wide range of other government agencies, different levels of government, community organisations and individuals also play important roles that affect migration outcomes for migrants and the Australian economy and society.

The introduction highlights that the impact of migration is an integral part of global changes resulting from broader social, economic and cultural trends. Subsequent sections focus on the three principal parts of the terms of reference (multiculturalism, social inclusion and globalisation; settlement and participation; and national productive capacity), with an emphasis on the role of departmental programs.

1. Introduction

In 1945, the same year the department was established, Australia's population reached seven million people. In his first ministerial statement to the federal parliament on 2 August 1945, the new Minister for Immigration, Arthur Calwell stated: "If Australians have learned one lesson from the Pacific War it is surely that we cannot continue to hold our island continent for ourselves and our dependants, unless we greatly increase our numbers"[1] – reflecting the 'populate or perish' approach of the early years of Australia's immigration policy.

Since that time, DIAC has facilitated the permanent entry of more than seven million people from around the globe to form one of the world's most linguistically and culturally diverse societies. Migration has been an integral part of the formation of Australia as a nation, with some 45 per cent of Australians being a migrant or a child of a migrant.

Today, the goal of immigration, settlement and citizenship policy is no longer seen in the simple terms of opening a gate to help populate the nation. It is about building Australia's future through the well-managed entry and settlement of people. Policies and programs aim to both manage complex migration flows to and from Australia, while optimising their economic and social impact in the national interest.

Evolving policy recognises that migration is as much an effect of economic, social and cultural change as it is a cause.[2] Varying economic, social and political conditions, new information and communication technologies, and uneven geographical distribution of opportunities for individuals and families all help drive changes that are occurring around the world. Changes to global migration flows are among these impacts, and these flows, in turn, impact on sending and receiving countries and localities in a multitude of ways,[3] and require policy responses.

It is important to consider changes associated with migration, whether as a cause of migration or an effect, at different scales: at global, regional and national levels; at specific community and locality levels; and at individual and family levels.[4] For example, particular networks of migrants may have important impacts on some communities and localities but exert only an indirect influence on the broader macro economic, social and cultural environment.

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[1] Commonwealth Parliamentary Debates, House of Representatives, 2 August 1945, Vol. 184 Excerpt. The Minister for Immigration and Information, Arthur Calwell 2 August 1945.

[2] Hein de Haas 2010, 'Migration transitions: a theoretical and empirical inquiry into the development drivers of international migration', Working Paper 24, International Migration Institute: Oxford University; Stephen Castles 2010, 'Understanding global migration: a social transformation perspective', Journal of Ethnic and Migration Studies, 36, no.10: 1565 -1586; S. Castles and M. Miller 2009, *The age of migration*, 4th edition, Palgrave Macmillan: Basingstoke.

[3] Hein de Haas 2010, ibid.

[4] Alejandro Portes 2010, 'Migration and social change: some conceptual reflections', Journal of Ethnic and Migration Studies 36, no.10: 1537-1563.

A wide range of government agencies including DIAC, different levels of government, community organisations and individuals can play important roles that affect migration outcomes on Australian society at all levels.

When migration is considered as a stand-alone cause of change, its impacts can be seen to be mainly limited to more 'surface' and intermediate levels of the economy, society and culture. Changes to the sights and smells in the local landscape or periodic social disturbances in suburbs do not change the fundamental core values or structures of Australian society. Also, these impacts vary considerably across regions and states and territories. Migration of itself has very little influence over the structural features of society including: the economic, legal and judicial structures; the educational system; the dominance of English; and the basic values guiding social interaction.[5]

On 17 February 2011, the Hon Chris Bowen MP, the Minister for Immigration and Citizenship, launched the government's new multiculturalism policy – *The people of Australia*. The new policy sets out how the government and the people of Australia value and benefit from cultural and linguistic diversity, expressed within the broader aims of national unity, community harmony and maintenance of Australia's core democratic values. The policy strengthens the suite of government initiatives aimed at supporting multiculturalism and addresses community concerns about the negative impacts of migration.

The submission focuses on the three principal parts of the terms of reference with an emphasis on the role of departmental programs.

- Multiculturalism, social inclusion and globalisation (*Terms of reference 1 and 2*) — this section includes a brief history of multiculturalism in Australia, and a description of the government's new multicultural policy, and of the Diversity and Social Cohesion Program.

- Settlement and participation (*Terms of reference 3 and 4*) — this section describes the government's programs that focus on new arrivals such as Humanitarian entrants who face significant challenges in overcoming disadvantage and settling into new life in Australia. It also highlights new initiatives including the new business model for the Adult Migrant English Program and the new Humanitarian Settlement Strategy.

- National productive capacity (*Terms of reference 5, 6 and 7*) — this section focuses on the economic streams and the government's recent reforms within the framework of the '3Ps' adopted by the Treasury in the Intergenerational reports – population, participation and productivity.

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[5] Ibid. This finding addresses misperceptions that migration of itself can bring about fundamental transformation to culture (eg values and language) and society (eg forms of government). Instead, research findings propose it is often pressures such as financial insecurity, changing social trends, perceptions of increasing criminality, rapid or poorly planned local development and/or lack of amenities, or fear of change itself which can be projected as arising from immigration, noticeable cultural diversity or the recent arrival of particular immigrant groups.

2. Multiculturalism, social inclusion and globalisation

Terms of reference

1 *The role of multiculturalism in the Federal Government's social inclusion agenda.*

2 *The contribution of diaspora communities to Australia's relationships with Europe, the UK, Middle East and the immediate Asia-Pacific region.*

Overview

At its most abstract, multiculturalism is a coordinated long range response to migration patterns that have resulted in diverse people and cultures occupying the same locality, who share the aim of making a home for themselves and their families in a community within a safe, stable and cohesive nation. Over time the term 'multiculturalism' has come to refer to: the demographic fact of cultural diversity; a set of policies, programs and services; as well as a concept that articulates normative ideals about society.

Australian multicultural policies have pursued a variety of goals over the years. These include social justice, the appreciation of diversity and the recognition of different identities, the integration of migrants, nation-building and attempts to achieve and maintain social cohesion.[6]

Today's multicultural policies, supported by a range of other social and economic policies and a wide range of government programs, aim to benefit the nation through the social inclusion of diverse population groups into Australian society. These measures also seek to mitigate any potential negative effects on human rights and social cohesion including the protection of vulnerable migrants.

Multicultural policies do not work alone but form part of a wide range of activities that are undertaken across society. Efforts by governments at all levels, organisations and individuals as well as the particular characteristics of Australian society, all interact to influence individuals' and societal outcomes in multicultural Australia. For example, good employment outcomes for specific migrant groups not only have an immediate benefit for the migrant and society but can also affect the longer term outcomes for second-generation migrants. Conversely, lack of opportunities, poor access to services and racism can lead to entrenched and intergenerational disadvantage for migrants. When concentrated in specific locations, this can lead to lower levels of local social cohesion[7] and a range of social problems. This can have significant long term impacts on individuals and communities as well as costs to governments.

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[6] Elsa Koleth 2010, *Multiculturalism: a review of Australian policy statements and recent debates in Australia and overseas,* Social Policy Section, Parliamentary Library, Research Paper no.6, 2010–118 October 2010.

[7] Andrew Markus 2009, *Mapping social cohesion 2009 – the Scanlon foundation surveys summary repor',* Monash Institute for the Study of Global Movements.

Multiculturalism can have an impact not only in Australia but can also affect prospective migrant decisions. Views about how well multiculturalism 'works' and information about life in Australia can circulate to origin countries and this can influence migrants' decisions about whether to move to or stay in Australia.

The following sections describe the development of the government's recently announced multicultural policy statement and outlines some of the benefits arising from Australia's cultural diversity.

Brief history of Australian multicultural policies

A prominent feature of Australia's multicultural policies over the years has been a broad commitment to bipartisanship to migration and cultural diversity. At the same time, there have been important differences and priorities across federal and state and territory governments throughout Australia's history.

The term 'multiculturalism' was formally introduced into Australia in 1973 by Al Grassby, Minister for Immigration in the Whitlam Government, in his reference paper, *A multi-cultural society for the future*. The first official national multicultural policies were implemented by the Fraser Government in 1978, following the recommendations of the Galbally Report, in the context of government's review of programs and services for migrants.

In 1987, the Hawke Government appointed a 22 person Advisory Council on Multicultural Affairs (ACMA). The ACMA was tasked to produce a national agenda for a multicultural Australia. The *National agenda for a multicultural Australia* report, released in 1989, emphasised the need for multicultural policies to assist migrants to participate in Australian life and broadened the aim of policies to target all Australians to support cultural expression, social harmony and social justice.

In 1994, the Keating Government established the National Multicultural Advisory Council (NMAC) to continue to provide advice to the government on the development of multicultural policy. In 1997, NMAC assisted with the development of the policy document *A new agenda for multicultural Australia* which was released in 1999. The NMAC was succeeded by the Council for Multicultural Australia (CMA) in 2000. The CMA advised the Howard Government on cultural diversity policy and programs and completed its term on 30 June 2006.

An Australian Multicultural Advisory Council (AMAC) was launched by Senator Chris Evans, the Minister for Immigration and Citizenship, on 17 December 2008. The government reappointed the council for a second term from 1 July 2010. AMAC consists of 16 members with a wide range of backgrounds, experience and professional expertise, and reflects a balance of ages and gender. Throughout 2008-09, AMAC provided advice to government on a cultural diversity policy, informed by the views of a range of stakeholders, including community organisations, academics and state, territory and local governments.

On 30 April 2010, AMAC delivered its advice to the government – *The People of Australia: The Australian Multicultural Advisory Council's statement on cultural diversity and recommendations to government*. The advice is presented in two parts:

an historical narrative of Australia's ongoing multicultural success story, covering 'our history', 'rights and responsibilities' and 'our future'; and ten headline recommendations. The government 'supported' or 'supported in principle' all of the recommendations and implementation is currently under way.

New multicultural policy

Australia's new multicultural policy, *The People of Australia*, (Appendix A) was launched by the Hon Chris Bowen MP, Minister for Immigration and Citizenship, on 17 February 2011.

The policy's key messages are:

- the government celebrates and values the benefits of cultural diversity for all Australians within the broader aims of national unity, community harmony and maintenance of Australia's democratic values, and

- Australia's successful multicultural society and democracy are built around shared rights and responsibilities that are fundamental to living in Australia, as broadly enshrined in the citizenship pledge.

The policy makes a strong and positive statement about:

- how the government and the people of Australia value and benefit from cultural and linguistic diversity, and

- how this cultural diversity should be expressed within the broader aims of national unity, community harmony and maintenance of Australia's democratic values.

The policy has four major principles and three key initiatives. These are outlined below.

Celebrate and value Australia's cultural diversity

- Australia's diversity is a fact of life and it is important to celebrate it as part of the democratic nation
- Cultural diversity benefits all Australians – when expressed within the broader aims of national unity, community harmony and maintenance of Australia's democratic values and fundamental freedoms

  - diversity enriches the lives of all Australians and makes Australia more cosmopolitan, vibrant and creative, and
  - everyone should be encouraged to feel they 'belong' in Australian society.

<u>Strengthen the government's commitment to social inclusion, social cohesion and responsive government services</u>

- The government is committed to a just, inclusive and socially cohesive society where:

  - all Australians are encouraged to participate and benefit from Australian economic, social and cultural life

  - everyone has access to government services to which they are entitled, regardless of their cultural or linguistic background, and

  - all Australians should be able to participate in the opportunities that Australia offers, regardless of their background.

<u>Welcome the trade and investment benefits of Australia's diversity</u>

- It is widely acknowledged that Australia was built on migration and that immigration brings it much needed skills and labour

- Australia's diversity has enhanced both its ingenuity and enterprise, and, as a result, strengthened its competitive edge in the global economy.

- This diversity provides Australia with global outlooks and networks to broaden business horizons and make it more open to the world.

<u>Promote the understanding and acceptance of cultural diversity while responding to attitudes and actions of intolerance and discrimination</u>

- The government actively seeks to foster understanding and acceptance among everyone, regardless of their background.

The initiatives set out in *The people of Australia* represent innovative approaches that complement existing multicultural policies and programs including the Access and Equity Strategy and the Diversity and Social Cohesion Program (described below), as well as settlement and other programs of DIAC and a range of federal, state and territory initiatives. The key initiatives are as follows:

<u>Anti-racism strategy</u>

- The government will establish a National Anti-Racism Partnership and Strategy.

- It responds to one of the key recommendations of the AMAC in its advice to government.

- It will be a collaboration of several government agencies, including DIAC, the Attorney-General's Department, the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA), the Australian Human Rights

Commission and the new Australian Multicultural Council, working together to tackle racism and discrimination in Australia.

- The National Anti-Racism Partnership and Strategy will focus on:

  - research and consultation

  - education and resources

  - public awareness

  - youth engagement, and

  - ongoing evaluation.

Multicultural Youth Sports Partnership Program

- The Multicultural Youth Sports Partnership Program will be administered by the Australian Sports Commission and will provide opportunities to connect young people from new and emerging communities, including young refugees, into neighbourhood sport and community organisations.

- The program will complement and boost existing initiatives and align with the National Strategy for Young Australians.

A new advisory body

- A new independent advisory body, with broader terms of reference, will succeed the current AMAC.

- The new body will be called the Australian Multicultural Council (AMC) and will advise government on multicultural affairs, as AMAC does now. In addition, it will:

  - have a formal role in the government's access and equity strategy

  - assist with cultural diversity celebrations and Harmony Day activities, and

  - implement a 'multicultural ambassadors' program to articulate the benefits of Australia's multicultural society to the Australian community.

- The government will appoint members to the AMC using a merit-based and independent selection process, as used with appointments to the ABC and SBS boards.

Access and Equity Strategy

Through its Access and Equity Strategy, the government aims to achieve fairer and more accessible government services and programs that are responsive to the needs of Australia's cultural, religious and linguistic population. The strategy provides government agencies with a key tool for building cultural diversity considerations into

the core processes of government service delivery. It encourages and supports government departments, agencies and local governments to design, deliver, monitor and evaluate their programs and services. The strategy includes a framework that outlines four principles – responsiveness, communication, accountability and leadership – to help agencies apply them to their programs and services.

Every two years, the government publishes an Access and Equity in the *Government services report* that has been tabled in both houses of parliament since 1993. DIAC coordinates input from government agencies and state, territory and local governments.

A strengthened Access and Equity Framework is a key initiative in the new multicultural policy. The new AMC will manage the Access and Equity Strategy to help strengthen the independence of access and equity reporting from the government and establish a more robust reporting framework. Another key initiative under the policy will be an inquiry into the responsiveness of government services to clients disadvantaged by cultural or linguistic barriers.

Diversity and Social Cohesion Program (DSCP)

The DSCP is a community grant program that funds projects that work towards a social environment in which all Australians can develop a full sense of belonging and participate and contribute to Australian society. This work is undertaken through initiatives that address cultural, racial and religious intolerance by promoting respect, fairness and a sense of belonging for everyone. It also includes projects which develop community capacity building skills of specific community groups under significant pressure due to their cultural, religious or racial diversity.

Examples of projects are outlined below.

- Orange Family Support was recently funded for the Multicultural Mothers Morning Group project. Many women who move to Orange from Sudanese, Chinese, Thai, Lebanese, Tongan and Japanese backgrounds experience isolation from the wider community. Transport, language barriers and a lack of networks combined with caring responsibilities for small children exacerbates the problem. In response, the group established a multicultural mothers' morning group that met weekly during school terms to build friendships and to support newly arrived mothers in the areas of education, health, parenting and social networks. The group is constantly changing as new mothers arrive in Orange.

- The Southern Ethnic Advisory and Advocacy Council is currently funded under the DSCP for the project Youth Without Borders – a cultural exchange. It will bring young people living in south-east Melbourne together to learn about other cultures, address misperceptions and stereotypes, and increase contact and cooperation among groups that would otherwise have limited interaction. Throughout the project participants will come together weekly at a local venue to participate in a cultural exchange program.

- In 2008-09, DIAC provided funding to the Multicultural Youth Advocacy Network (MYAN). MYAN, established in 2005, is a nationally recognised policy and

advocacy body that represents migrants including newly arrived young people in order to advance their rights and interests. The funding enabled MYAN to consolidate its policy and advocacy work and supported the development of multicultural youth sector networks in each state and territory.

The role of multiculturalism in the Australian Social Inclusion Agenda

The government's vision of a socially inclusive society is one in which all Australians feel valued and have the opportunity to participate fully. Achieving this vision means that all Australians should have the resources, opportunities and capability to:

- learn, by participating in education and training

- work, by participating in employment or voluntary work, including family and carer responsibilities

- engage, by connecting with people, using local services and participating in local civic, cultural and recreational activities, and

- have a voice, in influencing decisions that affect them.

On 28 January 2010, the government released its national statement on social inclusion, entitled *A stronger fairer Australia*.[8] The Australian Social Inclusion Agenda recognises that some Australians experience higher rates of disadvantage and social exclusion than others. Six priority groups were identified for early action in the development and delivery of programs and services. In addition, the government affirmed its commitment to helping vulnerable new arrivals and refugees.

In creating a socially inclusive Australia, a new approach towards the delivery of government assistance has been developed. The *Australian Public Service social inclusion toolkit*[9] provides practical policy guidance to government agencies. The toolkit directs government agencies to consider the needs of vulnerable new arrivals and refugees in the design and delivery of policies and programs to secure the best social inclusion outcomes.

National Compact

The National Compact aims to strengthen the working relationship between government and the not-for-profit sector and is an important element of the broader Social Inclusion Agenda. DIAC has a long history of partnership with this sector, particularly in the delivery of settlement services to newly arrived migrants and Humanitarian entrants. These partnerships with local organisations assist new arrivals to settle into their new community and life in Australia.

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[8] Australian Government 2009, 'A stronger, fairer Australia'.

[9] Australian Government 2009, 'The Australian Public Service social inclusion policy design & delivery toolkit'.

The Secretary of DIAC, Mr Andrew Metcalfe, is one of the 'Compact Champions'. Compact Champions are people who are recognised as change agents and leaders in their fields and who share a common desire to improve the wellbeing of Australians.

Contribution of diaspora communities to Australia's relationships with Europe, the UK, Middle East and the immediate Asia-Pacific Region

Australia's culturally diverse communities play a significant role in enhancing its relationship with many countries. There are strong people-to-people links between many of Australia's diaspora communities and their countries of origin. Early and continuing migration from many parts of the world to Australia and the maintenance of ancestral homeland ties by migrants and their descendants help Australia connect to the wider world.

Migrant networks influence the social and economic conditions associated with migration flows. Remittances contribute to the incomes of extended families and the economies of those countries. This can help encourage and resource subsequent migration by members of families and origin communities. These networks also support migrants socially and economically once they arrive in Australia.

Members of many of Australia's diaspora communities have links to the foreign diplomatic missions of their countries of origin. Many of Australia's cultural celebrations organised by community organisations include official representation by members of the diplomatic corps. Visiting delegations often meet with members of their Australian communities. These interactions promote a positive image of Australia and highlight its success as a multicultural nation.

Diaspora communities in Australia can play an important role in dispelling misconceptions about Australia and projecting a modern image of Australia, particularly in overseas' media. The positive experiences of the vast majority of diaspora communities and notable successes of some individuals also help dispel negative stereotypes and misconceptions about Australia.

Members of diaspora communities facilitate business and trade links with their countries of origin. The membership of many bilateral chambers of commerce includes strong representation from migrants' respective communities, especially recent migrants. This fosters strong business ties between Australia and the countries of origin of diaspora communities.

While DIAC is not aware of empirical studies, it is generally acknowledged that Chinese students permitted to remain in Australia following the Tiananmen Square incident (1989) soon made an important contribution to increased economic activity between Australia and China. Many former students displayed entrepreneurship and identified emerging business opportunities.

Diaspora communities whose ancestral homelands are affected by natural disasters are often among the strongest supporters of fundraising and relief efforts. Following the L'Aquila earthquake in Italy in 2009, Italian Australians led by Australian Italian-language newspaper *Il Globo*, raised donations through the Australian Abruzzo

Earthquake Appeal Fund. Similarly, following the Sichuan earthquake in 2008, many Chinese Australians strongly supported fundraising efforts through community organisations.

At a national level, in early 2011 the Greek government announced the issue of a diaspora bond to allow Greek communities in Europe, Canada, the United States and Australia to invest in the Greek debt market.

Australians abroad

Like other countries' diasporas in Australia, Australians abroad contribute to the national interest. This does not come under the formal responsibility of the Immigration and Citizenship portfolio (rather, it falls more directly under the Foreign Affairs and Trade portfolio). To our knowledge, this area has not been highly researched in recent years. With these caveats, and noting that there was a Senate Legal and Constitutional References Committee inquiry on Australians living abroad (*They still call Australia home: inquiry into Australian expatriates*) in 2005,[10] DIAC offers the following comments.

The estimated 316,000[11] Australians living abroad are, in the main, not highly concentrated in expatriate communities.[12] Australian expatriates increasingly tend to be young, highly skilled and highly educated. They are often employed in influential positions and connected into the social, economic and civic life of the countries where they live and, like Australians living in Australia, they have the advantage of a wide range of ancestries, language skills and networks. Most also retain strong links with Australia.

Overseas Australians have opportunities to influence perceptions about Australia overseas (in particular in the region), forge business links, and extend social and other networks. "The Australian diaspora represents a market, a constituency, a sales force and an ambassadorial corps."[13]

Australia benefits from two-way international skills flows, part of which is Australians travelling and living abroad. Overall, Australia has a 'brain gain', rather than a 'brain drain' from these flows.[14] In addition, most Australians return eventually to live in

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[10] Parliament of Australia Senate 2005, *They still call Australia home: inquiry into Australian expatriates.*

[11] OECD 2000 *Emigration rates by country of origin, sex and educational attainment levels.*

[12] G Hugo, D Rudd and K Harris 2003, *Australia's diaspora: its size, nature and policy implications*, Committee for Economic Development of Australia. The figure stated in this report for the size of the Australian diaspora is over-estimated by a factor of three according to the OECD database compiled using Census data from 89 countries and quoted in this submission (see footnote 12 above).

[13] M Fullilove and C Flutter 2004, 'Diaspora: the world wide web of Australians', Lowy Institute Paper 04, Lowy Institute for International Policy, p. x.

[14] B Birrell, V Raspon and T F Smith 2005, *Immigration in a time of domestic skilled shortages*, report commissioned by the Department of Immigration and Citizenship.

Australia – research published in 2004 found that the overall return rate for Australian residents who say they are leaving long-term or permanently is about 75 per cent.[15]

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[15] B Birrell et al. 2004, *Skilled movement in the new century: outcomes for Australia*, Centre for Population and Urban Research, Monash University.

3. Settlement and participation

Terms of reference

3   *Innovative ideas for settlement programs for new migrants including refugees that support their full participation and integration into the broader Australian society.*

4   *Incentives to promote long term settlement patterns that achieve greater social and economic benefits for Australian society as a whole.*

Overview

The success of immigration in Australia can be largely attributed to the successful settlement of migrants into Australian life. This is a tribute to Australia's multicultural society, migrants themselves and the efforts of Australian governments and a wide range of community organisations that support them.

The bulk of Australia's newly arrived migrants do not require specialised settlement services. Many will have been selected for permanent residency on the basis of their skills, English proficiency and high propensity to be employed. Some join families in Australia which help them to adjust to life in their new community. Others enter under temporary visas to take up pre-arranged employment or study opportunities.

The government recognises that a minority of new arrivals face significant challenges in overcoming disadvantage and settling into a new life in Australia, and require specialised assistance. DIAC settlement programs focus on these people with greatest need – predominantly Humanitarian entrants and others with particular English training needs. These programs help ameliorate the adjustment costs that migrants face in adapting to life in a new country. Settlement programs contribute to migrants' participation in society and connection to services, to the benefit of migrants and Australia in general. These programs have evolved in response to the increasing diversity of migrant groups, changes in broader government policy, and evaluations, reviews and recommendations on the delivery of settlement and mainstream services.

Settlement programs, like many other government programs intervene in a complex field where many social, economic and cultural factors are at play. Ultimately, efforts by and characteristics of new arrivals themselves[16], migrant and familial networks, Australia's many small social welfare and cultural organisations and society at large determine the opportunities and successes of new migrants. Settlement programs, nevertheless, help many vulnerable and disadvantaged new arrivals.

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[16] Australian Survey Research Group 2011, *Settlement outcomes of new arrivals: report of findings*, report commissioned by the Department of Immigration and Citizenship.

Departmental settlement services include integrated support for Humanitarian entrants, translating services, English language classes, and grant-based funding for projects to assist the integration of migrants. In recent years there has been an increased focus on how settlement and related services can contribute to community harmony and social cohesion. The following sections describe DIAC's settlement services.

Humanitarian Settlement Services (HSS)

The new HSS program replaced the previous Integrated Humanitarian Settlement Strategy on 4 April 2011. The HSS was developed following extensive consultations with stakeholders. It provides intensive settlement support, through a coordinated case management approach, to Humanitarian clients on arrival and throughout their initial settlement period. The objective of the program is to strengthen Humanitarian clients' ability to participate in the economic and social life of Australia and provide them with the knowledge and skills to access services independently beyond the initial settlement period.

Key features of the HSS program include:

- a flexible client-centred approach, using case management plans and focusing on individual settlement needs

- greater focus on the particular needs of young people

- a new comprehensive onshore orientation program which builds on the messages delivered through the offshore cultural orientation program, AUSCO, and delivers competency-based outcomes to clients, and

- flexible and innovative approaches for the provision of accommodation services.

Complex Case Support (CCS)

The CCS program delivers specialised and intensive case management services to refugees and Humanitarian entrants with a multiplicity of needs that cannot be met by existing settlement services. Commencing nationally in October 2008, the program provides flexible, tailored and localised responses to meet the needs of each individual who may be in a crisis situation.

The program is designed to work in partnership with settlement and mainstream services to address the often significant barriers these clients face in settling in Australia. The approach the CCS takes is to draw upon client strengths to help them to overcome their immediate difficulties and participate independently in the Australian economy and society.

Unaccompanied Humanitarian Minor Program

Unaccompanied Humanitarian Minors (UHMs) are non-citizen children who have been granted refugee or Humanitarian visas for settlement in Australia and do not have a parent to care for them. UHMs who are not in the care of a relative over the

age of 21 fall within the ambit of the *Immigration (Guardianship of Children) Act 1946*, and the Minister for Immigration and Citizenship becomes their guardian. Under the Act, the minister's day to day functions as guardian of these minors are delegated to state and territory child welfare agencies (SCWAs). The UHM program enables the provision of supervision by a case worker and welfare support services. Services provided through a SCWA or not-for-profit provider include assistance with clothing, food, housing and educational requirements. These minors can also access settlement support under the HSS Program.

Australian Cultural Orientation (AUSCO) Program

The AUSCO Program marks the beginning of the settlement process for people coming to Australia under the Humanitarian Program. It is provided to Refugee and Humanitarian visa holders who are preparing to settle in Australia and provides practical advice and the opportunity to ask questions about travel to and life in Australia and is delivered overseas, prior to their journey. It is administered by the International Organization for Migration on behalf of DIAC, and provides an initial introduction to aspects of Australian life and initial links to the onshore services provided through the HSS.

Reducing homelessness

In response to the government's White Paper on homelessness, *The road home: a national approach to reducing homelessness* (December 2008), the provision of accommodation services under the HSS has been strengthened.

- HSS clients will be accommodated from the time they arrive in Australia (based on their need), directly into long-term accommodation, or in short-term housing arrangements before being placed in long-term accommodation. Accommodation will be predominantly sourced from the private rental market.

- The payment of clients' initial rent and utilities for the first four weeks after arrival, and the provision of a basic household goods package will ease the financial pressures clients experience shortly after arrival and assist them to establish their new residence in Australia.

- HSS clients will be eligible for accommodation support throughout their time in the program. This will involve direct support in sourcing and securing suitable accommodation and education of clients on how to navigate Australian accommodation systems and manage their own rental affairs.

- Clients' accommodation situation will be assessed prior to exiting HSS to ensure they are not at risk of homelessness. Where clients are identified as being in an unsuitable living situation they will not be exited from the HSS program until their accommodation situation has been stabilised.

Adult Migrant English Program (AMEP)

The AMEP provides up to 510 hours of free English tuition to eligible migrants from the Humanitarian Program, and family members from other streams who do not have functional English. The focus of the AMEP is on English language acquisition to support settlement outcomes such as social and economic participation, health and

wellbeing and connection with community. AMEP is delivered in over 250 locations in metropolitan and regional areas around Australia.

A new AMEP business model has been developed and is due to commence from July 2011. Features of the new model include:

- introduction of an Individual Pathway Guide to document and monitor learning goals and outcomes of each AMEP client

- greater accessibility to the AMEP for youth who are not participating in the school system and support for the delivery of 'youth only' classes where possible

- settlement courses upon entry to and exit from the program, and

- an enhanced counsellor role to provide increased educational support for clients.

AMEP eligibility has been extended to 15 to 17-year olds who discontinue their schooling within their first year of arrival in Australia. This will create more flexible learning options for young people who are experiencing difficulties adjusting to the education system. The provision of 'youth only' classes will be strongly encouraged under the new model, and young people will receive assistance from AMEP counsellors to access further educational opportunities in the vocational education and training sector.

Key strengths of the current AMEP will be carried through to the new business model. They include:

- flexible learning options that take into consideration individual client needs such as face to face tuition, home based learning, distance learning, day and night classes and full and part-time tuition

- up to 400 additional hours of English tuition through the Special Preparatory Program for Humanitarian Entrants with limited education or difficult pre-migration experiences such as torture and trauma

- free childcare for clients with children under school age during class times

- up to 200 additional hours of vocational specific English courses under the Employment Pathways Program (EPP) / Traineeships in English and Work Readiness (TEWR) to help clients to transition into the workforce or vocational training.

Collaborative support for education

While there are no programs that provide specific support for school education, DIAC delivers services to help orient school-aged new arrivals to Australian schools. In recognising that many school-aged Humanitarian entrants are unfamiliar with a school environment and have no prior formal education or literacy in their own language or English, Settlement Grants Program projects provide activities that help these children to develop skills and build confidence to adjust quickly in a school

environment. These children also receive assistance to complete homework after school. Parents with limited education are provided with information that explains how to enrol their children, purchase uniforms and equipment, provide packed lunches and interact with the school community.

English language tuition for Humanitarian entrants in primary and secondary schools was previously delivered through the English as a Second Language – New Arrivals (ESL-NA) program, administered by DIAC of Education, Employment and Workplace Relations. The 2007-08 federal Budget allocated an additional $127.8 million over four years to double the funding for Humanitarian Program students under the ESL-NA program. From 1 January 2009, ESL-NA program funding was incorporated into the National Education Agreement giving states and territories sole responsibility for determining the allocation of education funding. Governments agreed to work together so that all Australian school students acquire the knowledge and skills required for participating effectively in society and for employment in a globalised economy.

Settlement Grants Program (SGP)

The SGP is designed to assist eligible migrants who arrived in Australia in the last five years to become self reliant and participate in Australian society. At Appendix B are the funding criteria and assessment methodology. Core services include:

- orientation to Australia, including casework and referrals, to promote self-reliance, life skills and familiarity with Australian society, and

- activities that provide opportunities for eligible new entrants to participate in Australian society.

Examples of projects that deliver innovative services and incentives to promote long term settlement outcomes are listed below.

- The Hills, Holroyd, Parramatta Migrant Resource Centre is funded to deliver casework, group information sessions and cultural transition workshops to newly arrived Humanitarian entrant women living in Baulkham Hills, Holroyd and Parramatta. In addition to these core services, the project will support participants to develop a commercial enterprise in fashion and deliver a volunteer training program, sporting and school-based activities, and a driver education program.

- Youth off the Streets is funded to deliver youth programs in Western Sydney to reduce antisocial behaviour among newly arrived African young people, including issues that have arisen during their settlement in Australia. Activities include teaching conflict resolution and leadership and individual mentoring.

An innovative approach that will be introduced through the 2011-12 SGP funding is the tailoring of services to provide better specialist services with a targeted, flexible, client-centred focus. This includes:

- immigration assistance for Humanitarian entrants who wish to propose family members to settle in Australia

- housing services to assist clients to achieve long-term housing stability, and

- ethno-specific funding for organisations that build the capacity of new Humanitarian entrant communities.

Translating and Interpreting Service National (TIS National)

DIAC has delivered interpreting services since the 1970s, and in 2002 these services were consolidated to become Translating and Interpreting Service National (TIS National). TIS National has more than 30 years of experience in the interpreting industry, and has access to over 1900 contracted interpreters across Australia, speaking more than 180 languages and dialects. Services are available 24 hours a day, seven days a week for people who do not speak English and for English speakers who need to communicate with them. It provides immediate telephone interpreting services, as well as pre-booked telephone and on-site interpreting.

Fee-free interpreting services

Some of the eligible groups and individuals who may use fee-free interpreting services to assist eligible clients are:

- private medical practitioners providing rebates under Medicare and their reception staff to arrange appointments and provide results of medical tests

- non-profit, non-government, community-based organisations for case work and emergency services where these services are not funded

- local government authorities to communicate with non-English speaking residents on issues such as rates, garbage collection and urban services

- trade unions to respond to members' enquiries or requests, and

- pharmacies for the purpose of dispensing Pharmaceutical Benefits Scheme medications.

Recently, the fee-free interpreting service was extended to nominated real estate agents in areas of high settlement need. This pilot program helps non-English-speaking residents, especially Humanitarian entrants, to access the private rental market and deal independently with real estate agents on tenancy matters such as contract signing, rental payment and inspections.

Fee-free document translating service

DIAC provides a fee-free document translation service for people settling permanently in Australia. This service includes translation of personal, settlement-related documents (eg. education certificates, employment records and driver

licences) to assist migrants with their settlement transition and engagement in education, employment and community activities.

Sustainable Regional Settlement (SRS) Program

The SRS is a small, grants based program designed to improve the sustainability of Humanitarian entrants in regional towns. To date the program has funded nine projects including retention strategies, accommodation support for Humanitarian entrants involved in existing programs and case management and referral services.

Examples of projects that deliver innovative services and incentives to promote long term settlement outcomes in regional areas include the following:

- the Bendigo Regional Ethnic Communities Council was funded to provide casework and referral services to support 80 East African entrants who had moved from Melbourne to the small town of Castlemaine to pursue employment opportunities. By the end of the project 109 East African residents had moved to Castlemaine, and participants went on to form an incorporated association which in turn received a state government grant of $246 000 for further community development activities.

- the Migrant Resource Centre of South Australia was funded to develop an employment strategy for Humanitarian entrants who were moving to regional towns on the Limestone Coast. It supported 39 participants studying courses such as childcare and food handling, and helped 29 participants to gain full-time, part-time or seasonal employment.

Settlement advisory bodies

DIAC draws on expert and community advice in developing and implementing settlement policy and programs. Settlement advisory bodies include:

- the Refugee Resettlement Advisory Council (RRAC) is an expert advisory body that provides advice to the Minister for Immigration and Citizenship and the Parliamentary Secretary for Immigration and Multicultural Affairs on matters relating to the settlement of migrants, refugees and Humanitarian entrants. Its priorities include refugee youth and participation in employment.

- the Refugee Council of Australia (RCoA) provides advice on the views of the non-government sector on the Humanitarian Program, including on issues relating to onshore protection and Humanitarian settlement.

- the Settlement Council of Australia (SCoA) provides advice on the views of the settlement sector in order to improve collaborative and strategic planning for settlement services.

Collaborative initiatives

Government/not-for-profit collaborations

The *Improving Social Cohesion in the City of Hume* project is a collaborative initiative involving three federal agencies in cooperation with the Scanlon Foundation to strengthen social cohesion in Hume. The project represents a positive step towards developing a good practice model that could be replicated in other local government areas around Australia.

Inter-agency meetings

An important mechanism to support collaborative work by DIAC is the inter-agency meetings between the Settlement Branch and Centrelink, DIAC of Education, Employment and Workplace Relations (DEEWR) and DIAC and FaHCSIA. The meetings are chaired by DIAC and facilitate better communication and collaboration between the three agencies on programs and issues that relate to newly arrived migrants.

Interdepartmental Working Group

In 2010 an Interdepartmental Working (IWG) was formed to identify how education and employment outcomes could be improved for refugees and other migrants. IWG members include DIAC, DEEWR, DIAC of the Prime Minister and Cabinet, Centrelink and DIAC of Human Services. Work currently under way includes the development of six cross-agency research proposals and a Memorandum of Understanding to allow DIAC and DEEWR to share data on common clients.

Planning

DIAC's settlement planning process is designed to gather feedback on the needs and outcomes of clients in order to improve the delivery of programs and services. Key planning processes include:

- a bi-annual assessment of the key needs of Humanitarian entrants throughout Australia by DIAC's state and territory offices (STO)

- local meetings convened by the STO network with service providers and other government agencies to address identified settlement priorities at a state or territory level, and

- analysing and responding to feedback on settlement programs from peak bodies such as the RRAC, the RCoA and the SCoA.

An integrated settlement framework

DIAC is developing an integrated settlement framework to better align policy, planning and funding of settlement services. The framework will provide a national policy platform for the government to continually improve service delivery and achieve sustainable settlement outcomes for clients.

The new settlement framework is being informed by the following themes, developed following extensive consultations and submissions from key stakeholders, program reviews, and analyses of settlement programs:

- articulate better linkages between immigration and settlement programs

- provide a better evidence base for understanding the settlement needs and outcomes of clients

- improve agency coordination and front line delivery of government funded settlement assistance to achieve better client outcomes

- organise programs based on client needs, and

- inform choice of settlement locations for Humanitarian clients based on their needs and available services.

4. National productive capacity

Terms of reference

5   *The role migration has played and contributes to building Australia's long term productive capacity.*

6   *The profile of skilled migration to Australia and the extent to which Australia is fully utilising the skills of migrants.*

7   *Potential government initiatives to better assist migrant communities establish business enterprises.*

Overview

From its outset, Australia's migration programs have been concerned with lifting Australia's productive capacity. In 1946, Arthur Calwell, as the first Minister for Immigration wrote:[17]

> *In our expanding economy, and with the Government's policy of full employment, immigrants will make jobs as well as take them. We need more and more workers for our developing industries, and these new Australian citizens, by increasing the consumer population, will create extra work for others. Side by side with this factor is the steadily increasing flow into Australia of new industries, which will provide vast employment fields for immigrant workers and for Australians as well.*

The migration programs have evolved and become considerably more complex and sophisticated since that time, but the overall intent of the skilled migration program remains to serve the national interest by improving living standards in Australia.

The scale of the Australian economy been transformed through high rates of population growth, of which migration has added more than 7 million people plus their descendants. The size of the economy has increased more than six-fold since World War II. In addition to the increase in scale, since the mid-1980s the Australian economy has outperformed the OECD average in improved living standards, as measured through growth in real GDP per capita.[18] There have been many reforms which have contributed to this outcome, among which should be included reforms to the migration program.

Most important among these was the report of the FitzGerald Inquiry which argued for a much greater emphasis on skilled migration because of the economic benefits it offered, and for careful and objective selection of skilled migrants.[19]
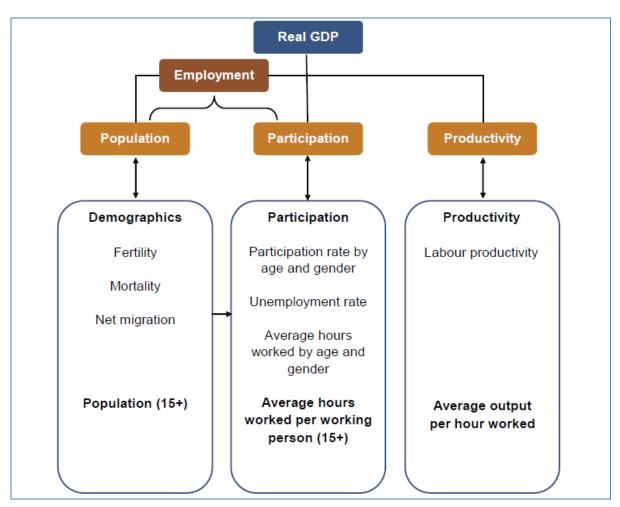
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[17] A A Caldwell 1946, *Immigration means more – not less – work* Information for Sydney Standard.

[18] Saul Eslake 2007, *An introduction to the Australian economy*, ANZ Bank.

[19] Committee to Advise on Australia's Immigration Policies Immigration 1988, *Immigration: a commitment to Australia* pp xi-xvi.

Economic benefits of skilled migration

When thinking about the economic benefits of the skilled migration program, and supporting temporary programs, it is useful to do so within the framework of the 3Ps adopted by the Treasury in the Intergenerational Reports.[20] This is shown in Box 1.

Box 1:   Components of growth in real GDP

Migration contributes to growth in all 3 Ps by bringing people into Australia who are concentrated in the prime working ages of 25 to 44 years, have a high propensity to work and are highly skilled.

- Population – adding to the number of working aged people. Skilled migrants are younger than the general population and are concentrated in the prime working years of 25 to 44 years. Independent of any other factor, this in itself boosts participation, as prime working age people have the highest labour force participation rates in the population.

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[20] Attorney-General's Department, 2010 *Australia to 2050: future challenges* (commonly referred to as the 2010 Intergenerational report), Australian Government.

- Participation – increasing the proportion of people in the workforce. Over and above this demographic dividend, skilled migrants are selected on the basis of their capacity to quickly flow through into employment. This gives an additional boost to labour force participation.

  According to DIACs *Continuous survey of Australia's migrants* (CSAM) run in October 2009, skilled Primary Applicants had a participation rate of 95 per cent - 30 percentage points higher than the general population.

- Productivity – increasing GDP per capita. Skilled migrants are selected also on the basis of their high levels of human capital. This boosts productivity through transfer and application of skill and by promoting innovation.

  The CSAM shows that three-quarters are in a skilled job compared to about half of the general population, and that they earn around $4000 more per year on average.

What makes these CSAM findings impressive is that this survey was run in the midst of the Global Financial Crisis (GFC), and these recently arrived migrants had to compete for work in a challenging, unfamiliar labour market.
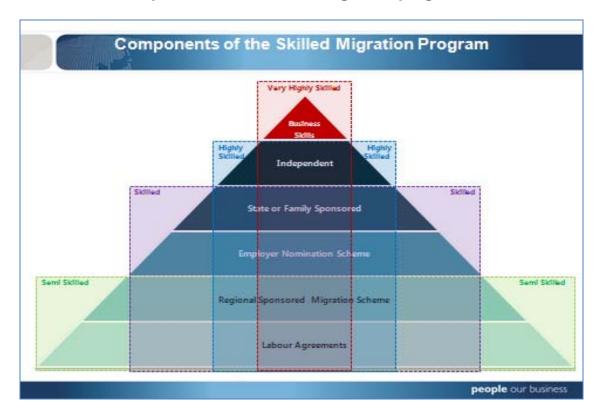
Temporary and permanent skilled migration programs

The temporary and permanent skilled migration categories contribute to national productivity by being based on the following productivity principles:

- they favour skilled applicants who are sponsored by an employer on the basis that applicants with a guarantee of skilled employment will have higher productivity than other applicants

- they require migrants without a guaranteed job to demonstrate (through a points test) that they have the necessary skills to succeed in the labour market, and

- applicants with an Australian qualification that don't make the grade are only given a temporary visa, but are given an opportunity to develop the necessary skills.

These productivity principles also recognise that skilled temporary residence visas offer many benefits of skilled sponsored migration, but without the economic downside of an ageing migrant cohort. These visas are therefore limited only by employer demand which largely reflects what is occurring in the broader economy.

The overall architecture of the permanent skilled migration program is illustrated in the following triangle. It shows that there are six broad strands to the program, which are differentiated by skill, and which accordingly have different selection processes. The more highly skilled the strand, the tougher are the selection criteria.

Box 2: **Components of the Skilled Migration program**

Components of the Skilled Migration Program

Business skills

High quality business migrants bring with them knowledge of overseas markets, business networks, cultural practices and often languages other than English, as well as specific business and experience.

Independent skilled

Independent skilled applicants must demonstrate that they have the necessary attributes to succeed in the Australian labour market as assessed against the General Skilled Migration points test, including a skill on the Skilled Occupation List.

State or family sponsored

Both of these categories have lower points requirements than the Independent skilled category, and additional points can be awarded through sponsorship by a close family relative in Australia or nomination by a state or territory government. State Migration Plans have been introduced to provide flexibility to address the differing and specific needs of State labour markets. State and territory occupation lists under the State Migration Plan (requested by the inquiry) are listed in Appendix F.

Employer Nominated Scheme

The Employer Nominated Scheme (ENS) enables an Australian employer to sponsor and employ a highly skilled migrant. The position nominated by the employer must related to a skilled occupation specified on the ENS Occupation List and provide full-time employment for at least three years.

Regional Sponsored Migration Scheme

The aim of the Regional Sponsored Migration Scheme (RSMS) is to help employers in regional Australia fill skilled vacancies in their businesses. For a position to be approved under the scheme there must be a genuine vacancy for the position in a business within regional Australia certified by a Regional Certifying body. The requirements for a nominee are similar to but slightly lower than those for the ENS.

Labour Agreements

A labour agreement is a formal arrangement negotiated between an employer and the government that allows for the entry of skilled overseas workers to work in Australia under a range of permanent and temporary visas. The employer must demonstrate, amongst other things, that there is a labour market need and that there are no appropriately qualified Australian workers readily available. Under a labour agreement, an employer must meet requirements for the training of Australian workers, skills and English competency levels and the terms and conditions of employment for the skilled overseas workers. The assessment of each labour agreement proposal is a complex process, involving the consideration of large amounts of information.

Complementing these permanent programs are the temporary migration programs with work rights. These are outlined below.

Skilled temporary residents

The temporary residence subclass 457 program is the main vehicle for providing swift and flexible short-term responses to immediate skills shortages. Subclass 457 visas are uncapped, meaning that the number of applications is entirely driven by employer demand, which is, in turn, highly responsive to prevailing economic conditions. The subclass 457 visa is the most commonly used program for employers to sponsor overseas workers to work in Australia on a temporary basis.

Working Holiday Makers

This program allows young people holidaying in Australia short-term work and study rights. The second Working Holiday visa initiative was introduced on 1 November 2005 as part of a package of measures to help alleviate serious and persistent labour shortages that were being encountered by particular industries within regional Australia including the agriculture, mining and construction industries[21].

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[21] National Institute of Labour Studies 2009, *Evaluation of Australia's Working Holiday Maker (WHM) Program*, report commissioned by the Department of Immigration and Citizenship.

<u>Students</u>

Students and their dependent family members granted student visas on or after 26 April 2008 have permission to work included with their visa. Up to 75 per cent of Working Holiday Maker and Student visa holders work in sectors such as hospitality, retail and other low and unskilled areas.

Reforms to the Skilled Migration program

The size and composition of the temporary and permanent Skilled Migration program has changed markedly over the past 15 years. In the mid 1990s it was dominated by applicants with a broad range of skills seeking (unsponsored) Independent migration. From around 2005 the size of the program grew quickly in response to the pre-GFC resources boom. The number of intending migrants also grew rapidly as a result of key policy decisions including to allow former international students to apply for permanent residence and remain in Australia until their applications were decided. However, this growth was reflected in only a small handful of occupations as a result of the impact of the Migration Occupations in Demand List (MODL) and a set of perverse outcomes generated by the Points Test.

The decision to move to a (sponsored) demand driven program in early 2008 was predicated on the philosophy that skilled migrants settle more easily and make the greatest contribution if they are able to come to a job. The decision highlighted a significant and growing mismatch between the skills on offer and those demanded by the Australian labour market. It implied a fundamental change in the balance of the permanent skilled program which, historically, comprised 20 to 25 per cent of employer and government sponsored migrants. It also highlighted the need for the government to ensure that the rights of overseas workers temporarily in Australia were protected while not undermining wages and working conditions of Australians.

The challenge therefore has been to achieve a sensible balance between the three Ps. The multi-layered program of reforms introduced by the government over the last three years has been carefully designed to address each of these and to make the Skilled program both more responsive to the current labour market and better placed to meet Australia's future skills needs. It focuses the employers' needs rather than the desire of prospective migrants to come to Australia.

As the Australian economy returns to pre-GFC levels of growth, it is expected that the demand for workers will increase. There are two distinct but related dimensions to this demand – the demand for workers to address shortages of highly skilled occupations in key areas and the demand for workers to address general labour shortages in semi and unskilled occupations across many sectors of the Australian labour market.

In the absence of qualified personnel to fill these skilled and semi-skilled occupations sustained unmet demand for workers will constrain Australia's economic growth. This, compounded by projections that without immigration, Australia's labour force growth will almost cease within the next decade and then become negative after

2036. This poses significant challenges for Australia. The solution is not simply to import foreign workers — it is about attracting the best and brightest to match Australia's unique labour force needs.

Work force readiness

Human capital was improved through progressive increases in English language proficiency requirements and the review and application of higher standards by many skills assessing authorities to ensure that new migrants are 'job ready' and competitive in the Australian labour market.

The new Points Test builds on these reforms by recognising and rewarding those visa applicants with the most human capital to offer. It takes away the distortion caused by applicants nominating a very narrow range of occupations in order to maximise their score. It recognises very high levels of English language ability and significant, relevant work experience in Australia and overseas. It also recognises high value qualifications obtained overseas thereby reducing the incentive for people to simply study short, low value courses in Australia in order to obtain additional points for permanent residence.

Independent and state/territory/family sponsored

A parallel program of reforms was introduced to improve the economic contribution of migrants under the points tested Independent and state/territory/family sponsored visa categories. Critical to this program was the recognition that these categories were not suited to addressing current skill shortages due to the long lags between identifying an occupation in shortage and the entry of a permanent migrant to the Australian labour market to address that shortage. It was logical therefore to focus these categories on meeting medium to long term skill needs. It was also recognised that the most successful migrants are those who possess the highest levels of human capital which enables them to respond more easily to changes in the labour market and compete successfully for jobs.

Targeting was improved through: the abolition of the MODL; the introduction of a new Skilled Occupation List, developed by Skills Australia and focused on highly skilled, high value occupations; and State Migration Plans which provide the flexibility missing from the previous MODL 'one-size-fits-all' approach that did not adequately address the differing and specific needs of regional labour markets.

ENS/RSMS, Labour Agreements and Business Skills

To complete the reform process reviews of the employer sponsored programs (ENS/RSMS and Labour Agreements) and the Business Skills program have commenced. For ENS/RSMS the review will improve program integrity and address identified inconsistencies in policy settings to facilitate the movement of skilled workers from temporary to permanent residence, particularly into regional Australia.

Similarly, changes to the processing arrangements for Labour Agreements have facilitated the speedy but carefully controlled entry of a range of workers, including

some who are semi-skilled, to meet specific employer/industry needs, particularly those of regional industries.

The review of the Business Skills program is intended to ensure that it delivers very highly skilled migrants with the business acumen and innovative flair to introduce new technologies, boost export income and stimulate the overall level of business activity.

Skilled Migrant Selection Model

All of these reforms will be brought together in the new Skilled Migrant Selection Model. This model gives government control over the size and composition of our skilled migration intake by providing similar tools to those used by business to flexibly alter the skill composition of its workforce and speed up or slow down recruitment of workers as circumstances change. The model also will provide greater transparency to permanent visa applicants. Critical to this will be the ability to precisely control how, when and by whom permanent visa applications are lodged thereby considerably improving visa processing times and enabling a better match between required program outputs and processing resources. Implementing the model will complete the transition from a supply-driven migration program to a demand-driven program and will support the government's deregulation agenda by simplifying the visa requirements while reducing the number of skilled visas subclasses to about half a dozen.

Temporary subclass 457 program

Major reforms to the Subclass 457 program in September 2009 aimed to strike an appropriate balance between allowing for fast, streamlined processes for reliable sponsors while protecting the rights of overseas workers and not undermining employment and training opportunities of Australians. Central to this was the introduction of the Worker Protection Act which imposes legal obligations for sponsors and stronger sanctions for non-compliance.

The 457 reforms were prioritised to address evidence of abuse of foreign workers and to ensure that Australia's migration arrangements were able to quickly respond to the early signs of economic recovery without compromising program integrity.

Settlement in regional areas

There has been a four-fold increase in the number of skilled migrants settling in regional Australia over the past decade. In 2000, approximately 3,000 skilled migrants settled in regional areas. Nine years, later this figure had increased to more than 12,000.[22] Migrants who move to regional areas help replenish "the stock of

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[22] Department of Immigration and Citizenship n.d., 'Settlers by statistical division by migration stream. Visa Grant Dates: from 01-Jan-2009 to 31-Dec-2009', Department of Immigration and Citizenship n.d., 'Settlers by statistical division by migration stream. Visa Grant Dates: from 01-Jan-2000 to 31-Dec-2000'.

social and human capital in areas that face population decline as regional areas are currently experiencing".[23]

A 2010 study commissioned by DIAC found that migrants move to the regions primarily for employment; and that immigrant experiences of living in regional areas are predominantly positive.[24] The strongest theme emerging concerned the perceived advantages of living in regional rather than metropolitan communities. A further theme was the acceptance that many migrants, including those from non-English-speaking backgrounds, experienced in their new community,[25] although over half had experienced racism directly, or know of others that had.[26]

There are ongoing challenges in not only attracting migrants to regional areas, but in retaining migrants in those locations and fully optimising the human capital they bring to regional economies.[27] State governments such as Victoria see a role in bringing together employment opportunities and migrants, and together with local and community groups facilitating migrant settlement. For example, Global Skills for Provincial Victoria aims to assist skilled migrants to make the transition to life and work in regional Victoria by providing links to regional and local resources. [28]

Family entrants

Although the Family Stream is considered a non-economic program, it is worth noting in this section its secondary economic contributions. The bulk of the Family migration stream is allocated to the Partner category of visas. Fiscal impact modelling carried out by Access Economics[29] indicates that Partner migrants represent an overall positive impact on the Commonwealth's finances, with cumulative benefits of over $88 million per 1000 additional partner migrants when viewed over a 20 year period. Modelling also shows that net benefits commence

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[23] J. Garnaut et al. 2000, *Influences on employment and population growth in Australia,* ABARE Report: Canberra; and K. Carrington, A. McIntosh and J. Walmsley 2007, *The social costs and benefits of migration into Australia*, report commissioned by the Department of Immigration and Citizenship.

[24] Institute for Social Science Research 2010, Op cit.

[25] While most migrants initially settle in metropolitan areas, Australia has a history of immigrants settlement in regional Australia for a variety of reasons including: for farming and the gold rush in the 19th century, for major projects including the Snowy Mountains Hydroelectric Scheme and mining ventures, or to join families and migrant communities. The stories of the impact of migration in regional Australia are diverse and, overall, positive. Examples include: Japanese pearl divers in Broome; Malays in Katanning; Sikhs in Woolgoolga; Europeans in Cooma; Chinese in the historical goldmining areas and beyond; Afghani camel drivers in the outback; Italians in Griffith and North Queensland; H'Mong in Hobart and North Queensland; Iraqis, Turkish and Albanians in Shepparton; and Sudanese in Warrnambool.

[26] Institute for Social Science Research 2010, Op Cit.

[27] Monica Brezzi, Jean-Christophe Dumont, Mario Piacentini and Cécile Thoreau 2010, (OECD) *Determinants of localization of recent immigrants across OECD regions.*

[28] State Government of Victoria 2011, 'Visas and immigration rating', <www.liveinvictoria.vic.gov.au/visas-and-immigrating>

[29] Access Economics 2008, *Migrants fiscal impact model: 2008 update*, report commissioned by the Department of Immigration and Citizenship.

immediately from the first year after migration, rising significantly in subsequent years.

Departmental analysis of population, workforce participation and productivity figures for recent Partner migrants, based on the CSAM conducted in September-October 2009, also highlights the potential of partners to make a positive economic contribution. It indicates that a high proportion of Partner migrants are of prime working age when compared to the general population (the median age of the Partner visa holders was 34 for males and 32 for females).

CSAM findings also show that more than a third of Family visa holders hold a bachelors' degree or higher qualification, compared with 23 per cent of the Australian working age population.

Humanitarian entrants

Australia has a long record of resettling refugees and people in humanitarian need. Australia is one of around ten countries that operate well-established and successful resettlement programs. Since World War II, around 750 000 people in humanitarian need have resettled in Australia – the program is set at 13 750 for 2010-11 and 14 750 for 2011-12. Appendix D shows the changing source regions of people resettled under the Humanitarian Program since 1998-99.

Although the purpose of the Humanitarian Program has always been to assist those in humanitarian need, Humanitarian entrants make economic and demographic contributions.[30] They help expand consumer markets for local goods, open up new markets, and bring in new skills, creating employment and filling employment gaps. This group displays strong entrepreneurial qualities compared with other immigrant groups, with a higher than average proportion engaged in small and medium business enterprises. Many of Australia's most successful business people came from refugee backgrounds. In the year 2000, five of Australia's eight billionaires were people whose families had originally come to the country as refugees.[31]

Students

In addition to students' economic contributions as part of the temporary workforce, students also make a significant economic contribution in export income terms. As at February 2011, there were 373 736 enrolments by full-fee international students in Australia on a student visa. International education activity contributed $19.1 billion in export income to the Australian economy in 2009-10. This is 2.8 per cent up on

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[30] See G. Hugo, S. Vas Dev, J. Wall, M. Young, V. Sharma and K. Parker (unpublished, due to be released in 2011), *Economic, social and civic contributions of first and second generation Humanitarian entrants*, report to Department of Immigration and Citizenship.

[31] Stevenson, R., 2005. *Hopes Fulfilled or Dreams Shattered?* Conference paper, Resettlement to Settlement Conference, 23 28 November 2005 <www.crr.unsw.edu.au/media/File/Refugees_and_Economic_Contributions.pdf>.

the $18.6 billion earnings in the calendar year 2009 and up 10.2 per cent on financial year 2008-09.[32]

Education services are Australia's largest services export industry ahead of other personal travel services ($12.1 billion) and professional and management consulting services ($3.1 billion). Of the total export income generated by education services, 18.5 billion was from spending on fees and goods and services by onshore students and a further $581 million was earned through offshore educational activities.[33]

Higher education is the most economically significant part of the sector. Total value added generated by international higher education students (including both student and student visitors' expenditure) in 2009 was $9.3 billion, or 0.76 per cent of GDP. Of this, $3.5 billion was in the education sector; the other $5.8 billion was in the rest of the economy.[34]

The people-to-people and other connections international students make while in Australia and a genuine fondness for this country are important legacies of the international student program, recognised since the days of the Colombo Plan. These connections benefit Australia's trade, diplomatic, social and cultural ties with other countries.

Children of migrants

Australia reaps additional benefits as the children of migrants move into adulthood. Several studies have found that in Australia, labour market and education outcomes of children of migrants are at least at par if not slightly better than the children of Australian born parents. The OECD found that second generation migrants in Australia out perform children of Australian born parents in the triennial PISA tests, after taking account of socio-economic status and other factors.[35] The only other OECD country in which this holds true is Canada. Also, once employed the children of migrants in highly skilled jobs tends to be higher than for Australian born.[36]

The OECD attributed this effect to Australia's longstanding policies that favour skilled migration. However available sources also point to above average rates of success for children of Humanitarian entrants in education and employment, consistent with the successes achieved by children of non-Humanitarian migrants from similar non-English speaking countries.[37] Recent research in relation to second generation

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[32] Australian Bureau of Statistics 2010, *International trade in services, by country, by state and by detailed services category, financial year 2009-10*, ABS Catalogue no. 5368.0.55.003.

[33] Australian Education International 2011, *Export income to Australia from education services in 2009*-10.

[34] J. Phillimore and P. Koshy 2010, *The economic implications of fewer international higher education students in Australia*, report commissioned by the Australian Technology Network of Universities.

[35] OECD *Children of immigrants in the labour markets of EU and OECD countries: an overview*, Social, Employment and Migration Working Papers No. 97.

[36] Ibid.

[37] Refugee Council of Australia 2010, *Economic, civic and social contributions of refugees and Humanitarian Program entrants – a literature review*, report commissioned by the Department of Immigration and Citizenship.

outcomes of Humanitarian entrants found that not only much higher levels of labour force engagement than for the first generation but in many cases the level is higher than for the Australia-born average.[38]

An anecdotal example of educational attainment for the children of Humanitarian entrants is that of Cowandilla Primary School (which has a significantly high intake of refugee children and children who have recently migrated to Australia) which features in the top 10 of the My School website and NAPLAN tests.

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[38] G. Hugo, S. Vas Dev, J. Wall, M. Young, V. Sharma and K. Parker Op cit.
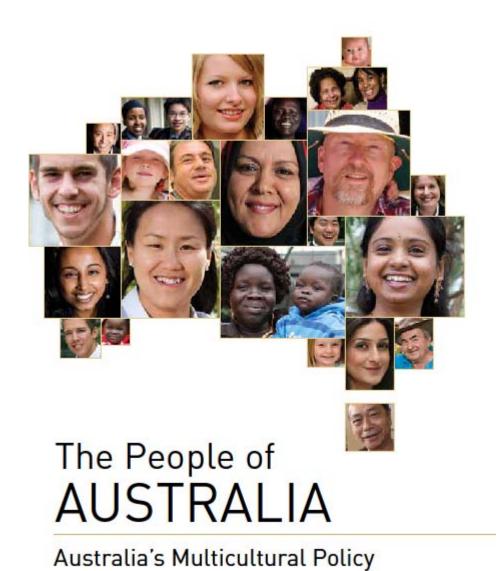
5. Further information

For further information, at Appendix G is an annotated bibliography of DIAC publications and research that may be of assistance to the inquiry. In particular, it should be noted that the annual publication *Population flows: Immigration aspects* provides a comprehensive statistical account of the DIAC programs described in this submission.

Appendices

Appendix A   *The people of Australia: Australia's multicultural policy*

Appendix B   Settlement Grants Program (SGP) funding criteria and
                  assessment methodology

Appendix C   Migration, population growth and the Long Term Planning
                  Framework

Appendix D   Source regions of people resettled under the Humanitarian
                  Program since 1998-99

Appendix E   Regional Sponsored Migration Schemes and State Migration
                  Plans

Appendix F   State and territory occupation lists under the State Migration Plan

Appendix G   Selected annotated bibliography of research commissioned by
                  DIAC

Appendix H   Selected bibliography

Australia's multicultural policy: *The People of Australia*

(Double click this picture to access the document as a PDF file)

Settlement Grants Program (SGP) funding criteria and assessment methodology

SGP funding is offered for fixed periods of one, two or three years. Funding is based on financial years and is provided to organisations on a project basis.

Funding priorities for the SGP are informed by an annual assessment of settlement needs at the national, state, territory and regional level. This is undertaken through ongoing consultation with the community, the settlement services sector and key government agencies and consideration of data from DIAC's Settlement Database. This approach aims to ensure that services provided through the SGP are targeted towards those communities and locations in greatest need of settlement assistance.

Distribution of SGP funding to individual states and territories is determined by a number of weighted factors, including the percentage of Humanitarian Program arrivals in each state/territory, recency of arrival, regional spread and overall target group numbers.

Within each state and territory, the annual assessment of needs identifies settlement patterns, needs and general information on a regional basis, including:

- communities and/or groups that are most in need of SGP assistance
- locations where settlement services are most needed

Funding priorities are based on the type, level and location of settlement needs and the funding available to address those needs. The amount of funding available for new projects depends on the amount of funding each state and territory has committed in previous years for multi-year grants.

Eligible applications and related projects will be assessed against the following criteria:

- consistency with the SGP target group and service types
- suitability of the project(s)
- capacity to deliver the services
- ability to comply with reporting and accountability arrangements

In addition, DIAC reserves the right to approach organisations and enter into a funding agreement outside the application process where no suitable application has been received to address an identified need.

How does DIAC assess applications?

Eligible applications and related projects are assessed against the following criteria:

1. Consistency with the SGP target group and service types

2. Suitability of the project(s)

3. Capacity to deliver the services

4. Ability to comply with reporting and accountability arrangements.

Information in relation to the selection criteria is provided in the following tables.

Criteria	Description
1. Consistency with the target group and SGP service types	Your project proposes to deliver services consistent with the SGP target group and the SGP service types.

Criteria	Description
2. Suitability of the project	Your project is consistent with advertised client groups and regions. You demonstrate how the proposed project meets the needs of clients and describe the activities you propose to perform. You clearly articulate the expected outcomes of your proposed project.
Consistency with advertised client groups and regions	You propose to address a client group(s) in a region(s) as described on DIAC's website.
Project description	Your proposed activities are clearly described and demonstrate an understanding of the client group(s) and their settlement needs. You show how the location of the project, including outreach services, if applicable, is appropriate in terms of client access, facilities and connection with related services. You outline how your project will complement rather than duplicate any existing services in the region. Where the application is for multi-year funding, reasons for why longer term funding is necessary to achieve good settlement outcomes for clients in that area. Such evidence needs to be in the form of ongoing client numbers and needs.
Budget and staffing	Your proposed budget and staffing are reasonable, well-justified and linked to your proposed activities.

Criteria	Description
3. Capacity to deliver the services	Your organisation has the relevant skills and experience, community links, and physical infrastructure to deliver the services.
Infrastructure and capacity	Your organisation has aims and objectives consistent with the SGP as well as the organisational and management structure, human resources plan, Client Service Charter, Code of Conduct and physical infrastructure to implement the proposed project.
Experience	Your organisation demonstrates that it has the relevant experience to deliver the services.
Community engagement	Your organisation demonstrates that it has strong links to, and active engagement with, relevant client group(s) and relevant mainstream and community service providers that will benefit the client group(s).

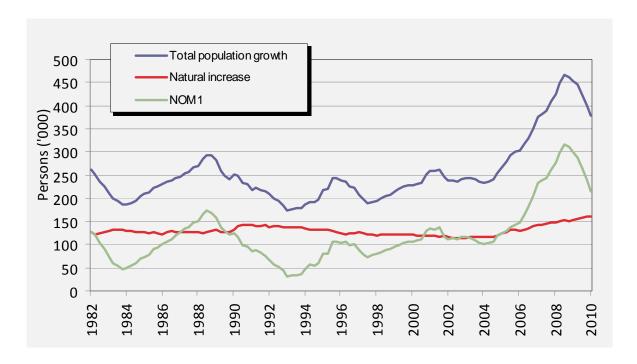| Criteria	Description
4. Ability to comply with reporting and accountability arrangements	Your organisation has the ability to administer and account for grant funds, meet SGP performance reporting and accountability arrangements, and understands and can implement quality and risk management practices.
Financial management	Your organisation has the financial management practices/strategies and accounting processes to effectively administer grants funds.
Project and quality management	Your organisation is accountable for all aspects of project management and demonstrates sound management practices which ensure service quality is monitored and maintained.
Risk management	Your organisation has, or has the capacity to develop and implement a suitable approach to risk management.

Migration, population growth and the Long Term Planning Framework

At 30 June 2010, Australia's estimated population was 22 328 800 people, an increase of 377 100 people (or 1.7 per cent) on the previous year. Although significantly down on the record growth of 471 500 recorded in the year ending March 2009, population growth remained above the long-term average of 1.4 per cent since 1982.

Australia's population grows as a result of two factors:

1. Natural increase – the number of births less the number of deaths
2. Net Overseas Migration (NOM) – the net gain or loss of population through people arriving in, and departing from, Australia for 12 months or more in a 16-month period.

Table 1 : Components of Australia's population growth

Source data: ABS Australian Demographic Statistics (3101.0)

1. NOM estimates contain a break in series. Estimates for September 2006 quarter onwards use an improved methodology and are not comparable with NOM estimates from earlier periods.

As seen in, NOM has been the main component of population growth in recent years. For the year to June 2010, as a preliminary estimate, NOM contributed 215 576 people to Australia's population or 57.2 per cent of the total population increase over that period. The remaining 42.8 per cent (or 161 535 people) was due to natural increase.

The occurrence of NOM outstripping natural increase has been a relatively recent change for example between 1971-72 and 1979-80, NOM (not counting descendants

of migrants) accounted for around 30 per cent of population growth on average. In the three years to 2008-09, however, this increased to roughly 65 per cent[39] and as seen in the chart above has now decreased to 57.2 per cent of overall population growth.

It is within NOM that perhaps the greatest change in Australian immigration in the last decade has occurred with the shift in emphasis from settlement migration to temporary migration. An increasing proportion of NOM have been short term and long-term temporary (as opposed to permanent) arrivals. In 2009 the contribution of temporary migrants to NOM was 65 per cent. These two changes, NOM significantly overtaking natural increase and the gains being experienced in non-permanent migration, represent a significant change in Australian immigration patterns[40].

Long Term Planning Framework

Migration affects the population, the economy, the labour force, regional development, and the natural and built environment. Future migration levels will need to consider the capacity of cities and infrastructure to absorb more people, including with respect to water supply and housing affordability[41]. A Long Term Planning Migration Framework is being developed to help balance considerations about Australia's population and its labour market and economic development.

The framework's success will depend in part upon the engagement and cooperation of a wide range of stakeholders, including a range of federal agencies and state and territory governments. This kind of cooperation and input from multiple agencies is essential to ensure sustainable urban and regional development outcomes over the medium and long-term. The framework will not become a target-setting mechanism, but rather a policy-guiding tool for making decisions about visa-settings for temporary and permanent migration programs. It will ensure that future immigration levels are driven by the genuine economic needs of the country, and not visa settings and the unilateral desire of prospective migrants to come to Australia.

The Long Term Planning Framework will also improve the government's ability to forecast future immigration levels, and thus improve planning and policies in fields such as the natural environment, infrastructure and social inclusion. For example, if increased immigration were to proceed without investment in new urban infrastructure, the result could be reductions in productivity through increased congestion and inefficiency. Thus, a plan relating to Australia's future levels of

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[39] Australian Productivity Commission 2010, *Population and migration: understanding the number,* Australian Productivity Commission Research Paper.

[40] G. Hugo 2004, 'A new paradigm of international migration: implications for migration policy and planning for Australia', *Research Paper, no. 10*, Parliamentary Library: Canberra.

[41] Sobels, Jonathon, Richardson, Sue, Turner, Graham, Maude, Alaric, Tan, Yan, Beer, Andrew and Wei, Zhang 2010, *Long-term physical implications of net overseas migration: Australia in 2050*, report commissioned by the Department of Immigration and Citizenship

immigration must be coordinated with policies from other agencies for urban infrastructure especially housing, transport, water and appropriate energy supply[42].

Overall, the development of the Long Term Planning Migration Framework is a key step forward towards the goal of ensuring the role of migration in shaping Australia's future is both recognised and well managed.

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[42] P McDonald and J. Temple 2008, *Demographic and Labor supply futures for Australia*, Report commissioned by DIAC.

Source regions of people resettled under the Humanitarian Program since 1998-99

	Rank				
	1	**2**	**3**	**4**	**5**
1998–99	Europe 49.7%	Middle East & SW Asia 30.6%	Africa 16.3%	Asia 3.1%	Americas 0.3%
1999–00	Europe 45.6%	Middle East & SW Asia 29.8%	Africa 22.7%	Asia 1.6%	Americas 0.3%
2000–01	Europe 43.3%	Middle East & SW Asia 27.0%	Africa 25.4%	Asia 4.0%	Americas 0.3%
2001–02	Africa 33.1%	Middle East & SW Asia 32.4%	Europe 32.0%	Asia 2.2%	Americas 0.2%
2002–03	Africa 48.3%	Middle East & SW Asia 39.9%	Europe 9.9%	Asia 1.8%	Americas < 0.1%
2003–04	Africa 70.8%	Middle East & SW Asia 24.3%	Europe 3.0%	Asia 1.9%	Americas < 0.1%
2004–05	Africa 70.1%	Middle East & SW Asia 26.2%	Asia 3.4%	Europe 0.2%	Americas < 0.1%
2005–06	Africa 55.7%	Middle East & SW Asia 34.0%	Asia 9.9%	Europe 0.4%	Americas < 0.1%
2006–07	Africa 50.9%	Middle East & SW Asia 28.0%	Asia 20.7%	Europe 0.4%	Americas < 0.1%
2007–08	Middle East & SW Asia 35.3%	Asia 33.7%	Africa 30.5%	Europe 0.6%	Americas < 0.1%
2008–09	Middle East & SW Asia 33.5%	Africa 33.2%	Asia 33.1%	Europe 0.1%	Americas < 0.1%
2009–10	Asia 38.6%	Middle East & SW Asia 31.8%	Africa 29.2%	Europe 0.3%	Americas 0.1%

Regional Sponsored Migration Schemes and State Migration Plans

The Regional Sponsored Migration Scheme (RSMS) is one program that aims to deliver social and economic benefits to Regional Australia by encouraging Skill migrants to locate to areas outside of major metropolitan centres.

The RSMS visa allows employers to nominate people from overseas, or who are currently working in Australia on a temporary visa, for permanent residence in order to fill skilled vacancies in regional Australia. Nominated positions must be based in regional or low population growth areas of Australia, which currently include all of Australia except for Brisbane, the Gold Coast, Sydney, Newcastle, Wollongong, Melbourne and Perth.

There are concessions which facilitate the nomination of tradespersons and other skilled workers to alleviate labour market pressures in regional Australia:

- there are no application fees for employer nominations
- there are no salary thresholds - employers must pay at least the relevant Award wage for the occupation
- applicants require relevant qualifications but do not generally need work experience and do not require a skills assessment, and
- the English language threshold is lower than other employer sponsored visas.

There are also specific RSMS cancellation provisions that may apply if the visa holder does not:

- commence employment within six months of arriving in Australia or within six months of the visa grant if they are already in Australia, or
- remain employed in the nominated position for at least two years from the time of visa grant.

The RSMS is a three-stage process involving certification of the position by a Regional Certifying Body (RCB), assessment of the nomination by DIAC and finally, the visa application process.

Regional certification

Employers must obtain certification of the nominated position from an RCB before they can lodge the nomination with DIAC. The certification process provides DIAC with an assurance that the nomination has been properly scrutinised by people who:

- are familiar with local labour market conditions
- regularly interact with local employers, and

- are knowledgeable about other regional issues that could be relevant to the nomination.

Nomination criteria

The nominated position must relate to an occupation with a typical skill level that is at least equivalent to an Australian diploma or higher qualification. DIAC currently uses the Australian and New Zealand Standard Classification of Occupations (ANZSCO), which is published by the Australian Bureau of Statistics, as the skill level standard for migration purposes. ANZSCO occupations with a Skill Level of 1-2 fall within this category.

Occupations with a typical skill level which is equivalent to compulsory secondary education or any AQF certificate (including trade qualifications) can only be approved by DIAC as exceptional appointments. ANZSCO occupations with Skill Levels of 3-5 fall within this category, although it should be noted that departmental policy does not consider occupations with a typical skill level of compulsory education or AQF certificate I to be appropriate for the RSMS and these occupations would therefore not generally be approved.

The nominated position must also provide full-time employment for at least two years with a salary and working conditions that comply with the relevant Australian legislation and awards and are not required to meet the minimum salary thresholds of the Subclass 457 and ENS programs.

Visa criteria

Applicants must be under 45 years of age at the time of application and have Functional English, which corresponds to an IELTS average score of 4.5 on all four modules (speaking, reading, writing and listening), unless they can demonstrate exceptional circumstances apply to their case for either or both criteria.

Applicants must also hold an Australian diploma or higher qualification that is relevant to the nominated position, unless they can demonstrate exceptional circumstances apply to their case.

State Migration Plans

State and Territory Migration Plans (Plans) are now in place for all states and territories.

Plans were introduced to provide states and territories with greater flexibility to meet their individual labour market needs. These agreements specify how many visa applicants the state and territory governments can nominate and in what skilled occupations, within the boundaries of the overall Migration Program.

Plans are Memoranda of Understanding (MoU) between the Minister for Immigration and Citizenship and each state and territory government.

Quotas

For the 2010-11 program year, 24 030 places were aside within the skilled component of the migration program for state and territory nominated applicants. Within this figure, DIAC allocated separate quotas to each state and territory based on the research provided by each jurisdiction to support their skill needs, the relative number of places requested by individual jurisdictions and historical trends. Table 1 illustrates the allocation of quotas per jurisdiction for this program year.

Table 1: Places allocated per jurisdiction for 2010-11

State/territory	Places allocated for 2010-11
Australian Capital Territory	1 740
New South Wales	1 740
Northern Territory	990
Queensland	2 990
South Australia	4 890
Tasmania	700
Victoria	4 740
Western Australia	6 240
Total	**24 030**

Occupations

Jurisdictions selected occupations for their Plan in accordance with evidence of the need for that occupation provided in their research into individual labour market needs. Jurisdictions are also able to nominate 100 primary off-list applicants per year. These will be people with skilled occupations not included on the relevant Plan, but which are determined to have skills and attributes which could be utilised.

Priority Processing

Under the current direction on processing priorities, applicants nominated by a state or territory government with an occupation made in accordance with the relevant Plan receive priority two processing behind employer sponsored applicants. This will ensure Australia gets the skills it needs now rather than those of the people who may have applied first.

Barring a major downturn in Australia's economy, demand for skilled labour is likely to remain strong over the long term. The resources boom, and its impacts on the broader economy, is expected to be a significant driver of this demand[43] with around $380 billion dollars of resource projects in the pipeline currently.
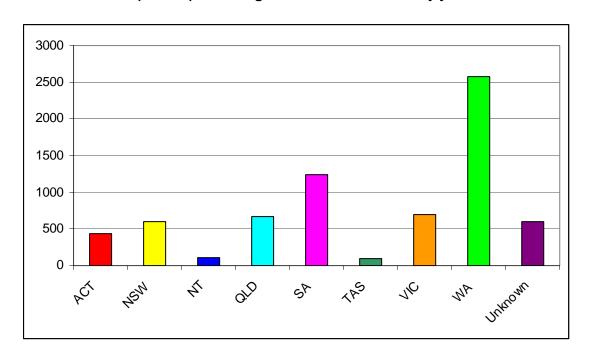
On balance, the adjustment costs of population growth from migration are outweighed by its long-term productivity benefits – particularly its key role in ameliorating the demands of an aging population. Migrants tend to be younger on

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[43] P. McDonald, and J. Temple 2010, *Immigration, labour supply and per capita Gross Domestic Product; Australia 2010-2050*.

average than the resident population. Currently around 89 per cent of migrants are under 40 years of age when they immigrate to Australia. This compares to only 55 per cent of the resident population being under 40 years of age. Collectively Australia's migrants deliver significant net fiscal benefits, taking into account the net fiscal costs of the socially or internationally responsive Family Stream and Humanitarian Program.

Each state and territory intake of migrants is dependant on need and population. As seen from the chart below WA mining boom is drawing large numbers of migrants.

Chart 1: 2010-11 (to date) State Migration Plan Outcomes by jurisdiction

State and territory occupation lists under the State Migration Plan

ACT OCCUPATIONS IN DEMAND
2010/11

ANZSCO	MANAGERS
111211	**General Manager (ASCO 1112)** **Corporate General Managers**
131112	**Sales and Marketing Managers (ASCO 1231)** **Sales and Marketing Managers**
132211	**Finance Managers (ASCO 1211)**
132311	**Human Resource Managers (ASCO 1213)**
132411	**Policy and Planning Managers (ASCO 1291)**
132511	**Research and Development Manager (ASCO 1299)**
133111 133112	**Building and Construction Managers (ASCO 1191)** **Construction Project Managers** **Project Builder**
133211	**Engineering Managers (ASCO 1221)**
133311 133312	**Importer/exporter/wholesalers (ASCO 1192)** **Importer / exporter** **Wholesaler**
133411	**Manufacturers (ASCO 1193)**
133512	**Production Managers (Manufacturing) (ASCO 1222)**
133611	**Supply and Distribution Managers (ASCO 1223)**
134111	**Child care Centre Manager (ASCO 1295)**
134211 134212 134213	**Health Services Managers (ASCO 1292)** **Medical Administrator** **Nursing Clinical Director** **Primary Health Organisation Manager**
134214	**Welfare Centre Manager (ASCO 1299)**
134311 134411 134412 134499	**Education Managers (ASCO 1293)** **School Principal** **Faculty head** **Regional Education Manager** **Education Manager nec**
135111	**Information Technology Manager (ASCO 1224)** **Chief Information Officer**
139111	**Commissioned Defence Officer (ASCO 1294)**
139211	**Senior Non-commissioned Defence (ASCO 3994)**
139912 139913 139915 139999	**Other Specialist Managers (ASCO 1299)** **Environmental manager** **Laboratory manager** **Sports Administrator** **Specialists managers nec**
139914	**Quality Assurance Manager (ASCO 2294)**

Selected annotated bibliography of research commissioned by DIAC

Access Economics Pty Limited 2008, *Migrants fiscal impact model: 2008 update.*

This modelling research explored the effect of new migrants to Australia on the Commonwealth Budget in terms of revenue and outlays using the results from the second wave of LSIA 3 (the third Longitudinal Survey of Immigrants in Australia).. The report found migrants bolster Australia's labour force due to their young age profile, high incomes and high rates of participation. .

Australian Survey Research Group 2011, *Settlement outcomes of new arrivals: report of findings*, Department of Immigration and Citizenship.

The primary purpose of this study was to obtain a better understanding of how newly arrived Humanitarian entrants are faring and what variables contribute to them settling in successfully. The main focus of research was on Humanitarian entrants, using holders of Family and Skilled visa holders as benchmark groups.

Birrell, Bob, V Rapson and T. F Smith 2005, *Immigration in a time of domestic skilled shortages*. Centre for Population and Urban Research, Monash University.

This report examines the international movement of skilled workers to and from Australia. The report, based on the authors' earlier analysis of passenger cards collected by DIAC of Immigration and citizenship found that Australia has been successful in attracting skilled migrants as settlers in a narrow range of occupations, despite intense competition for skilled labour in the international marketplace.

Carrington, K., McIntosh, A. and Walmsley, J. 2007, *The social costs and benefits of migration into Australia.*

This paper investigated the social costs and benefits of migration into Australia through qualitative research based on focus groups. The report attempted to balance the contradictory and mutually reinforcing sources of evidence about the social impact of migration. The research found that the social benefits of migration far outweigh the costs, especially in the longer term.

Department of Immigration and Citizenship 2007, *New migrant outcomes: results from the third longitudinal survey of immigrants to Australia.*

This report describes the key findings from DIAC's third Longitudinal Survey of Immigrants to Australia – LISA 3. The three surveys were spaced at five year intervals and migrants were surveyed in two waves. Wave one was conducted 6 months after arrival date and wave two occurred 12 months later. The main findings from this report included a significant decrease in the unemployment rate between wave one and wave two of LISA 3, and that an overwhelming majority of migrants appear to be satisfied with Australian life.

Department of Immigration and Citizenship 2008, *Survey of Skilled Independent Regional (SIR) visa holders: Wave two*

The survey was undertaken to determine how well the Skilled Independent Regional (SIR) (provisional) visa was meeting its objectives. The likelihood of jobs being skilled varied with different characteristics. For instance those born in a Main English Speaking (MES) country were much more likely to be working in a skilled occupation than the non-MES country-born, 95.5 per cent compared to 67.1 per cent respectively.

Department of Immigration and Citizenship (Economic Analysis Unit) 2010, *How new migrants fare: Analysis of the Continuous Survey of Australia's migrants*.

This report describes how recent migrants are performing in the labour market, reporting on migrant workforce participation, their levels of unemployment and the quality of their jobs as measured by skill levels and earnings. There is also some comparison of outcomes between different migrant groups and with the Australian population.

Department of Immigration and Citizenship (Economic Analysis Unit) 2010, *Population flows: immigration aspects 2008-09*, Commonwealth of Australia.

This report provided an analysis of the economic basis for migration, the fiscal benefits migrants bring and the longer term economic benefits that the children of migrants contribute. A key finding from this report is that Australia's migrants enjoy far superior labour market outcomes than migrants in most other countries.

Department of Immigration and Citizenship (Economic Analysis Unit) 2010, *Citizenship in Australia*

About 80 per cent of migrants with more than ten years of residence have Australian citizenship; there is a large variation in the take-up rate of Australian citizenship by country of birth and immigration group, with persons from countries with lower economic or civil opportunities, and refugees in particular, being more likely to take up Australian citizenship; of Australia's overseas-born population, those who are citizens seem to fare better in the labour market—they have lower unemployment rates and higher full-time employment than non-citizens.

Hugo, G., Vas Dev, S., Wall, J., Young, M., Sharma, V. and Parker, K. 2011 (Unpublished) *Economic, social and civic contributions of first and second generation Humanitarian entrants*, Department of Immigration and Citizenship.

This report investigated the economic, social and civic contributions of first and second generation Humanitarian entrants to Australian society. The report found that both first and second generation Humanitarian entrants make significant impacts in terms of labour force participation and cultural diversity. However, a small minority are subject to language or racial discrimination issues.

Hugo, Graeme 2010 (Unpublished), *Population effects of migration on Australia*, June 2010.

This report is an analysis of the distribution of migrants in Australia, including patterns of migration to and from regional areas. Migration in Australia is still concentrated around large eastern seaboard population centres.

Institute for Social Science Research 2010, *Factors that influence skilled migrants locating in regional areas*, Department of Immigration and Citizenship.

The aim of this qualitative study was to investigate the perspectives of skilled migrants, employers and government officials on the factors and processes involved in skilled migrants' decisions to settle and remain in regional areas. The key finding from the report was that employment factors played a central role in the settlement decision for many migrants.

McDonald, P., and Temple, J 2008, *Demographic and labour supply futures for Australia*; McDonald, P. and Temple, J. 2010, *Immigration, labour supply and per capita Gross Domestic Product; Australia 2010-2050*.

These papers investigated the demographic and labour supply futures for Australia using projections and analysis of the potential role of immigration in meeting future labour force needs to inform government consideration of future settings of Australia's temporary and permanent migration programs.

National Institute of Labour Studies 2009, *Evaluation of Australia's Working Holiday Maker (WHM) Program*, Department of Immigration and Citizenship

The study found that although the WHM is more a tourism export program than a labour supply program, employers who use the program generally welcome it and feel that the quality of worker they get is high, relative to what is available from the local labour market given the pay and conditions on offer. The supply of WHM labour is of particular value to employers in the regions, especially agricultural enterprises who employ them to pick produce and to supply general farm labour.

Refugee Council of Australia 2010, *Economic, civic and social contributions of refugees and Humanitarian Program entrants – a literature review*, Department of Immigration and Citizenship.

This report reviews research on the economic, civic and social contributions of refugees and Humanitarian entrants and identified areas where future research should occur. The report found that Australian refugees and Humanitarian entrants have been highly successful in a variety of fields including sports, the community, media, research, science and community life.

Sobels, Jonathon, Richardson, Sue, Turner, Graham, Maude, Alaric, Tan, Yan, Beer, Andrew and Wei, Zhang 2010, *Long-term physical implications of net overseas migration: Australia in 2050*, Department of Immigration and Citizenship

The research examined the relationship between population growth driven by net overseas migration (NOM), Australia's natural and built physical environment over the next fifty years, and relevant policy considerations. The report noted that variations in location and scale are crucial elements of NOM to 2050, presenting both physical and economic implications.

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