8

Permanent migration – personal points

8.1 The Australian skilled migration points test offers applicants opportunities to gain points not only for their employment prospects but also, as Table 7.1 shows, for a range of personal attributes. It is these which the Committee considers in this chapter.

Points for age

- 8.2 Canada, New Zealand and Australia all favoured specific age groups and allocated points accordingly. Those outside the preferred age range scored progressively fewer points depending on how far their age was above or below the optimum.
- 8.3 **Australia** rejected anyone over the age of 45 and favoured those aged under 30, allocating 18 per cent of the possible total points test score to those aged 18-29.
- 8.4 **New Zealand's** age ceiling was 56. Applicants between 20 and 29 years of age were most favoured, receiving 12 per cent of the possible total points.
- 8.5 **Canada** did not have a maximum age limit, but those over 54 did not receive any points for the age criterion. Canada, however, had a less prescriptive age policy than Australia or New Zealand. It gave the maximum score for age (10%) to applicants of any age between 21 and 49.

8.6 Canada selected a priority age group covering the span of years from 21 to 49 because:

applicants in their 40s and 50s have a wealth of experience and should be able to fill many labour market niches.¹

Although it is counterintuitive, we have found that older immigrants do in fact establish quite well.²

- 8.7 Of the three countries, Australia was the most generous in the proportion of points which might be gained in the age category. Australia had the lowest age limit for skilled migrants and the most restrictive age range eligibility for maximum points. Overall, preference was given to people under age 45 because, it was argued, Australian research showed that younger people had greater success in finding jobs.³
- 8.8 As noted in the chapter *Permanent Migration and Mandatory Requirements*, the Committee questioned whether Australia's age limit of 45 for skilled migrants might be causing it to miss out on otherwise suitable migrants. The Committee also queried whether the assumptions about the disadvantages of admitting older skilled migrants were still valid.
- 8.9 In this context, the Committee recalled that skilled migrants were not eligible for social security payments for two years, and were generally ineligible for age benefits for 10 years after migrating.⁴ The potential risk to the Australian taxpayer was therefore already being managed.

Conclusion

- 8.10 The Committee concluded that, in the general skilled migration program, the use of an absolute age limit of 45 and the allocation of the maximum number of points to those aged 18-29 reflected a desire to minimise the risk that migrants would be dependent on Australia's social security system.
- 8.11 The Committee considers that the age limit for skilled migrants should be removed to increase the pool of potential migrants. The

¹ Immigration and Refugee Protection Regulations, Canada Gazette, Pt II, 14/6/02, p. 223.

² High Commission of Canada, Evidence, p. 140.

³ DIMIA, *The Labour Force Experience of New Migrants*, pp 27-28 electronic version, www.immi.gov.au/research/publications/labour_force/nilsreport.pdf

⁴ DIMIA, General Skilled Migration Booklet, p. 47,

http://dima.cardgate.net/General_Skilled_Migration/1119.pdf

Committee also considers that the points allocation should remain unchanged so that those over 45 would receive no points, but would not be precluded from applying.

8.12 In the Committee's view such changes would not inevitably result in a sudden "greying" of the skilled migrant population with its consequent potential financial cost. This was because, it appears to the Committee, skilled workers in their late fifties or older might be dissuaded from applying because of the ten-year waiting period prior to becoming eligible for a pension. Also, those no longer in their home country's workforce would generally be precluded from applying because they would be unlikely to meet the mandatory requirement for recent work experience.

Recommendation 8

8.13 The Committee recommends that the existing mandatory age limit of 45 years for skilled migration be removed.

Recommendation 9

8.14 The Committee recommends that, in the skilled migration points test, no points be allocated to applicants aged over 45.

Points for language

8.15 **Australia's** mandatory English language requirements contributed a maximum of 12 per cent of the possible total points score if the applicant had "competent" English. This was the third highest score available for a single attribute, ranking after skill and age. Applicants with "vocational "English⁵ were awarded nine per cent.

⁵ **Competent** = IELTS of 6 or more on each of the four components – speaking, reading, writing and listening. **Vocational** = IELTS of 5 or more for each component.

- 8.16 **New Zealand** also had a mandatory requirement of language competence but did not allocate points for language skills.
- 8.17 Although **Canada** did not have a mandatory requirement for skill in either of its official languages, French or English, intending migrants were advised that:

the ability to communicate and work in one or both of Canada's official languages is very important to you, as a skilled worker. Abilities in English, French or both will help you in the Canadian labour market...We strongly recommend that you take a language test from an approved organization if you are claiming skills in a language that is not your native language.⁶

- 8.18 The 15 per cent of Canada's skilled migrant intake with neither French or English ability would have acquired no points for this criterion. ⁷
- 8.19 Canada's longitudinal study of migrants reported that 22 per cent of migrants with foreign credentials identified "language barriers" as the most critical problem in entering the job market. Lack of skills in either official language was also identified as a barrier to health care and further training.⁸

Conclusion

8.20 The Committee considered that, as English was a mandatory requirement, and English language skills were essential for migrants to Australia, it would be inappropriate to reduce the emphasis in the points test.

⁶ CIC, Immigrate to Canada, *Language Proficiency*, www.cic.gc.ca/english/skilled/qual-1.html

CIC, *Facts and Figures 2001*: Immigration Overview – Skilled workers by language ability (1999-2000). English only = 68.7%; French only =5.3%; [maximum of 16% total points for either language]; English and French = 11.2% [maximum of 24% total points]; neither = 14.9%. www.cic.gc.ca/english/pub/facts2001/8work-12.html

⁸ Statistics Canada, "Longitudinal Survey of Immigrants to Canada", in *The Daily*, 4/9/03, www.statcan.ca/Daily/English/030904/d030904a.htm

Points for "regional" location

8.21 **New Zealand** allocated four percent of the possible total points to applicants with a job or a job offer in a region outside Auckland:

to ensure all of New Zealand can benefit from the skills of people moving here.⁹

8.22 Intending skilled migrants to **Australia** were awarded three per cent of the possible total score if they had:

lived and studied for at least 2 years in one or more areas in regional Australia or low population growth metropolitan areas.¹⁰

8.23 In the context of students' places of study in Australia, the concept of "regional" or "low growth" included the areas broadly defined as:

all parts of Australia **except** the ACT, Sydney, Newcastle, the Central Coast, Wollongong, Melbourne, Perth, Brisbane and the Gold Coast.¹¹

- 8.24 Applicants under the "Skilled Designated Area Sponsored" (SDAS) visa categories did not have to pass the points test.¹²
- 8.25 This was a similar concession to the *Provincial Nomination* agreements which most provinces in **Canada** had with the Government of Canada. They allowed the Provinces to play a more direct role in selecting immigrants who wish to settle there and benefit their economies under arrangements similar to the national skilled migrant scheme, except that applicants were not assessed on the selection factors in the Canadian points test.¹³

⁹ NZIS, Employment outside Auckland, http://glossary.immigration.govt.nz/EmploymentoutsideAuckland.htm

¹⁰ DIMIA, General Skilled Migration Booklet, p. 38.

¹¹ DIMIA, General Skilled Migration to Australia: Regional Australia/low population growth metropolitan areas www.immi.gov.au/migration/skilled/regional.htm

^{12 &}quot;Designated Areas" cover all of Australia except Sydney, Newcastle, Wollongong, Perth, and Brisbane. DIMIA, General Skilled Migration to Australia: Skilled-Designated Area Sponsored, www.immi.gov.au/migration/skilled/offshore_general.htm#desig_area

¹³ CIC, Provincial Nomination, www.cic.gc.ca/english/skilled/provnom/index.html

Conclusion

8.26 The Committee considered the points allocation for regional purposes was satisfactory; particularly as regional areas seeking settlers from overseas had access to schemes in addition to SDAS, such as State/Territory Nominated Independent and the Skill Matching Visa.¹⁴

Points for spouses' attributes

- 8.27 In **Australia** a skilled migrant's spouse might contribute to the total score, provided that they met six basic requirements:
 - aged under 45;
 - vocational English;
 - post-secondary qualifications;
 - occupation on the SOL;
 - recent work experience; and
 - skills assessed by the relevant Australian assessing authority.¹⁵
- 8.28 These were comparable to the requirements imposed on the primary applicants with the aim of ensuring their ready adaptation to Australia, but scored only three per cent of the possible total for the spouse to contribute to the applicant's score.
- 8.29 In **New Zealand**, if the applicant's spouse was employed or had an offer of employment, this counted for four percent of the possible total score. If they also had recognised qualifications, the principal applicant would receive a further four per cent. The spouse might therefore provide up to eight per cent of the total possible score.
- 8.30 **Canada** allocated an applicant between three and five per cent of the possible total according to their spouse's years of full-time education and post-secondary qualifications. As this was considered an

¹⁴ Both are accessible to State/Territory governments of those parts of Australia which are "designated Areas", i.e. Vic, SA, Tas, ACT, NT. The Skill Matching Visa applicants are on a database which "is sent regularly to some regional bodies and State and Territory governments, who may then nominate applicants to fill vacancies that cannot be filled through the local labour market". DIMIA, General Skilled Migration to Australia, www.immi.gov.au/migration/skilled/offshore_general.htm#desig_area

¹⁵ DIMIA, General Skilled Migration to Australia: Basic requirements, www.immi.gov.au/migration/skilled/basic_requirements.htm

"Adaptability" factor, their actual contribution to the points score depended on the points generated by the other adaptability factors.

8.31 The Committee observed that the operation of other Canadian "adaptability" factors meant that a spouse could contribute up to 10 per cent of the possible total points.¹⁶ This was more generous than the Australian system, and less stringent than the basic requirements stipulated for Australian skilled migration.

Conclusion

- 8.32 The Committee believed that a spouse's attributes would be an important factor in determining how well skilled migrant families settled in Australia.
- 8.33 In view of the apparent importance of the spouses' roles in assisting new skilled migrants to adapt to their new homeland the Committee considers their role in gaining qualifying points for the applicant in the broader discussion of "adaptability", below.

Points for relationships

- 8.34 **New Zealand** did not allocate points for applicants having a personal, as opposed to a work or study, connection with the country.
- 8.35 This contrasted with the **Canadian** approach. As reviewed below in "Adaptability", a local relative meant that the applicant might score more points.
- 8.36 In Australia only applicants for the Skilled-Australian Sponsored visa category received an additional nine per cent of the possible total if they met the mandatory requirement for this visa class, which was to have a relative who was an Australian citizen or permanent resident and who was willing to sponsor them.

Conclusion

8.37 The Committee considered that those arrangements were appropriate.

^{16 3%-5%} for years of full-time education and post-secondary qualifications plus 5% for post-secondary study in Canada plus 5% if they had worked for one year in Canada up to a total for "adaptability" of 10%.

Bonus points

8.38 Under **Australia's** points score system, applicants might receive a maximum of three percent of the possible total points for one of three factors: local work experience, *or* fluency in a community language, *or* capital.

Local work experience

8.39 Local work was examined in the previous chapter under "work experience".

Fluency in a community language

- 8.40 Fluency in one of Australia's 55 specified community languages¹⁷ (other than English) could qualify applicants for bonus points. In order to acquire the points, applicants had to be accredited at the professional level with the National Accreditation Authority for Translators and Interpreters or have gained a tertiary degree qualification which was taught in one of the languages.
- 8.41 **Canada** also awarded points for a second language but, as indicated above under "Language" this was limited to either French or English, the two official languages of a bi-lingual country.
- 8.42 **New Zealand** did not have this concept in its skilled migration scheme.

Conclusion

8.43 The Committee agreed that, in a multi-cultural society, it was appropriate to recognise migrants' skills in languages other than English through the current bonus points arrangement.

^{17 &}quot;Community languages" are: Afrikaans; Albanian; Arabic/Lebanese; Armenian; Bangla (Bengali); Bosnian; Bulgarian; Burmese; Chinese-Cantonese; Chinese-Mandarin; Croatian; Czech; Danish; Dutch; Estonian; Fijian; Filipino (Tagalog); Finnish; French; German; Greek; Hebrew; Hindi; Hungarian; Indonesian; Italian; Japanese; Khmer; Korean; Lao; Latvian; Lithuanian; Macedonian; Malay; Maltese; Norwegian; Persian; Polish; Portuguese; Punjabi; Romanian; Russian; Serbian; Sinhalese; Slovak; Slovene; Spanish; Swedish; Tamil; Thai; Turkish; Ukrainian; Urdu; Vietnamese; Yiddish. DIMIA, General Skilled Migration booklet.

Capital

- 8.44 Until late 2003 **New Zealand** allocated points for capital, but few skilled migrants scored points for this factor in 2002/3.¹⁸ The revised skilled migration program which began in December 2003 did not have points for capital.
- 8.45 Canada required skilled migrants who did not have a job offer to have sufficient funds to support themselves for six months but allocated no points for this. The sums involved ranged from CAN\$9,186 for a single person to CAN\$23,397 for a family of seven. Applicants with jobs were not required to fulfil this condition.¹⁹
- 8.46 Skilled Independent migrants to **Australia** might qualify for the bonus points if they placed a minimum of \$100,000 in an approved government investment for at least 12 months.
- 8.47 The Committee had decided to examine the role of capital in skilled migration when considering the mandatory requirements. The DIMIA information provided in the *General Skilled Migration* booklet about living costs in Australia indicated that if the \$100,000 capital was applied to meeting living costs, it could be sufficient to keep a single migrant for eight years, or a couple for five years.²⁰ Recalling that migrants were ineligible for social security payments for two years, it seemed to the Committee that migrants with \$100,000 in capital might prudently choose to keep it as a liquid asset to cushion themselves against unexpected contingencies, rather than invest it.
- 8.48 DIMIA told the Committee that there was no impediment to the use of the capital when the required investment term expired.²¹
- 8.49 The award of a bonus of three per cent of the possible total score was, in the Committee's estimation, an appropriate recognition of the applicant's temporary loss of access to the capital sum.

¹⁸ NZIS, Immigration Research Program, Trends in Residence Approvals 2002/2003; www.immigration.govt.nz/NR/rdonlyres/E0972AE3-EF13-4C33-A101-5F0E3AB5A0EE/0/Trendsinresidenceapproval0203.pdf

¹⁹ Approx AUS\$9,700 - 24,600. Citizenship and Immigration Canada, *Proof of Funds*, www.cic.gc.ca/english/skilled/qual-4.html

^{20 \$225} per week is the estimated cost for a single person; \$365 for a couple. *DIMIA, General Skilled Migration booklet*, p. 46, www.immi.gov.au/allforms/booklets/1119.pdf

²¹ DIMIA, Submission No 25a, para 5(b).

Conclusion

8.50 In view of this, the Committee did not consider changing the points allocation for capital.

The concept of "Adaptability"

- 8.51 **Canada** and, until December 2003, **New Zealand**, awarded points for attributes which they assessed would assist migrants to settle into their new homeland. The concept of "adaptability" was mentioned earlier in this report in the context of the points test, but the Committee considered that it was useful to draw attention to the recognition of attributes which might assist migrants to establish themselves in their new homelands.
- 8.52 **New Zealand's** points system, prior to the changes of December 2003, placed the points for settlers' capital, local family sponsorship, spouse qualifications, and local work experience in the category of "Settlement Factors".²² The latter two factors remained in the New Zealand points test after December 2003, but the concept of "Settlement Factors" was no longer used.
- 8.53 **Canada** grouped five characteristics under the heading "adaptability" and allocated up to 10 percent of the possible total score for any combination of them. They were:
 - One year full-time authorized work in Canada by the applicant or their spouse (5%).
 - Additional points if the applicant already had points allocated for arranged employment in Canada (5%).
 - Spouse's education (3% 5%).
 - Two years full-time authorized post-secondary study in Canada by the applicant or their spouse (5%).
 - Canadian relatives of the applicant or their spouse (5%).

²² NZIS, NZ IMMIGRATION INSTRUCTIONS: Amendment Circular No. 2003/06, www.immigration.govt.nz/operations_manual/amendment-circulars/amendment-circular-july-01-2003.html

- 8.54 **Australia's** points scheme contained the following factors which resembled those included in Canada's "Adaptability" component of the points test, but did not apply a generic title to them:
 - Job offer associated with an occupation on the MODL (9%).
 - Australian qualifications (9%).
 - Study in regional Australia (3%).
 - Spouse skills (3%).
 - Bonus points equivalent to 3% for either Australian work experience or fluency in a community language.²³
- 8.55 Together these attributes contributed 27 per cent of the possible points total, almost the same proportion as the 28 per cent achievable under the Canadian arrangements if the Canadian allocations for a job offer (10%) and a second language (up to 8%) were included as "adaptability" factors to make them more comparable with Australia.
- 8.56 In examining the Canadian concept of "adaptability" the Committee recalled that it reviewed local work experience in the previous chapter. It recommends greater points weighting for this factor because of its importance to migrants in gaining employment and thus meeting aims of the skilled migration program of:

enhancing both the size and the productivity of Australia's future labour force. $^{\rm 24}$

- 8.57 The Committee will also examine local work experience in the next chapter *Settling Well?*
- 8.58 When assessing the potential impact of the other "adaptability" factors on the points score, the Committee observed that, in contrast to Australia, the Canadian and New Zealand approaches gave more weight to the applicant's spouse's attributes ten and eight per cent respectively, compared with Australia's three per cent. The difference in their approach was more marked when the strict Australian requirements for five criteria to be fulfilled by the spouse to gain the three per cent²⁵ was compared with the multiple opportunities for the

²³ Plus -for Skilled-Australian-sponsored only - 9% for a sponsoring local relative of the applicant or spouse.

²⁴ DIMIA Annual Report 2001/02 p.21. www.immi.gov.au/annual_report/annrep02/report8.htm

²⁵ Aged under 45; vocational English; post-secondary qualifications; occupation on the *SOL*; recent work experience; and skills assessed by the relevant Australian assessing authority. DIMIA, *General Skilled Migration to Australia: Basic requirements*, www.immi.gov.au/migration/skilled/basic_requirements.htm

spouse of the Canada-bound migrant to boost the points score by up to 10 per cent.

- 8.59 This attracted comment from the Committee because most skilled migrants brought their families. One in twenty of the spouses had initiated their family's decision to emigrate to Australia. They had to clear similar hurdles of English language skills, occupation, education etc as the primary applicant to contribute only three per cent of the total possible score.²⁶ Yet they were going to significantly influence the migrant's ability to settle well and contribute to the nation.
- 8.60 The Committee considers that, because of the importance of spouses' contribution to the successful settlement of the primary applicants and their dependents, their attributes should be given more weight in the points test.

Recommendation 10

- 8.61 The Committee recommends that weighting given to spouse attributes in the points test be increased substantially to reflect the importance of their support to the primary applicant.
- 8.62 The Committee also concludes that, in view of its recommended changes to the current mandatory age limit, the relevant spouse requirement should also be changed.

Recommendation 11

The Committee recommends that the requirement that the spouse be aged under 45 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.

²⁶ DIMIA, *Size of Migrating Units…*, Migrants Counts, Summary of findings for LSIA 2, www.immi.gov.au/research/lsia/lsia06_1.htm ; "Table 3.1, Person whose idea it was" in NILS *Life in a New Land: The Experience of Migrants in…, p.44*; www.immi.gov.au/research/publications/lsia/index.htm

Conclusion

8.63 Although they were not well sign-posted as such, Australia's points test emphasised personal attributes which improve the skilled migrants' potential to adapt to a new country.

Summary

- 8.64 The Committee concludes that the points allocated for personal attributes not directly related to work experience are intended to maximise the benefit to Australia of skilled migration. The intent of the points system is to favour selection of young and English speaking migrants who, because of their skills, can be expected to quickly contribute to the Australian economy.
- 8.65 The Committee considers that it is also important that skilled migrants should be able to settle readily into Australian society through access to good employment opportunities on arrival.
- 8.66 The Committee therefore examines the settlement arrangements provided for skilled migrants in Australia in the following chapter.