

GOVERNMENT RESPONSE

TO

**The Joint Standing Committee on Migration Report
March 2004**

“To make a contribution - Review of skilled labour migration programs.”

Department of Immigration and Multicultural and Indigenous Affairs

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Recommendation	Comment/Action
1. That DIMIA improve the visibility of existing hyperlinks from its website to those of State and Territory governments	Agreed. Recent changes to the DIMIA website promote awareness of regional migration opportunities and highlight links to relevant State/Territory government websites. A "Regional Opportunities" icon now appears on DIMIA's home page. This icon directly links clients to regional migration information, including relevant State/Territory websites. As part of the Commonwealth's <i>MedicarePlus</i> package, the Department of Health and Ageing and DIMIA are working with relevant State/Territory authorities to promote awareness via the Internet of the new entry arrangements for overseas-trained medical practitioners. DIMIA's website is subject to continual improvement and refinement. DIMIA will continue to work with State/Territory Governments to improve links across websites and highlight regional migration opportunities across programs.
2. That the Minister present to the next meeting of the Commonwealth/State Working Party on Skilled Migration a proposal that States and Territories identify on their websites their preferred settlement areas to assist potential skilled migrants.	Agreed. This is a welcome recommendation that will be pursued with the Commonwealth/State Working Party at the next available opportunity.
3. That DIMIA continue its practice of analysing and publicising LSIA data and release more promptly updated, de-identified, unit record data.	Agreed. DIMIA has commissioned and published a series of research papers based on LSIA data. Most recently, <i>The Changing Settlement Experience of New Migrants: Inter-Wave Comparisons for Cohort 1 and 2 of the LSIA and Migrant Labour Force Outcomes: A comparison of two cohorts</i> were released in January 2005. The full LSIA dataset has now been made readily available to researchers through the Social Science Data Archive (SSDA) at the Australian National University. The SSDA charges only a nominal administration fee. On receipt of the statistical undertaking (to use data for research purposes only), data are supplied with minimal delay.
4. That DIMIA, as part of its monitoring program, identify establishments with a disproportionate dependence on migrant labour and focus its assessment on how well they demonstrate the commitment of their business of training Australian residents or introducing new technology.	Agreed. All sponsors of temporary business entrants are monitored within 12 months after sponsorship approval. Sponsors are required to complete a monitoring form which requests detailed information on: the total number of Australian employees; the total number of foreign employees; and details of training provided to Australians. The sponsor is also required to provide details of how the business has met its commitment to introduce new or improved technology or business skills to Australia if the sponsorship was approved on that basis. For companies with a high reliance on overseas workers, the Department will focus on consideration of their training commitments to Australian employees.

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5. That an indexed fee of \$1,000 be charged to each sponsor of a skilled temporary worker to fund scholarships for Australians in areas of existing long term shortages, which are predicted to continue.	Not agreed. The Australian Government is committed to addressing current and future skills needs, but does not support the introduction of an indexed fee of \$1,000 for the sponsors of skilled temporary workers as an alternative to such sponsors demonstrating a commitment to the training and skills development of Australians. Instead, the Government is ensuring that the vocational education and training system meets the needs of industry and helps Australians find and achieve their potential through initiatives such as the establishment of Australian Technical Colleges and the New Apprenticeships Scheme. In the Higher Education sector the Government is also providing additional support in a range of ways such as additional Commonwealth supported places and not allowing student contributions to exceed 2004 levels (indexed) for areas of national priority such as teaching and nursing.
6. That the skilled migration bonus point score for local lawfully gained work experience be increased from the current five points to ten.	This idea could be examined with other options if a shortage in Migration Program demand occurs. Approximately 10 per cent of successful applicants claim 5 bonus points for lawful Australian work experience. Increasing the points available for this item could counteract measures to increase the take-up rate of the new Skilled Independent Regional visa, which relies upon applicants meeting the same minimum skill levels but who can only obtain a score of 110 on the General Skilled Migration points test.
7. That transition arrangements be made when implementing its recommendations so that existing applicants are not disadvantaged by the changes.	Agreed. Wherever possible advance notice is given of changes to selection criteria (including the passmark). For example, implementation of the recently announced passmark increase for Skilled Independent migrants was deferred until 1 April 2005 for overseas students. A balance must be struck between ensuring greater certainty for potential skilled migrants and the responsible management of Australia's skilled migrant intake in the context of demand and labour market fluctuations.

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8. That the existing mandatory age limit of 45 years for skilled migration be removed.	Not agreed given existence of alternative avenues for migration by skilled people aged 45 and over. The age limit of 45 reflects the fact that as the age of new points tested skilled migrants increases, their ability to find appropriate work and contribute to Australia's economy declines. This is illustrated in research for DIMIA by Access Economics in 2003 entitled "The Importance of Age in Migrants' Fiscal Impact" which can be found on the DIMIA web site. This research confirms that Skill Stream migrants aged in their early-twenties to mid-thirties on arrival are, on average, significantly positive net contributors to Commonwealth and State/Territory budgets. Conversely, the Commonwealth and States/Territories, on average, would not gain at all or at best only marginally from the admission of migrants aged over 45 on arrival. Longitudinal Survey of Immigrants to Australia (LSIA) data also show that migrants aged 45 years or over at the time of arriving in Australia struggle to secure employment. Data from 1996-97, before this limit was put in place, show that approximately 0.2 per cent of successful Independent applicants were aged 45 or over. However, prospective skilled migrants over 45 may be granted visas in the Employer Sponsored Migration categories if the appointment is exceptional. Analysis of the labour force participation of older workers conducted by DEWR underlines the difficulties faced by many, particularly men aged 45 and over. A 1999 DEWR Submission to the House of Representatives Standing Committee on Employment, Education and Workplace Relations entitled Age Counts showed that the 45 and over age cohort faced significant economic and social barriers in obtaining employment.
9. That, in the skilled migration points test, no points be allocated to applicants 45 and over.	See response to recommendation 8.
10. That weighting given to spouse attributes in the points test be increased substantially to reflect the importance of their support to the primary applicant.	This idea could be examined along with other options if a shortage of Migration Program demand occurs. Latest data show that less than 3 per cent of General Skilled migrants are awarded points for Spouse Skills. However, LSIA2 data show that unemployment rates of spouses of skilled migrants are very low (4 per cent). Migrants in the offshore General Skilled Migration category would primarily benefit from an increase in points for Spouse Skills because they are more likely to be accompanied by their spouses than their onshore General Skilled Migration counterparts who tend to be younger and unpartnered. As with recommendation 6, there is the risk that increasing the points at this time could undermine the take-up rate of the Skilled Independent Regional visa.
11. That the requirement that the spouse be aged under 45 years to score points for the "spouse skills" component of the points test be discontinued to retain consistency with the Committee's recommended changes to the age requirements for primary applicants.	See response to recommendation 8.

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12. That the General Skilled Migration booklet list the skilled occupations and migration occupations in demand which require migrants to be registered prior to practising in Australia.	Given that the Skilled Occupations and Migration Occupations in Demand Lists are subject to regular change, it is strongly advised that prospective migrants consult the website for the most recent lists. It is for this reason that these lists are not included in hard copy booklets. These booklets include the website references for prospective applicants to check the current lists. Inclusion of information relating to the registration requirements of Australian occupations is supported and plans are underway, in keeping with the project identified at recommendation 13, to include such information in Booklet 6 and on the DIMIA website.
13. That DIMIA seek the cooperation of assessing authorities in providing migrant-oriented summaries of their Australian assessment, post-arrival obligations, and registration requirements in its Skilled Occupations List publication.	Agreed. A project has been initiated to forge stronger links with the assessing bodies gazetted for General Skilled Migration purposes. This project will address a range of issues, including skills assessment guidelines; information sharing protocols; and settlement-related issues such as requirements specific to each occupation. In this context, DIMIA will examine the potential for enhancing the information on these issues currently provided in the SOL publication.
14. That assessing bodies continue to seek harmonisation of registration requirements across the States and Territories.	Agreed. Effective management and development of the network of skills assessing bodies, including in regard to this issue, is critical given the importance of skilled migration to Australia's workforce. Options for the enhancement of this function are under active consideration, including in consultation with DEST and DEWR.