QUESTION TAKEN ON NOTICE

BUDGET ESTIMATES HEARING: 22 May 2006

IMMIGRATION AND MULTICULTURAL AFFAIRS PORTFOLIO

(107) Output 1.1:   Non-Humanitarian Entry and Stay

Senator Carr asked:

Are you aware of studies on trends in the IT labour market in Australia and elsewhere that show that skilled Australian and skilled foreign IT workers are now working outside of their area of training, in low skilled jobs? Please provide details.

Answer:

The best source of information on the labour force outcomes of new skilled migrants is the Longitudinal Survey of Immigrants to Australia (LSIA). The first LSIA surveyed migrants who entered Australia in 1993-94 and the second LSIA surveyed migrants entering in 1999-2000. (A third LSIA is also now underway and will provide data on migrants entering in 2004-05.) In the first LSIA some 31% of IT qualified skilled principal applicants, interviewed approximately 18 months after arrival were either working in unskilled jobs or were not in the labour force. In the second LSIA the equivalent figure was 27%. It should be noted that the second LSIA was undertaken at around the time of the dot.com crash.

While the Department of Immigration and Multicultural Affairs (DIMA) does not conduct surveys of Australian residents other than newly arrived migrants, the Department of Employment and Workplace Relations (DEWR) does conduct research on these issues and makes recommendations to DIMA every six months as to which occupations should remain on or be added to the Migration Occupations in Demand List (MODL). Listing or removal of these occupations is then accomplished by gazettal by the Minister for Immigration and Multicultural Affairs. Occupations on the MODL attract additional points towards the pass mark for a general skilled migration (GSM) visa.

DEWR notified DIMA in 2002 that 24 IT specialisations were not in high demand in the Australian labour market and should be removed from the MODL. This was effected in April 2002. Around the same period, the minimum required period of Australian study for overseas students to qualify for a GSM visa was increased to two years and the points test passmark was raised to 120. As a result of these measures, the proportion of skilled visas going to IT qualified applicants steadily fell, whereas skilled migrants with occupations on the MODL, including tradespeople, have been steadily increasing.