

**Commonwealth/NSW
Working Party
on Migration to Sydney
and Regional NSW**

REPORT TO

SENATOR THE HON AMANDA VANSTONE
MINISTER FOR IMMIGRATION AND
MULTICULTURAL AND INDIGENOUS AFFAIRS

AND

THE HON R J CARR MP
PREMIER OF NEW SOUTH WALES

December 2003

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LIST OF ABBREVIATIONS

ABS	Australian Bureau of Statistics
ACC	Area Consultative Committee
AIM	Australian Institute of Management
AMES	Adult Migrant English Service
AV-CC	Australian Vice-Chancellors' Committee
CRC	Community Relations Commission For a multicultural NSW
CSIRO	Commonwealth Scientific and Industrial Research Organisation
CSSS	Community Settlement Service Scheme
DET	NSW Department of Education and Training
DEWR	Commonwealth Department of Employment and Workplace Relations
DIMIA	Commonwealth Department of Immigration and Multicultural and Indigenous Affairs
DOTARS	Commonwealth Department of Transport and Regional Services
DSRD	NSW Department of State and Regional Development
ENS	Employer Nomination Scheme
ESL	English as a Second Language
ITAB	Industry Training Advisory Body
MIMA	Ministers for Immigration and Multicultural Affairs
MODL	Migration Occupations in Demand List
NOM	Net Overseas Migration
RCB	Regional Certifying Body
RDB	Regional Development Board
RSMS	Regional Sponsored Migration Scheme (Visa)
SAISO	Strategic Assistance for Improved Student Outcomes
SAS	Skilled Australian Sponsored (Visa)
SOL	Skilled Occupations List
SD	Statistical Division
SDAS	Skilled Designated Area Sponsored (Visa)
SMPO	Skilled Migrant Placement Officer
SSSL	Sydney Skills Shortage List
STNI	State and Territory Nominated Independent (Visa)
TAFE	Technical and Further Education NSW

CHAPTER 1 - INTRODUCTION

11 BACKGROUND

On 7 May 2002, the Hon Philip Ruddock MP, the former Minister for Immigration and Multicultural and Indigenous Affairs announced that Australia's non-humanitarian migrant intake would increase from 93,000 in 2001/2002 to between 100,000 and 110,000 for 2002/2003 and the following three years. Minister Ruddock also announced that rural and regional Australia would be specifically targeted for settling business and skilled migrants.

On 8 July 2002, The Hon Bob Carr MP, Premier of New South Wales met Minister Ruddock to discuss the announcements and the consequences of the rate of migration to Sydney.

At their meeting, the Premier presented a submission to Minister Ruddock outlining the need to divert migrants from settling in Sydney, and proposing a Five-Point Plan to attract and retain migrants in regional areas of the State. A copy of the Premier's Five-Point Plan may be found in Appendix A.

At the meeting, Minister Ruddock and the Premier agreed to the formation of the Commonwealth/NSW Working Party on Migration to Sydney and Regional NSW.

The Working Party was directed to report on options to divert the level of business and skilled migration from Sydney to regional NSW and reduce the level of temporary and permanent migration to Sydney.

The Working Party was not to consider the number of migrants Australia proposes to accept. This is a matter determined by the Commonwealth Government.

Representatives of the Commonwealth Department of Immigration and Multicultural and Indigenous Affairs (DIMIA) advised that the consultation process leading up to the 2002/2003 Migration Program revealed that all State Premiers and Chief Ministers other than the NSW Premier support the larger Migration Program. While NSW Government representatives accepted that other States and Territories support the larger Migration Program, they noted that Sydney is in a unique position. The rapidly expanding population in Sydney is placing severe strain on infrastructure, environment and urban amenity. This is discussed further in Chapter 3 of this Report.

12 MEMBERS OF THE WORKING PARTY

Commonwealth Government representatives:

- Mr Abul Rizvi, First Assistant Secretary, Migration and Temporary Entry Division, Department of Immigration and Multicultural and Indigenous Affairs (Joint Chair)
- Mr Nick Nicholls, NSW State Director, Department of Immigration and Multicultural and Indigenous Affairs
- Mr Peter Vardos, First Assistant Secretary, Citizenship and Multicultural Affairs Division, Department of Immigration and Multicultural and Indigenous Affairs
- Mr Scott Matheson, Assistant Secretary, Economic and Labour Market Analysis Branch, Department of Employment and Workplace Relations
- Mr John Doherty, First Assistant Secretary, Regional Policy Division, Department of Transport and Regional Services

NSW Government representatives:

- Ms Leigh Sanderson, Deputy Director-General, The Cabinet Office (Joint Chair)
- Mr Stepan Kerkyasharian AM, Chair, Community Relations Commission For a multicultural NSW
- Ms Madi Maclean, Director, Operations and Strategy, Department of State and Regional Development (Ms Julie Scott, Director, Operations and Strategy, represented the Department of State and Regional Development from October 2002)
- Ms Vivian Hanich, Assistant Director, Strategic Projects, NSW Premier's Department
- Ms Hanya Stefaniuk, Manager, Multicultural Programs Unit, Department of Education and Training

Regional representative:

- Mr Peter Dale, Executive Officer, Riverina Regional Development Board

Local government representative:

- Councillor Genia McCaffery, Executive Member, the Local Government Association of NSW and the Shires Association of NSW

13 TERMS OF REFERENCE

The purpose of the Working Party was to prepare a joint report to the Minister for Immigration and Multicultural and Indigenous Affairs and to the Premier of NSW on options to divert the level of business and skilled migration from Sydney to regional NSW and reduce the level of temporary and permanent migration to Sydney.

The Minister for Immigration and Multicultural and Indigenous Affairs and the Premier of NSW agreed that the Report of the Working Party should:

1. identify past, current and projected immigration trends (based on current policy settings) to Sydney and to each major region of NSW (under each permanent and temporary entry category if possible) as well as emigration from Sydney and regional NSW;
2. identify and examine strategies for the use of existing, enhanced or potentially new state-specific and regional migration mechanisms that could divert the level of business and skilled migration settlement from Sydney to regional NSW, taking into account the NSW Premier's Five Point Plan;
3. identify strategies for a whole-of-government approach to encouraging business and skilled migrant settlement in regional NSW through broader regional planning, taking into account the NSW Premier's Five Point Plan; and
4. identify those strategies under 2 and 3 that could be implemented generally and those strategies under 2 and 3 that could be implemented as pilots in specific regional areas of NSW. For the pilot strategies, recommend suitable regional areas, having regard to the skills and potential business investment requirements of the selected regions, services and other infrastructure requirements necessary to attract and retain migrants.

1.4 MEETINGS

The Working Party met four times:

1. Friday 6 September 2002 in Sydney;
2. Friday 18 October 2002 in Wagga Wagga;

This meeting was preceded by a Community Consultation Forum, to which members of regional communities, academics and industry leaders were invited. A summary of the discussions held at this meeting may be found in Appendix B.

3. Friday 15 November 2002 in Sydney; and
4. Tuesday 28 January 2003 in Sydney.

1.5 SCOPE OF WORKING PARTY

At its first meeting, the Working Party considered the scope of its Terms of Reference and agreed that its Report to the Minister for Immigration and Multicultural and Indigenous Affairs and the Premier of NSW was on the visa categories that fall under the Skilled Stream.

DIMIA asked that the Working Party note that Net Overseas Migration (NOM), the official measure of the contribution of overseas migration to population growth, is very broad and is considerably broader than the Skilled Stream. It consists of all permanent and long-term temporary arrivals, less permanent and long-term departures, and includes those who arrive under the Skilled Stream, the Family Stream, the Humanitarian Program, overseas students, working holiday makers, New Zealand Citizens and expatriate Australians returning home.

In 2001/2002, almost 75 percent of arrivals to Australia¹ were in the Long-Term Temporary categories while some 25 percent of arrivals were in the Permanent categories.

¹ Note that these numbers measure actual arrivals and not visas granted. Particularly in respect of permanent visa holders, many migrants do not move to Australia in the same year that they were granted a visa.

The Skilled Stream is the largest category of permanent migrants (40 percent). Other significant categories were Family (26 percent), New Zealand Citizens (24 percent) and Humanitarian (eight percent).

The increase in migration intake announced by Minister Ruddock will take place within the Skilled Stream and the Family Stream. The Skilled Stream accounts for almost 60 percent of this increase.

DIMIA advised the Working Party that it already has policies in place to settle Humanitarian migrants, with no family or friend connections in Australia, in areas other than Sydney. DIMIA also advised the Working Party that New Zealand citizens are able to travel freely to Australia under trans-Tasman arrangements.

The Working Party Report also considered one of the Long-Term Temporary visa categories, namely employer-sponsored Long-Term Temporary Business entrants. Temporary migrants who initially entered Australia under this visa category account for around 50 percent of applicants for permanent visas under the Employer-Nomination Scheme². The employer-sponsored Long-Term Temporary Business category accounted for 13 percent of long-term temporary arrivals in 2001/2002. Other significant categories of long-term temporary migrants were students (54 percent) and working holiday makers.

During the course of the Working Party's deliberations, regional representatives raised the need for unskilled labour in regional NSW. While it was understood that the Working Party's Terms of Reference did not extend to exploring issues of unskilled labour, participants in the community consultations in Wagga Wagga requested that their concern at the lack of unskilled labour in their region, and the need to attract unskilled migrants to regional NSW, be brought to the attention of the Minister for Immigration and Multicultural and Indigenous Affairs. The regional and local government representatives and community participants stated that regional shortages in unskilled and semi-skilled labour are holding back development.

The issue of Temporary Protection Visa Holders was singled out for special mention. Community participants expressed the view that Temporary Protection Visa Holders are making a significant contribution to their community by working in unskilled jobs.

Commonwealth Government representatives, however, advised that the Commonwealth Government does not support the creation of a non-humanitarian program for the migration of unskilled workers given the level of unemployment in Australia amongst low-skilled existing residents³

² See Section 4.5 for a description of the Employer-Nomination Scheme.

³ DIMIA has indicated that it recognises the benefits in linking lesser skilled refugees and humanitarian entrants to specific regional employment opportunities. This has not been raised with the Working Party or addressed in its deliberations.

16 SYDNEY AND REGIONAL NSW

The Working Party considered how 'Sydney' and 'regional NSW' should be defined.

The Australian Bureau of Statistics (ABS) states that the Sydney Statistical Division consists broadly of the Cumberland Plain. To the north of the Plain, it includes the moderately elevated Hornsby plateau and, beyond the Hawkesbury River, the coastal lowland plains containing Gosford and Wyong. To the north-west, north and south-west of the Cumberland Plain, the Statistical Division of Sydney comprises the Blue Mountains and other associated ranges. The southern part of the Division is mainly composed of the moderately elevated Woronora plateau.

Under DIMIA's state-specific and regional migration mechanisms, jurisdictions are able to identify designated areas which receive priority processing for business and skilled migrants. NSW has designated all areas of NSW **other than** Sydney, Newcastle and Wollongong. This is designed to give priority to the rest of NSW on the basis that Sydney, Newcastle and Wollongong do not require the same priority.

The Central Coast of NSW, being the area beyond the Hawkesbury River and comprising the coastal lowland plains containing Gosford and Wyong, is a designated area for state-specific and regional migration mechanisms. While for the purposes of this Report, the Central Coast is considered part of the greater area of Sydney, its status as a designated area will continue.

Although the population pressures are particularly significant in Sydney, when referring to Sydney this report includes Newcastle and Wollongong. For the purposes of business and skilled migration, Newcastle and Wollongong are already included with Sydney. When referring to regional NSW, this Report includes all of NSW **other than** Sydney, Newcastle and Wollongong.

It should be noted, however, that the NSW Department of State and Regional Development (DSRD) generally includes Newcastle, Wollongong and the Central Coast in its definition of regional NSW.

CHAPTER 2 - EXECUTIVE SUMMARY

The Working Party discussed a range of options to divert the level of business and skilled migration from Sydney to regional NSW and reduce the level of temporary and permanent business and skilled migration to Sydney.⁴

Each of the four following chapters in this Report addresses one of the Terms of Reference for the Working Party:

- Chapter 3 examines population and immigration trends to Sydney and to regional areas of NSW;
- Chapter 4 examines strategies for the use of existing, enhanced or potentially new state-specific and regional migration mechanisms;
- Chapter 5 examines strategies for a whole-of-government approach to encourage business and skilled migrant settlement in regional NSW; and
- Chapter 6 examines strategies which could be implemented as pilots in regional areas, and a range of regional areas where those pilots could be conducted.

The following is a summary of the recommendations for change made in the Report. The Working Party makes the following recommendations:

21 MIGRATION MECHANISMS

Note: Commonwealth Government representatives on the Working Party considered that recommendations on changes to migration mechanisms were entirely a matter for the NSW Government. Accordingly Commonwealth Government representatives expressed no views on recommendations 1 to 10 (inclusive). Consistent with the Minister for Immigration and Multicultural and Indigenous Affairs' discussion with the Premier of NSW, Commonwealth Government representatives indicated that they would be willing to consider implementing any of the options the NSW Government wished to pursue.

21.1 Skilled Australian Sponsored / Skilled Designated Area Sponsored (SAS/SDAS) Visas

Recommendation 1.

The existing Adult Migrant English Service (AMES)/TAFE partnership should explore the feasibility of providing fee-for-service English language tuition to enable skilled migrants who agree to reside in regional NSW to upgrade their English skills from functional to vocational English.

Recommendation 2.

If the provision of fee-for-service English language tuition is determined to be feasible under Recommendation 1, applicants for a Skilled Designated Area Sponsored Visa who:

- are sponsored by relatives residing in regional NSW;

⁴ See Section 1.6 for the meaning of "Sydney" and "regional NSW".

- do not possess vocational English but are assessed as possessing functional English;
- have pre-paid for English language tuition to upgrade their English skills to vocational English; and
- otherwise satisfy the DIMIA requirements for these visas,

should be granted visas under the Skilled Designated Area Sponsored category.

Recommendation 3

Applicants for a Skilled Australian Sponsored Visa who are sponsored by relatives residing in Sydney should be required to have skills and experience in an occupation that appears on the Sydney Skills Shortage List (SSSL) which could be compiled by the NSW Government based on skill shortage research undertaken by the Commonwealth Department of Employment and Workplace Relations (DEWR), rather than an occupation that appears on the DIMIA Skilled Occupations List (SOL).

Recommendation 4

Recommendation 3 should be introduced initially for a period of two years. It should only be implemented on a more permanent basis if a review of its operation in the period of two years establishes that the SSSL is a sufficiently accurate measure of skill shortages in Sydney to be used in this way.

2.1.2 Skilled Independent Categories

On 1 July 2003, the Minister for Immigration and Multicultural and Indigenous Affairs introduced changes to the Skilled Independent Visa as a means of encouraging overseas students planning to apply for permanent residency to study and reside in regional Australia.

Additional bonus points will be awarded to overseas students who have recently completed their qualifications by studying and living in regional Australia for at least two years.

Prior to the Minister's announcement, the Working Party considered the above initiative as a potential option for encouraging skilled migrants to settle in regional NSW and agreed that it should be supported.

Recommendation 5

Applicants for a Skilled Independent Visa who score five points below the applicable pass-mark should be granted a three-year temporary visa on condition that they live and work in regional NSW.

Recommendation 6

An applicant for permanent residence under a Skilled Independent Visa who was granted a temporary visa in accordance with Recommendation 5 should only be able to apply for permanent residence once the applicant has resided and worked in regional NSW for at least two years.

2.13 Employer Nomination Schemes

Recommendation 7. Employers wishing to sponsor applicants for visas under the Employer Nomination Scheme (ENS) for positions in Sydney should be required to meet a higher salary threshold, reflecting the higher average weekly earnings in Sydney.

Recommendation 8. If the higher salary threshold under Recommendation 7 proves not to be sufficiently effective on its own, further consideration should be given to restricting applications under the Employer Nomination Scheme for positions in Sydney to occupations on the Sydney Skills Shortage List.

2.14 Long-Term Temporary Business Visas

Recommendation 9. Employers wishing to sponsor applicants for Long-Term Temporary Business Visas for positions in Sydney should be required to meet a higher salary threshold, reflecting the higher average weekly earnings in Sydney.

Recommendation 10. If the higher salary threshold under Recommendation 9 proves not to be sufficiently effective on its own, consideration should be given to restricting applications under Long-Term Temporary Business Visas for positions in Sydney to occupations on the Sydney Skills Shortage List.

2.2 WHOLE-OF-GOVERNMENT STRATEGIES

2.2.1 Employment

Recommendation 11. The Department of Immigration and Multicultural and Indigenous Affairs (DIMIA), the NSW Department of State and Regional Development (DSRD), the Community Relations Commission (CRC), Regional Development Boards (RDBs), Commonwealth Area Consultative Committees (ACCs), Regional Certifying Bodies (RCBs), the Local Government Association of NSW and the Shires Association of NSW and Job Network should facilitate the use of their respective regional structures to disseminate information and promote skilled migration and the existence of the Skill Matching Database among regional employers.

Recommendation 12. DIMIA, in consultation with DEWR and the NSW Government, should consider piloting increased access to the Skill Matching Database by making it available through Job Placement Organisations.

Recommendation 13. DIMIA, DSRD and CRC should collaborate on future activities to promote skilled migration to regional employers, in conjunction with relevant local councils and regional advisory committees.

- Recommendation 14** RDBs and RCBs should be the principal point of contact for regional employers to seek further information about skilled migrants.
- Recommendation 15** DIMIA and DSRD should cooperate to ensure RDBs and RCBs have appropriate information and training to fulfil their role under Recommendation 14.
- Recommendation 16** RDBs, in consultation with DEWR, DSRD and relevant local councils, should consider the feasibility of producing region-specific skills shortage lists.
- Recommendation 17** DEWR should inform new migrants of the availability of those Job Network and Centrelink services that are available to migrants in their first two years, including access to job matching services.
- Recommendation 18** The NSW Department of Education and Training (DET) should explore the potential for existing Skilled Migrant Placement Officer (SMPO) projects to provide outreach services to pilot regions on a case-by-case basis.

2.2.2 Enhanced Access to Services

- Recommendation 19** Local councils in regional NSW should be encouraged to work with their local communities to attract migrants with specialist skills in demand in their region. Local councils may determine to make available any special incentives on a case-by-case basis.

2.2.3 Settlement Services

- Recommendation 20** Steps should be taken by all relevant agencies to improve access for business and skilled migrants to information on available services.
- Recommendation 21** The CRC, NSW Premier's Department and the Commonwealth Department of Transport and Regional Services (DOTARS) should consider the extent to which their existing programs could be used to fund or support interested local councils or communities to facilitate the settlement of business and skilled migrants in regional NSW.
- Recommendation 22** Relevant local councils, with the assistance of the CRC and existing regional community and government advisory bodies, should facilitate community harmony activities to aid the integration of business and skilled migrants into regional communities. DIMIA should continue to fund Living in Harmony projects in regional NSW.
- Recommendation 23** Local councils should be encouraged to support local communities in providing community development and support services for business and skilled migrants in regional NSW.

Recommendation 24 DIMIA should disseminate information to stakeholders in regional NSW, including information on its planned diversity management pilot projects in Queensland and the Northern Territory. DIMIA should consider the merit of extending its planned diversity management pilot projects to regional NSW.

23 PILOT PROGRAMS

Recommendation 25. The success of the whole-of-government strategies to be implemented in the pilot areas should be assessed by a group including representatives of all the agencies that participated in the Working Party, together with representatives from the pilot areas. The group should be convened by the Minister for Immigration and Multicultural and Indigenous Affairs and the NSW Premier in 2006.

Recommendation 26 DIMIA and the CRC should jointly monitor and, if necessary, undertake a review of settlement needs of new migrants in the pilot regions. Should it be determined that migrants in the pilot areas do not have sufficient access to required services, the CRC and DIMIA should cooperate to endeavour to find a solution.

Recommendation 27. All of the whole-of-government strategies (Recommendations 11-24) should be implemented in the pilot areas. Where the strategies require additional financial or other resources, they should be implemented first in the pilot areas and extended to other areas only if resources are available.

Recommendation 28. DIMIA should advise migration agents of any visa changes and pilot programs to be implemented arising from this Report, and encourage migration agents to provide this information to clients and potential clients who are considering migration to NSW.

Recommendation 29 The following ABS Statistical Divisions should be selected as the pilot regions:

- Murrumbidgee;
- Northern; and
- Central West.

Note: The particular ABS Statistical Divisions suggested for the above recommendation were put forward by NSW Government representatives. The Regional Representative did not take part in discussions on this Recommendation.

CHAPTER 3 - IMMIGRATION AND POPULATION TRENDS

Under its Terms of Reference, the Working Party was required to identify past, current and projected immigration trends to Sydney and to each major region of NSW and identify emigration trends for Sydney and regional NSW.

This Chapter examines national population trends and projections, including an overview of Australia's immigration program, and provides specific information on population flows for Sydney and for the rest of NSW. Detailed information on permanent and temporary categories of business and skilled migration may be found in Chapter 4.

Data analysis undertaken for this Report suggests that the single most important factor in explaining why people of working age move into or away from an area is the strength of the labour market in that area. Sydney is by far the most attractive destination, followed by the Illawarra. Areas without strong labour markets tend to attract fewer people. These people are usually not in the labour force or are unemployed.

Lifestyle appears to be a significant factor influencing the settlement decision of those aged over 64. A significant proportion of this age-group settles in the coastal areas to the north and south of Sydney.

Areas where migrants have settled in the past are popular with newly-arriving migrants. This may be related to a conclusion drawn from DIMIA's Longitudinal Survey of Immigration to Australia, which suggests that the presence of family and friends influences the settlement decisions of migrants.

More detailed population and immigration statistics may be found in Appendix C.

31 THE NATIONAL CONTEXT

At the 2001 Census, the population of Australia was 19.3 million. One-third of all Australians (6.5 million people) lived in NSW and just over one-fifth of the population (4.1 million people) lived in Sydney.

Since the early 1990s, the population of Sydney has grown slightly faster than the rest of NSW and Australia (annual population growth of about 1.4 percent, compared to around 1.2 percent for other areas).⁵

Population growth in Australia was due to both natural increase (more people were born than died), and NOM.⁶ On a national level over the last decade, natural increase contributed two-thirds of this growth, and NOM one-third. In Sydney, however, natural increase and NOM contributed equally. As a result, Sydney received a disproportionate share of NOM (39 percent) when compared with its population share (21 percent).

The ABS has projected⁷ that population growth rates will slow significantly in coming decades across Australia because of the falling birth rate.

⁵ Unless otherwise stated, the figures cited in this Chapter and Appendix C draw on information available from the ABS and PlanningNSW.

⁶ NOM is a measure of the net addition (or loss) to Australia's resident population from migration. NOM consists of permanent and long-term arrivals less permanent and long-term departures, and includes an adjustment for people whose intended length of stay in Australia or overseas changes from short-term to long-term or permanent, and vice versa. NOM figures for Sydney are estimates. The ABS uses the proportion of migrants going to each State capital city to allocate NOM between the capital cities and the balance of the States and Territories.

⁷ The Working Party has used ABS Series II Projections, which assume NOM of 90,000 entrants per annum. This is the model which most closely aligns with current policy settings.

As a consequence, immigration will account for an increasing proportion of population growth. ABS projections indicate that in the 2030s, the total number of births per annum in Australia will fall below the total number of deaths per annum, leading to a natural decrease in population. Any population growth from that time will be entirely due to immigration.

These ABS projections are based on a set of assumptions similar to those made by the CSIRO for the 'middle' series in its recent Report, *Future Dilemmas, Options to 2050 for Australia's population, technology, resources and environment*. If NOM remains around 70,000 to 90,000 per year, the CSIRO and the ABS agree that Australia's population will stabilise at around 25 million people in the middle of the 21st Century. Under this scenario, Sydney is projected to remain the largest city in Australia, with a population of around 5.5 million. A brief summary of the CSIRO Report may be found in Appendix E.

While the Working Party did not consider the impact of increased migration on the NSW economy, DIMIA requested that the Minister for Immigration and Multicultural and Indigenous Affairs and the Premier of NSW be made aware of current research in this area. Access Economics has recently produced research on the impact of migration on State and Territory budgets.⁸ This research was funded by both the Commonwealth Government and the NSW Government, among others, through the Research Advisory Committee of the Standing Committee on Immigration and Multicultural Affairs.

The Executive Summary of Access Economics' Report states that "the financial model developed by Access Economics suggests that, *other things being equal*, the impact upon the States' net operating surplus of additional migrants over a ten year period is positive, reflecting positive income impacts outweighing the expense impacts" (original emphasis). Access Economics' Report, however, did not consider environmental, infrastructure or urban amenity issues.

32 SYDNEY

The table below compares data from the 2001 Census with data from the 1996 Census to provide some information on the components of population change for Sydney for that period. The "Overseas" figure does not include Australian-born people returning from overseas. As the Census does not include people who have left Australia, the "Overseas" figure does not indicate NOM.

⁸ Access Economics, *The Impact of Permanent Migrants on State and Territory Budgets* (DIMIA: Canberra, May 2002).

Components of Population Change for Sydney: 1996-2001⁹

Area	Arrivals from¹⁰	Departures to¹¹	Net
Rest of NSW	89,555	126,024	-36,469
Other States	94,800	119,526	-24,726
Overseas	280,689 ²	Not available ¹³	Not available
Births and Deaths	280,000	130,300 ¹⁴	149,700

3.2.1 Internal Migration

Census data for the period from 1991 to 2001 reveal a steady stream of people leaving Sydney to settle in other parts of Australia. Between 1996 and 2001, for example, those leaving the city outnumbered those arriving from other parts of the country by 61,000.

Between 1996 and 2001, people entering Sydney from other parts of Australia tended to be classed as employed, while it was more likely that people leaving Sydney were out of the labour force. People aged over 64 were more likely to leave Sydney than people of working age.

Australian-born residents were more likely to leave Sydney than those born overseas. People born overseas made up 23 percent of departures compared to 33 percent of the general population. Studies with a longer timeframe suggest, however, that the settlement patterns of people born overseas eventually come to resemble those of Australian-born residents.¹⁵

3.2.2 Net Overseas Migration

Between 1996 and 2001, Sydney's share of Australia's NOM (39 percent) was almost double its share of the general population (21 percent). In particular, Sydney was disproportionately popular among skilled migrants.

Overseas migrants to Sydney were overwhelmingly of a working age: 80 percent were between 15 and 64 years old, compared to 62 percent of the general population.

However, a member of the general Australian population is slightly more likely to be employed than an overseas migrant (46 percent compared to 43 percent). The slightly larger proportion of non-participants in the labour force and the unemployed among overseas migrants may be a reflection of the numbers who enter under the Humanitarian Programs and the Family Stream.

⁹ Data is based on preliminary Census 2001 information as finalised ABS adjusted data is not yet available.

¹⁰ Residing in Sydney at the time of the 2001 census but living in the rest of NSW, in other States or overseas five years previously (for overseas born residents) or born in Australia in the five year period.

¹¹ Residing in Sydney five years prior to the 2001 Census but living in the rest of NSW or in other States at the time of the 2001 census or died in the five year period.

¹² Does not include Australia born people returning from overseas.

¹³ Data on losses to Sydney population from overseas departures cannot be collected as part of the census.

¹⁴ Includes estimate for 2000-01.

¹⁵ cf Hugo, Graeme, *Understanding Where Migrants Live*, (Bureau of Immigration, Multicultural and Population Research, 1995) p6.

33 OTHER PARTS OF NSW

The Working Party was aware of a dichotomy implicit in its Terms of Reference between Sydney and 'other parts of NSW'. The Community Consultation Forum also raised a need to be wary of treating regional NSW as a single homogenous entity.

For example, the labour market in NSW is marked by contrasts which do not correspond with this divide. The central, northern and eastern suburbs of Sydney are among the strongest-performing areas in Australia, while the south-western suburbs have not performed to this standard in recent years. The Murray-Murrumbidgee Region and Wollongong are equally as vibrant as the prosperous parts of Sydney, while the Hunter and the North Coast have relatively stagnant labour markets.

331 Internal Migration

People who left Sydney tended to move to the Hunter, the Illawarra and the Mid-North Coast, with smaller numbers moving to Richmond-Tweed, the South-East and the Central-West. Over the same period (1996-2001) other regions experienced a decrease in population.

Although people outside the labour force were more likely to leave Sydney for regional NSW, the Illawarra gained a disproportionately high number of people in the workforce from Sydney and from the rest of NSW.

A large proportion of people who settled on the Mid-North Coast, and also in the Illawarra and Richmond-Tweed, were over 64 years of age.

332 Net Overseas Migration

People born in Australia and people born overseas had slightly different settlement patterns in regional NSW.

Those born in Australia tended to settle in the Illawarra, on the Mid-North Coast and in the Hunter. Those arriving from overseas tended to settle more evenly across the State, although the Illawarra and the Hunter were still popular. This suggests that attempts to encourage regional settlement of migrants can build on existing trends, rather than attempting to change current behaviour patterns.

There is a distinction to be made between immigrants who arrive and settle directly in regional NSW and those who have already settled in Sydney and who choose to move to a regional area at a later date. As has already been noted, the settlement patterns of people born overseas come to resemble those of Australian-born citizens with the passage of time.

Sydney was much more attractive to employed migrants. On the other hand, a significant proportion of new arrivals to regional NSW were not participating in the labour force. The proportion of those who were employed was lower than in Sydney, but just over half were skilled workers.

34 CONCLUSIONS

If there were no overseas migration, it is projected that the population across Australia would begin shrinking from the second quarter of this century. Even with the recently announced increase in skilled migration intake, Australia's population is likely to grow more slowly in coming decades. The proportion of people living in NSW and Sydney will fall slightly when compared to the rest of the country.

The base population is so large in Sydney and in NSW, however, that even a slowing growth rate will still result in a significant absolute increase. If current trends continue, Sydney is projected to grow by 1.2 million people in the next 50 years, an increase which has serious implications for infrastructure and urban amenity.

NOM is projected to remain the single most important factor contributing to population growth in the areas under review for the foreseeable future. This underlines the importance of considering immigration in the context of population and planning policy, and the need for ongoing cooperation between the Commonwealth and NSW on the issues considered by the Working Party.

CHAPTER 4 - MIGRATION MECHANISMS

41 INTRODUCTION

Under its Terms of Reference, the Working Party was required to identify and examine strategies for the use of existing, enhanced or potential new state-specific and regional migration mechanisms that could divert the level of business and skilled migration settlement from Sydney to regional NSW.

DIMIA representatives identified various possible options for state-specific and regional migration mechanisms under the second paragraph of the Terms of Reference. The Commonwealth Government representatives considered, however, that the choice of which options to recommend for implementation was entirely a matter for the NSW Government representatives. Consistent with the Minister for Immigration and Multicultural and Indigenous Affairs' discussion with the Premier of NSW, the Commonwealth Government representatives indicated that they would be willing to consider implementing any of the options the NSW Government wished to pursue. While the Commonwealth Government representatives did not disagree with any of the following recommendations, they should not be taken to indicate any particular preference for one set of options or another on the part of the Commonwealth.

NSW Government representatives acknowledged and benefited from the contributions of all the members of the Working Party in considering the options.

41.1 Scope

As outlined in Chapter 1, the Working Party considered the scope of its Terms of Reference and agreed that the focus of its Report to the Minister for Immigration and Multicultural and Indigenous Affairs and the Premier of NSW was on the visa categories that fall under the Skilled Stream. The six business and skilled migration visa categories in the Skilled Stream are:

1. the Business Skills Visa;
2. the Business Talent (Migrant) Visa;
3. the Skilled Australian Sponsored/Skilled Designated Area Sponsored (SAS/SDAS) Visas;¹⁶
4. Skilled Independent Categories;
5. Employer Nomination Schemes; and
6. the Long-term Temporary Business Visa¹⁷.

It should be noted that the Long-Term Temporary Business Visa does not have a limit on the number of applicants that can be approved annually. This Visa is not included in the total number of non-humanitarian migrants which Minister Ruddock has announced will increase from 93,000 in 2001/2002 to between 100,000 and 110,000 for 2002/2003 and the following three years¹⁸. That is, any Long-Term Temporary Business Visas approved are **in addition to** this total number of non-

¹⁶ This visa allows skilled migrants to be sponsored by relatives who are already permanent residents or citizens.

¹⁷ This visa is not formally within the Skilled Stream. See discussion in Section 1.5.

¹⁸ These figures do not include the additional 6,500 migrants expected to enter Australia in 2003/2004 under the Parent Contingency Reserve Visa category.

humanitarian migrants.

Due to the significant numbers of Long-Term Temporary Business entrants to NSW, and the fact that around 50 percent of current Employer-Nominated Scheme¹⁹ applicants are former Long-Term Temporary Business entrants, the Working Party has included this category in its deliberations.

41.2 Principles

For each visa category, the Working Party examined the current and proposed visa requirements. It also explored options to both limit migration to Sydney and to encourage migration to regional NSW.

In determining workable options, the following principles were applied by NSW Government representatives:

- the primary focus should be on providing incentives for business and skilled migrants to settle in regional NSW, with a lesser focus on disincentives to settle in Sydney;
- proposals to restrict business and skilled migration to Sydney need to take into account any effects on business competitiveness;
- proposals should not increase red tape for employers; and
- skilled migration programs need to remain employer-driven.

The Department of Employment and Workplace Relations (DEWR) representative advised that proposals to restrict business and skilled migration to Sydney need to take into account the impact on the efficiency of the Sydney labour market. Restricting skilled migration to Sydney, particularly at a time when employment is continuing to grow solidly, could have a detrimental impact by exacerbating skill shortages and generating wage and price pressures. The principles applied by the NSW Government representatives took these concerns into account.

This Chapter will discuss the individual visa categories listed above, outlining the options considered by the Working Party and the reasons their introduction was, or was not, supported.

41.3 Recent Developments

Changes to business and skilled migrant visa categories and entry requirements will come into effect over three stages:

- changes to the sponsored Long-Term Temporary Business Visa were made in November 2002;
- changes to business migration categories were introduced on 1 March 2003; and
- changes to the General Skilled Migration category (which includes the Skilled-Independent and Skilled Australian Sponsored visas) were introduced on 1 July 2003.

¹⁹ See Section 4.5 for a description of the Employer-Nominated Scheme, which is a form of Employer Nomination Scheme.

The changes to the sponsored temporary resident category allow employers in regional areas to sponsor business and skilled migrants in occupations with an annual salary below the current threshold of \$35,828 where there is support from the Regional Certifying Body (RCB).

Under the changes to business migration, the range of visas has been reduced to three broad categories: the Business Skills (Provisional) Visa for off-shore business owners, senior executives and investors; the Business Skills (Residence) Visa for on-shore business-owners, senior executives and investors who have met the requirements of the Business Skills (Residence) Visa; and the Business Talent (Migrant) Visa for off-shore high calibre business-owners, senior executives and investors. Sponsorship by State and Territory Governments is an important factor in some of these visas. Each State and Territory is free to set its own parameters for sponsorship, although DIMIA retains the responsibility for making the final decision on awarding visas.

The changes to business migration mean that:

- most business migrants are subject to temporary four year visas, and then can apply for permanent visas once they have met their temporary visa obligations; and
- business migrants who obtain state-sponsorship have lower threshold requirements than business migrants who are not sponsored by the state.

Changes to the General Skilled Migration category on 1 July 2003 included:

- increasing the Australian study qualifying period for the work experience exemption from one to two years;
- providing points (5) for overseas students who have recently completed their qualifications by studying and living in regional Australia for at least two years;
- increasing the points available for holders of certain Australian qualifications – 10 for an Australian Masters or Honours degree completed after an Australian undergraduate degree, and 15 for an Australian PhD; and
- increasing the points available for a Migrant Occupations in Demand List (MODL) occupation from 5 to 10 and for a MODL occupation with a job offer from 10-15.

4.1.4 Migration Numbers

Chapter 3 examined migration in the context of population trends. The tables below examine the importance of the Skilled Stream within Australia's Migration Program, and the proportions of each Stream which settle in the various areas under review²⁰.

²⁰ These tables are not directly comparable with information on NOM in Chapters 1 and 3. These show the outcome of the Migration Program, which includes visa grants for people settling permanently in Sydney and those already in Australia on a temporary visa. They do not include returning expatriates, recipients of long-term temporary visas or New Zealand citizens. Migrants do not necessarily enter Australia in the same year they are granted visas. The estimates for 2003/2004 do not take into account recommendations made in this Report.

DIMIA representatives advised that the Migration Program outcome for 2001/2002 was 93,080. The Program for 2003/2004 and the next three years will be in the range of 100,000 to 110,000. The Skilled Stream accounted for 57.5 percent of this intake in 2001/2002, and will remain over 50 percent for 2003/2004 and the next three years. DIMIA has further advised that the Migration Program outcome for 2002/2003 was 108,070 with the Skilled Stream accounting for 61.1 percent of new migrants.

Sydney attracts the vast majority of migrants to NSW: over one-third of all those granted visas under Australia's Migration Program.

Migration Program (Outcomes)

	2001/2002		2003/2004	
	Number	% of Total	Projection ²¹	% of Total
Family	38,090	40.9	43,200	41.1
Skilled	53,520	57.5	60,700	57.8
Special Eligibility	1,480	1.6	1,100	1.1
Total	93,080	100.0	100,000-110,000	100.0

Migration Program (Outcomes): Estimate for Sydney

	2001/2002		2003/2004	
	Estimate	% of Total	Estimate	% of Total
Family	15,430	47.6	17,930	45.2
Skilled	16,400	50.6	21,100	53.1
Special Eligibility	580	1.8	680	1.7
Total	32,710	100.0	39,710	100.0

Permanent Migration Program (Outcomes): Estimate for Rest of NSW

	2001/2002		2003/2004	
	Estimate	% of Total	Estimate	% of Total
Family	1,600	57.6	1,730	54.6
Skilled	1,150	41.3	1,420	44.8
Special Eligibility	30	1.1	20	0.6
Total	2,780	100.0	3,170	100.0

The tables below show past and projected visa grants for the six visa categories considered by the Working Party²². It can be seen that the largest single group enters Sydney under the Long-Term Temporary Business Visa (56.4 percent), and the largest permanent category is the Skilled Independent Visa (24.8 percent).

²¹ Based on DIMIA planning levels for 2002/2003.

²² The figures in these three tables include one category of temporary migration: Long-Term Temporary Business Visas. As a result, the total in these tables is larger than the entry for the Skilled Stream in the previous three tables. The projections do not take into account recommendations made in this Report.

Categories Considered by the Working Party: Outcomes for Australia

	2001/2002		2003/2004	
	Number	% of Total	Estimate	% of Total
Business Migration	7,590	8.8	8,000	8.2
SAS/SDAS	6,250	7.2	10,500	10.7
Employer-Nominated	9,310	10.7	9,800	10.0
Skilled Independent	29,880	34.5	32,200	32.9
Long-term Temporary	33,700	38.9	37,400	38.2
Total	86,730	100.0	97,900	100.0

Categories Considered by the Working Party: Estimated Outcomes for Sydney

	2001/2002		2003/2004	
	Estimate	% of Total	Estimate	% of Total
Business Migration	1,970	5.2	2,300	5.2
SAS/SDAS	1,970	5.2	3,840	8.7
Employer-Nominated	3,140	8.4	3,350	7.6
Skilled Independent	9,300	24.8	11,600	26.3
Long-term Temporary	21,150	56.4	23,000	52.2
Total	37,530	100.0	44,090	100.0

Categories Considered by the Working Party: Estimated Outcomes for Rest of NSW

	2001/2002		2003/2004	
	Estimate	% of Total	Estimate	% of Total
Business Migration	80	3.6	90	3.4
SAS/SDAS	100	4.5	200	7.5
Employer-Nominated	440	19.6	450	16.9
Skilled Independent	525	23.4	675	25.3
Long-term Temporary	1,100	49.0	1,250	46.9
Total	2,245	100.0	2,665	100.0

42 BUSINESS MIGRATION VISAS**4.2.1 Business Skills Visa**

While the States and Territories will be able to make some choices about the numbers, skill levels and locations of sponsored business migrants coming to their jurisdiction, the Commonwealth Government will continue to:

- provide information about the categories and application process through the booklet, website and processing centres;
- assist the States and Territories with promotion or training;
- assist the States and Territories with migration eligibility inquiries;
- fully assess and decide all visa applications against criteria set down in law; and
- accept State or Territory claims of exceptional economic benefit.

To ensure that conditions of entry can be enforced, the state-sponsored applicant will initially receive a temporary visa for up to four years. Upon meeting all conditions, including state requirements, he or she will be able to apply for permanent residence. Applicants who were sponsored at the first stage must also be sponsored when applying for permanent residence, unless they can meet the unsponsored permanent residence criteria.

4.2.2 Business Talent Visa

The Business Talent Visa will offer permanent residence to extremely high-calibre business people, without the requirement for a period of temporary residence. It was created in response to concern voiced by the States and Territories other than NSW that the two-stage Business Skills Visa would discourage these migrants from settling in Australia.

DIMIA requires that all applicants under this visa must be sponsored by a State or Territory. While DIMIA estimates that somewhere in the order of 100 applicants will be awarded visas Australia-wide per annum under this category, the actual numbers of entrants will be effectively determined by the States and Territories through their sponsorship decisions.

New South Wales will apply as its key criterion the submission of a researched and funded proposal to establish a business that is consistent with the applicant's previous business background and will directly enhance technology, exports or employment.

4.2.3 Intake and Projected Intake

During 2001/2002, around 7,590 migrants were granted Business Skills Visas. Of these, it was estimated 2,050 (27 percent) were likely to settle in NSW with 1,970 likely to reside in Sydney.

Previous DIMIA projections for 2003/2004 estimated that there will be 2,390 Business Skills Visas granted to migrants intending to settle in NSW with 2,300 of these likely to settle in Sydney.²³ However, after the Business Skills visa processing changes (the "two stage" approach outlined above) commenced on 1 March 2003, application rates initially slowed. There are, however, signs of gradual increases as State/Territory sponsorship arrangements begin to take effect.

In the current processing environment, the 2003/2004 projections in regard to NSW are unlikely to be met. Until the new processing arrangements are more familiar to potential applicants and the first Business Skills visa applicants are fully processed, reliable projections of visa grants and likely areas of settlement are not possible.

4.2.4 Options Considered by the Working Party

- That the NSW Government consider state-sponsorship applications from potential business migrants who agree to settle in regional NSW, or who seek to invest in a specific range of emerging industries.
- That applicants who are not state-sponsored and seek to reside in Sydney would have to meet higher threshold requirements, set by DIMIA, than those prepared to live in regional NSW (eg. more proficient at English, a lower age limit of 45 years, and more significant business activity).

²³ The number of business migrants who settle in Sydney will be affected by the degree to which NSW takes up sponsorship under the two-stage Business Skills category arrangements discussed above.

- That the NSW Government consider sponsoring applicants under the Business Talent Visa only if the applicants agree to reside in regional NSW.

4.2.5 Discussion

4.2.5.1 State-Sponsorship Process

The Department of State and Regional Development (DSRD) is responsible for considering state-sponsorship applications and providing the necessary support and guidance to successful applicants.

Increased use of state-sponsorship will allow NSW a greater say in the type of business migrants who settle in the State, at least for the duration of their temporary visa. It will also allow DSRD to identify businesses established by business migrants that may need its assistance at the development stage.

The NSW Government representatives on the Working Party remain concerned that state-sponsorship will:

- increase work for the State, in assessing applicants, an area in which primary expertise and responsibility resides with the Commonwealth;
- impose a dual monitoring role by Commonwealth and State Governments on business migrants; and
- lead to confusion among business migrants as to Commonwealth/State responsibilities.

DIMIA advised the Working Party that it will continue to assess all of the migration requirements, as it always has. Assessment for sponsorship, however, is a matter for States and Territories as it relates to which migrants they wish to have settle and invest in their jurisdiction.

In relation to monitoring, DIMIA has invited States and Territories to take an interest in the post-arrival business engagement of high calibre Business Talent Visa holders. As permanent residents of Australia, they will come under the monitoring provisions, including visa cancellation provisions of DIMIA if they fail to engage in business. States and Territories may exchange relevant information with DIMIA as to whether a genuine effort has been made by the visa holder to establish a business. DIMIA does not envisage that this role would be any other than a consultation role, although some States other than NSW have indicated that they intend to take a pro-active role in following up Business Talent Visa holders. This could include doing site visits to business premises to verify that the claimed business activity for which they were sponsored is, in fact, underway.

4.2.5.2 State-Sponsorship of Business Migrants Willing to Settle in Regional NSW or Seek to Invest in a Key Industry

The Working Party sought advice from DSRD on the option of NSW offering state-sponsorship to business migrants who are willing to reside and establish a business in regional NSW. DSRD advised against restricting business migration stating that there is a significant need for business investment in all areas of the State.

In addition, the NSW representatives on the Working Party noted that business migration makes up a small proportion of overall migration to Sydney (1,970 in 2001/2002, or 5.2 percent of migrants in the visa categories considered by the Working Party). The NSW representatives concluded that, on balance, restricting

the entry of business migrants to Sydney would have minimal impact on population numbers compared to the positive impact on future employment and economic growth resulting from business migrant investment in the State.

The Working Party also sought DSRD advice on the potential for NSW to sponsor business migrants who wish to reside or establish a business in Sydney only if they demonstrate the capacity and resources to establish a business in industry sectors with demonstrable export market and employment-generating potential. DSRD advised that the compliance and processing burden created by such an approach would outweigh any potential reduction in business migrants residing in Sydney which, as noted above, would be expected to be very small.

4.2.5.3 Higher threshold requirements for Un-sponsored Business Migrants

The Working Party could see an advantage in maintaining a visa category that was not dependent on state-sponsorship and targeted at high calibre business migrants able to make a significant investment in NSW. The different entry requirements compared to those for state-sponsored business migrants are set out in Appendix D.

Due to the significant investment potential of this category of business migrant to both regional and metropolitan areas of NSW, the Working Party did not consider placing any additional conditions of entry on prospective applicants.

4.2.5.4 Business Talent (Migrant) Visa

The Business Talent (Migrant) Visa category may be more attractive to very high-calibre business migrants, who will be able to apply for a permanent resident visa in the first instance. This visa will ensure that Australia remains competitive in the international migration market, when compared to other industrialised nations.

The NSW Government representatives considered that state-sponsorship for this visa is unnecessary and will add a further layer of red tape for the State and the applicant. The NSW Government representatives considered that any candidate who meets the DIMIA criteria is likely to make a significant contribution to Australia.

In addition, the absence of a two-stage residency process substantially reduces the possibility of enforcing additional requirements, and therefore the utility of sponsorship from the State's point of view.

DIMIA advises that:

- the Business Talent Visa exists to allow States and Territories to attract genuinely high-calibre business migrants by offering them permanent residence. It provides States and Territories with an additional 'marketing tool' when seeking these migrants;
- in order to ensure that applications for a Business Talent Visa are limited to those migrants who are genuinely sought by States and Territories, sponsorship will be a requirement;
- the decision to sponsor or to refuse to sponsor an applicant for a Business Talent Visa is entirely one for the individual State or Territory; and

- Business Talent Visa holders will be subject to the same monitoring as current business migrants (they must show that within three years after arrival they have made a genuine effort to obtain a substantial interest in a business which they actively manage, or their visa may be cancelled).

43 SKILLED AUSTRALIAN SPONSORED / SKILLED DESIGNATED AREA SPONSORED (SAS/SDAS) VISAS

Under the SAS Visa, Australian citizens and permanent residents can sponsor family members such as non-dependent children, parents, brothers, sisters, nephews and nieces for permanent residence. Under the SDAS Visa, grandchildren and first cousins can also be sponsored for permanent residence, but the sponsor must live in a designated area. This means that people living in Sydney, Newcastle and Wollongong may not sponsor a relative for an SDAS Visa.

All applicants must meet basic DIMIA threshold requirements. For instance, they must:

- be under 45 years of age at the time of application;
- possess vocational level English; and
- have professional or trade qualifications recognised in Australia and recent work experience in an occupation that is on the Skilled Occupations List (SOL). Recent work experience in a skilled occupation is not required if they have completed an Australian professional or trade qualification in the preceding six months.

Applicants who are sponsored by a person living in Sydney, Newcastle or Wollongong are also subject to the DIMIA points test (current pass score is 110 points). Because all applicants under these visas have a family sponsor, they automatically receive 15 points on this test. Detailed information on the points test can be found in Appendix D.

The points test does not apply if an applicant is sponsored for an SDAS Visa by a family member living in regional NSW. Applicants must, however, still meet the basic threshold criteria.

431 Intake and Projected Intake

During 2001/2002, around 6,250 migrants were granted an SAS or SDAS Visa²⁴. Of these it is estimated 2,070 (33 percent) would be likely to settle in NSW with 1,970 likely to settle in Sydney.

DIMIA projections for 2003/2004 estimate that around 4,040 visas will be granted under these categories for migrants intending to settle in NSW with around 3,840 likely to settle in Sydney. This is a 95 percent increase for NSW and Sydney from 2001/2002, whereas there is only a 68 percent increase nationally. If these projections are correct, NSW will receive 38 percent of migrants, with 95 percent of them settling in Sydney.

²⁴ Sponsors living in Sydney, Newcastle and Wollongong can sponsor family under the SAS Visa. Sponsors living in other parts of NSW can sponsor family under the SDAS Visa.

4.3.2 Options Considered by the Working Party

- That the NSW Government could put in place arrangements made possible by existing legislation so that applicants with only functional English, who are sponsored by a person living in regional NSW, could be granted a concession if they pre-pay to upgrade their English language skills at an accredited institution.
- That applicants sponsored by family residing in Sydney no longer receive the 15 bonus points under DIMIA's points test.
- That applicants sponsored by family residing in Sydney should have qualifications and work experience in an occupation that is on the DEWR Sydney Skills Shortage List (SSSL), rather than the SOL.

4.3.3 Discussion

4.3.3.1 Accept Migrants with Lower English Proficiency

Applicants sponsored by family residing in regional NSW are currently required to possess vocational level English. The proposal considered by the Working Party would take advantage of the existing provisions to give concessions to applicants who only have functional English but who pay to undertake language training at an accredited institution in NSW.

To increase the likelihood of compliance with the agreement, applicants would select a training provider and pay the full fees for the course prior to receiving their visa. DIMIA would provide prospective applicants with a list of training providers prepared by NSW.

This strategy to attract skilled migrants to regional areas is already operating in South Australia, Tasmania, Victoria and Northern Territory. Advice received from other States suggests that small numbers (approximately three in South Australia, and approximately 30 in Victoria) of skilled migrants have been attracted to regional areas as a result of the scheme. Victoria, in particular, indicated that participation was seen as worthwhile and that administration of the program was relatively simple.

The Department of Education and Training (DET) advised that it would be appropriate for the required English language training in NSW to be provided through the existing partnership arrangement between the NSW Adult Migrant English Service (AMES) and TAFE.

This partnership offers state-wide coverage through the extensive network of TAFE campuses and colleges. It also offers a range of flexible distance learning and e-learning options through the AMES Distance Learning and TAFE Open Training and Education Network.

The partnership can provide the training at the level required. It also offers a range of further educational and vocational services, and has close links with local communities, industry and community organisations.

DET advised that this system could not provide a basis for monitoring applicants' residence in rural and regional areas, nor would such a function be appropriate for DET. Details of payment schedules and course offerings would be determined once NSW agreed to participate in the scheme.

4.3.3.2 *Remove the 15 Points Awarded to Applicants Whose Sponsors Reside in Sydney*

DIMIA reported that removing the 15 points is likely to have a significant impact on numbers. Without the extra points, only 27 percent of successful applicants for Sydney would have received visas last year (530 out of 1,970).

Despite the projected impact of this option on the numbers of skilled migrants coming to Sydney, the NSW Government representatives on the Working Party did not support this option.

The NSW Government representatives were of the view that a key factor in the successful settlement of migrants is family and community support. Awarding bonus points for family sponsorship gives appropriate recognition to this factor.

4.3.3.3 *Use the Sydney Skills Shortage List (SSSL), rather than the Skilled Occupations List (SOL)*

Prospective migrants need to demonstrate that they have qualifications and skills in an occupation that is listed on the SOL. Bonus points are also awarded if the nominated skilled occupation is on the Migration Occupations in Demand List (MODL). DIMIA relies on advice from DEWR for the compilation of the MODL.

DEWR advised that the SSSL is a measure of skills and occupations in demand in Sydney. It is based on a survey of positions vacant listings advertised in the Sydney media and is updated on an annual basis. The NSW Government representatives considered that replacing the SOL with the more specific SSSL would allow a more targeted approach to skilled migrant settlement in Sydney.

DEWR expressed concerns about the adoption of the SSSL in place of the SOL for determining skilled migration to Sydney. Most of these concerns are more relevant to migration programs that are employer-driven, such as the ENS and the Long-Term Temporary Business Visa. These concerns are discussed in Section 4.5.3.2.

DEWR concerns that are relevant for the SAS Visa are:

- the SSSL may not indicate skill shortages in Sydney at the time a prospective migrant applies for an SAS Visa, as it may have been compiled between two and 14 months beforehand; and
- by only capturing advertised job vacancy listings, the SSSL does not provide a comprehensive picture of all occupations in demand.

DIMIA also advised the Working Party that some prospective migrants may seek to avoid meeting the requirements of the SSSL by finding a family member outside Sydney to sponsor them. Once his or her application is approved, a skilled migrant entering under the SAS or SDAS can settle anywhere in Australia, regardless of where his or her sponsor resides.

As the SSSL has not previously been used in the way suggested by this option, it is not possible to determine how accurate or adequate it will be in ensuring that approved migrants have skills which are in demand in Sydney.

Members of the Working Party other than Commonwealth Government representatives considered that the SSSL should replace the SOL for determining eligibility for migration under the SAS Visa. In light of concerns raised by DEWR and DIMIA, however, the SSSL should be introduced initially for a period of two years. After this time, a review of its adequacy should be carried out and a decision made on whether it should be used on a more permanent basis.

434 Recommendations

Note: Commonwealth Government representatives on the Working Party considered that recommendations on changes to migration mechanisms were entirely a matter for the NSW Government. Accordingly Commonwealth Government representatives expressed no views on recommendations 1 to 4 (inclusive). Consistent with the Minister for Immigration and Multicultural and Indigenous Affairs' discussion with the Premier of NSW, Commonwealth Government representatives indicated that they would be willing to consider implementing any of the options the NSW Government wished to pursue.

Recommendation 1

The existing Adult Migrant English Service (AMES)/TAFE partnership should further explore the feasibility of providing fee-for-service English language tuition to enable skilled migrants who agree to reside in regional NSW to upgrade their English skills from functional to vocational English.

Recommendation 2

If the provision of fee-for-service English language tuition is determined to be feasible under Recommendation 1, applicants for a Skilled Designated Area Sponsored Visa who:

- are sponsored by relatives residing in regional NSW;
- do not possess vocational English but are assessed as possessing functional English;
- have pre-paid for English language tuition to upgrade their English skills to vocational English; and
- otherwise satisfy the DIMIA requirements for these visas,

should be granted visas under the Skilled Designated Area Sponsored category.

Recommendation 3

Applicants for a Skilled Australian Sponsored Visa who are sponsored by relatives residing in Sydney should be required to have skills and experience in an occupation that appears on the Sydney Skills Shortage List, (SSSL) which could be compiled by the NSW Government based on skill shortage research undertaken by the Commonwealth Department of Employment and Workplace Relations (DEWR), rather than an occupation that appears on the DIMIA Skilled Occupations List (SOL).

Recommendation 4

Recommendation 3 should be introduced initially for a period of two years. It should only be implemented on a more permanent basis if a review of its operation in the period of two years establishes that the SSSL is a sufficiently accurate measure of skill shortages in Sydney to be used in this way.

44 SKILLED INDEPENDENT CATEGORIES

Prospective skilled migrants who are not sponsored by a relative with Australian permanent residence or citizenship, or by an employer, can apply for a Skilled Independent Visa. Basic threshold requirements and the DIMIA points test apply, both of which assess:

- age;
- English proficiency;
- professional or trade qualifications;
- nominated skilled occupations; and
- work experience (if they have not completed a relevant Australian qualification in the preceding six months).

441 Intake and Projected Intake

During 2001/2002, an estimated 29,880 migrants were granted a Skilled Independent Visa. Of these, 9,825 (around 33 percent) would be likely to settle in NSW with 9,300 (31 percent) likely to reside in Sydney.

DIMIA estimates that in 2003/2004, there will be around 12,275 Skilled Independent Visas granted for migrants likely to settle in NSW, with around 11,600 of these likely to settle in Sydney. This is a 25 percent increase for NSW and Sydney in 2001/2002, compared to an eight percent increase nationally. If these projections are correct, NSW will receive 38 percent of these migrants, with 95 percent of them settling in Sydney.

442 Options Considered by the Working Party

- That bonus points be awarded to former overseas students, applying to remain in Australia under the Skilled Independent category, who have recently completed their qualifications by studying at and living near the regional campus of an educational institution for at least two years. (This option was implemented nationally from 1 July 2003 as part of the Commonwealth Government's changes to the General Skilled Migration category.)
- Applicants scoring five points below the applicable points test pass-mark could be given a temporary visa on the condition they agree to reside outside Sydney. They could then apply for permanent residence once they have lived in regional NSW for two years and complied with other conditions of their visa.
- The SSSL could be used instead of the SOL for awarding points to applicants seeking to reside in Sydney.

In the course of the Working Party's deliberations, DIMIA suggested that the Working Party consider as a further option, the discontinuation of awarding bonus points to applicants who recently completed their studies in a Sydney educational institution. The Working Party considered that this option would require additional consultations with key stakeholders, such as the Australian Vice-Chancellors' Committee (AV-CC) and TAFE to assess the impact of such an option on these and other educational institutions. This option is not discussed below. It could, however, be considered at some stage in the future.

443 Discussion

4.4.3.1 Award Bonus Points to Overseas Students who Studied in Regional NSW

According to DIMIA, there is significant interest in this visa category from overseas students who have completed, or are about to complete their studies in Australia.

Overseas students who have studied and lived in regional areas of Australia are considered more likely to continue to reside in these areas, if they are successful in obtaining permanent residence. It is assumed that these students will have established networks and ties that are likely to keep them in these regional communities.

For this proposal to be successful, regional campuses of TAFE and universities need to be offering courses which provide overseas students and local communities with relevant skills. DET has advised that the most popular university study areas for overseas students in NSW are:

- Management and Commerce (41 percent of overseas students);
- Information Technology (17 percent of overseas students);
- Social Sciences, including Education (eight percent of overseas students);
- Engineering (eight percent of overseas students); and
- Health (seven percent of overseas students).

All of these courses are offered by universities in regional NSW, although there is no Engineering course at Charles Sturt University, the University of New England or Southern Cross University. The Working Party sought the advice of the AV-CC on this proposal. The AV-CC advised that regional universities generally offer a comprehensive range of courses, including those of particular interest to international students.

There are already significant numbers of overseas students currently studying through regional university campuses across NSW. Charles Sturt University, for example, had 588 overseas students on campus in 2001 and a further 4,863 overseas students off-shore, making approximately 18 percent of total enrolments.

The AV-CC also advised that most regional universities are looking to continue to build on their overseas student numbers.

In contrast, the numbers of overseas students in non-metropolitan TAFE colleges are very small. Illawarra region has the largest number with 35 students, followed by North Coast with 18, and Riverina with nine²⁵. The subjects that are most popular with overseas students are Information Technology, Business and Office subjects and Hospitality.

The Working Party considered that the proposal to offer additional points to overseas students who have studied at a regional campus may lead to increased interest in regional universities and TAFE colleges.

DET has advised that, in most cases, regional university campuses and TAFE colleges could accommodate additional overseas students. There may be some restrictions for specific courses but, in general, overseas students are regarded as a key growth area in higher education.

²⁵ 2002 TAFE enrolment figures

Overseas students who are successful in obtaining permanent residence under this category would not be obliged to reside in regional NSW. Rather, this initiative would rely on the likelihood that a significant proportion of prospective migrants choose to remain in the region in which they completed their studies.

The success of this assumption will depend on how strong the connections are between tertiary education institutions and local businesses and industries, and the ease with which students can move into relevant employment.

The AV-CC also noted that one possible area of sensitivity relates to international students on home government or aid scholarships, and considers that to maintain good relations overseas and to maintain the integrity of the aid programs it is in Australia's best interests to encourage such graduates to return to their home country.

DIMIA, however, has advised that former overseas students seeking to apply for a Skilled-Independent Overseas Student (Residence) Visa, are prevented from doing so if:

- their course of study was paid for wholly or in part by the Commonwealth, a state or territory government, the government of a foreign country or a multilateral agency; or
- their course was a full-time course of study or training under a scholarship scheme or training program approved by the AusAID Minister or the Defence Minister.

While it is possible to lodge a valid application for a Skilled Independent (Migrant) Visa, the visa application would have to be refused if:

- the applicant is the holder of:
 - an AusAID Student Visa;
 - another student visa granted to an applicant who is provided financial support by the government of a foreign country,

unless:

- the course of study or training is one designed to be undertaken over a period of less than 12 months; or
- the applicant has ceased, completed, withdrawn from, or been excluded from their course of study or training to which the visa relates or related and has spent at least two years outside of Australia since that time; or
- the application has the support of the AusAID Minister or the funding overseas government of the foreign country that provided financial support to the applicant, as the case requires, for the grant of the visa; or
- there are particularly compelling reasons for the Foreign AusAID Minister to do so.

Following consultations with States and Territories and other stakeholders, the Minister for Immigration and Multicultural and Indigenous Affairs announced on 31 March 2003 that from 1 July 2003, applicants for General Skilled Migration would be able to be awarded five additional points if they have studied and resided in regional Australia or a low population growth metropolitan area for at least two years. The Commonwealth Government has defined regional Australia as any ABS Statistical Division with a population of less than 200,000. A low population growth metropolitan area has been defined as any ABS Statistical Division with a population growth rate between the last two censuses of less than

50 percent of the national average.

The areas of Australia to benefit from this measure are all of:

- NSW, except for Sydney, Newcastle, the Central Coast and Wollongong;
- Victoria, except for Melbourne;
- Queensland, except for Brisbane and the Gold Coast;
- Western Australia, except for Perth;
- South Australia (Adelaide is included due to its population growth rate being less than 50 percent of the national average);
- Tasmania; and
- the Northern Territory.

The ACT is not included.

4.4.3.2 A list of the relevant campuses has been published in the Commonwealth Gazette and is also on the DIMIA website. Three-year Temporary Visa

If this option were adopted, independent applicants who score five points less than the applicable pass-mark in the DIMIA points test system could apply to migrate on a temporary visa. Eligibility to apply for permanent residence would be conditional on the applicant residing in regional NSW for at least two years before seeking permanent residence.

Around one-third of applicants granted a Skilled Independent Visa in 2001/2002 scored 110 points prior to the pass-mark increase to 115 points for independent applicants on 7 May 2002. DIMIA has also advised that it will be consulting with all States and Territories concerning the possible implementation of such a measure on a national basis.

4.4.3.3 Utilising the SSSL

The Working Party considered the feasibility of using the SSSL rather than the SOL for awarding points under the points test for the Skilled Independent Visa category. DIMIA indicated that this proposal might not be successful. Applicants under this visa are not tied to a particular area by family or employer. If this requirement were imposed on applicants who wished to come to Sydney, they could simply enter Australia via another State after meeting the SOL requirement, and then move to Sydney.

4.4.4 Recommendations

Note: Commonwealth Government representatives on the Working Party considered that recommendations on changes to migration mechanisms were entirely a matter for the NSW Government. Accordingly Commonwealth Government representatives expressed no views on recommendations 5 and 6. Consistent with the Minister for Immigration and Multicultural and Indigenous Affairs' discussion with the Premier of NSW, Commonwealth Government representatives indicated that they would be willing to consider implementing any of the options the NSW Government wished to pursue.

On 1 July 2003, the Minister for Immigration and Multicultural and Indigenous Affairs introduced changes to the General Skilled Migration category as a means of encouraging overseas students planning to apply for permanent residency to study and reside in regional Australia.

Additional points will be awarded to overseas students who have recently completed their qualifications by studying and living in regional Australia for at least two years.

Prior to the Minister's announcement, the Working Party considered the above initiative as a potential option for encouraging skilled migrants to settle in regional NSW and agreed that it should be supported.

Recommendation 5. Applicants for a Skilled Independent Visa who score five points below the applicable pass-mark should be granted a three-year temporary visa on condition that they live and work in regional NSW.

Recommendation 6 An applicant for permanent residence under a Skilled Independent Visa who was granted a temporary visa in accordance with Recommendation 5 should only be able to apply for permanent residence once the applicant has resided and worked in regional NSW for at least two years.

45 EMPLOYER NOMINATION SCHEMES

These programs are employer-driven. They enable Australian employers to nominate for permanent residence in Australia skilled staff from overseas or temporary residents currently in Australia to work in Australia. The employer must be unable to fill the vacancy from the Australian labour market or through its own training programs.

These programs require the employer to complete and lodge nomination forms with DIMIA that provide details about the employer, the position to be filled and why it cannot fill the position locally, and the person it is nominating to fill the position. Once the nomination is approved, it is then possible to consider a visa application from the nominee and his or her family. The nominee has to demonstrate that he or she has the qualifications or experience to fill the position and undertake the duties of the position.

Demonstration of whether the positions can be filled locally is achieved in various ways under the different employer nominated programs. The nominees also have to meet English language and age requirements. All persons included in the application must also satisfy health and character standards.

The Employer Nomination Schemes include the Employer Nomination Scheme (ENS), Regional Sponsored Migration Scheme (RSMS) and Labour Agreements.

The ENS applies primarily in metropolitan areas. Positions under the ENS normally require labour market testing through job advertising to verify that the position cannot be filled locally. This is waived for occupations on the MODL.

Positions to be filled under this scheme must require, and the visa applicants must be, "highly skilled", which requires three years of full-time post-secondary school training and three years of relevant post-qualification experience. Applicants are to be under 45 years of age, have at least "vocational" English and satisfy any mandatory registration or licensing requirements for the position or occupation.

The RSMS is the primary Employer- Nomination Scheme for regional and remote Australia. The RSMS program covers all areas of Australia except Sydney, Newcastle, Wollongong, Melbourne, Brisbane, the Gold Coast and Perth. Under this program a regional certifying body that the Commonwealth Minister for Immigration and Multicultural and Indigenous Affairs has gazetted for this purpose must certify that the vacancy is a genuine vacancy that is unable to be filled locally. Priority processing is given to all RSMS applications under a ministerial direction.

Positions to be filled under this Scheme must require, and the visa applicants must have, the equivalent of an Australian diploma (two years' full-time study) or higher. Applicants are to be under 45 years of age, have at least functional English, and meet any mandatory registration or licensing requirements for the position or occupation.

Labour Agreements are negotiated between the Commonwealth Government and employers to allow recruitment of an agreed number of overseas skilled workers. They provide for the permanent entry of workers with skills in demand in certain industries. DEWR is party to the agreements and undertakes an assessment of the availability of the occupations covered in the Labour Agreement to determine that the positions cannot reasonably be filled locally.

Applicants are usually under 45 years of age, have the qualifications, skills (including English language skills) and experience necessary for the positions and must satisfy mandatory registration or licensing requirements for the positions or occupations being filled.

In exceptional circumstances, some criteria for Employer Nomination Schemes can be waived where it is demonstrated that a suitably qualified person could not be located who fully met those criteria.

4.5.1 Intake and Projected Intake

During 2001/2002, around 9,310 migrants were granted visas under the Employer Nomination Schemes. Of these, it is estimated 3,580 (38 percent) would be likely to settle in NSW with around 3,140 migrants likely to settle in Sydney.

DIMIA estimates for 2003/2004 suggest there will be 3,800 visas granted under these categories for those likely to settle in NSW. This represents slightly more than a six percent increase in NSW, compared with a five percent increase nationally. If these projections are correct, NSW will receive 39 percent of employer nominated migrants, with 88 percent of these settling in Sydney.

DIMIA has indicated that over half of the applicants under these categories are already in Australia on Long-Term Temporary Business Visas.

4.5.2 Options Considered by the Working Party

- The number of sponsored temporary residents going to Sydney could be reduced thus reducing the numbers applying to stay in Sydney.
- A certifying body could be created for Sydney to assess all nominations for positions in Sydney before submission to DIMIA for consideration. The Sydney certifying body could apply more stringent criteria for a certification of positions to be filled in Sydney.
- The positions acceptable for Sydney could be limited to specific occupations.
- Exceptional appointments for Sydney could be ruled out. These currently represent 30 percent of approvals under Employer Nomination Schemes.

4.5.3 Discussion

4.5.3.1 Reduce the Number of Long-Term Temporary Business Visas

DIMIA advises that over half of the applicants for these visas are already in Australia on Long-Term Temporary Business Visas when they apply for visas. Applicants are typically sponsored by the same employers that sponsored their application for long-term temporary residence.

Recommendations to reduce the number of Long-Term Temporary Business Visas granted for Sydney are discussed in Section 4.6.

4.5.3.2 Establish a Certifying Body for Sydney and Limit Range of Acceptable Positions for Sydney

NSW Government representatives on the Working Party indicated that the introduction of a certifying body for Sydney would increase the level of red tape for prospective employers.

The Working Party considered an alternative proposal to use the DEWR SSSL for the ENS. The range of occupations for which employers could nominate prospective skilled migrants to Sydney would be limited to this List.

Advice from Commonwealth Government representatives indicated that this option was feasible, but that its impact would require further consideration. DEWR advised the Working Party of two technical concerns in using the SSSL to limit applications for visas that are essentially employer-driven. These are in addition to the concerns noted in Section 4.3.3.3 above:

- the fact that an occupation may not be in general shortage in the Sydney labour market does not preclude individual employers facing difficulties in filling or being unable to fill particular vacancies; and
- the SSSL does not include the position of “general manager”. Since existing demand for this position is high, DIMIA suggested that if the SSSL were adopted, this position would need to be separately identified.

More fundamentally, DEWR advised the Working Party of its concerns that limiting the ENS to positions on the SSSL may impact on the viability of industries needing access to emerging technology and/or small businesses in some industry sectors which are characterised by a higher than average level of reliance on migration arrangements. Restricting employer-sponsored migration has the potential to impact negatively on the competitiveness of business and the overall efficiency of the Sydney labour market.

In light of DEWR’s concerns, NSW Government representatives did not consider that this option should be pursued at this time. DIMIA and DEWR both advised the Working Party that an alternative means of restricting entry to Sydney which would not have such a significant impact on the ability of employers to fill genuine skill shortages was raising the salary threshold for applications.

At present, employers can sponsor skilled migrants to fill positions in Australia which attract a salary of at least \$35,828. The salary threshold is set by DIMIA, and is indexed annually.

The ABS advised that it calculates salaries using a range of measures.²⁶ By any of these measures, average weekly earnings for people in Sydney are consistently higher than the national average.²⁷ Given that the ENS is a category of skilled migration, the NSW Government representatives considered that it was not unreasonable to establish a higher salary threshold for Sydney which reflects the higher average weekly earnings for Sydney.

The Working Party identified some skilled occupations in high demand whose salaries may be lower than a revised threshold for Sydney, for example teachers and nurses. DIMIA advised that Labour Agreements are in place for large-scale recruiting of overseas professionals in widespread high-demand occupations such as these.

If, however, the increased salary threshold is not sufficiently effective on its own in diverting skilled migrants from Sydney, the NSW Government representatives considered that use of the SSSL could be further explored. The concerns raised by DEWR above would need to be addressed before such a proposal could be recommended.

4.5.3.3 *Remove Provision for Exceptional Appointments*

DIMIA advised that exceptional appointments currently represent 30 percent of intake to Sydney, or around 1,000 entrants. While this proposal would have an effect on numbers entering Sydney, NSW Government representatives noted that such exceptions are only granted when employers are unable to fill positions from the local labour market, and interfering with this process could impede industry competitiveness in Sydney.

4.5.4 **Recommendations**

Note: Commonwealth Government representatives on the Working Party considered that recommendations on changes to migration mechanisms were entirely a matter for the NSW Government. Accordingly Commonwealth Government representatives expressed no views on recommendations 7 and 8. Consistent with the Minister for Immigration and Multicultural and Indigenous Affairs' discussion with the Premier of NSW, Commonwealth Government representatives indicated that they would be willing to consider implementing any of the options the NSW Government wished to pursue.

Recommendation 7.

Employers wishing to sponsor applicants for visas under the Employer Nomination Scheme (ENS) for positions in Sydney should be required to meet a higher salary threshold, reflecting the higher average weekly earnings in Sydney.

Recommendation 8

If the higher salary threshold under Recommendation 7 proves not to be sufficiently effective on its own, further consideration should be given to restricting applications under the ENS for positions in Sydney to occupations on the Sydney Skills Shortage List.

²⁶ These include average actual earnings, average full-time equivalent earnings, male earnings and female earnings.

²⁷ Australian Bureau of Statistics, *Average Weekly Earnings* (6302.0, August 2002).

46 LONG-TERM TEMPORARY BUSINESS VISAS

This program is employer-driven. These visas enable recruitment of skilled workers on temporary visas for up to four years for positions with a salary of at least \$35,828.

Applicants must be sponsored by an employer who has demonstrated that the entry of overseas personnel will provide benefit to Australia, contributing to the creation of employment, expanding trade and improving business links with international markets. DIMIA is required to monitor applicants to ensure sponsors are meeting their obligations.

From November 2002, amendments to this visa category provide flexibility in relation to the minimum skill and salary thresholds for positions in regional areas. In addition, there is scope for ensuring that visa holders abide by the conditions of their entry, including that they stay in a specified region

The overall number of Long-Term Temporary Business Visa grants has increased markedly in recent years, with NSW, and Sydney in particular, set to receive the majority of visa holders (see Section 4.6.1 below).

NSW Government representatives consider the Long-Term Temporary Business Visa regime to have implications for Working Party deliberations, primarily for two reasons. Long-term temporary residents in Sydney increase the population, even if particular individuals reside in Sydney only on a temporary basis. In addition, a proportion of these Long-Term Temporary Business Visa holders are likely to convert to a permanent visa at some point, as discussed in Section 4.5 above.

46.1 Intake and Projected Intake

During 2001/2002, around 33,700 applicants were granted a Long-Term Temporary Business Visa. Of these, it is estimated 22,250 (66 percent) were likely to have been sponsored for NSW with 21,150 being sponsored for Sydney.

DIMIA projections for 2003/2004 estimate that there will be around 24,250 temporary visas granted under this category for NSW with around 23,000 to be sponsored for Sydney. This is a nine percent increase for NSW and Sydney, compared with an 11 percent increase nationally from 2001/2002.

46.2 Options Considered by the Working Party

In its deliberations, the Working Party found the Long-Term Temporary Business Visa to be the most challenging. While being the most significant in size, it is completely employer and labour market driven. A range of options were canvassed:

- The salary threshold could be increased for applicants to fill positions in Sydney.
- A certifying body could be created for the Sydney metropolitan area, to approve all nominations for positions in Sydney.
- A ceiling could be placed on the number of nominations for sponsors located in, or nominations approved for, the Sydney metropolitan area in a given year.
- Nominations for positions located in Sydney could attract a higher fee.

- The period of stay could be reduced from the present four years to two years for applicants for Sydney.
- Labour hire companies could be excluded from sponsoring or recruiting for the Sydney metropolitan area.

4.6.3 Discussion

NSW Government representatives expressed concern about many of the options because they have the potential to interfere with labour market requirements and may impede business growth. It is essential that the NSW labour market maintain flexibility to meet short-term skills shortages without the constraints many of these options would introduce. The DEWR representative also shares this concern.

4.6.3.1 Increase in Salary Threshold for Positions in Sydney

As discussed in Section 4.5.3.2, the Working Party considered raising the salary threshold for migrants being sponsored for positions in Sydney under the ENS. The Working Party agreed that this strategy was also appropriate for the Long-Term Temporary Business Visa.

4.6.3.2 Creation of a Certifying Body for Sydney

As discussed above, NSW Government representatives did not support the creation of a certifying body for Sydney as it would lead to increased red tape for prospective employers. The Working Party also considered the use of the SSSL, but for the reasons outlined in Section 4.5.3.2, this option is not recommended at this stage.

4.6.3.3 Placing a Ceiling on Nominations for Sponsors in Sydney

DIMIA advised that, in its experience, capping numbers of migrants does not work, and leads to further problems. NSW Government representatives also noted that numerical and categorical restrictions may be too inflexible, and may disadvantage Sydney businesses.

4.6.3.4 Higher Fee for Positions in Sydney

The Working Party considered that this option would add an undesirable layer of complexity and cost to the application process and would, in any case, be unlikely to have any effect on temporary residence patterns.

4.6.3.5 Period of Stay in Sydney Reduced

The Working Party considered that this option would reduce the utility of the program for prospective employers.

4.6.3.6 *Labour Hire Companies Excluded from Recruiting for Sydney.*

DIMIA advised that labour hire companies play a useful role in assisting industry to employ overseas skilled workers without dealing with the paperwork of the migration process. For example, labour hire companies have been heavily involved in recruitment in the information technology sector, and in more recent times have begun to recruit nurses and doctors to fill shortages across NSW.

It was also noted that, while this option might have an effect on numbers settling in Sydney in the short term, other operators would soon fill the gap in the market, and this option would therefore have no effect in the long term.

4.6.4 Recommendations

Note: Commonwealth Government representatives on the Working Party considered that recommendations on changes to migration mechanisms were entirely a matter for the NSW Government. Accordingly Commonwealth Government representatives expressed no views on recommendations 9 and 10. Consistent with the Minister for Immigration and Multicultural and Indigenous Affairs' discussion with the Premier of NSW, Commonwealth Government representatives indicated that they would be willing to consider implementing any of the options the NSW Government wished to pursue.

Recommendation 9 Employers wishing to sponsor applicants for Long-Term Temporary Business Visas for positions in Sydney should be required to meet a higher salary threshold, reflecting the higher average weekly earnings in Sydney.

Recommendation 10 If the higher salary threshold under Recommendation 9 proves not to be sufficiently effective on its own, consideration should be given to restricting applications under Long-Term Temporary Business Visas for positions in Sydney to occupations on the Sydney Skills Shortage List.

CHAPTER 5 - WHOLE-OF-GOVERNMENT STRATEGIES

Under its Terms of Reference, the Working Party was required to identify strategies for a whole-of-government approach to encouraging business and skilled migrant settlement in regional NSW through broader regional planning, taking into account the NSW Premier's Five Point Plan.

A range of research, including DIMIA's Longitudinal Survey of Immigration to Australia, indicates that business and skilled migrants generally make a decision on where they will settle before they arrive. The factors influencing this decision include:

- employment prospects;
- the accessibility of essential services such as transport, telecommunications, education and health services; and
- the existence of community support, including family and friends, and tailored programs to help overcome initial culture shock.

The Survey confirms that Sydney will continue to be the first choice for many migrants. The challenge for the Working Party was to develop practical and achievable initiatives that would draw on the attractions and opportunities in regional NSW.

51 EMPLOYMENT

Skilled migrants seeking employment will naturally choose to settle where they have the greatest opportunity to find work. Regional areas are more likely to attract skilled migrants who are sponsored by regional employers to work in a regional area.

The Working Party was of the view that more could be done to promote skilled migration among regional employers.

DIMIA representatives advised that promoting regional migration to potential migrants through overseas posts is not as effective as promoting regional migration to employers and could be expensive and insufficiently targeted to be effective. DIMIA will, however, facilitate the distribution of promotional material prepared by States and Territories on regions through overseas posts on request.

51.1 Promotion of the Skill Matching Database

The DIMIA Skill Matching Database allows an employer to look through a database of skilled people seeking sponsorship to migrate to Australia to find a potential match for their skill needs.

The community consultation in Wagga Wagga, and further representations from the Riverina, highlighted that many regional employers did not know about the Database while others had difficulties using it.

Community participants suggested that the Skill Matching Database should be more widely promoted and made available through selected Job Placement Organisations. States, Territories and regional and local government authorities could assist in the promotion of the Database.

5.1.2 Using Existing Community Networks

Existing regional community and government structures, such as Regional Development Boards (RDBs), Regional Advisory Councils, Area Consultative Committees (ACCs),²⁸ regional coordination management groups²⁹ and local government could disseminate information and promote skilled migration and the Skill Matching Database to local employers.

The Working Party proposes that existing community and government structures be encouraged to promote information about skilled migration to regional employers.

RDBs and local government are in a good position to take on an active role in promoting the positive experience of regional employers who have sponsored skilled migrants. RDBs in particular could also be points of contact for regional employers who have not previously sponsored an employee from overseas and who may have reservations that could be resolved through discussing their concerns.

5.1.3 Skills Shortage Lists

The community consultation raised the need for more local information on skill needs to enable employers to plan better recruitment strategies.

A further suggestion raised at the community consultation was that a regional skills shortage list should be accessible to prospective independent skilled migrants, when they are considering settlement options.

The Working Party noted that some regions are collecting and maintaining their own information on regional skills shortages. For example, a skills shortage survey of the Riverina was conducted in 1999.

As discussed in the previous Chapter, DEWR maintains skills shortage lists: nationally, for each capital city and a regional shortage list as a single unit for each State and Territory.

The Working Party considered that it would be worth exploring options for the development of more discrete regional-specific skills shortage lists.

DEWR advised that it would welcome the opportunity to work with relevant regional and State bodies to develop a consistent framework for assessing regional skill shortages and could help with the compilation, analysis and review of the findings. DEWR further indicated, however, that it does not have the resources to undertake the surveys or to seek the necessary support from regional, industry or economic bodies to undertake the research.

The Working Party considered that RDBs would be the most appropriate bodies to hold regional specific skill shortage information, and might be in a position to build on this information with assistance from DEWR and DSRD.

²⁸ Area Consultative Committees are established by the Commonwealth Government to advise the Government on funding initiatives and support programs in regional areas.

²⁹ Regional coordination management groups are State Government structures comprising senior State Government representatives. They aim to strengthen the delivery of State Government services through improved coordination and strategic management.

5.1.4 Employment Search Assistance

Improving employment opportunities generally in regional NSW extends beyond the scope of the Working Party's Terms of Reference, and is the subject of a number of other intergovernmental initiatives. The Working Party considered initiatives to extend information and referral support to skilled migrants seeking employment.

While the majority of visa categories considered by the Working Party involve employers sponsoring skilled migrants or business migrants setting up their own businesses, a significant number (12,275) of independent skilled migrants are expected to be granted visas for NSW during 2003/2004³⁰. This group may require assistance in seeking employment.

The Commonwealth Job Network provides three main services to unemployed people: job matching, job search training and intensive assistance. In addition, the Commonwealth offices of Centrelink provide self-help facilities, such as computers, facsimile machines, photocopiers and telephones, for clients to use when seeking employment.

Migrants who have been in Australia for less than two years have limited access to these services. They have access to job matching services in Job Network centres and may utilise the self-help facilities in Centrelink offices. They do not have access to job search training or intensive assistance.

DEWR advised that the Commonwealth would not support any proposal to waive the two-year waiting period for access to intensive support for migrants in regional areas because:

- it would violate the principle of providing government services based on need, and would unfairly discriminate between migrants;
- it would run counter to the underlying policy goal of encouraging self-reliance among migrants; and
- it would be difficult to administer if a migrant was granted special access based on living in a regional area, and then moved to Sydney.

As discussed earlier in this Chapter, the Working Party considered the use of job placement organisations to assist employers to gain access to the DIMIA Skill Matching Database. The Working Party considered that the Commonwealth's Job Network and Centrelink offices are key support services for skilled migrants who arrived in Australia without an employer sponsor. DEWR noted, however, that there could be a cost involved in making the Skill Matching Database available through job placement organisations. Any possibility of pursuing this option would need to weigh these costs against the likely increased use of the Skill Matching Database.

DET has a Skilled Migrant Placement Officer (SMPO) Program to assist skilled migrants³¹ look for employment in their field of occupation. Some 20 positions are funded in Sydney, Newcastle and Wollongong to provide intensive one-on-one support to migrants. The SMPO Program is relatively small and DET has advised that it does not have the capacity to extend the program. DET could, however, explore the potential for SMPO Program to provide outreach services to pilot regions, discussed in Chapter 6, on a case-by-case basis.

³⁰ This figure includes the families of the independent skilled migrant.

³¹ The Skilled Migrant Placement Program assists skilled migrants who have arrived in NSW under any of the migration visa categories; it is not limited to migrants who arrived on a Skilled Migrant Visa.

5.15 Promoting Skilled Migration to Employers

DIMIA currently conducts information workshops on skilled migration for regional employers. The Working Party was advised that the workshops provide essential information about immigration processes to regional employers, but that they could be significantly enhanced if business development expertise and advice were also offered. The Working Party agreed such expertise and advice might be able to be provided through collaboration between DIMIA, DSRD and the Community Relations Commission (CRC).

5.16 Recommendations

- Recommendation 11.** The Department of Immigration and Multicultural and Indigenous Affairs (DIMIA), the NSW Department of State and Regional Development (DSRD), the Community Relations Commission (CRC), Regional Development Boards (RDBs), Commonwealth Area Consultative Committees (ACCs), Regional Certifying Bodies (RCBs), the Local Government Association of NSW and the Shires Association of NSW and Job Network should facilitate the use of their respective regional structures to disseminate information and promote skilled migration and the existence of the Skill Matching Database among regional employers.
- Recommendation 12.** DIMIA, in consultation with DEWR and the NSW Government, should consider piloting increased access to the Skill Matching Database by making it available through Job Placement Organisations.
- Recommendation 13.** DIMIA, DSRD and CRC should collaborate on future activities to promote skilled migration to regional employers, in conjunction with relevant local councils and regional advisory committees.
- Recommendation 14.** RDBs and RCBs should be the principal point of contact for regional employers to seek further information about skilled migrants.
- Recommendation 15.** DIMIA and DSRD should cooperate to ensure RDBs and RCBs have appropriate information and training to fulfil their role under Recommendation 14.
- Recommendation 16.** RDBs, in consultation with DEWR, DSRD and relevant local councils, should consider the feasibility of producing region-specific skills shortage lists.
- Recommendation 17.** DEWR should inform new migrants of the availability of those Job Network and Centrelink services that are available to migrants in their first two years, including access to job matching services.
- Recommendation 18.** The NSW Department of Education and Training (DET) should explore the potential for existing Skilled Migrant Placement Officer (SMPO) projects to provide outreach services to pilot regions on a case-by-case basis.

5.2 ENHANCED ACCESS TO SERVICES

The Working Party was keen to explore options for enhancing the attractiveness of regional NSW to business and skilled migrants through increased access to services, such as education and housing. While the Working Party supports the concept of increasing incentives for business and skilled migrants to settle in regional NSW, the incentives need to be in accordance with those offered to the wider community. In addition, any special services involving additional funding should be directed at the most needy migrants, who are unlikely to be skilled or business migrants. Initiatives are more likely to be offered in areas where there are migrant communities to draw on the services, or when a local community is competing for the skills of a much needed health or other professional.

5.2.1 Education Fees for School Aged Dependants

The Commonwealth provides general recurrent funding to States and Territories for general education provision. This funding is based on an annual census of students enrolled in government primary and secondary schools. This general recurrent funding is not available to international fee paying students.

The Commonwealth also provides targeted assistance to States and Territories through annual grants for improving learning outcomes for educationally disadvantaged students. This includes funding for the Strategic Assistance for Improving Student Outcomes (SAISO) Programme, and the English as a Second Language (ESL) New Arrivals Programme.

Through the SAISO Programme, the Commonwealth provides funds to assist States and Territories to target school students who are disadvantaged in terms of their educational participation and learning outcomes. This may be associated with a range of factors including a language background other than English.

Under the ESL New Arrivals Program, the Commonwealth provides targeted funding for ESL intensive tuition for newly-arrived students who are permanent residents or citizens of Australia in primary or secondary schools. With the exception of students who are under 18 years of age and accepted under any part of the Humanitarian Program, these funds are not provided for students on temporary visas.

Over the last decade, a wide range of long-stay temporary visa categories has been introduced. These include adults with dependent children who may reside in Australia for many years. Visa categories include occupational and business categories of provisional visa holders in which temporary entrants gain permanent residency after an extended waiting period. New Zealand citizens also enter Australia as temporary visa holders.

To minimise the impact of large numbers of temporary visa holders on education provision, the NSW Government charges a tuition fee for any child on a temporary visa studying in a government school.

The Working Party sought advice from DET on whether tuition fees could be minimised for the children of temporary visa holders who choose to settle in regional NSW. DET advised that it could not reduce the current fees as these represent a partial contribution to meeting the total cost of educating a student in a NSW Government school.

5.2.2 English as a Second Language (ESL)

Provision of ESL services may be important for school aged dependants of migrant families entering NSW. A key attraction of metropolitan areas is the availability of ESL support for children in schools. The Working Party sought advice from DET on the availability of ESL in regional NSW.

Two ESL programs currently operate in NSW Government schools. The larger program, General ESL, currently has 876 equivalent full-time specialist teaching positions based in schools with ongoing ESL needs. Assessment based on needs is determined on an annual basis and teachers are allocated to schools accordingly.

The other program from which support can be drawn for non-English speaking students in regional areas of the State is the New Arrivals Program.

To support ESL services in regional areas, DET employs an ESL consultant specifically to provide professional support for schools and teachers of newly arrived ESL students in regional areas. This support includes provision of teacher training, ESL teacher mentoring programs, ESL teaching resources and advice on settling and integrating students in the school community.

5.2.3 Incentives

During the community consultation, the Working Party was told about a local partnership between the local council and a medical general practice to attract a migrant doctor to their community. The local council provided subsidised accommodation to the prospective migrant to take up the position in the general practice.

Such specific incentives are worth considering when a regional area is competing for specialist skills.

5.2.4 Recommendation

Recommendation 19

Local councils in regional NSW should be encouraged to work with their local communities to attract migrants with specialist skills in demand in their region. Local councils may determine to make available any special incentives on a case-by-case basis.

5.3 SETTLEMENT SERVICES

5.3.1 DIMIA Settlement Services

DIMIA's settlement services are concentrated in metropolitan NSW, and also in regional areas experiencing high growth (the Riverina and the North Coast). The services for migrants can be divided into six broad categories:

- English-language training;
- translating and interpreting;
- intensive on-arrival assistance for refugees and special humanitarian program entrants under the Integrated Humanitarian Settlement Strategy;

- grants to community organisations to provide information and referral services to refugees and special humanitarian program entrants and family stream entrants with lower levels of English proficiency;
- community capacity building to assist migrant communities to develop their capacity to organise, plan and advocate for their own needs; and
- service planning and development to encourage access and equity in the provision of services by mainstream service agencies.

The Working Party considered whether skilled migrants require the same support services as family and humanitarian migrants.

DIMIA advised that the targeting of settlement services to humanitarian and family entrants is intentional and specific. The threshold criteria for Skilled Stream visas mean that migrants entering under these visas do not need the same intensive support.

DIMIA indicated, however, that it was prepared to consider improving access for skilled migrants to its settlement information resources, including brochures and guides. The exercise would need to be carefully managed to ensure unrealistic expectations were not created as business and skilled migrants would not in most cases be eligible for free access to the services promoted in the brochures.

The Working Party noted the DIMIA *Review of Settlement Services for Migrants and Humanitarian Entrants*. The Review is a significant statement of the Commonwealth's policy directions for settlement services, particularly in regional areas.

5.3.2 Community Grants

The agencies represented on the Working Party advised on their preparedness to contribute to funding the creation of new programs, or to the extension of existing programs to regional NSW. In view of existing commitments to ongoing programs, funding is likely to be available, if at all, for short-term initiatives such as pilot programs. The range of potential funding sources is as follows:

- Local Government Association of NSW and The Shires Association of NSW advised that, while there are no major formal initiatives or funding programs, councils are involved in providing information and services to migrants. A number have indicated to the Working Party their willingness to become more involved in providing these services. While some councils might be willing to fund pilot programs or ongoing initiatives, participation would be a decision for each council to take individually. The local government representative noted that some councils in regional NSW are likely to be the least able to afford to fund such programs or initiatives.
- The CRC's Community Development Grants Program is available to assist non-government organisations in NSW with community development activities. Communities that are isolated, or whose networks and structures require development, are given priority.

- The DOTARS Regional Partnerships Program provides funding for projects that focus on: strengthening growth and providing greater opportunities for economic and social participation in the community; supporting communities to access services in a cost effective and sustainable way; assisting communities to identify and explore opportunities and to develop strategies for action; and assisting specifically identified communities and regions to adjust to major economic, social and environmental change.
- DSRD offers a range of programs and services, including financial support, marketing initiatives, education and training and other forms of tailored assistance. These schemes are not specifically targeted at migrants but are available to business migrants wishing to establish a business in regional NSW.
- DIMIA provides short-term funding to non-profit community organisations for specific projects through the Community Settlement Service Scheme (CSSS). The CSSS targets specific needs and priority groups. DIMIA has indicated that is prepared to consider applications for CSSS funding from not-for-profit community groups and local government authorities in pilot regions as part of the normal allocation process for this scheme. The applications would need to fall within the normal prescribed parameters to be successful.
- At the invitation of employers and community organisations in the Northern Territory and Queensland, DIMIA is piloting projects with business, State and local governments and education and training providers in Darwin and central Queensland. The projects will examine how businesses can use diversity management tools to take greater advantage of the diversity of job seekers and workers, with a view to increasing employment rates of migrants and refugees. To date these projects have focused on humanitarian and family migrants rather than business and skilled migrants.

5.3.3 Community Development

The Community Consultation Forum and Working Party deliberations highlighted the importance of local community participation in assisting migrants to settle into a new environment. Community harmony activities are arranged in local communities to facilitate friendships and cultural awareness among the mainstream community and new migrants. The Working Party noted the work of the Community Relations Commission in this area.

The Working Party considered that all levels of government could provide support to local communities in developing community harmony activities. The Working Party also considered that local councils could play an important role in encouraging local community agencies to make their services culturally appropriate to new migrants in their area.

DIMIA has a Living in Harmony grants program that supports projects to foster harmonious community relations and to combat racism. There is a competitive application process and prescribed eligibility criteria apply.

5.3.4 Recommendations

Recommendation 20

Steps should be taken by all relevant agencies to improve access for business and skilled migrants to information on available services.

- Recommendation 21.** The CRC, NSW Premier's Department and the Commonwealth Department of Transport and Regional Services (DOTARS) should consider the extent to which their existing programs could be used to fund or support interested local councils or communities to facilitate the settlement of business and skilled migrants in regional NSW.
- Recommendation 22.** Relevant local councils, with the assistance of the CRC and existing regional community and government advisory bodies, should facilitate community harmony activities to aid the integration of business and skilled migrants into regional communities. DIMIA should continue to fund Living in Harmony projects in regional NSW.
- Recommendation 23.** Local councils should be encouraged to support local communities in providing community development and support services for business and skilled migrants in regional NSW.
- Recommendation 24.** DIMIA should disseminate information to stakeholders in regional NSW, including information on its planned diversity management pilot projects in Queensland and the Northern Territory. DIMIA should consider the merit of extending its planned diversity management pilot projects to regional NSW.

CHAPTER 6 - PILOT PROGRAMS

In examining means of reducing migration to Sydney and redirecting it to regional NSW, the Terms of Reference required the Working Party to:

- identify strategies that could be piloted in specific regional areas of NSW;
- recommend suitable regional areas in which to pilot the strategies; and
- in identifying regional areas, have regard to the skills and potential business investment requirements of the selected regions, services and other infrastructure requirements necessary to attract and retain migrants.

Chapter 5 discussed a range of strategies for consideration by the Commonwealth and NSW Governments for implementation across the State. In this Chapter the Working Party has reconsidered these strategies, and identified those which could be implemented through specific pilot programs.

61 PURPOSE OF PILOTS

The purpose of the pilot programs is not to test the recommendations of this Report with a view to implementing them state-wide at some future date. It is to begin the task of diverting migrants from settling in Sydney to regional NSW by concentrating on regions where implementation is likely to have maximum effect and can be achieved within limited resources.

Given the diversity of regional NSW, successful outcomes of implementing strategies in one region may not necessarily be replicated in another region. The Working Party recognised the unique features of the different regions of NSW, and the importance of building on local initiatives.

62 EVALUATING PILOTS

Contributing to any business or skilled migrant choosing regional NSW over Sydney could be considered a success. The real test, however, will require assessment of whether the small successes warrant the financial and other resources involved in implementing the pilot programs.

An evaluation is likely to be complicated by the fact that the changes to business and skilled migration implemented by DIMIA in late 2002 and 2003 will mean that settlement patterns in pilot areas will not be strictly comparable with settlement patterns prior to 2003.

Also, it will not always be clear why people have chosen to settle where they do, and it may be difficult to isolate the effect of the pilot programs on any migrant's settlement decision.

Despite these limitations, however, it remains important that the pilot programs be evaluated.

Notwithstanding the principles for providing settlement services discussed in Section 5.2 above, it may be that migrants settling in pilot areas are found to require services that are not readily available. This should be assessed on an ongoing basis to ensure any emerging needs are identified, rather than waiting for the formal evaluation.

6.2.1 Recommendations

Recommendation 25.

The success of the whole-of-government strategies to be implemented in the pilot areas should be assessed by a group including representatives of all the agencies that participated in the Working Party, together with representatives from the pilot areas. The group should be convened by the Minister for Immigration and Multicultural and Indigenous Affairs and the NSW Premier in 2005.

Recommendation 26.

DIMIA and the CRC should jointly monitor and, if necessary, undertake a review of settlement needs of new migrants in the pilot regions. Should it be determined that migrants in the pilot areas do not have sufficient access to required services, the CRC and DIMIA should cooperate to endeavour to find a solution.

6.3 STRATEGIES

All of the recommendations made in Chapter 5 could reasonably be implemented in geographically-specific pilot areas of NSW.

The recommendations could also be implemented in other areas, particularly if regional and community bodies in those areas wish to encourage business and skilled migration. To the extent, however, that the recommendations require financial and other resources, priority should be given to the pilot areas, and the recommendations should be implemented in other areas only if resources are available.

6.3.1 Recommendations

In addition, migration agents could play a useful role in informing migrants and prospective migrants of opportunities for regional migration and the existence of the pilot regions.

Recommendation 27.

All of the whole-of-government strategies (Recommendations 11-24) should be implemented in the pilot areas. Where the strategies require additional financial or other resources, they should be implemented first in the pilot areas and extended to other areas only if resources are available.

Recommendation 28.

DIMIA should advise migration agents of any visa changes and pilot programs to be implemented arising from this Report, and encourage migration agents to provide this information to clients and potential clients who are considering migration to NSW.

6.4 REGIONS

In selecting possible pilot regions, the Working Party took account of the following factors:

- existence of community services, infrastructure and support services, and the extent to which these may need to be supplemented to meet additional/varied demand;
- likelihood of regions to benefit from increased migration, including those with suitable labour markets, skill shortages or emerging industries providing business opportunities; and
- willingness of local communities to participate.

The regions discussed below appear to be suitable for selection as pilot regions.

6.4.1 The Murrumbidgee Statistical Division

The Murrumbidgee SD includes Wagga Wagga, Griffith, Tumut, Hay, Leeton and Narrandera.

Major industries in the region include agriculture, retail trade, government administration and defence, manufacturing, education, health and community services. The labour market in the region is comparable with the most prosperous parts of Sydney. It currently has the strongest labour market of any area in non-metropolitan NSW, with strong employment growth, a high level of labour market participation and a low unemployment rate.³²

Wagga Wagga acts as a service centre for the surrounding area, hosting a wide range of government agencies. It also hosts the Riverina campus of Charles Sturt University, the Riverina Institute of TAFE and a number of agricultural research and development centres.

The area boasts a large number of migrant communities. To support children of new migrants, ESL programs have been established in local schools in Griffith.

The Community Consultation Forum held by the Working Party in Wagga Wagga noted strong interest in attracting business and skilled migrants to the area, and strong support for adopting initiatives resulting from this Report.

6.4.2 Northern Statistical Division

The Northern SD includes Armidale, Tamworth, Gunnedah, Tenterfield and Walcha.

The region has a significant agricultural industry and also hosts expanding manufacturing, aerospace and tourism industries. Other industries include education, engineering and construction and mining.

The unemployment rate in Armidale has been below the national and state average for at least the last 18 months. The unemployment rate in Tamworth has risen from slightly below to slightly above the national average over the same period³³.

Tamworth and Armidale are well served by government agencies and host the University of New England, the British Aerospace Flight Training Academy, a large TAFE college and other private educational institutions.

³² Over the last five years the Murray-Murrumbidgee region as a whole has experienced stronger employment growth than Sydney (13.1 percent, compared with 10.8 percent), and as at June 2002 had a slightly higher participation rate. The region's unemployment rate is also comparable with the rate for Sydney (5.4 percent compared with 5.2 percent in June 2002).

³³ The national unemployment rate has varied between 6.5 and 6.8 percent, while in Armidale it has risen from 4.5 to 5.8 percent. In Tamworth, the unemployment rate has risen from 5 percent to 6.9 percent: *Small Area Labour Markets - Australia - September Quarter 2002, DEWR Pages 10-13.*

Tamworth Local Council has already developed a plan to attract business migrants to the area and has indicated its willingness to be selected as a pilot region.

643 Central West Statistical Division

The Central West SD includes Orange, Bathurst, Parkes and Cowra.

The area has a significant and diverse industry base, ranging from agriculture and mining, through whitegoods manufacturing, to agricultural support and research facilities.

Orange and Bathurst are significant urban centres, with strong community services, childcare, health, recreational, education and cultural industry base to support businesses and families. Both these centres have had unemployment rates well below the national average in recent years.³⁴

The area is well served by government agencies: Bathurst hosts a campus of Charles Sturt University, while Orange hosts the Head Office of NSW Agriculture and Sydney University's Faculty of Rural Management.

The Central West also takes in Cowra and Weddin Councils. Both are members of the NSW Southern Special Economic Zone, an organisation which has already developed a plan to attract business migrants to the area and has, along with Orange, indicated its willingness to be selected as a pilot region.

644 Recommendations

Recommendation 29

The following ABS Statistical Divisions should be selected as the pilot regions:

- Murrumbidgee;
- Northern; and
- Central West.

Note: The particular ABS Statistical Divisions suggested for Recommendation 29 were put forward by NSW Government representatives. The Regional Representative did not take part in discussions on this Recommendation.

³⁴ Unemployment has risen from 4.1 to 5.1 percent in Orange since September 2001, and from 3.6 percent to 5.1 percent in Bathurst.



**TOWARDS A NEW APPROACH
TO MIGRATION SETTLEMENT IN
NEW SOUTH WALES**

**SUBMISSION TO THE COMMONWEALTH GOVERNMENT
BY THE PREMIER OF NEW SOUTH WALES
THE HON. BOB CARR**

**SYDNEY
JULY 8, 2002**

TOWARDS A NEW APPROACH TO MIGRATION SETTLEMENT IN NEW SOUTH WALES

EXECUTIVE SUMMARY

On 7 May 2002, The Minister for Immigration, Multicultural and Indigenous Affairs, Philip Ruddock, announced an increase in the number of non-humanitarian migrants (skilled and family reunion) entering Australia from the current level of 93,000 per annum to between 100,000 and 110,000 annually for the next three years.

This announcement was made unilaterally and independently from New South Wales that stands to receive around 43,000 new migrants a year, with at least 94 percent or around 40,420 settling in the Sydney basin. This means up to 4,000 additional people settling in Sydney each year, up from the 2001-02 level of 37,600.

The Minister's announcement marks a 30 per cent increase in the migrant intake compared to the 1997-98 intake of some 70,000 people.

NSW already accepts a larger proportion of migrants, including skilled migrants (43 per cent) than its share of the national population base (34 per cent).

The impact of increased immigration in addition to the natural population growth of the Sydney basin places a major strain on our environment, infrastructure and services.

Four out of five dollars spent on new schools, hospitals, public transport, roads and other infrastructure in Sydney can be attributed to the more than 40,000 overseas migrants settling in the city each year. Sydney's annual population growth is approximately 50,000 people - overseas migrants account for 80 percent of that growth.

An increase in the numbers suggested by Minister Ruddock would account for nearly all of Sydney's projected growth rate to six million by the year 2050.

According to work carried out by the NSW Government, supporting a population of six million in the Sydney basin will require:

- an additional 10,479 new hospital beds, and 68 new hospitals built;
- 14,832 new aged-care beds in 237 new aged-care facilities;
- 1,479 new schools, equipped and staffed;
- provision for a 40 per cent increase in the use of water and sewerage infrastructure;
- a 50 per cent increase in capital spending to meet an increase in waste disposal needs;
 - a massive spending increase to fund a 50 per cent increase in cars and buses on the road as well as new trains and associated infrastructure.
 - some 703,000 new dwellings would need to be built. Only 90,000 of which could be accommodated on land opened up on the urban fringe. The rest, some 613,000 homes, would need to be incorporated into existing suburbs.

Despite this, NSW receives no financial support from the Commonwealth to sustain an increased level of migration. Instead, under the current Commonwealth/State fiscal arrangements, in 2002-03 NSW will receive the second lowest level of GST revenue at \$1,316 per capita (the lowest being Victoria at \$1,255) and will be subsidising other States and Territories by \$1,163 million.

NSW is not prepared to support an increase in migration numbers to the State without a commitment from the Commonwealth to provide additional financial support for Sydney to cope with increased pressure on our infrastructure.

Furthermore, NSW needs a commitment from the Commonwealth that it will meet its financial responsibilities to provide the necessary settlement services for migrants both in Sydney and regional NSW.

NSW will take a whole-of-government approach to tackling the issue of diverting migrants to rural and regional areas, where there are skill shortages or opportunities for business development. It expects the Commonwealth Government to also take a whole-of-government approach and recognise that the successful settlement of migrants in rural and regional areas requires action and commitment across a range of government departments, not just DIMIA.

To show its willingness to cooperate with the Commonwealth, NSW has developed a five-point plan which aims to dampen demand for migrant settlement in Sydney while diverting demand to rural and regional areas.

The five strategies in this plan are:

1. taking a planned approach to attracting migrants;
2. better marketing of rural and regional NSW to prospective migrants;
3. providing incentives to settlement in rural and regional areas;
4. improving initial settlement services, other services, infrastructure and support; and
5. working with the Commonwealth to improve existing regional specific migration programs to better suit the needs of NSW.

TOWARDS A NEW APPROACH TO MIGRATION SETTLEMENT IN NEW SOUTH WALES

SUBMISSION TO THE COMMONWEALTH GOVERNMENT

INTRODUCTION

On 7 May 2002, The Minister for Immigration, Multicultural and Indigenous Affairs, Philip Ruddock, announced an increase in the number of non-humanitarian migrants (skilled and family reunion) entering Australia from the current level of 93,000 per annum to between 100,000 and 110,000 annually for the next three years.

This announcement was made unilaterally and independently from New South Wales that stands to receive around 43,000 new migrants a year, with at least 94 percent or around 40,420 settling in the Sydney basin. This means up to 4,000 additional people settling in Sydney each year, up from the 2001-02 level of 37,600.

The Minister's announcement marks a 30 per cent increase in the migrant intake compared to the 1997-98 intake of some 70,000 people.

NSW is not prepared to support an increase in migration numbers to the State without a commitment from the Commonwealth to provide additional financial support for Sydney to cope with increased pressure on our infrastructure. Furthermore, NSW needs a commitment from the Commonwealth that it will meet its financial responsibilities to provide the necessary settlement services for migrants both in Sydney and regional areas of the State.

NSW will take a whole-of-government approach to tackling the issue of diverting migrants to rural and regional areas, where there are skill shortages or opportunities for business development. It expects the Commonwealth Government to also take a whole-of-government approach and recognise that the successful settlement of migrants in rural and regional areas requires action and commitment across a range of government departments, not just DIMIA.

To demonstrate willingness to work with the Commonwealth, NSW has developed a five-point plan which aims to dampen demand for migrant settlement in Sydney while diverting demand to rural and regional areas. The five strategies in this plan cover:

1. taking a planned approach to attracting immigrants;
2. better marketing of rural and regional NSW to prospective migrants;
3. providing incentives to settlement in rural and regional areas;
4. working with the Commonwealth to improve existing regional specific migration programs to better suit the needs of NSW; and
5. improving settlement infrastructure, services and support.

The five-point plan will be discussed in detail below.

POPULATION TRENDS

The Australian Bureau of Statistics predicts that at current levels of population growth, including migrant intake, the population of Australia will increase to 24 million by the year 2050. According to these projections, Sydney will grow from four million to six million by the same year. In other words, the population of Sydney will grow faster than that of Australia as a whole.

NSW accepts a larger proportion of migrants (43 per cent) than its overall share of the Australian population (34 per cent), in both skilled and other categories. Of these, 93.9 per cent settle in Sydney (a figure which rises to 96.2 per cent when Newcastle and Wollongong are included). A non-humanitarian migrant intake of 100,000 per annum will therefore mean 43,000 migrants settling in NSW, approximately 40,500 of whom in the Sydney basin.

These population trends and policy decisions have social, economic and environmental impacts through increased demand for transport, housing, water, waste and other services.

Four out of five dollars spent on new schools, hospitals, public transport, roads and other infrastructure in Sydney can be attributed to the more than 40,000 overseas migrants settling in the city each year. Sydney's annual population growth is approximately 50,000 people - overseas migrants account for 80 percent of that growth.

The NSW Government has estimated the growth to existing infrastructure Sydney will need to sustain a population of six million. To accommodate a population of 6 million, Sydney would require some 703,000 new dwellings would need to be built, only 90,000 of which could be accommodated on land opened up on the urban fringe. The rest, some 613,000, would need to be incorporated into existing suburbs.

Similarly, infrastructure and services would suffer from increased demand. 10,479 new hospital beds would need to be provided, and 68 new hospitals built; 14,832 new aged-care beds in 237 new aged-care facilities; 1,479 new schools would need to be built, equipped and staffed. Providing for a 40 per cent increase in water and sewage, and a 50 per cent increase in waste disposal needs will require significant capital expenditure, as will providing for a 50 per cent increase in cars and buses on the road, and on trains and associated infrastructure.

If immigration intake remains at current levels, it will account for almost the whole of Sydney's projected growth rate.

This is significant because new immigrants represent an additional burden beyond their impact on infrastructure and services. They require intensive settlement support services such as English as a Second Language for both adults and school-aged children, and information and referral services.

MIGRATION SETTLEMENT TRENDS

The low rate of migrant settlement in rural and regional NSW has little to do with the lack of use of existing State Specific Regional Migration Programs by NSW. It has more to do with the lack of necessary infrastructure and support services required to attract and retain new migrants in rural and regional areas.

Research and anecdotal evidence suggests that the key factors influencing a migrant's choice of location (in descending order of importance) are the presence of:

- family support networks;
- community support networks;
- offer of employment or sound employment prospects;
- infrastructure, including access to housing and other services; and
- lower cost of living.

The preference of skilled migrants to settle in Sydney may be attributed to the first four of these factors. The five-point plan outlined below has been designed to address all five factors.

Centrelink data on the movement of Temporary Protection Visa Holders receiving Special Benefits supports this argument that migrants will settle where they can find support networks. While only 11.8 per cent of all Temporary Protection Visa Holders are initially settled in NSW, around 49.6 per cent of all Temporary Protection Visa Holders receiving Special Benefits end up settling in NSW, mostly in Sydney.

Financial Responsibilities

The initial settlement of new migrants places greater financial strain on State Governments, which is not recognised in the Commonwealth/State Fiscal relationship.

NSW receives no financial support from the Commonwealth to sustain an increased level of migration.

Instead, under the current Commonwealth/State fiscal arrangements, in 2002-03 NSW will receive the second lowest level of GST revenue at \$1,316 per capita (the lowest being Victoria at \$1,255) and will be subsidising other States and Territories by \$1,163 million.

The financial impact of migrants on general infrastructure and services has already been flagged. However, there are a range of migrant-specific support services that must be provided if migrant settlement is to be successful.

NSW cannot support an increase in migrant numbers without the Commonwealth adequately funding the State to meet the additional costs to expand current State service programs such as:

- TAFE NSW English language courses;
- Adult Migrant English Service;
- Skilled Migrant Placement Program and Migrant Career Development Program;
- Overseas Qualifications Advisory Services;
- Business Migration Information and Referral Service;
- Intensive English Language Schools for school aged children;
- English as a Second Language programs in schools.

State funded community welfare agencies provide much needed information, support and referral services to migrants across the State.

In addition to State programs, the Commonwealth is responsible for providing a range of settlement support services for new immigrants. NSW would need to be convinced that the Commonwealth Government will increase the current level of support to existing services and extend these services to new areas of need to meet any increases in the numbers of migrants accepted in the State.

A WHOLE-OF-GOVERNMENT APPROACH

NSW is committed to ensuring a more planned approach to migration that not only diverts migrants to rural and regional areas, but assists in retaining them there.

Such a commitment requires a whole-of-government approach calling for participation by a wide range of State Government Departments. NSW is prepared to commit to a whole-of-government approach and expects the Commonwealth to also make a similar commitment to provide an integrated migration package involving all relevant portfolios.

PROPOSED FIVE-POINT PLAN FOR ENCOURAGING AND FACILITATING SKILLED MIGRANT SETTLEMENT IN REGIONAL AND RURAL NSW

The key migration objective for NSW is to dampen demand for settlement in Sydney while boosting demand for rural and regional areas.

The following five-point plan to provide skilled and business migrant settlement in rural and regional NSW begins to address the five factors identified as influencing where migrants settle.

To achieve sustainable settlement in rural and regional areas requires a firm commitment from the Commonwealth to provide support and resources to NSW above current levels. The plan also requires the support of Local Government and the willingness of rural and regional communities to participate. Coordination across the three levels of Government will be crucial.

For the strategy to be successful, the five point plan needs to be considered as a whole package. Addressing a few of the areas in isolation will not sustain an increase in the numbers of skilled migrant settlement in rural and regional NSW.

1. A PLANNED APPROACH

Consultation with NSW at the start of the process can assist the State plan for regional development and provision of service infrastructure, so a more pro active approach to migration settlement can occur.

The State Government should be able to play a greater role in deciding the skills migration intake requirements of regional and rural areas. This can be achieved through a planned approach that involves the coordination of a number of State Government agencies and partnerships with the Commonwealth and Local Governments.

For example:

- NSW could maintain a database on skills/employment shortages in rural and regional areas.
- The Commonwealth Government accepts the State's advice on its regional skills requirements and revise its own skills lists to accommodate these.
- Premier's Department Regional Coordinators and the Community Relations Commission could assist in identifying regions to target and then work with the local community and State agencies to coordinate services and enhance community support.
- Local Government Areas that express an interest in encouraging skilled and business migrants to their areas should be targeted in the first instance. For example, the NSW Special Southern Economic Zone comprising the Councils of Boroowa, Cootamundra, Cowra, Harden, Temora, Weddin and Young are actively working to attract business migrants to their region.
- In targeted areas where there are migrant community networks, skilled and business migrants from the same backgrounds as the existing established communities should be encouraged.
- The Department of State and Regional Development could explore the possible redeployment of business migrants to targeted regions.

2 BETTER MARKETING OF RURAL AND REGIONAL NSW

Better marketing and promotion of rural and regional NSW to potential business and skilled migrants at point of application.

For example:

- Commonwealth and NSW Governments in collaboration with interested Local Government Areas could produce brochures/videos to give to potential skilled and business migrants at time of application.
- The Commonwealth Government currently conducts seminars in targeted countries aimed at encouraging potential migrants with occupations in demand in Australia, for example nurses from South America. The State Government should be consulted in the planning of future seminars so that these are run for potential migrants from cultural backgrounds and professions being targeted for rural and regional NSW.
- The Commonwealth Government, in collaboration with NSW Department of State and Regional Development could promote rural and regional areas of NSW by arranging guided tours for potential business migrants considering establishing businesses in Australia.

3 PROVIDE INCENTIVES TO ENCOURAGE SETTLEMENT IN RURAL AND REGIONAL NSW

Commonwealth and State Governments could consider incentives to support the movement of people to rural and regional areas.

For example, the Commonwealth could:

- reduce the amount of money business migrants are required to invest in Australia, if they invest in rural and regional areas;
- reduce the level of funds skilled migrants are advised to bring into Australia if settling in rural and regional areas, as the cost of living in these areas is cheaper than metropolitan areas; and
- reduce the period of time migrants in rural and regional areas have to reside in Australia to be eligible for income support (currently two years).

Further initiatives could include:

- tax breaks for home purchases in rural and regional areas; and
- subsidised rental assistance for initial period of settlement.

4 IMPROVING INITIAL SETTLEMENT SERVICES, OTHER SERVICES, INFRASTRUCTURE, AND SUPPORT

The Commonwealth needs to utilise existing cultural family and community networks to encourage further migration to targeted areas. It also needs to extend both Commonwealth and State funded settlement, employment and training services for migrants to rural and regional areas.

For example:

- The Commonwealth should utilise the existing cultural support networks and promote skilled migration opportunities to potential migrants from the same cultural backgrounds, such as Arabic speaking doctors for Young.

- The Commonwealth Government should extend settlement services such as Migrant Resource Centres to targeted rural and regional areas of NSW. The Commonwealth may wish to consider re-introducing models of community development such as Good Neighbour Councils to encourage and nurture mainstream community support and tolerance for new migrants.
- The Commonwealth Government, in consultation with State and Local Governments, should explore innovative and flexible settlement service delivery in rural areas. For example, State Government Access Centres may be able to accommodate Commonwealth funded outreach workers to provide settlement support to new migrants.
- The State Government will need to extend existing services for skilled migrants to rural and regional areas, such as the Skilled Migrant Placement Program and Skillmax. Innovative options for providing services to rural communities could be considered, such as one skilled migrant placement officer providing an outreach service to a few towns and part of the Skillmax training and support could be delivered via Internet or satellite.
- A proportion of the Community Relations Commission seeding grants for community groups could be targeted towards assisting new communities in rural and regional areas to establish support networks.

5. WORKING WITH THE COMMONWEALTH TO IMPROVE EXISTING REGIONAL SPECIFIC MIGRATION PROGRAMS TO BETTER SUIT THE NEEDS OF NSW

NSW proposes to establish a Working Group consisting of key State Departments, the NSW Local Government and Shires Associations and Commonwealth representatives from DIMIA and at least two other key Government agencies such as the Department of Transport and Regional Services. The Working Group will oversight the planning and implementation of the five-point plan in targeted pilot locations.

The Working Group would:

- identify initial rural and regional centres to target as a pilot initiative;
- identify the skill requirements and potential business investment requirements for the pilot regions;
- identify and plan for necessary settlement support services by the Commonwealth Government, NSW Government and relevant Local Governments;
- review current State Specific Regional Migration Programs for their suitability to meet migration intake needs of targeted regions and make recommendations to DIMIA, if changes to current programs are found to be necessary; and
- oversight the development and implementation of strategies in the five point plan for targeted regions.

CONCLUSION

The NSW Government is keen to work with the Commonwealth to divert migration settlement from the Sydney basin to rural and regional areas. However, the NSW Government cannot support an increase in migration numbers without a commensurate increase in Commonwealth funding to cover the costs of providing for general infrastructure requirements and migrant-specific support services.

NSW is keen to take a planned strategic approach to this issue, as outlined in this submission, and would welcome the opportunity for increased dialogue and negotiations with the Commonwealth in pursuit of a sustainable migration program that will not detract from the quality of life in the Sydney basin.

**APPENDIX B – COMMUNITY CONSULTATION FORUM
FRIDAY 18 OCTOBER 2002, WAGGA WAGGA**

ATTENDEES: REGIONAL REPRESENTATIVES

Dr Colin Davis (Vetafarm)
Mr Ali Jaber (Ethnic Communities Council)
Ms Kiara Salvestro (Bartter Enterprises)
Mr Craig McIver (Griffith Development Corp)
Ms Anna Stephenson (Griffith City Council)
Mr Pat Brassil AM (Riverina Regional Development Board)
Cr Michael Georgiou (Wagga Wagga City Council)
Associate Professor Margaret Alston (Charles Sturt University)
Professor David Green (Charles Sturt University)
Ms Julie Redway (Murrumbidgee Division of General Practice)
Ms Bernadette Kelly (Ethnic Communities Council)
Mr Gary Wells (Wagga Wagga City Council)
Ms Tracy Lonergan (Wagga Wagga City Council)
Mr Shane Godbee (NSW Southern Special Economic Zone)

Apologies:

Ms Daniella Bangozov (Productive Diversity in the Workplace Program)
Mr John Dal Broi (Riverina Regional Development Board)
Mr Hugh Baird (Golden Circle Ltd)
Mr Tony Parle (Parle Foods)
Ms Michelle Nugan (Nugan Group)
Ms Margaret Love (Ethnic Communities Council)
Mr Daryl Maguire MP (Member for Wagga Wagga)
Mrs Kay Hull MP (Member for Riverina)
Mr Bert Dennis (Australian Population Institute Inc)
The Hon Tony Kelly MLC

ATTENDEES: WORKING PARTY MEMBERS

Mr Abul Rizvi (Co-chair, DIMIA)
Ms Leigh Sanderson (Co-chair, The Cabinet Office)
Mr Peter Dale (Riverina RDB)
Mr John Doherty (DOTARS)
Ms Vivian Hanich (Premier's Department)
Mr Stepan Kerkyasharian (Community Relations Commission)

Ms Madi Maclean (DSRD)
Mr Scott Matheson (DEWR)
Cr Genia McCaffrey (Lgov)
Mr James Goodsell (DIMIA)
Mr Peter Vardos (DIMIA)
Ms Hanya Stefaniuk (DET)

Apologies:

Mr Nick Nicholls (DIMIA)

OTHERS PRESENT

Mr Victor Duranti (Community Relations Commission)
Mr John Greenup (DIMIA)
Ms Sheena Moyer (DIMIA)
Ms Karen Bradley (DIMIA - Secretariat)
Mr Tom McClean (The Cabinet Office)
Ms Nazli Munir (The Cabinet Office)

COMMUNITY CONSULTATIONS

- Welcome and introduction to the Working Party by Abul Rizvi.
- Leigh Sanderson provided an overview of the Premier's perspective:
 - Too many migrants going to Sydney
 - The need to encourage skilled business migrants to regional NSW
- Ms Sanderson invited regional representatives to offer their input to the Working Party regarding:
 - skilled migrants coming to regional areas;
 - the roles of different levels of government;
 - any questions and new ideas.
- Regional representatives were each given the opportunity to state their main objectives for the Working Party to consider and to highlight any concerns and difficulties they have experienced attracting and retaining migrants to their area. The issues raised were summarised by Abul Rizvi as follows:
 - skills shortages are holding back development;
 - skills recognition was difficult to achieve;
 - local bodies are aware of the exact nature of the shortages that they are experiencing;
 - there are significant skills shortages in the area, including unskilled positions;
 - employers in regions are not aware of the skills-matching database, and those that were found it difficult to access and navigate. DIMIA business centre staff were not able to adequately assist with enquiries in relation to the database;
 - job creation and business opportunities need to be progressed;

- potential migrants are not aware that regional areas such as Wagga Wagga and Griffith exist. If migrants were aware of these regional areas and the benefits they offer, they would come and would stay;
- TPV holders that have settled in the region are a valuable asset; and
- all new migrants and their families require adequate support services.
- Peter Dale stated that there was a survey conducted in 1999 that identified current skills shortages, and that the shortages listed were still relevant today. The representatives agreed that they were generally aware of this document.
- Stepan Kerkyasharian requested that DIMIA provide a clear definition of 'skilled'. Peter Dale further requested an expansion of skilled and semi-skilled issues.
- Abul Rizvi explained that there is a major divergence in the Australian labour market with unemployment rates for highly skilled people being very low while unemployment rates for low skilled people are very high. Bringing in more unskilled people would exacerbate this problem. There is a risk of exploitation of migrants who are unskilled or semi-skilled. An unskilled migration program would need to be justified to those who are currently unemployed. This type of program may lead to tensions in the wider community.
- Craig McIver disagreed with DIMIA's position and indicated that to his knowledge unskilled migrants who had arrived in Australia in the past had become successful land -owners. Mr McIver stated that these migrants had not experienced exploitation in the community. Shane Godbee agreed with this view.
- Michael Georgiou stated that highly skilled migrants would not want to come to regional areas. Skilled migrants want their children to have access to quality education facilities.
- Scott Matheson gave the Regional Representatives a definition of 'skilled'. A skilled migrant is one who possesses at least trade qualifications or above, of at least three years training. Migration programs target this group of migrants. Mr Matheson further commented that the labour market is not creating unskilled jobs. He agreed with Mr Rizvi's view that an increase in the number of unskilled migrants may exacerbate current unemployment problems.
- Craig McIver commented that regional areas are distinctly different from city areas in that they have a large number of unskilled jobs.
- Colin Davis further commented that regional areas required a special category for unskilled migrants who could be contracted to local businesses.
- Abul Rizvi outlined the changes to the temporary residence 457 category. Migrants wishing to apply for this category would not be required to meet the current salary and skill thresholds, but must be contracted to employers in regional areas. There are two safeguards to this category: 1) unskilled migrants are not eligible to apply 2) the applicant must have been certified by the relevant regional certifying body. After these temporary entrants arrive in Australia, they may apply for permanent residency if both the employer and employee agree. This flexibility is required for both the employer and the employee to utilise.
- Hanya Stefaniuk commented that temporary residents are not eligible for the same range of support services that permanent residents have access to. The level of support for families is not available and the new class of visa will exacerbate this issue.
- Peter Dale confirmed that a range of people are eligible for acceptance by the regional certifying body, as they recognise a range of skills across different areas.

- Abul Rizvi confirmed that the representatives' comments regarding the need for unskilled labour will be passed on to the Minister and the Premier.
- Colin Davis commented that all temporary and permanent migrants should have access to English classes. Migrants require additional support during their first 6 months or they may choose to leave the area.
- Scott Matheson asked what the barriers are in regional areas that prevent unskilled Australians from taking up the available positions.
- Hanya Stefaniuk commented that unskilled Australians do not wish to take up the type of work that is available and Centrelink payments don't support movement of this nature. For example, the potential employee may end up out of pocket if they are required to reapply for benefits at the end of a period of temporary employment.
- Colin Davis agreed with this view and further commented that the pay for unskilled work in regional areas is quite low. Employers may need to increase remuneration. Also, the cost of living in general in the area is quite high.
- Abul invited any comments on DIMIA processes.
- Anna Stephenson suggested that businesses should be able to register shortages, and that migrants could then be matched with these shortages via the skills-matching database. The database needed to be further promoted.
- John Greenup confirmed that eligible migrants currently give their details for the database. The skills-matching database is on the DIMIA website and can be searched by occupation. The potential employer can view the training and background of the potential employee to assess whether it is relevant to the position. There is a contact number for the employee to contact to obtain further details. There are approximately 2500 names on the database.
- Peter Dale reiterated that the skills-matching database was complex and that training may be required for efficient and effective use. Further promotion was required.
- Abul summarised the issues that were raised:
 - possible lack of knowledge in DIMIA Business Centres of the Skill Matching Database;
 - the database may not be sufficiently user friendly; and
 - further promotion is required
- Mr Rizvi asked for ideas regarding what could be done to further promote the database. He stated that a modest level of funding could be provided to assist in promotion.
- Responses included:
 - database information needs to be sent to government agencies, local council and local employers
 - information via regional radio would have a wide-reaching audience
- Abul Rizvi requested that Peter Dale further consult with the community representatives at a later date to discuss further options for promotion of the database. Mr Rizvi asked that the best three options be presented.
- Abul Rizvi asked for ideas regarding the promotion of regional areas and how information could best be distributed to migrants.
- Shane Godbee commented that this would be difficult; the centralisation of government would need to stop.

- Gary Wells commented that lifestyle doesn't sell. Regions need to take steps to market opportunities and attract migrants.
- Abul Rizvi asked how the state and federal government could assist.
- Gary Wells responded that suitable infrastructure and marketing would be required. The regional areas would need to decide on their initiatives and would then require support to market these initiatives. If there are no jobs there is no attraction. If migrants come to the area they will stay.
- Mr David Green suggested that a tax-free zone would attract businesses.
- Madi Maclean suggested that regions would need to decide where to send promotional and advertising material. Regional areas would struggle to get around the fact that Sydney is attractive to migrants.
- Craig McIver commented that campaigns would need to be specific to particular regions as opposed to generic. Migrants need to be encouraged to go to areas where there are jobs available.
- David Green commented that regional areas would need to take a whole family approach. Mechanisms would need to be put in place to make the region attractive. Services must be in place to attract migrants.
- Margaret Alston suggested that the government could provide service support and infrastructure support.
- Abul Rizvi agreed to include this in the report to the Minister and Premier.
- Mr Rizvi asked for ideas of specific services that might be required. A summary of the responses is as follows:
 - child care places (special requirement places – these are more expensive);
 - cultural services;
 - health services;
 - language maintenance classes (particularly for children);
 - English classes and TESOL trained teachers; and
 - cultural diversity training for community and businesses.
- Anna Stephenson commented that there are a lot of myths that exist relating to migrants. Some businesses are reluctant to hire migrants, as they believe they may be 'more trouble than they're worth'. Migrants need to be promoted and businesses and employers educated to dispel these myths.
- Abul Rizvi explained that there are three major aims of the proposed 1 March 2003 changes to the Business Skills Program:
 - better dispersal;
 - greater success in getting into business; and
 - reduced scope for abuse.
- Mr Rizvi proceeded to explain the proposed business program changes that are scheduled to come into effect on 01 March 2003. There will be more emphasis on linking the applicant to state government. The link can then extend to regional areas. The process will be two-step from temporary to permanent.

- Shane Godbee asked how the investment could be linked to the regional area. He considered that it was more important that the investment, money and employment stayed in the area, rather than concentrating on where the migrant was physically located.
- Abul Rizvi responded that the migrant must be actively involved in the business.
- Bernadette Kelly commented that skills recognition is a big problem.

ACTIONS:

- Peter Dale to organise and facilitate a forum to further discuss with the community representatives options for promotion of the skills-matching database, and to discuss matters arising from the consultations. Migrants will be invited to attend. Feedback will be provided to the Working Party.
- Abul Rizvi to include feedback and comments from the consultations in the report to the Minister and Premier.

APPENDIX C – POPULATION AND MIGRATION STATISTICS

Under its Terms of Reference, The Working Party was required to identify past, current and projected immigration trends to Sydney and to each major region of NSW and identify emigration trends for Sydney and regional NSW.

This Appendix examines in more detail the population and immigration trends and projections outlined in Chapter 3. The figures presented here are derived from statistics provided by the Australian Bureau of Statistics, PlanningNSW and DIMIA.

Given that the following tables have been compiled from a wide variety of sources, it is possible that not all information is comparable between tables. In the case of any discrepancy, Tables C1.1, C1.2 and C1.3 should be considered authoritative.

Table C1.1: Components of Population Change, Australia ('000)

	Start Population	Births	Deaths	Natural increase	NOM	Net internal migration	Intercensal discrepancy	Total Increase	End Population
1991-92	17,284.0	259.2	120.8	138.4	68.6	..	3.8	210.7	17,494.7
1992-93	17,494.7	260.0	121.3	138.6	30.0	..	3.7	172.4	17,667.1
1991-94	17,667.1	258.3	123.5	134.8	46.5	..	6.2	187.6	17,854.7
1994-95	17,854.7	258.2	126.2	132.0	80.1	..	5.0	217.1	18,071.8
1995-96	18,071.8	250.4	126.4	124.0	104.1	..	10.7	238.9	18,310.7
1996-97	18,310.7	253.7	127.3	126.4	87.1	..	8.1	221.5	18,537.9
1997-98	18,537.9	249.1	129.3	119.9	86.4	..	15.5	221.7	18,759.6
1998-99	18,759.6	250.0	128.3	121.7	85.1	..	17.8	224.6	18,984.2
1999-00	18,984.2	249.3	128.4	120.9	99.1	..	21.2	241.2	19,225.3
2000-01	19,225.3	248.7	128.9	119.8	109.7	..	30.4	259.9	19,485.3
2001-02	19,485.3	246.3	130.5	115.9	106.1	..	0.0	221.9	19,707.2
2010-11	21,114.6	234.4	150.2	84.2	90.0	..	..	174.2	21,288.8
2020-21	22,772.4	239.9	175.9	64.0	90.0	..	..	154.0	22,926.4
2050-51	25,380.9	233.5	295.9	-62.3	90.0	..	..	27.7	25,408.5

Table C1.2: Components of Population Change, New South Wales ('000)

	Start Population	Births	Deaths	Natural increase	NOM	Net internal migration	Intercensal discrepancy	Total Increase	End Population
1991-92	5,898.7	89.1	43.6	45.5	31.2	-13.8	1.0	63.9	5,962.6
1992-93	5,962.6	89.2	43.1	46.2	12.6	-17.5	1.0	42.3	6,004.9
1991-94	6,004.9	87.8	43.6	44.2	21.9	-12.2	1.3	55.3	6,060.2
1994-95	6,060.2	87.5	44.8	42.7	36.0	-13.5	1.6	66.8	6,127.0
1995-96	6,127.0	84.8	44.5	40.4	48.0	-14.8	4.1	77.7	6,204.7
1996-97	6,204.7	87.5	44.7	42.7	37.3	-12.0	13.4	81.5	6,286.2
1997-98	6,286.2	85.2	45.8	39.4	34.9	-13.5	13.9	74.7	6,360.9
1998-99	6,360.9	85.7	45.1	40.6	36.9	-14.3	14.6	77.8	6,438.6
1999-00	6,438.6	85.8	45.1	40.8	40.6	-15.6	15.7	81.5	6,520.2
2000-01	6,520.2	86.3	45.7	40.6	46.1	-16.7	19.2	89.1	6,609.3
2001-02	6,609.3	83.0	45.5	37.6	40.6	-23.8	0.0	54.4	6,663.7
2010-11	7,067.9	80.4	51.9	28.5	38.3	-15.0	..	51.8	7,119.7
2020-21	7,555.6	81.2	59.7	21.5	38.3	-15.0	..	44.8	7,600.4
2050-51	8,244.5	77.1	97.1	-20.0	38.3	-15.0	..	3.3	8,247.8

Table C1.3 Components of Population Change, Sydney ('000)

	Start Population	Births	Deaths	Natural increase	NOM	Net internal migration	Intercensal discrepancy	Total Increase	End Population
1991-92	3672.9	52.4	25.8	26.6	27.6	-17.6	0.6	37.3	3710.2
1992-93	3710.2	58.8	25.8	33.0	11.2	-20.2	0.7	24.6	3734.8
1993-94	3734.8	54.2	25.6	28.6	19.4	-14.0	0.8	34.8	3769.6
1994-95	3769.6	55.6	26.0	29.5	31.8	-10.8	1.0	51.6	3821.2
1995-96	3821.2	54.3	25.2	29.0	42.5	-14.3	2.6	59.9	3881.1
1996-97	3881.1	55.0	26.5	28.5	33.9	-16.6	8.4	54.2	3935.3
1997-98	3935.3	55.0	26.3	28.7	31.8	-19.3	8.7	49.8	3985.1
1998-99	3985.1	54.8	25.8	29.0	33.6	-17.0	9.1	54.8	4039.9
1999-00	4039.9	57.6	25.9	31.8	37.0	-24.2	9.9	54.4	4094.3
2000-01	4094.3	57.6	n.y.a.	n.y.a.	41.9	-26.0	12.0	60.4	4154.7
2010-11	4,574.8	n.y.a.	n.y.a.	24.2	34.5	-15.0	..	43.7	4,618.5
2020-21	4,999.0	n.y.a.	n.y.a.	21.2	34.5	-15.0	..	40.7	5,039.7
2050-51	5,842.3	56.1	60.1	-4.0	34.5	-15.0	..	15.5	5,857.8

Source and assumptions:

- Australia and NSW, 1991-2002: Australian Bureau of Statistics 2002, Australian Demographic Statistics, June quarter 2002, ABS Catalogue No. 3101.0, and previous issues. Intercensal discrepancy calculated by PlanningNSW as the residual of published components and total growth.
- Australia and NSW, projections: Australian Bureau of Statistics 2000, Population Projections, Australia, 1999-2011, ABS Catalogue No. 3222.0, Series II.
- Sydney 1991-2002: Total population 1991 to 1996 and 2001 - Australian Bureau of Statistics 2002, Regional Population Growth, Australia and New Zealand, 1991 to 2001, ABS Catalogue No. 3218.0, and previous issues. Total population 1997-2000 - Australian Bureau of Statistics, unpublished estimates rebased to 2001 Census results, provided by Matthew Montgomery 16/12/02. Births, deaths and natural increase - Australian Bureau of Statistics, unpublished. Overseas migration - PlanningNSW estimate. For 1991-96 assumed to be 88.5% of NSW total, based on 1996 Census data on location of recent migrants. For 1996-2001 assumed to be 91% of NSW total based on 2001 Census data. Intercensal discrepancy - PlanningNSW estimate. Assumed proportional to share of total NSW population. Net internal migration - PlanningNSW estimate. Residual of other components.
- Sydney, projections: Australian Bureau of Statistics 2000, Population Projections, Australia, 1999-2011, ABS Catalogue No. 3222.0, Series II. Births and deaths for 2050-51 are estimated by PlanningNSW based on crude birth and death rates published by ABS.

Notes:

- Reference periods start 1 July and end 30 June.
- For the Australian population projections, Series II is used which assumes annually for Australia (NSW) a Net Overseas Migration of 90,000 (38,300), medium internal migration (-15,000) and a Total Fertility Rate of 1.6 (1.64) babies per woman. Projection assumptions apply after a phase in period. The NSW population projection assumes annually Net Overseas Migration of 29,900, internal migration of -17,300 and a Total Fertility Rate falling from 1.83 in 1996 to 1.73 in 2016 then remaining constant.

Table C2: Resident Population Growth Rates (%)

	1991	1996	2001	2011	2021
Australia	..	1.2	1.3	0.8	0.7
New South Wales	..	1.0	1.3	0.7	0.6
Sydney SD	..	1.1	1.4	0.8	0.7
Hunter SD	..	0.9	1.3	0.4	0.3
Newcastle SSD	..	0.8	1.3	0.4	0.3
Illawarra SD	..	1.3	1.5	0.8	0.7
Wollongong SSD	..	0.9	1.2	0.5	0.4
Richmond-Tweed SD	..	2.2	1.6	1.5	1.2
Mid-North Coast SD	..	1.7	1.4	1.3	1.0
Northern SD	..	-0.7	0.2	-0.2	-0.5
North Western SD	..	0.3	0.4	-0.1	-0.2
Central West SD	..	0.3	0.6	-0.1	-0.4
South Eastern SD	..	1.2	1.7	0.5	0.2
Murrumbidgee SD	..	0.2	0.5	-0.2	-0.4
Murray SD	..	0.4	0.4	-	-0.2
Far West SD	..	-2.2	-0.7	-1.0	-1.1

Source: 1991, 1996 and 2001: ABS Regional Population Growth (Cat. No. 3218.0). 2011 and 2021 - Australia: ABS Population Projections, Australia 1999-2101 (Cat. no. 3222.0). 2011 and 2021 - NSW and sub-State areas: Department of Urban Affairs and Planning, Population Projections for NSW (Preliminary), 1999.

Table C3: Proportions (%) of Overseas Born and Overseas Born Recent Arrivals

	Overseas born to total persons			Overseas born in specified area to total Australian overseas born persons			Overseas born recent arrivals to overseas born persons			Overseas born recent arrivals in specified area to total Australian overseas born recent arrivals		
	1991	1996	2001	1991	1996	2001	1991	1996	2001	1991	1996	2001
Australia	22.5	22.8	23.2	100.0	100.0	100.0	20.3	14.7	15.2	100.0	100.0	100.0
New South Wales	23.1	24.0	24.9	34.9	35.6	36.0	23.0	17.1	17.4	39.7	41.2	41.0
Sydney SD	30.8	32.1	33.4	28.6	29.4	30.1	25.5	18.7	19.0	36.1	37.4	37.5
Hunter SD	10.0	9.8	9.6	1.4	1.3	1.3	11.7	9.1	9.1	0.8	0.8	0.8
Newcastle SSD	10.5	10.3	10.0	1.2	1.2	1.1	11.9	9.3	9.4	0.7	0.7	0.7
Illawarra SD	21.9	20.9	19.9	2.0	1.9	1.8	10.1	8.8	8.3	1.0	1.1	1.0
Wollongong SSD	25.5	24.3	22.8	1.6	1.5	1.4	10.1	9.3	8.8	0.8	0.9	0.8
Richmond-Tweed SD	9.8	10.7	11.5	0.5	0.5	0.5	12.0	8.6	8.8	0.3	0.3	0.3
Mid-North Coast SD	8.6	8.8	9.2	0.5	0.6	0.6	9.7	6.2	6.8	0.3	0.2	0.3
Northern SD	5.8	5.9	5.8	0.3	0.3	0.2	16.2	13.0	13.1	0.2	0.2	0.2
North Western SD	5.6	5.7	5.7	0.2	0.2	0.2	11.8	6.9	10.3	0.1	0.1	0.1
Central West SD	6.6	6.8	6.9	0.3	0.3	0.3	11.6	11.1	9.9	0.2	0.2	0.2
South Eastern SD	11.7	12.2	12.6	0.5	0.5	0.5	9.8	5.9	6.4	0.2	0.2	0.2
Murrumbidgee SD	7.6	7.7	8.0	0.3	0.3	0.3	14.5	14.0	17.3	0.2	0.3	0.3
Murray SD	7.7	7.6	7.5	0.2	0.2	0.2	11.0	7.8	9.8	0.1	0.1	0.1
Far West SD	4.7	4.4	4.5	-	-	-	15.0	6.9	8.9	-	-	-

Source: ABS - Census of Population and Housing data available on request.

Notes:

- In calculating these proportions, census records where country of birth was not stated were excluded. This is likely to result in an overstatement of the proportion of overseas born. A more definitive estimate will be available when ABS releases its Estimated Resident Population by country of birth in 2003.
- Recent arrivals are those who arrive in the previous five and a half years (eg for the 7 August 2001 Census from 1996 to 2001). ASGC used is that which existed at the relevant Census.

Table C41: International Movement, Australia

	Arrivals		Departures		Net Movement		Category jumping	NOM
	Permanent	Long-term	Permanent	Long-term	Permanent	Long-term		
1991-92	107,391	126,781	29,122	115,162	78,269	11,619	-8,325	86,432
1992-93	76,330	127,436	27,905	113,190	48,425	14,246	-21,308	68,580
1993-94	69,768	137,600	27,280	112,707	42,488	24,893	-32,629	30,042
1994-95	87,428	151,095	26,948	118,533	60,480	32,562	-20,832	46,549
1995-96	99,139	163,578	28,670	124,386	70,469	39,192	-12,917	80,125
1996-97	85,752	175,249	29,857	136,748	55,895	38,501	-5,524	104,137
1997-98	77,327	188,114	31,985	154,294	45,342	33,820	-7,317	87,079
1998-99	84,143	187,802	35,181	140,281	48,962	47,521	7,192	86,354
1999-00	92,272	212,849	41,078	156,768	51,194	56,081	-11,363	85,120
2000-01	107,366	241,204	46,521	166,376	60,845	74,828	-8,219	99,056
2001-02	88,900	264,471	48,241	171,446	40,659	93,025	n.y.a	109,700

Table C42: International Movement, NSW

	Arrivals		Departures		Net Movement		Category jumping	NOM
	Permanent	Long-term	Permanent	Long-term	Permanent	Long-term		
1991-92	44,066	53,162	10,565	47,577	33,501	5,585	-3,454	36,496
1992-93	32,093	51,566	10,470	47,396	21,623	4,170	-9,093	31,178
1991-94	30,886	56,905	10,599	46,505	20,287	10,400	-13,760	12,628
1994-95	38,056	60,948	10,123	47,755	27,933	13,193	-8,827	21,929
1995-96	44,327	65,908	10,650	49,534	33,677	16,374	-5,170	35,952
1996-97	37,212	69,864	11,520	55,388	25,692	14,476	-2,002	48,045
1997-98	31,694	76,444	12,661	63,634	19,033	12,810	-2,877	37,291
1998-99	35,141	85,527	15,111	61,629	20,030	23,898	3,059	34,899
1999-00	39,311	92,545	18,217	69,178	21,094	23,367	-4,146	36,942
2000-01	46,745	108,756	20,552	76,330	26,193	32,426	-3,059	40,630
2001-02	35,301	109,140	20,728	72,373	14,573	36,767	n.y.a.	46,062

Source: ABS/DIMIA Overseas Arrivals and Departures data available on request. Category Jumping and Net Overseas Migration from Australian Historical Population Statistics (Cat. no.3105.0.65.001) Table 3.

Notes: Excludes short-term movements (less than one year). Reference periods start 1 July and end 30 June.

Table C5.1: Permanent Arrivals by Eligibility, Australia

	Family	Skill	Humanitarian	NZ citizen	Other	Total
1991-92	48,621	40,334	7,157	8,201	3,078	107,391
1992-93	32,102	22,137	10,939	8,355	2,797	76,330
1993-94	33,580	12,794	11,350	9,616	2,428	69,768
1994-95	37,078	20,210	13,632	13,618	2,890	87,428
1995-96	46,458	20,008	13,824	16,234	2,615	99,139
1996-97	36,490	19,697	9,886	17,501	2,178	85,752
1997-98	21,142	25,985	8,779	19,393	2,028	77,327
1998-99	21,501	27,931	8,790	24,680	1,241	84,143
1999-00	19,896	32,350	7,267	31,610	1,149	92,272
2000-01	20,133	35,696	7,640	42,257	1,609	107,366
2001-02	23,282	35,838	6,732	21,458	1,330	88,900

Table C5.2: Permanent Arrivals by Eligibility, New South Wales

	Family	Skill	Humanitarian	NZ citizen	Other	Total
1991-92	20,265	16,669	2,915	2,967	1,250	44,066
1992-93	14,042	9,719	4,406	2,775	1,151	32,093
1993-94	15,677	5,853	4,983	3,344	1,029	30,886
1994-95	16,977	9,472	5,748	4,649	1,210	38,056
1995-96	22,716	8,960	5,843	5,786	1,022	44,327
1996-97	17,358	8,805	4,361	5,827	861	37,212
1997-98	9,870	11,287	3,720	6,017	800	31,694
1998-99	10,480	12,194	3,347	8,600	520	35,141
1999-00	9,425	13,796	3,097	12,498	495	39,311
2000-01	9,355	15,387	2,797	18,547	653	46,745
2001-02	10,265	14,236	2,519	7,720	498	35,301

Source: ABS/DIMIA Overseas Arrivals and Departures data available on request.

Notes:

- Reference periods start 1 July and end 30 June.
- Migration Program special eligibility arrivals included in Other. Data for 2001-02 are due to be released end August 2002 and 2000-01 data by end 2002. State (NSW) is State of intended address.

Table C6.1: Permanent Arrivals by Migration Stream 1 July 1996 to 30 June 2001, Number

	<i>Family</i>	<i>Skill</i>	<i>Humanitarian</i>	<i>Other</i>	<i>Total</i>
Australia	151,580	155,435	50,031	2,156	359,202
New South Wales	67,194	62,081	20,263	878	150,416
Sydney SD	54,871	44,046	18,745	649	118,311
Hunter SD	1,035	603	179	26	1,843
Newcastle SSD	932	554	173	24	1,683
Illawarra SD	1,138	737	645	25	2,545
Wollongong SSD	969	664	645	19	2,297
Richmond-Tweed SD	626	168	4	-	798
Mid-North Coast SD	475	149	35	7	666
Northern SD	217	157	6	3	383
North Western SD	134	70	1	1	206
Central West SD	242	118	31	4	395
South Eastern SD	341	126	33	5	505
Murrumbidgee SD	252	145	63	1	461
Murray SD	165	64	11	2	242
Far West SD	15	12			27
NSW nfd	7,683	15,686	510	155	24,034

Table C6.2: Permanent Arrivals by Migration Stream 1 July 1996 to 30 June 2001, Distribution (%)

	<i>Family</i>	<i>Skill</i>	<i>Humanitarian</i>	<i>Other</i>	<i>Total</i>
Australia	100.0	100.0	100.0	100.0	100.0
New South Wales	45.5	41.2	40.7	43.3	42.9
Sydney SD	37.1	29.3	37.6	32.0	33.8
Hunter SD	0.7	0.4	0.4	1.3	0.5
Newcastle SSD	0.6	0.4	0.3	1.2	0.5
Illawarra SD	0.8	0.5	1.3	1.2	0.7
Wollongong SSD	0.7	0.4	1.3	0.9	0.7
Richmond-Tweed SD	0.4	0.1	-	-	0.2
Mid-North Coast SD	0.3	0.1	0.1	0.3	0.2
Northern SD	0.1	0.1	-	0.1	0.1
North Western SD	0.1	-	-	-	0.1
Central West SD	0.2	0.1	0.1	0.2	0.1
South Eastern SD	0.2	0.1	0.1	0.2	0.1
Murrumbidgee SD	0.2	0.1	0.1	-	0.1
Murray SD	0.1	-	-	0.1	0.1
Far West SD	-	-	-	-	-
NSW nfd	5.2	10.4	1.0	7.6	6.9

Source: DIMIA - Settlement database data available on request. Extracted 2 August 2002.

Notes: Includes onshore residence grants. The arrival date for an onshore residence grant is the last arrival before the application is made for permanent residence. Onshore grants are generally made for people who arrived two to three years ago. Migration Program Special Eligibility category included in Other. New Zealand citizens from February 2001 are included if they are approved under the Migration Program. Australia includes 9,000 records for which State is not known. For the calculation of the distribution they were excluded, effectively assuming they are distributed in the same manner as those records for whom area details are known. ASGC 1996 used.

Table C7.1: Temporary Entrants by Visa Category, Australia

	Students	Temporary residents			Visitors	NZ citizen	Other	Total
		Working holiday	Long stay business	Other				
1991-92	65,538	30,426	n.a	86,496	1,836,593	423,420	141,099	2,583,573
1992-93	74,794	23,965	n.a	69,251	2,100,654	439,524	135,250	2,843,439
1991-94	87,014	32,351	n.a	82,807	2,360,724	452,680	215,385	3,230,961
1994-95	103,967	39,006	n.a	85,786	2,733,331	466,772	178,435	3,607,297
1995-96	134,452	42,768	n.a	87,462	3,034,889	561,379	189,583	4,050,533
1996-97	159,020	52,959	17,049	77,078	3,228,245	619,617	193,766	4,347,733
1997-98	159,151	60,588	51,998	60,652	3,112,997	638,530	239,845	4,323,761
1998-99	159,246	64,556	79,232	50,334	3,109,723	671,130	273,697	4,407,919
1999-00	181,595	79,902	93,942	50,117	3,372,565	712,678	294,184	4,784,983
2000-01	n.y.a	n.y.a	n.y.a	n.y.a	n.y.a	n.y.a	n.y.a	n.y.a
2001-02	n.y.a	n.y.a	n.y.a	n.y.a	n.y.a	n.y.a	n.y.a	n.y.a

Table C7.2: Temporary Entrants by Visa Category, New South Wales

	Students	Temporary residents			Visitors	NZ citizen	Other	Total
		Working holiday	Long stay business	Other				
1991-92	24,426	15,963	..	41,085	805,340	169,624	61,895	1,118,333
1992-93	27,525	12,210	..	33,088	917,574	185,035	58,686	1,234,118
1991-94	32,872	18,321	..	39,174	1,039,101	201,276	92,624	1,423,369
1994-95	37,043	22,486	..	39,670	1,175,708	203,179	74,187	1,552,273
1995-96	48,673	25,170	..	40,029	1,312,447	246,461	82,071	1,754,852
1996-97	55,741	30,872	8,255	34,597	1,377,794	234,777	79,704	1,821,741
1997-98	54,538	35,201	25,876	24,666	1,284,830	241,714	98,007	1,764,833
1998-99	55,984	35,828	40,044	19,305	1,277,410	262,646	112,668	1,803,883
1999-00	65,156	48,521	49,847	20,633	1,410,000	280,966	129,113	2,004,237
2000-01	n.y.a	n.y.a	n.y.a	n.y.a	n.y.a	n.y.a	n.y.a	n.y.a
2001-02	n.y.a	n.y.a	n.y.a	n.y.a	n.y.a	n.y.a	n.y.a	n.y.a

Source: ABS/DIMIA Overseas Arrivals and Departures data available on request

Notes:

- A high proportion of South Africans are in the State n.f.d. category. Generally it is English speaking, skilled migrants who are poor at returning a form to give DIMIA an address and naturally they don't enrol in the Adult Migrant English Program to enable an address to be obtained from that source.
- Reference periods start 1 July and end 30 June. Data for 2001-02 are due to be released end August 2002 and 2000-01 data by end 2002. State (NSW) is State of intended address.

Table C81: Stock of Temporary Entrants by Eligibility, Australia

	Student	Temporary resident			Visitor	Other	Total non-NZ citizen	NZ citizen
		Working holiday	Long stay business	Other				
1996	88,403	25,093	1	40,758	151,715	45,138	351,108	n.a
1997	99,821	32,550	14,832	32,875	167,292	49,756	397,126	n.a
1998	102,689	35,160	31,550	27,276	170,799	53,487	420,961	369,392
1999	111,784	36,167	41,804	25,259	181,230	69,100	465,344	404,750
2000	121,135	45,264	50,395	24,586	198,178	74,321	513,879	434,679
2001	138,192	46,627	55,961	25,670	214,295	73,456	554,201	460,142
2002	154,017	48,203	55,001	26,849	197,404	78,704	560,178	460,788

Table C82: Stock of Temporary Entrants by Eligibility, New South Wales

	Student	Temporary resident			Visitor	Other	Total non-NZ citizen	NZ citizen
		Working holiday	Long stay business	Other				
1996	40,119	15,074	-	23,247	81,979	27,922	188,341	n.a
1997	45,321	19,158	8,062	18,499	92,632	32,378	216,050	n.a
1998	49,330	20,219	17,808	15,276	92,066	35,165	229,864	146,121
1999	55,244	21,016	24,571	14,130	99,317	47,313	261,591	161,250
2000	60,843	28,446	30,126	13,311	109,726	49,980	292,432	175,139
2001	69,477	27,301	34,271	13,494	115,920	48,468	308,931	185,297
2002	74,522	27,510	32,949	13,968	104,230	49,501	302,680	182,176

Source: DIMIA Stock Data System data available on request

Notes: Stock Data System commenced in March 1996. State (NSW) is State of clearance. The statistics represent a count of all visa holders at the stock date. New Zealand citizens stock data are not generally included and are shown apart from the total.

**Table C91: Net Internal Migration of Australian-Born in NSW, 1996-2001
(by Labour Force Status and ABS Statistical Division)**

<i>Destination</i>	<i>Source</i>	<i>Employed</i>	<i>Unemployed</i>	<i>Not in Labour Force</i>	<i>Not Stated</i>	<i>Not Applicable</i>
Sydney	Sydney	0	0	0	0	0
	Other NSW	4760	-3094	-22327	-235	-7944
	Other Aust	2630	-2457	-11476	-169	-6889
Hunter	Sydney	-725	754	6040	89	2044
	Other NSW	1812	336	763	41	314
	Other Aust	-2489	-251	-647	-21	-711
Illawarra	Sydney	2157	657	5702	43	2387
	Other NSW	1094	8	162	-21	100
	Other Aust	-1248	-189	-800	-15	-606
Richmond-Tweed	Sydney	-104	427	2449	41	987
	Other NSW	860	295	1383	22	632
	Other Aust	-3809	-127	312	-24	-107
Mid North Coast	Sydney	-905	796	5121	74	1877
	Other NSW	545	242	1130	23	1138
	Other Aust	-3707	-312	-714	-52	-505
Northern	Sydney	-1385	18	356	-2	148
	Other NSW	-1027	-209	-352	0	-138
	Other Aust	-2459	-350	-1131	-20	-868
North Western	Sydney	-674	26	96	-12	-93
	Other NSW	-670	-276	-1477	-3	-739
	Other Aust	-1006	-186	-661	1	-689
Central West	Sydney	-1354	102	1087	21	467
	Other NSW	-1347	-222	-703	-11	-399
	Other Aust	-1622	-176	-538	-8	-518
South Eastern	Sydney	-44	107	1469	29	439
	Other NSW	-385	-46	-320	13	-115
	Other Aust	-464	-87	33	-4	156
Murrumbidgee	Sydney	-805	56	100	-3	110
	Other NSW	26	5	-98	5	-75
	Other Aust	-2051	-282	-777	-16	-773
Murray	Sydney	-472	18	60	1	-14
	Other NSW	-224	-97	52	0	-98
	Other Aust	-1859	-174	-445	-38	-410
Far West	Sydney	-21	2	6	0	-1
	Other NSW	-253	-31	-138	0	-121
	Other Aust	-927	-79	-328	-28	-177
Offshore/ Undefined/ Migratory	Sydney	-427	130	-158	-47	-408
	Other NSW	-431	-5	-402	-69	-501
	Other Aust	-282	-45	-135	-38	-338
Other States/ Territories	Sydney	-2630	2457	11476	169	6889
	Other NSW	21921	2260	5831	263	5547
	Other Aust	0	0	0	0	0

**Table C9.2: Net Internal Migration of Overseas-Born in NSW, 1996-2001
(by Labour Force Status and ABS Statistical Division)**

<i>Destination</i>	<i>Source</i>	<i>Employed</i>	<i>Unemployed</i>	<i>Not in Labour Force</i>	<i>Not Stated</i>	<i>Not Applicable</i>
Sydney	Sydney	0	0	0	0	0
	Other NSW	-444	-604	-5799	-46	16
	Other Aust	301	-874	-4886	-116	-383
	Overseas	105794	15884	77991	2381	41694
Hunter	Sydney	129	92	1362	-5	-17
	Other NSW	47	-15	76	3	-9
	Other Aust	-216	-16	-128	-14	-32
	Overseas	1724	393	1948	43	1052
Illawarra	Sydney	664	118	1690	27	0
	Other NSW	29	-19	-124	-8	13
	Other Aust	-290	-53	-311	-4	-11
	Overseas	1838	507	3042	46	1157
Richmond-Tweed	Sydney	233	92	709	8	22
	Other NSW	139	65	287	13	20
	Other Aust	-29	62	509	3	22
	Overseas	780	237	980	23	431
Mid North Coast	Sydney	208	195	1340	20	40
	Other NSW	38	31	163	6	7
	Other Aust	-190	35	47	-5	-9
	Overseas	684	151	633	27	405
Northern	Sydney	-233	-6	58	6	-21
	Other NSW	-152	-18	-102	3	-17
	Other Aust	-156	-41	-107	-6	-26
	Overseas	425	71	547	6	327
North Western	Sydney	-171	9	57	3	0
	Other NSW	-109	-23	-80	-3	-9
	Other Aust	-87	-13	-86	-6	-6
	Overseas	336	48	206	6	143
Central West	Sydney	3	63	286	5	0
	Other NSW	-69	-8	-61	-6	-1
	Other Aust	-104	-1	-103	6	-6
	Overseas	441	59	417	9	284
South Eastern	Sydney	222	62	557	9	19
	Other NSW	162	0	40	2	9
	Other Aust	271	41	259	5	25
	Overseas	697	87	474	18	358
Murrumbidgee	Sydney	-77	-17	24	3	-11
	Other NSW	35	0	-37	0	11
	Other Aust	-156	-23	-78	-1	-6
	Overseas	795	136	559	31	434
Murray	Sydney	-182	9	-64	3	-1
	Other NSW	-32	5	-21	3	-4
	Other Aust	-159	-8	2	-1	-3
	Overseas	317	48	211	9	171
Far West	Sydney	-13	3	-5		
	Other NSW	-13	-3	-3	0	3
	Other Aust	-19	-6	-14	-3	-3
	Overseas	45	4	19	3	25
Offshore/ Undefined/ Migratory	Sydney	-340	-16	-215	-35	-47
	Other NSW	-76	-15	-138	-13	-22
	Other Aust	-170	-38	-75	-26	-20
	Overseas	442	151	375	10	101
Other States/ Territories	Sydney	-301	874	4886	116	383
	Other NSW	1306	61	85	53	76
	Other Aust	0	0	0	0	0
	Overseas	151056	26241	136902	2903	76657
< 5 years' old/ Not In Australia	Sydney	-105794	-15884	-77991	-2381	-41694
	Other NSW	-8524	-1891	-9410	-232	-4889
	Other Aust	-151056	-26241	-136902	-2903	-76657

**Table C9.3 Net Internal Migration of Those of Unknown Birthplace in NSW, 1996-2001
(by Labour Force Status and ABS Statistical Division)**

Destination	Source	Employed	Unemployed	Not in Labour Force	Not Stated	Not Applicable
Sydney	Sydney	0	0	0	0	0
	Other NSW	166	-45	-457	-8	-407
	Other Aust	84	-37	-221	-8	-224
	Overseas	1024	243	1202	180	34297
Hunter	Sydney	-34	11	139	0	96
	Other NSW	42	14	6	9	-12
	Other Aust	-11	-12	-35	-12	-33
	Overseas	24	6	29	6	4713
Illawarra	Sydney	-13	-3	143	14	133
	Other NSW	13	6	-15	0	38
	Other Aust	12	-1	-18	-3	-41
	Overseas	19	16	42	13	3244
Richmond-Tweed	Sydney	1	6	26	2	49
	Other NSW	6	3	19	6	74
	Other Aust	-60	0	32	-1	5
	Overseas	3	7	16		1703
Mid North Coast	Sydney	-9	19	105	18	112
	Other NSW	2	8	76	-3	37
	Other Aust	-44	-8	2	1	-19
	Overseas	9	14	10	0	2130
Northern	Sydney	-25	-3	20	0	0
	Other NSW	3	-15	-13	-9	-23
	Other Aust	-43	-18	-34	-3	-18
	Overseas	6	6	4	6	1451
North Western	Sydney	-6	3	15	-1	-6
	Other NSW	-16	-13	-39	-3	-23
	Other Aust	-3	-13	-28	-6	-11
	Overseas	0		3	3	1245
Central West	Sydney	-33	6	17	-3	34
	Other NSW	-19	-3	-18	3	-2
	Other Aust	-32	-6	-16	-6	-37
	Overseas	6	3	6		1516
South Eastern	Sydney	-17	1	48	0	19
	Other NSW	-16	5	16	6	-23
	Other Aust	-4	-3	12	3	-2
	Overseas	3	0	15	3	1609
Murrumbidgee	Sydney	0	4	-2	-7	-2
	Other NSW	0	-3	-14	-9	-16
	Other Aust	-42	-3	-13	-7	-44
	Overseas	7	6	4	6	1337
Murray	Sydney	-13	4	5	0	0
	Other NSW	0	-3	4	13	6
	Other Aust	-7	9	-9	-1	5
	Overseas	9	0	11	6	874
Far West	Sydney	0		-3		3
	Other NSW	-3	3	6	0	-6
	Other Aust	-19	0	1	0	-2
	Overseas			3		218
Offshore/ Undefined/ Migratory	Sydney	-18	-3	-57	-14	-29
	Other NSW	-13	-3	-29	-13	-49
	Other Aust	-16	-3	-23	-6	-35
	Overseas	6	4	3		88
Other States/ Territories	Sydney	-84	37	221	8	224
	Other NSW	269	58	129	42	230
	Other Aust	0	0	0	0	0
	Overseas	1534	412	1847	255	94567
< 5 years' old/ Not In Australia	Sydney	-1024	-243	-1202	-180	-34297
	Other NSW	-94	-63	-147	-44	-20129
	Other Aust	-1534	-412	-1847	-255	-94567

Notes:

- Excluding from population: Australian born age 0-4yrs, Australian born returning from overseas.
- Not stated SD of residence 5 yrs ago pro-rated across all other categories. All Persons reporting year arrival 1997 or later listed as overseas in 1996.

Table C10: Net Internal Migration in NSW, 1996-2001 - by Birthplace, Age and Statistical Division

Destination	Source	Australian-Born			Born Overseas/at Sea			Unknown Birthplace		
		0-14	15-64	65+	0-14	15-64	65+	0-14	15-64	65+
Sydney	Sydney	0	0	0	0	0	0	0	0	0
	Other NSW	-7944	-13850	-7047	16	-4671	-2222	-407	-213	-132
	Other Aust	-6889	-8143	-3329	-383	-3880	-1695	-224	-88	-94
	Overseas				41694	193958	8092	34297	2454	195
Hunter	Sydney	2044	4301	1858	-17	1054	524	96	60	56
	Other NSW	314	2819	133	-9	45	66	-12	75	-3
	Other Aust	-711	-3147	-262	-32	-324	-49	-33	-53	-16
	Overseas				1052	3885	223	4713	57	9
Illawarra	Sydney	2387	6767	1792	0	1853	646	133	96	45
	Other NSW	100	1216	27	13	-87	-35	38	20	-16
	Other Aust	-606	-2020	-231	-11	-492	-166	-41	-5	-5
	Overseas				1157	5159	273	3244	87	3
Richmond-Tweed	Sydney	987	1981	832	22	789	253	49	18	18
	Other NSW	632	2244	316	20	376	128	74	25	9
	Other Aust	-107	-3770	122	22	316	229	5	-24	-5
	Overseas				431	1767	253	1703	23	3
Mid North Coast	Sydney	1877	3481	1604	40	1240	523	112	103	29
	Other NSW	1138	1733	207	7	194	44	37	52	32
	Other Aust	-505	-4536	-249	-9	-66	-47	-19	-58	8
	Overseas				405	1346	150	2130	33	0
Northern	Sydney	148	-1155	142	-21	-177	2	0	-20	12
	Other NSW	-138	-1497	-92	-17	-242	-26	-23	-28	-5
	Other Aust	-868	-3739	-221	-26	-253	-58	-18	-78	-20
	Overseas				327	1019	29	1451	23	
North Western	Sydney	-93	-621	57	0	-117	15	-6	6	4
	Other NSW	-739	-2195	-231	-9	-185	-31	-23	-64	-6
	Other Aust	-689	-1711	-141	-6	-139	-54	-11	-36	-15
	Overseas				143	548	47	1245	6	
Central West	Sydney	467	-391	247	0	238	120	34	-12	-1
	Other NSW	-399	-2102	-180	-1	-119	-26	-2	-41	4
	Other Aust	-518	-2292	-52	-6	-176	-26	-37	-59	-1
	Overseas				284	876	50	1516	12	3
South Eastern	Sydney	439	1016	545	19	647	203	19	11	22
	Other NSW	-115	-761	22	9	211	-7	-23	6	5
	Other Aust	156	-362	-161	25	543	34	-2	15	-7
	Overseas				358	1152	124	1609	18	3
Murrumbidgee	Sydney	110	-730	78	-11	-79	13	-2	-1	-4
	Other NSW	-75	6	-67	11	22	-24	-16	-19	-7
	Other Aust	-773	-2953	-173	-6	-216	-42	-44	-63	-2
	Overseas				434	1474	47	1337	24	
Murray	Sydney	-14	-427	34	-1	-211	-22	0	-5	2
	Other NSW	-98	-345	76	-4	-49	5	6	11	3
	Other Aust	-410	-2456	-60	-3	-170	4	5	-8	0
	Overseas				171	542	43	874	23	3
Far West	Sydney	-1	-3	-9		-15	0	3	0	-3
	Other NSW	-121	-398	-23	3	-6	-13	-6	3	3
	Other Aust	-177	-1275	-87	-3	-37	-5	-2	-23	5
	Overseas				25	69	3	218	0	3
Offshore/ Undefined/ Migratory	Sydney	-408	-369	-133	-47	-551	-54	-29	-43	-48
	Other NSW	-501	-721	-187	-22	-159	-82	-49	-39	-19
	Other Aust	-338	-481	-19	-20	-295	-15	-35	-42	-6
	Overseas				101	948	31	88	14	0
Other States/ Territories	Sydney	6889	8143	3329	383	3880	1695	224	88	94
	Other NSW	5547	28741	1534	76	1309	196	230	435	64
	Other Aust	0	0	0	0	0	0	0	0	0
	Overseas				76657	302655	14447	94567	3777	271
< 5yo/ Not in Aust	Sydney				-41694	-193958	-8092	-34297	-2454	-195
	Other NSW				-4889	-18784	-1273	-20129	-320	-28
	Other Aust				-76657	-302655	-14447	-94567	-3777	-271

Notes:

- Excluding from population: Australian born age 0-4yrs, Australian born returning from overseas.
- Not stated SD of residence 5 yrs ago pro-rated across all other categories. All Persons reporting year arrival 1997 or later listed as overseas in 1996.

SYMBOLS AND OTHER USAGES

N.Y.A.	NOT YET AVAILABLE
N.R.	NOT RECORDED
N.F.D.	NOT FURTHER DEFINED
SD	STATISTICAL DIVISION
SSD	STATISTICAL SUB-DIVISION
-	NIL OR ROUNDED TO ZERO
..	NOT APPLICABLE
ASGC	AUSTRALIAN STANDARD GEOGRAPHIC CLASSIFICATION

APPENDIX D - VISA AND ENTRY REQUIREMENTS**OVERVIEW OF POINTS TEST: SKILLED VISAS**

Category	Points	Criterion	Comments
Skill	60 OR 50 OR 40	Occupations for which training is specific to the occupation General professional occupations General skilled occupations	Threshold requirement is having an occupation on the Skilled Occupations List
Age	30 OR 25 OR 20 OR 15	18 - 29 30-34 35-39 40-44	Threshold requirement is age under 45 years.
English	15 OR 20	Vocational Competent	Threshold is vocational English, except for skilled-regional sponsored applicants who score 4.5 on IELTS and have made arrangements with a participating State or Territory government to upgrade their English skills.
Specific Work Experience	5 or 10	Points awarded on length of experience and occupation.	Threshold requirement (waived if recent Australian graduate)
Spouse Skills	5	Awarded if the spouse satisfies threshold requirements for Age, Skills, Work experience and English	
Australian Qualification	5 OR 10 OR 15	Degree, diploma or trade qualification Honours or Masters degree PhD	The qualification must have been awarded by an Australian education provider as a result of 2 years full-time study in Australia and for which all instruction was conducted in English.
Migration Occupations in Demand	10 OR 15	Nominated occupation on MODL Nominated occupation on MODL and applicant has a job offer.	MODL = Migration Occupation in Demand List. Job offer must be in nominated occupation or closely related occupation and with organisation that had at least 10 full-time employees at all times in the 24 months immediately before the day on which the application was made
Australian Work Experience OR Community Language OR Investment	5 OR 5 OR 5	6 months Australian work experience in the past 4 years NAATI accreditation or holds a degree for which instruction was in the community language capital investment of SAUD 100,000	Applicant must have been on a substantive visa with work rights. National Accreditation Authority for Translators and Interpreters (NAATI) accreditation must be as a professional interpreter or translator (level 3). Investment must be with an approved authority.
Family Sponsorship	15	Sponsored by relative	Only available to applicants for sponsored skilled migration.

Regional Australia	5	The applicant must have lived and studied in regional Australia or a low population growth Metropolitan area for at least 2 years.	The residential areas, institutions and campuses in regional Australia and low population growth Metropolitan areas are specified by Gazette Notice.
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Pass Mark: 115 Points – Independent Categories
110 Points – Sponsored Categories

THRESHOLD CRITERIA: BUSINESS SKILLS VISA (STAGE 1: TEMPORARY)

Business Owner Subclass

<i>Un-sponsored Applicants</i>	<i>State/Territory Sponsored Applicants</i>
<ul style="list-style-type: none"> • Have an overall successful business career; • Have an ownership interest of at least 10% in a business; • Have significant net assets in business; • Have achieved a significant annual turnover in business; • Have significant business and personal assets; • Be less than 45 years old; • Have vocational English; • Have a commitment to maintain an ownership interest in a business in Australia and direct and continuous involvement in management of that business. 	<ul style="list-style-type: none"> • Be sponsored by a state or territory government; • Have an overall successful business career; • Be involved in strategic management of a business as an owner or senior manager; • Have significant business and personal assets; • Intend to engage in business in Australia; • Be less than 55 years old unless exceptional circumstances exist; • Have a commitment to maintain an ownership interest in a business in Australia and direct and continuous involvement in management of that business.

Senior Executive Subclass

<i>Un-sponsored Applicants</i>	<i>State/Territory Sponsored Applicants</i>
<ul style="list-style-type: none"> • Be employed in one of the top 3 levels of management of a major business; • Have significant business and personal assets; • Be less than 45 years old; • Have vocational English; • Have a commitment to maintain an ownership interest in a business in Australia and direct and continuous involvement in management of that business. 	<ul style="list-style-type: none"> • Be sponsored by a state or territory government; • Be employed in one of the top 3 levels of management of a major business; • Have significant business and personal assets; • Be less than 55 years old unless exceptional circumstances exist; • Have a commitment to maintain an ownership interest in a business in Australia and direct and continuous involvement in management of that business.

Investor Subclass

<i>Un-sponsored Applicants</i>	<i>State/Territory Sponsored Applicants</i>
<ul style="list-style-type: none"> • Have a successful record of business or investment management; • Be willing to make a AUD 1,500,000 investment in a government approved Designated Investment for 4 years; • Have significant business and personal assets; • Be less than 45 years old; • Have vocational English. 	<ul style="list-style-type: none"> • Be sponsored by a state or territory government and intend to live in that state or territory for a minimum of 2 years; • Have a successful record of business or investment management; • Be willing to make a AUD 750,000 investment in a government approved Designated Investment for 4 years; • Have significant business and personal assets; • Be less than 55 years old, unless exceptional circumstances exist.

THRESHOLD CRITERIA: BUSINESS SKILLS VISA (STAGE 2: PERMANENT)

Business Owner Subclass

<i>Un-sponsored Applicants</i>	<i>State/Territory Sponsored Applicants</i>
<ul style="list-style-type: none"> • Hold any of the Business Skills (Provisional) visas; • Have an ownership interest of at least 10% in one or more actively operating main business(es); • Be involved in strategic management of the business(es); • Employ at least 2 Australian citizen or permanent resident employees who are not family members; • Have substantial business and personal assets; • Have substantial net assets in business; • Have achieved a significant annual turnover in business; • Have been in Australia as the holder of a qualifying visa for at least 1 year in the last 2 years. 	<ul style="list-style-type: none"> • Be sponsored by a state or territory government; • Hold any of the Business Skills (Provisional) visas or a Business (Long Stay) Independent Executive visa; • Have an ownership interest of at least 10% in one or more actively operating main business(es); • Be involved in strategic management of the business; • Employ at least 1 Australian citizen or permanent resident; employee who is not a family member; • Have substantial net assets; • Have substantial net assets in business; • Have achieved a significant annual turnover in business; • Have been in Australia as the holder of a qualifying visa for at least 1 year in the last 2 years.

Investor Subclass

<i>Un-sponsored Applicants</i>	<i>State/Territory Sponsored Applicants</i>
<ul style="list-style-type: none"> • Hold an Investor (Provisional) visa; • Have maintained designated investments for the minimum 4 years; • Have substantial personal and business assets; • Have been in Australia as the holder of a qualifying visa for at least 2 years in the last 4 years. 	<ul style="list-style-type: none"> • Be sponsored by a state or territory government; • Hold a State/Territory Sponsored Investor (Provisional) visa; • Have maintained designated investments for the minimum 4 years; • Have substantial personal and business assets; • Have been resident in the sponsoring state or territory as the holder of a qualifying visa for at least 2 years in the last 4 years.

THRESHOLD CRITERIA: BUSINESS TALENT VISA

<i>Un-sponsored Applicants</i>	<i>State/Territory Sponsored Applicants</i>
<ul style="list-style-type: none"> • All applicants must be sponsored by a State or Territory. 	<ul style="list-style-type: none"> • Be sponsored by a state or territory government • Have AUD400,000 net assets in business • Have achieved an annual turnover of AUD3 million in business • Have at least AUD1.5 million in business and personal assets available for transfer to Australia • Be less than 55 years old, unless exceptional circumstances apply • Have a commitment to maintain an ownership interest in a business in Australia and direct and continuous involvement in management of that business from day to day.

APPENDIX E – SUMMARY OF CSIRO REPORT

“FUTURE DILEMMAS: OPTIONS TO 2050 FOR AUSTRALIA’S POPULATION, TECHNOLOGY, RESOURCES AND ENVIRONMENT.”¹

The purpose of the report was to model and analyse the relationships between three immigration/population scenarios and Australia’s environment and resource usage over the next fifty years. An External Reference Group was appointed for the project and was chaired by Dr Roger Bradbury, former Chief Scientist at the Bureau of Rural Sciences.

The three population scenarios were:

- zero net overseas migration, leading to a falling population of 20 million in 2050;
- 70,000 NOM, leading to a population of 25 million stabilising in 2050; and
- annual NOM set at 0.67 percent of the population (as advocated by the Australian Chamber of Commerce and Industry) leading to a rising population of 32 million by 2050.

The project involved large scale information gathering by the CSIRO on current levels of resource use and the discussion of this data, at a series of sixteen workshops, with experts in particular fields, eg water, transport, demography. At these workshops, the CSIRO sought to confirm their understanding of current and future trends in these areas. The CSIRO then modelled the data, taking into account these likely trends and their interactions.

The report attempts to bring together all the things that affect the environment – for example mining, transport, population size, technology, manufacturing, tourism and agriculture and plot their combined impacts on the soil, water, atmospheric emissions etc. It is a physical input-output model, not an economic model and does not factor in the effect that changes in the price of various resources would have on the use of those resources. Instead, it sometimes assumes that current rates of usage simply continue until resource stocks run out (for example Australian oil and gas).

On the other hand, the report does attempt to model some scenarios based on a change in management practices and behaviour. For example it examines alternative approaches to managing fish stocks and to caring for the land – regardless of population size.

The key question at the heart of the report is: “what are the relative impacts of population size, technology and behaviour on the environment?”

The report’s responses to this question are:

- All other things being equal, more people mean more infrastructure, more industrial output, more services, more food, more tourism, higher levels of consumption of energy and water and more waste and emissions;
- As we become more affluent, our per capita consumption increases, meaning that even if the population stopped growing, its environmental impacts could continue to increase without very significant behavioural changes;
- Progress towards environmental sustainability requires better management of the way the population interacts with the environment, regardless of the size of the population

¹ The report was commissioned by DIMIA from the Resources Futures Program, *CSIRO Sustainable Ecosystems*, and was launched by the Hon Philip Ruddock MP in Sydney on 7 November 2002.

- even the 20 million population (in 2050) arising from zero NOM would have a substantially greater impact on the environment than today's population, for example in terms of CO₂ emissions, because each member of the population is projected to have a significantly higher level of affluence.
- It is possible that such a future could be avoided:
 - continued economic growth over the next 20 years should give Australia time to implement substantial institutional innovation aimed at lessening environmental impact, under any population scenario;
 - over the next 20 years, the most advanced technology should be able to be incorporated into our stocks of buildings, passenger and freight transport, allowing for the stabilising of flows of energy, materials and waste;
 - new export industries, rich in services and information could replace current exports that consume high levels of energy and materials;
 - under two of the options examined, including the most likely 70,000 NOM scenario, population growth is projected to slow significantly over this period.

The report states that the aggressive implementation of technology to address key problems of resource use and environmental quality shows much promise. For example, smart designs already in existence for houses and motor cars can significantly reduce energy use and greenhouse gas emissions.

The major barriers to this happening are:

- current consumer sentiment;
- increasing affluence;
- increasing availability of cheaper goods and services, leading to higher levels of energy and material use;
- low level use of pricing policies to stabilise resource use;
- the “rebound effect” where savings gained through efficiency gains in one area are used for another resource consuming purpose eg better engine technology producing savings that are then spent on bigger vehicles.

The report concludes that while technology can be a powerful ally, it will struggle to reach its potential “under the current structure and function of Australia’s economic and social system”.

The report identifies the following issues in relation to the major environmental and resource issues:

Air Quality

Air quality in the capital cities could decline substantially if population and car use grows strongly. Better engines, cleaner fuel, car free days and public transport will all help to counter this. However, worldwide trends suggest that an increase in delivery vehicles could counteract lower emissions associated with better cars.

Land and Rivers

The report does not link land degradation and the decline of river water quality directly to population size.

Water

The report finds that there will be sufficient water to meet the needs of all population scenarios over the next fifty years and that a wide range of institutional and technological opportunities exists for conserving the quantity and the quality of future domestic water supplies.

.Expansion of agriculture, which consumes around 80 percent of Australia's water and exports most of its production, would be possible if the bulk of the expansion occurred in northern Australia. This carries the same risks as the southern experience over the last century unless new technological and institutional innovations are implemented.

A careful reading of the report suggests that behavioural and technological changes have far greater potential to lower environmental impacts than any conceivable population change.

SYDNEY-SPECIFIC FINDINGS OF THE REPORT

The report's findings are generally at a high level of geographical aggregation. However, it does find the following in relation to Sydney:

- Population (currently 4.04m) is projected in 2050 to be 4.28m under the zero NOM scenario, 5.25m under 70,000 NOM and 6.88m under the 0.67 percent NOM scenario. (p46)
- Although air pollution and traffic congestion characterise the megacities of today, they would not necessarily exist in Sydney or Melbourne in the year 2100, given that many options are available with new technologies and strategic planning, which could avoid or minimise many of the possible problems of size and form. (p48)
- Inbound international tourism could be much greater than domestic tourism in most capital cities by 2050, especially in Sydney and Melbourne where the ratio of international to domestic visitor nights may vary between 5:1 and 6:1. (p61)
- Landfill space for demolition material may become limited within reasonable cartage distance ... particularly in Sydney and Melbourne. (p83)
- The modelled profiles of emissions in the Sydney basin show a steady increase to 2050 and then a flattening for the 70,000 NOM scenario. Diesel engines appear likely to cause a disproportionate part of the photochemical smog problem due to the projected increase in truck transport and also to poor tuning of many diesel engines. (p101). However, it is possible that fuel cells and hypercars may offer feasible solutions to emission problems within 20 to 30 year timeframes. (p242)