


REPORT



Final Report



COMMONWEALTH-VICTORIA WORKING PARTY ON MIGRATION



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LIST OF TERMS AND ABBREVIATIONS

AMEP	Adult Migrant English Program
AMES	Adult Migrant Education Services
BMU	Business Migration Unit, DVC
CSSS	Community Settlement Services Scheme
DEST	Commonwealth Department of Education, Science and Training
DEWR	Commonwealth Department of Employment and Workplace Relations
DIMIA	Commonwealth Department of Immigration and Multicultural and Indigenous Affairs
DPC	Victorian Department of Premier and Cabinet
DVC	Department for Victorian Communities
ENS	Employer Nomination Scheme
HED	Higher Education
IHSS	Integrated Humanitarian Settlement Strategy
DIIRD	Victorian Department of Industry, Innovation and Regional Development
LA	Labour Agreement
LGA	Local Government Area
MIA	Migration Institute of Australia
MODL	Migration Occupations in Demand List
MRC	Migrant Resource Centres
MSA	Migrant Service Agencies
OQU	Overseas Qualification Unit, DVC
RCB	Regional Certifying Body
RDV	Regional Development Victoria
RSMS	Regional Sponsored Migration Scheme
SAS	Skilled Australian Sponsored
SAL	Skilled Australian Linked
SDAS	Skills Designated Area Sponsored
SHP	Special Humanitarian Program
SI	Skilled Independent
SIR	Skilled-Independent Regional (Provisional) Visa
SMD	Skill Matching Database
SMU	Skilled Migration Unit, DVC
SMV	Skill Matching Visa
SOL	Skilled Occupation List
SSBS	State Sponsored Business Migration
SSRM	State-specific and Regional Migration program
STNI	State/Territory Nominated Independent
TIS	Translating and Interpreting Service
UNHCR	United Nations High Commissioner for Refugees
VOMA	Victorian Office of Multicultural Affairs

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Executive Summary

1

Context

In November 2003 a Commonwealth-Victoria Working Party on Migration was established to consider how the Australian Government could work to support the Victorian Government achieve its objectives of encouraging more migrants to settle in Victoria, with a particular emphasis on regional areas. The Working Party was to consider:

- » Steps to further increase the uptake under State-specific and Regional Migration initiatives as well as other visa classes;
- » Enhanced or new State-specific and Regional Migration initiatives to support State and Territory Governments, including Victoria, seeking an increased number and greater retention of migrants in their jurisdictions; and
- » Strategies for a whole-of-government approach to encouraging the settlement of migrants and humanitarian entrants.

The Working Party comprised of representatives from relevant Commonwealth and State Departments, local government and regional Victoria. The Working Party met on four occasions, including one meeting held in the regional city of Wodonga in early 2004.

The Changing Nature of Migration to Australia

Australia's immigration policies have been re-focused in recent years to facilitate the entry of an increased number of skilled migrants who have the ability to achieve positive employment and settlement outcomes.

In a highly mobile world, attracting skilled migrants is becoming increasingly competitive. Australia faces international competition from other developed countries. The nature of immigration to Australia is changing in two significant ways. First, there are an increasing number of onshore applications. This reflects the growing number of international students in the country who wish to remain upon completion of their studies. Second, the Internet is becoming the most important medium of communication between Australian governments and potential migrants.

The projected decline in 'natural increases' in the population (a result of Australia's ageing population and declining birth rates) will amplify the importance of migration as a driver of strong population growth in future years. The Victorian Government recognises the importance of migrants and has set a target to achieve an intake of 25 per cent of skilled migrants to Australia each year—this equates to approximately Victoria's share of Australia's population.

Both the Australian and Victorian Governments have identified the need to increase the dispersal of migrants into regional areas and places with low population growth.

The Australian Government has over recent years increased flexibility for State and Territory Governments to be involved in the skilled and business migration programs. This role enables participating governments to determine how aspects of the programs can be used to best meet their own development needs.

Migration is about considerably more than achieving population growth targets. Migrants make a significant contribution to the Australian economy and enhance the nation's already rich cultural mix. It is important that these benefits—economic, social, cultural—and the ensuing diversity that stems from migrant communities, are not confined to metropolitan areas.

Overview of Migration in Australia

The Australian Government's Migration and Humanitarian programs provide for permanent entry to Australia. The migration program is made up of a skill stream, a family stream, and a special eligibility stream. In addition to permanent or provisional residency visas, a significant number of people enter Australia on a temporary basis, as visitors, students or for a range of specialised purposes.

In recent years, increasing emphasis has been placed on attracting migrants under the skill stream. Skilled Migrants and their families make up over 60 per cent of all migrants entering Australia. In 2003/04 the intake of skilled migrants is projected to be 70,000. The largest category of skilled migrant visa is the General Skilled Independent Visa, where successful applicants must meet a points-based threshold.

The Australian Government has, in conjunction with State and Territory Governments, developed a suite of State-specific and Regional Migration initiatives that are designed to encourage a more balanced dispersal of Australia's skilled and business migrant intake, and assist State and Territory governments and regional employers to more directly address skill shortages and their regional development objectives.

Victoria's Attraction of Skilled Migrants

In recent years Victoria has been attracting an increasing share of Australia's total skilled migrant intake. In 2002/03 it attracted 24.3 per cent of the total intake compared to 17.8 per cent in 1996/97.

Victoria is an active participant in the State-specific and Regional Migration programs (SSRMs) that have been introduced by the Australian Government. Victoria's use of SSRMs has been steadily increasing since 1997/98. In 2002/03 the number of grants was 4,146—almost double the number granted in 2001/02.

In Victoria, the Department for Victorian Communities (DVC) is responsible for migration-related programs and policies. This incorporates the Skilled Migration Unit, the Business Migration Unit, the Overseas Qualifications Unit and the Victorian Office of Multicultural Affairs.

The Migration Process for Skilled Migrants

Migration is a multi-jurisdictional area of policy. While specific organisations oversee particular aspects of the migration process, there is often considerable overlap between areas of responsibility.

The Working Party agreed that the migration process can be characterised as comprising of four components:

- » **Visa Creation** Identifying and creating visa programs to address policy issues;
- » **Attraction** Communicating to migrants and employers the visa pathways and settlement support services that will attract migrants to a state and region;
- » **Facilitation** Matching and linking migrants with employment opportunities and local communities; and
- » **Settlement and retention** Ensuring migrants are accepted into the community and receive services that will ensure longer-term retention in a region.

The Working Party acknowledged that all levels of Government have a role to play in each phase of the process. The recommendations in this Report relating to skilled migration seek to impact on the various aspects of the migration process.

Recommendations of the Working Party

The recommendations of the Working Party fall into five broad areas:

- » New Visa Mechanisms
- » Communications and Marketing Strategies
- » Facilitating Skilled Migration
- » International Students
- » Increasing Humanitarian Entrants' settlement in regional areas.

New Visa Mechanisms

States and Territories that wish to attract people with much-needed skills to regional Australia and low population growth metropolitan areas have identified independent skilled migrants as one potential source of such skills. The dilemma has been how to attract and then retain such migrants in these areas.

There is widespread agreement that a mechanism that encourages migrants to remain in these areas for a reasonable period will increase the likelihood that a significant proportion will settle there in the longer term.

To address this issue, the Australian Government has introduced a new regionally focused visa—the Skilled Independent Regional (SIR) Visa. In broad terms the two-stage SIR visa is a three-year temporary visa that requires applicants to live and work in regional or low growth metropolitan areas of Australia.

The Australian Government also recently announced the introduction of a new visa that will target retirees with significant assets, who can benefit Australia through major investment but whose presence in Australia would be at no cost to the Australian taxpayer.

1. The Working Party notes and supports the creation of the new SIR visa and recommends that the Australian and Victorian Governments seek to encourage uptake of the visa.
2. The Working Party notes that the Australian Government will manage the SIR visa on a demand-driven basis, and recommends that it closely monitors its impact on other visa programs.
3. The Working Party notes that the SIR visa will receive priority processing, commensurate with that currently provided to SSRMs.
4. The Working Party recommends that the definition of 'regional Victoria' for the SIR visa should exclude the area within the Melbourne metropolitan area.
5. The Working Party supports 'sponsorship' of SIR visa applicants as a mechanism to inform them about the range of opportunities available to them in regional Victoria.
6. The Working Party recommends that the Australian Government makes provision for SIR visa holders to be able to extend their visa in specified circumstances.
7. The Working Party recommends that SIR visa holders converting to permanent residence must have been employed (including self-employed) for a period of at least 12 months in a regional or low-population growth centre. The Working Party supports the Australian Government's intention to provide flexibility in policy guidelines to: (i) enable the spouse of the primary SIR visa holder to be the primary applicant at the residence stage should they meet the relevant criteria; and (ii) cover circumstances where a SIR visa holder cannot comply with their visa conditions for reasons beyond their control.
8. The Working Party recommends that the Australian Government makes available the following existing visas for SIR visa holders wishing to convert to permanent residence: Regional Sponsored Migration Scheme (RSMS); State/Territory Nominated Independent (STNI); and State/Territory Sponsored Business Owner once they have met the obligations of their SIR visa.
9. The Working Party endorses the creation of the Investor Retirement visa and recommends that the Victorian Government undertake further discussion with the Australian Government to determine possible implementation of the visa program.

Communications and Marketing Strategies

The Working Party considered ways to improve the effectiveness of communications and marketing activities across the three tiers of government to:

- » Attract more migrants to Victoria, particularly regional Victoria; and
- » Inform employers, particularly in regional Victoria, about visa options and services available through the Australian and Victorian Governments to employ skilled migrants.

The Australian Government has created a suite of employer sponsored and State-specific visa programs. While these visa options provide increased flexibility for states, regions and employers to meet local development needs, it is vital that the various programs and their requirements are clearly communicated to migrants, migration agents and employers.

The Working Party agreed that the Internet is an increasingly important tool for communicating with key stakeholders, both locally and internationally. An effective Internet presence can provide extensive information on visa options, migration, employment and settlement services and opportunities throughout Victoria.

The Working Party also noted the importance of dedicated contact points or networks both in Melbourne and in regional Victoria to increase awareness of SSRMs and associated migration services amongst employers.

10. The Working Party recommends that the Commonwealth and Victoria work closely to develop a cross-government communications strategy, specifically targeting employers, to ensure promotion of all SSRM mechanisms are coordinated across governments.
11. The Working Party recommends that the Australian, State and local governments work together to increase linkages between their respective websites to ensure they are effective tools in attracting migrants to Victoria.
12. The Working Party recommends further expansion and integration of locally-based networks and that a Communications Liaison Group be established, responsible for the ongoing integration of cross-government communications and marketing activities.
13. The Working Party supports the work of the Standing Committee on Regional Development (SCORD).

Facilitating Migrant Uptake

Facilitation is the process of progressing an individual's interest in applying for residence in Australia to the actual linking of that person with an employment opportunity.

There is currently a low level of awareness of the range of migration programs available, and the appropriate contact points in government. By bringing together and enhancing the range of migration services offered in regional areas, particularly for linking and matching migrants to potential employers, regional migration networks could provide a central and more accessible point of contact for employers, ensure that the range of migration related services are coordinated, and help identify opportunities for further service improvements.

Migration agents often play an important role in the facilitation stage of the migration process. Members of the Working Party noted that this area requires greater attention in regional Victoria where migration agents are less active. Agents can provide a valuable role in assisting potential migrants to complete and lodge migration applications, and to link migrants to employment opportunities.

The Skill Matching Scheme enables a skilled migrant who has either applied for a Skill Matching visa or who has applied for a Skilled Independent visa to register their qualification and work experience on DIMIA's Skill Matching Database (SMD). These details are held by the Victorian Government's Skilled Migration Unit and distributed to employers in Victoria seeking skilled employees that they cannot find locally.

In addition the Working Party considered measures to improve and supplement current skill matching migration programs and the process of assessment and recognition of overseas qualifications.

14. **The Working Party recommends the establishment/ strengthening of dedicated regional migration networks throughout regional Victoria, responsible for developing linkages between regional employers and migrants, and coordinating and consolidating other migration-related services.**
15. **The Working Party notes that there is merit in increasing communications linkages between government and migration agents.**
16. **The Working Party recommends that further consideration be given to expanding the number of skilled agricultural-related occupations on the SOL.**
17. **The Working Party supports ongoing efforts to enhance the understanding and operation of the process of assessment and recognition of overseas qualifications.**
18. **The Working Party recommends that awareness of the SMD be promoted among regional employers and migration agents.**
19. **The Working Party supports the development of a pilot program in regional Victoria to link the SMD with the Job Network to assist regional employers to have increased access to overseas skilled employees where skills are demonstrably not available locally.**
20. **The Working Party recommends further work be undertaken to develop a consistent framework for assessing regional skill shortages.**

International Students

In 2003 there were 33,627 international higher education students enrolled in onshore courses at Victorian institutions. The Victorian Department of Education and Training forecasts demand for international higher education in Victoria to grow to between 69,250 and 98,338 places by 2010.

Many of these students seek to immigrate after graduating. In 2002/03 some 7,700 international students were granted permanent residence under the general skilled (points tested) category onshore. International students possess a number of characteristics that make them a highly desirable target migration group as they:

- >> are already present in Victoria;
- >> have Australian qualifications;
- >> have established social networks;
- >> are familiar with the English language; and
- >> are familiar with labour market conditions.

21. The Working Party recommends that the Australian and Victorian Governments work with higher education (HED) institutions and student representatives to provide tailored information sessions for specifically targeted groups of students (e.g. Post-graduate students and regional migration programs).
22. The Working Party suggests that in order to facilitate the settlement of international students under Regional Specific visa classes, the Victorian Government could create a mechanism which will establish more direct links between international students and regional employers willing to consider employing them.
23. The Working Party recommends that DIMIA collect and makes available in its annual population flows publication data on the conversion patterns of international students to enable better-informed policy-making.
24. The Working Party notes Victoria's strategy to grow the number of onshore international students in a sustainable manner, and recommends an increased emphasis on opportunities to attract students to regional education institutions.

Increasing Humanitarian Entrants' Settlement in Regional Victoria

Australia operates a dedicated, annual resettlement program distinct from the Migration Program (business, skilled and family migration). It reflects Australia's commitment as a global partner in the system of international protection to share the responsibility of the protection of refugees and people of concern.

New arrivals need to find somewhere to live, find work or establish some form of income, enrol their children in school, access health services and generally begin to develop relationships with the Australian community. In addition Refugees and Humanitarian Program entrants have particular needs and require considerable assistance during the settlement period.

During its deliberations the Working Party agreed that the availability of effective settlement programs and services is essential to ensure that migrants and humanitarian entrants realise their aspirations and potential and thereby maximise their contribution to Australia.

In 2004 DIMIA expects that it will identify three to four regional locations nationally in order to increase the numbers of humanitarian settlement in regional Australia by about 200–300 per year. It is expected that additional locations and additional numbers of humanitarian entrants in regional areas will increase in the years following.

Trial Program

The importance of population growth in regional Australia is a well-documented phenomenon and was further confirmed by the consultations of the Working Party. Where new communities of humanitarian migrants can be settled in regional areas, they are likely to help stem population decline both directly and through their influence on where subsequent new immigrants settle.

The quality and quantity of human resources is also important for economic development and growth. This pilot project represents an opportunity for a regional location to alleviate some of its labour shortages by attracting and retaining humanitarian entrants. Studies have found that highly skilled and qualified persons often enter Australia under the humanitarian program.

A trial program would allow all levels of government to assess the feasibility of placing humanitarian entrants in regional Victoria under a 'partnership' approach. A 'partnership' approach would be led by the Australian and Victorian Governments, and also involve local government, the local community and regional employers in the planning and implementation of a settlement program.

25. The Working Party endorses the Australian Government's intention to increase humanitarian settlement in regional Australia. The Working Party recommends that the Victorian and Australian Governments work to identify one or more potential locations in regional Victoria to settle humanitarian and refugee entrants in 2004. This recommendation is subject to a commitment from the various levels of Government to ensure adequate support services are in place to assist with the settlement process.
26. The Working Party supports in-principle the trialing of a pilot project in regional Victoria to settle a number of families (unlinked refugees) in a single regional location subject to (i) a suitable location being agreed and (ii) a commitment from the various levels of government to ensure that the necessary support services are put in place prior to project implementation. The project should involve a 'close partnership' approach of relevant bodies, jointly led by DIMIA's state office and the Victorian Government, and include a tangible commitment from local government, the community and regional employers.
27. The Working Party recommends that the pilot project seeks the involvement/sponsorship of a number of employers in the target region who are willing to provide stable and suitable employment and training opportunities across a range of occupations (skilled, semi-skilled or unskilled) as required.
28. The Working Party endorses in-principle a set of criteria to select the location for the pilot project.
29. The Working Party recommends that a steering committee be formed to progress the proposal with a view to commence implementation during 2004.

Background

2

2.1 Preamble

In August 2003 the Premier of Victoria met with the Commonwealth Minister for Immigration and Multicultural and Indigenous Affairs to discuss migration issues. In that meeting the Premier indicated that the Victorian Government was interested in working with the Commonwealth to receive and settle a greater share of all migrants coming to Australia.

Migration is a multi-jurisdictional area of policy involving all tiers of government as well as industry and community groups. As a result, the Premier and the Minister agreed that it would be beneficial to establish a Commonwealth-Victoria Working Party on Migration to identify opportunities for the two Governments to cooperate in the area of migration and to co-ordinate the involvement and engagement of other relevant organisations. The Working Party was established in November 2003.

2.2 Terms of Reference

The agreed terms of reference were for the Working Party to consider:

- » Steps to further increase the uptake under State-specific and Regional Migration initiatives as well as other visa classes;
- » Enhanced or new State-specific and Regional Migration initiatives to support State and Territory Governments, including Victoria, seeking an increased number and greater retention of migrants in their jurisdictions; and
- » Strategies for a whole-of-government approach to encouraging the settlement of migrants and humanitarian entrants.

TABLE 1: COMPOSITION OF COMMONWEALTH-VICTORIA WORKING PARTY ON MIGRATION

MEMBER	DEPARTMENT/ORGANISATION
Mr Abul Rizvi (Co-Chair)	First Assistant Secretary, Migration and Temporary Entry Division, DIMIA
Mr Mark Burford (Co-Chair)	Director, Strategic Directions Group, DPC
Mr Scott Matheson	Assistant Secretary, Economic and Labour Market Analysis Branch, DEWR
Mr Terry Healy	Deputy Secretary, DVC
Mr John Williams	Victorian State Director, DIMIA
Mr Peter Marshall	CEO, Wodonga City Council, Member of Regional Cities Victoria
Mr Lindsay Merritt	CEO, Warrnambool City Council
Mr Garry Tepper	Manager, Economic Development, Swan Hill Rural City Council
Ms Nadine Clode	Settlement, DIMIA
Ms Kaye Owen/ Ms Liz Sinclair	Regional Development Victoria
Ms Elizabeth Jensen	Director, Employment Programs Division, DVC
Ms Barbara Mountjouris	Acting Director, VOMA
Mr Phillip Shanahan	CEO, Darebin City Council
Mr Steve Meredith	Director, Migration Program Section, DIMIA
Ms Irene Tkalcevic	Manager, Skilled Migration Unit, DVC
Mr Simon Hollingsworth	Senior Policy Advisor, DPC

2.3 Members of The Working Party

It was agreed that the Working Party would be jointly chaired by the Commonwealth Department of Immigration and Multicultural and Indigenous Affairs and the Victorian Department of Premier and Cabinet. In addition, it would include representatives from other relevant State and Commonwealth Departments, regional organisations and Local Government. The members of the Working Party are specified in Table 1 (page 12).

The deliberations of the Working Party were informed by input received from the regional representatives on the Working Party. In addition, at a meeting of the Working Party held in Wodonga on 21 January 2004, local participants provided a practical perspective on migration issues, opportunities to improve the current approach and potential new initiatives. Those invited to attend included local employers, employment agents and individuals who work in the area of migration settlement services.

The Working Party has also been informed by other work being undertaken on migration including:

- » The Joint Standing Committee on Migration's various inquiries into this area;
- » The Commonwealth-State Working Party on Skilled Migration—an ongoing body involving the Australian Government and all states and territories;
- » Regional workshops that were conducted over the period November 2003—February 2004 by the Hon Jacinta Allen MP, Victorian Minister for Employment, and the Hon Kaye Darveniza MLC, Parliamentary Secretary Assisting the Premier on Multicultural Affairs (conducted in Shepparton, Wodonga, Swan Hill, Warrnambool, Horsham and Gippsland);
- » The Ministerial Council on Immigration and Multicultural Affairs (MCIMA);
- » The Standing Committee on Immigration and Multicultural Affairs (SCIMA); and
- » Work undertaken by the Standing Committee on Regional Development (SCORD) on the issue of regional skilled migration.

2.4 The Changing Nature of Migration to Australia

Immigration has transformed Australian society and its population since World War Two. Many residents of Australia are immigrants or are the children of immigrants. More than one-fifth of Australians were born overseas, compared with 10 per cent in the United States and 17 per cent in Canada. In addition, 19 per cent of those born in Australia have at least one parent who was born overseas.

The nature of Australia's Migration Program has changed over time. Australia's immigration policies have been re-focused in recent years to facilitate the entry of an increased number of skilled migrants who have the ability to achieve positive employment and settlement outcomes. Skilled entry programs have been reformed and streamlined to ensure the timely entry of people with skills and qualities that Australian employers need to take advantage of expanding markets and growth opportunities. In addition, selection criteria have been refined so that Australia can attract skilled migrants who will contribute to Australia's economic well-being. Migrants are better educated, younger, and more job-ready, with the language skills to operate successfully in the Australian workforce.

In a highly mobile world, attracting skilled migrants is becoming increasingly competitive. In 2002 the International Labour Organisation (ILO) estimated that there were some 120 million migrant workers globally.¹ Australia faces international competition from larger economies such as the United States of America, the United Kingdom, Germany and Canada.

1 P. TARAN, E. GERONIMI, PERSPECTIVES ON LABOUR MIGRATION 3 E—GLOBALIZATION, LABOUR AND MIGRATION: PROTECTION IS PARAMOUNT, P.2 INTERNATIONAL MIGRATION PROGRAMME, INTERNATIONAL LABOUR OFFICE, GENEVA.
WWW.ILO.ORG/PUBLIC/ENGLISH/PROTECTION/MIGRANT/DOWNLOAD/POM3E.PDF

Changes in the composition of Australia's skilled migration program reflect the increasing international competition for skilled migrants and the increase in the number of international students in Australia. As Figure 1 shows, the percentage of skilled migrants applying onshore increased from 15 per cent in 1996 to 32 per cent in 2003. Onshore applicants to the skilled migration program are primarily international students seeking permanent residence following completion of their studies. As international competition for skilled migrants increases, Australia is looking to capitalise on the competitive advantage it has in attracting international students who are already present in the country.

Another significant change in Australia's migration process is the increasing use of the Internet as a medium of communication between Australian governments and potential migrants. DIMIA has recently introduced a number of Internet services for clients seeking new or replacement visas, or wanting to lodge citizenship applications. The Victorian Government has recently launched a new website designed to target skilled and business migrants who are investigating possible migration destinations.

2.5 Objectives of the Victorian Government

The Victorian Government is committed to growing the population of all of Victoria. To this end it has set a number of population targets including:

- >> Achieving a total population in Victoria of 6 million by 2025;
- >> Population growth in regional Victoria of 1.25 per cent per annum by 2006 leading to a population in regional Victoria of around 1.75 million by 2025.

Victoria's population grew at an average annual rate of 1.1 per cent between 1995/96–2000/01. Strong population growth has been a factor in Victoria's recent strong economic performance:

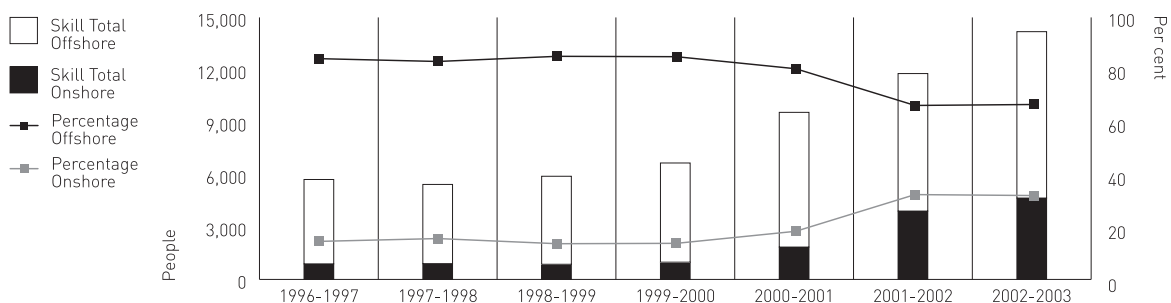
- >> In recent years Victoria has been attracting young, highly skilled people from interstate;
- >> Victoria has grown its share of Australia's skilled migrant intake to 24 per cent; and
- >> Regional population growth in 2003 was 1.0 per cent.

Overseas migration will play an important role in maintaining this performance and achieving the Government's targets. Both the Victorian Department of Sustainability and Environment and the ABS population projections indicate that Victoria is well on its way to meeting the Government's target of six million Victorians by 2025. However, overseas migration will become important if the State is to meet its regional population targets. The projected decline in 'natural increases' in the population (a result of Australia's ageing population and declining birth rates) will amplify the importance of migration as a driver of strong population growth in future years. The Victorian Government recognises the importance of migrants and has set a target to achieve an intake of 25 per cent of skilled migrants to Australia each year—this equates to approximately Victoria's share of Australia's population.

The Australian Government has over recent years increased flexibility for State and Territory Governments to be involved in the skilled and business migration programs. This role enables participating governments such as the Victorian Government, to determine how aspects of the programs can be used to best meet Victoria's own development needs. *Victoria's Skilled Migration Strategy 2004–07* consists of a range of initiatives and services to target skilled and business migration to Victoria's skill needs.

FIGURE 1: VICTORIAN SKILL MIGRATION PROGRAM OUTCOME BY OFFSHORE/ONSHORE COMPONENT: 1996–2003

SOURCE: DIMIA, DPC ANALYSIS



The Australian and Victorian Governments recognise that migration is about considerably more than achieving population growth targets. Migrants make a significant contribution to the Australian and Victorian economies, whether it be by contributing to productivity improvements through the influx of skilled migrants, increasing aggregate demand through consumption or supplying much-needed labour in regions and industries that are experiencing skills shortages.

Migrants also make a significant social and cultural contribution to Australia and Victoria and enhance our already rich cultural mix. It is important that these benefits—economic, social, cultural—and the ensuing diversity that stems from migrant communities, are not confined to metropolitan areas. While Melbourne will continue to attract a majority of overseas migrants coming to Victoria, the Victorian Government, in cooperation with the Australian Government, is committed to pursuing policies that will encourage greater numbers of all streams of migrants to settle in regional areas.

While overseas migration will play an important role in meeting regional population targets, the Victorian Government recognises that interstate and intrastate migration are equally important sources of growth. A necessary requirement to attracting migrants will be continued strong regional economic growth to ensure there are adequate employment opportunities for those who choose to settle in regional areas.

2.6 Overview of Migration in Australia

The Australian Government's Migration and Humanitarian programs provide for permanent and provisional entry to Australia. The Migration Program is made up of a skill stream, a family stream, and a special eligibility stream:

- » **Skill** migrants must satisfy a points test, have particular work skills, be nominated by employers or have other links to Australia, or have successful business skills and/or significant capital to bring to Australia to establish a business of benefit to the country;
- » **Family** selected on the basis of the family relationship to a sponsor in Australia—essentially spouses, fiancés, dependent children, and parents who meet the “balance of family” test (a test designed to give an indication of how strong the parents’ family links are with Australia compared with other countries); and
- » **Special Eligibility** migrants who are former citizens or residents wanting to return to Australia, or certain New Zealanders.

The Humanitarian Program is a dedicated, annual resettlement program distinct from the migration program. It reflects Australia's commitment as a global partner in the system of international protection to share the responsibility for the protection of refugees and people of concern.

Each year the Australian Government decides the total number of places to be made available for the Humanitarian Program. The Australian Government also decides the overseas regional focus of the offshore component. These decisions take into account a number of factors that include:

- » UNHCR's assessment of resettlement needs;
- » The views of individuals and organisations in Australia; and
- » Australia's capacity to assist.

Australia's Humanitarian Program comprises an offshore resettlement and an onshore protection component. The offshore component of the Humanitarian Program comprises two permanent categories:

- » **Refugee** for people who are subject to persecution and have been identified in conjunction with the United Nations High Commissioner for Refugees (UNHCR) as in need of resettlement. The Australian Government funds the travel and medical expenses for persons granted visas under the Refugee category.
- » **Special Humanitarian Program (SHP)** for people who have suffered substantial discrimination amounting to gross violation of human rights. People applying under the SHP must demonstrate a link with Australia. This link is demonstrated by a formal proposal from a permanent resident or a citizen of Australia or body operating in Australia.

Holders of both Refugee and SHP visas are entitled to specific services delivered by the DIMIA funded Integrated Humanitarian Settlement Scheme (IHSS).

In addition to the Migration and Humanitarian Programs a significant number of people enter Australia on a temporary basis, as visitors, students or for a range of specialised purposes.

Temporary entrants include:

- » Tourists;
- » Students;
- » Business people for short stays;
- » People with specialist skills, such as managers, academics and medical practitioners;
- » People who make a social or cultural contribution to the community, such as entertainers, media and film staff, sports people, religious workers, visiting academics and public lecturers; and
- » People who contribute to the development of international relations, such as diplomatic personnel, participants in exchange programs and working holiday makers.

Skilled and Business Migration: Key Issues

3

3.1 Migration Program Planning

The Australian Government has placed an increasing emphasis on attracting migrants under the Skill Stream. As can be seen in Figure 2, Skilled Migrants and their families made up over 60 per cent of all migrants who entered Australia in 2002/03.

The Australian Government determines the size and composition of Australia's Migration Program based on factors such as the estimated demand for migration places, especially in demand driven categories such as spouses and dependent children, as well as State/Territory and employer sponsored skilled migration categories; the balance between the Skill and Family Streams; and the economic, social and environmental impacts of migration. The Government also considers the views of a wide range of stakeholders including State and Territory Governments, and community, business and industry groups. The Victorian Government supports increased migration levels across all streams of the Migration Program.

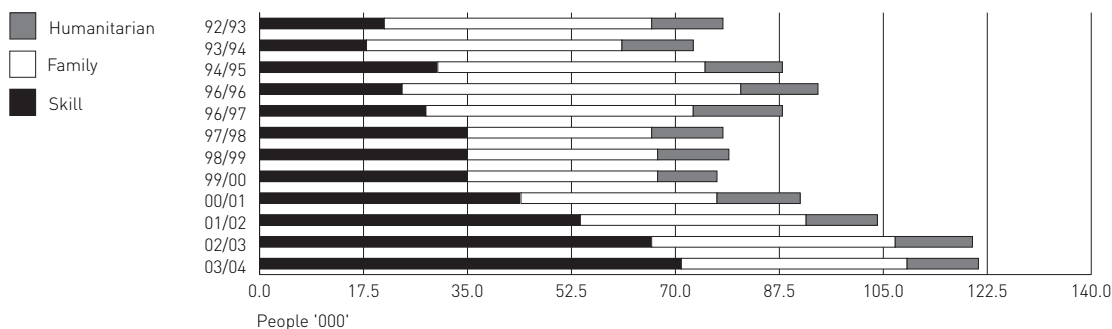
In May 2002 the Federal Minister for Immigration and Multicultural and Indigenous Affairs, the Hon. Phillip Ruddock MP, announced that the Migration (Skill and Family) Program for 2002/03 would be in the range of 100,000–110,000. As shown in Table 2 (page 17), the expected outcome in 2003/04 is 114,000. Table 2 also shows planning levels for 2004/05 and reflects the recently announced increases in the planning levels to accommodate expected uptake of SIR visas.

State or Territory, employer and family-sponsored skilled migration, as well as business migrants are accommodated within the program on a demand driven basis. The general skilled (independent) migration category is used to balance the final program numbers against available places.

The general skilled points tested category requires applicants to achieve a pass mark to qualify for visa assessment. Since 1 July 2003, general skilled migration applicants have been able to gain an additional five bonus points if they have studied for a minimum of two years at an Australian university, TAFE or private education provider in regional Australia or a low-population growth metropolitan centre. In addition, there has been an increase from 5 to 10 in the points awarded for general skilled migration applications assessed on or after 1 July 2003, with occupations in national demand and from 10 to 15 points where applicants also have a job offer.

FIGURE 2: TOTAL AUSTRALIAN MIGRANT INTAKE BY VISA CATEGORY: 1992/93–2003/04

SOURCE: POPULATION FLOWS: IMMIGRATION ASPECTS 2001, DIMIA AND ANNUAL REPORT 2002/03, DIMIA



VIC SHARE OF AUST SKILLED MIGRANT INTAKE HAS GROWN FROM 17.8 PER CENT (96/97) TO 24.3 PER CENT (02/03)

Further, given the successful labour market performance of migrants with Australian qualifications, a number of measures have targeted overseas students studying in Australia. These changes, aimed at enhancing Australia's competitive advantage in attracting skilled people, include awarding additional points to graduating overseas students completing tertiary under-graduate or post-graduate studies in Australia and exemption from the work experience requirement.

3.2 Current Visa Programs

Table 3 (page 18) shows there has been a significant expansion of the skilled migration program since 2000/01. The largest category of skilled migrant visa is the General Skilled Independent Visa, where successful applicants must meet a set of minimum (points tested) criteria. This visa provides highly skilled migrants who are readily employable. Applicants do not require sponsorship from a third party (e.g. family member, employer, State Government, etc) as a condition of being granted the visa.

The Australian Government has, in conjunction with State and Territory Governments, developed a suite of State-specific and Regional Migration initiatives (SSRMs) that are designed to encourage a more balanced dispersal of Australia's skilled and business migrant intake, and assist State and Territory governments and regional employers to more directly address skill shortages and their regional development objectives. As Figure 3 (page 19) shows, SSRMs are making up a larger share of the skilled migration stream. These initiatives are in part a response to the concentration of migrants in metropolitan areas, particularly Melbourne and Sydney. It is estimated that around 90–95 per cent of migrants to Victoria settle in the Melbourne area. Paradoxically, skills shortages are often more acute in regional areas and migrants could redress these shortages.

TABLE 2: DIMIA PLANNING LEVELS FOR SKILL AND FAMILY STREAM: 2003-05

SOURCE: DIMIA

CATEGORY/COMPONENT	2003-04 PROJECTED OUTCOMES	2004-05 PLANNING LEVEL (Top of Range)
Total Family	38,000	42,000
Employer Sponsored	11,600	11,900
Business Skills	5,000	5,400
Skilled Independent	42,300	38,600
Family Sponsored Skilled	11,800	12,000
Skilled Independent Regional	N/a	4,000
Other	200	200
Total Skilled	70,900	72,100
Special Eligibility	1,100	900
Total Program	100,000–110,000	105,00–115,000
Parent–additional places	4,000	
Skilled Independent Regional–additional places		5,000
Program–Likely Outcome	114,000	120,000

The threshold criteria for these initiatives reflect the sponsorship involvement of State or Territory Governments and regional employers. The initiatives are listed below:

- » **Regional Sponsored Migration Scheme (RSMS)** Enables employers in regional/low-population growth areas of Australia who are unable to fill a skilled position from the local labour market to nominate skilled migrants. RSMS has lower skill and contractual requirements than the Employer Nominated Scheme (ENS).
- » **State Territory Nomination Independent Scheme (STNI)** Allows participating State and Territory Governments to nominate Skilled Independent applicants who are interested in settling in a State or Territory where their skills are in demand. Applicants need only meet the pool entry mark, rather than the pass mark.
- » **Skill Matching Database (SMD)** A database containing details of applicants interested in nomination under RSMS or STNI.
- » **Skill Matching Visa (SMV)** Non points-tested category which enables applicants, who meet certain threshold criteria, to have their details placed on the Skill Matching Database, with no up-front visa application charges. Applicants only pay the appropriate charge if successfully nominated under RSMS or STNI.
- » **Overseas Students** An additional 5 points are available under the General Skilled Migration category for international students who study in regional/low population growth areas of Australia.
- » **Skills Designated Area Sponsored (SDAS)** Non points-tested category allowing sponsors located in a designated area to nominate skilled overseas relatives.
- » **State Sponsored Business Migration (SSBS)** Allows State/Territory Governments to sponsor business people who meet the economic development needs of the State and provides applicants with concessional criteria (e.g. no requirement for vocational English).

In addition to the SSRMs the following temporary entry initiative can assist businesses in regional and low-population growth areas of Australia.

- » **Regional 457 visa** Supports regional employers seeking to sponsor skilled workers for temporary entry. Includes possible waiver of the minimum skill and/or salary thresholds that apply to subclass 457 business nominations under exceptional circumstances.

3.3 Victoria's Attraction of Skilled Migrants

Figure 4 (page 19) shows that Victoria's use of SSRMs has been steadily increasing since 1997/98. In 2002/03 the number of grants was 4,146—almost double the 2,126 grants in 2001–02. Visa grants for the six months to end of December 2003 were more than double that for the corresponding period in the previous year, indicating that the trend is set to continue.

Victoria's share of SSRM visa grants has been maintained at approximately 50 per cent for the last four years, making it by far the greatest user of the initiatives.

Victoria has been a participant in the STNI scheme since 2000/01 and the number of visa grants has been increasing steadily each year since then, with 437 grants in the 2002/03 year and 440 grants in the six months to end December 2003. Some 55 per cent of all visa grants under this scheme have been for Victoria.

Although Victoria has not traditionally had a large number of visa grants under the RSMS program, the number of grants trebled in the 2002/03 program-year to 271. In the six months to the end of December 2003 there were a further 155 grants for Victoria.

TABLE 3: SKILL STREAM OUTCOME: (1997/98 TO 2003/04)

SOURCE: DIMIA (A) INCLUDES A SKILL STREAM CONTINGENCY RESERVE OF 8,000 PLACES.

Program Year	OUTCOME	GROWTH
	No.	%
1997–98	34,670	
1998–99	35,000	1.0%
1999–00	35,330	1.0%
2000–01	44,730	26.6%
2001–02(a)	53,520	19.7%
2002–03	66,050	18.9%
2003–04	70,900	6.8%

It coordinates administration of the RSMS visa program through DIIRD’s Victorian Business Centre network, which are RCBs under the scheme, and in cooperation with other RCBs in the State—namely Swan Hill Rural City Council, Warrnambool City Council and Wimmera Development Association. It works with agencies across the Victorian Government, local government and the Australian Government, including industry and professional associations to identify skills in demand in the State.

The SMU provides a referral service for Victorian employers to access the resumes of skilled migrants collected through the SMU’s promotional activities and DIMIA’s Skill Matching Database. It undertakes domestic promotion to inform Victorian industries and regions about the SMU’s services to employers. It also develops strategies and forms partnerships with local governments, migration agents, industries and regions to link more migrants to Regional Victoria.

Business Migration Unit (BMU)

The BMU promotes Victoria internationally to attract more business migrants with successful business backgrounds to settle in Victoria. It is responsible for assessing all business migration sponsorship applications for Victoria. The BMU works closely with DIIRD’s Small Business Services Division to provide information about, and referral to, services that can assist business migrants to research and establish their businesses, homes and families in Victoria. It works closely with migration agents, and the Victorian Government Business Offices overseas, to inform and source prospective business migrants. The BMU will be working more closely with local government to develop strategies to attract more business migrants to regional Victoria.

Overseas Qualification Unit (OQU)

The OQU provides academic assessments of overseas qualifications for education and employment purposes, including information and referral to further education, training and employment services.

All migrants with permission to work in Victoria can access the OQU’s services. Target groups include the spouses of skilled migrants, and refugee/humanitarian and family migrants who do not have their qualifications assessed prior to arrival in Australia. Qualification assessment is undertaken using the National Office of Overseas Recognition’s (NOOSR) Country Education Profiles. The OQU provides outreach services to regional Victoria on demand. It promotes its services through information sessions and events targeting education, employment and multicultural service providers, and newly arrived professionally qualified migrants.

The OQU also conducts industry forums to assist unemployed and underemployed overseas-qualified professionals form links with the Victorian labour market. Eligible overseas-qualified professionals who are job ready but experience difficulty in gaining employment using their qualifications, can access the Overseas Qualified Professionals Program (OQPP). The OQPP is funded through the Victorian Government’s Skilled Migration Program, and administered by Adult Multicultural Education Services (AMES). The program provides classroom-based training and work experience placement for participants.

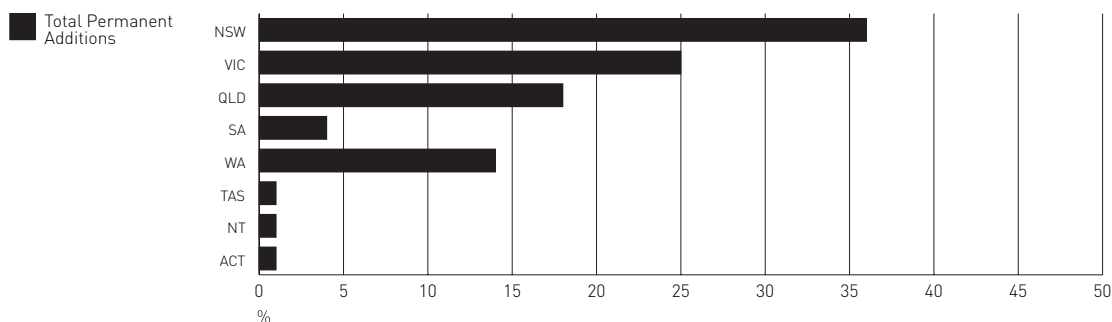
Regional Certifying Body (RCB)

Employers in regional Victoria seeking to employ a skilled migrant through the Regional Skilled Migration Scheme (RSMS) are required to lodge their applications with a Regional Certifying Body (RCB). The RCB must certify that the job vacancy cannot be filled through the local labour market and there is a need to employ a skilled migrant. The Victorian Business Centres in Geelong, Ballarat, Bendigo, Shepparton, Wangaratta, Mildura, Wodonga and Traralgon act as RCBs.

The following organisations are also approved Regional Certifying Bodies in Victoria:

- >> Swan Hill Rural City Council
- >> Western Murray Development Inc, Swan Hill
- >> Wimmera Development Association, Horsham
- >> Warrnambool City Council

FIGURE 5: SHARE OF ALL MIGRANTS BY STATE: 2003/04
 SOURCE: DIMIA



Victorian Office of Multicultural Affairs (VOMA)

The Victorian Office of Multicultural Affairs (VOMA) is a Business Unit in DVC. VOMA provides whole-of-Government advice on immigration and settlement matters for the Victorian Government. VOMA assists the Minister or his delegates at the Ministerial Committee on Immigration and Multicultural Affairs (MCIMA). VOMA represents Victoria at the Standing Committee on Immigration and Multicultural Affairs (SCIMA).

In addition, VOMA prepares regular Victorian Government submissions on DIMIA's migration and settlement programs, such as the Review of Settlement Services for Migrants and Humanitarian Entrants 2003, and the Integrated Humanitarian Settlement Strategy 2004/05.

At the State level, VOMA works closely with the rest of DVC and DPC in the formulation of Victoria's population and migration policies. VOMA also works in partnership with other relevant government agencies to develop strategies and support services for increasing migration to regional Victoria.

At the local government and community level, VOMA consults with local councils, community organisations and the Victorian Multicultural Commission (VMC) on promoting harmony and community relations.

VOMA oversees and considers the Whole-of-Government Reporting on Responsiveness to Cultural Diversity framework and the development and implementation of the Government's Languages Services Strategy to reform the delivery of language services across Victoria. These activities have direct and indirect impacts on policies and strategies to attract, settle and retain migrants to Victoria.

3.4 The Migration Process

Migration is a multi-jurisdictional area of policy. While specific organisations oversee particular aspects of the migration process, there is often considerable overlap between areas of responsibility. The Working Party acknowledges the complexities of the migration process and endorses the need to improve co-operation between relevant organisations. The Working Party will provide the impetus for an ongoing collaboration on migration in Australia. Skilled migration can be diagrammatically represented as a four-phase process as set out in Figure 6 (page 22).

It is essential to think of migration from the starting point of designing and establishing a visa program to attract a potential migrant, through to the end point of settlement and long term retention of a migrant and his or her family in Australia. The Working Party recognises that a successful migration program must be holistic, addressing all phases of the migration process. This is particularly the case in regional areas where a lack of critical mass often means migrant-related services are not available. Figure 6 also sets out the various organisations involved in each stage of the migration process.

Creation of visa categories occurs independently of the migrant. The Australian Government, in consultation with States and Territories and other stakeholders, determines the composition and quantum of the migration program, including the creation of visa programs to address specific needs. The new Skilled Independent Regional (Provisional) Visa (discussed in more detail below) is an example of this aspect of the migration process. All levels of government recognised the need to encourage more migrants to settle outside major metropolitan centres. The Australian Government responded by creating a visa aimed at migrants who might not be eligible to enter Australia under a General Independent Skilled visa, but could do so on the basis of a commitment to live and work in a regional area for a minimum period of time. States and Territories are being consulted on the details of this visa, to operate from 1 July 2004.

DEWR is involved in providing policy advice to the Government on the labour market implications of migration arrangements, the labour market experiences of migrants, and the implications of migration for economic and demographic outcomes over both the short and long-term. More directly, DEWR works with DIMIA in the assessment of employer-sponsored migration applications, the assessment of overseas trade qualifications, the development of the Migration Occupations in Demand List (MODL) and the composition of the Skilled Occupations List (SOL).

The **attraction** stage involves both an awareness of visa pathways and settlement support, as well as State and Territory marketing efforts consistent with their development objectives. It is vital that migration information and marketing is well coordinated across and within governments at all levels.

Skilled individuals considering immigration typically consider the options available. Many migrants will have a preferred destination from the outset (whether it be a country or a city) due to the presence of family or friends. However, many people will make their decision based upon other facts such as perceived employment opportunities, quality of life, public infrastructure and so on. Australia's federal system of government can be a barrier in communicating with migrants—it can create confusion about who a migrant needs to deal with to negotiate the visa application process.

A key consideration is the need for early contact with potential migrants to ensure that they are fully informed of the visa pathways for migration to Australia and the different regions of Australia and what they have to offer. This should include, but is not limited to, information about regional labour markets and employment opportunities outside large cities. Importantly, communication must also extend to employers and regional authorities seeking to fill job vacancies and address skills shortages.

The **facilitation** phase of the migration process involves progressing an individual's interest in migrating to the actual linking of that person with an employment opportunity. It also involves assisting a migrant through the process of applying for a visa where sponsorship of some sort (State, employer, family etc) is required. Facilitation is particularly important in regional areas because of the reality that migrants are less likely to settle outside Melbourne in the absence of a clear employment opportunity.

The Working Party notes the importance of this aspect of the migration process and that there are opportunities to improve the current approach. As is illustrated in Figure 6, multiple organisations are involved in the facilitation phase. Given that all levels of Government are committed to increasing the number of migrants in regional areas, the Working Party considers it important to grow and better co-ordinate efforts in this area. Communications strategies alone will not link migrants with employers. Recommendations further on in this Report seek to address the issue of facilitation.

The final phase of the migration process is **settlement and retention**. Like the Facilitation phase, regional migration enhances the need for government intervention. Regional communities are typically less diverse than large metropolitan centres like Melbourne. As a result, potential migrants may feel less confident about ‘fitting-in’. Second, a lack of critical mass often prevents the establishment of community groups and services that play an important role in helping migrants settle into a region.

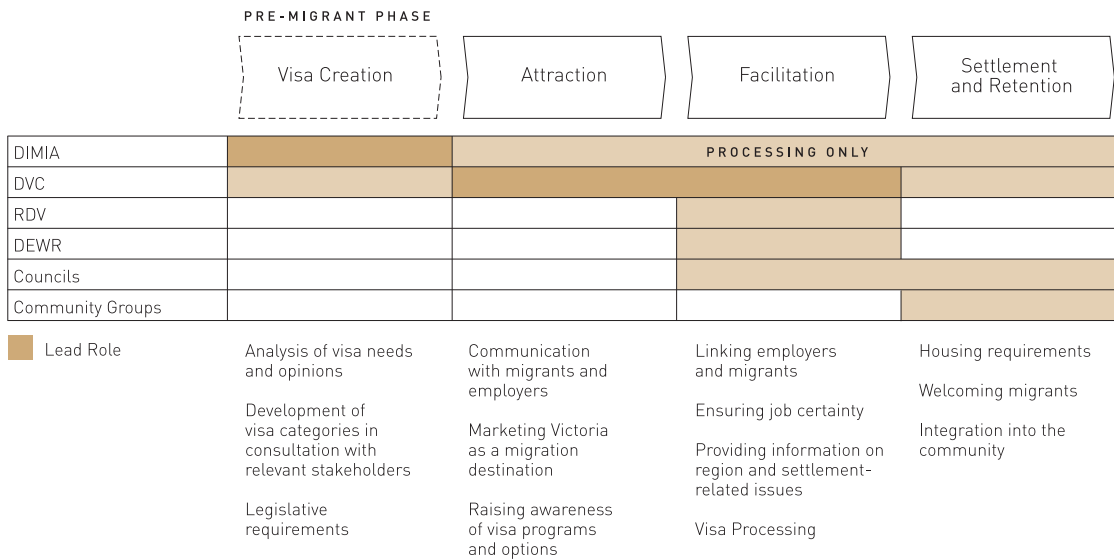
For example, English language services are less widely available—this may be an issue where a skilled migrant’s dependents do not speak English.

Finally, as noted by the Working Party during its deliberations, many regional areas that are seeking to attract migrants do not have significant experience in this area and will need assistance in developing programs aimed at welcoming and settling migrants.

All levels of government must play a role in overcoming these barriers to settling and retaining migrants in the regions. Of course regional communities are smaller and more intimate—this advantage should be capitalised on in welcoming and integrating new arrivals. Shepparton’s experience provides an excellent example of how this can be achieved.

FIGURE 6: THE STAGES OF THE SKILLED MIGRATION PROCESS

SOURCE: WORKING PARTY



Skilled and Business Migration: Opportunities and Recommendations

4

4.1 New Visa Mechanisms

4.1.1 Skilled Independent Regional (Provisional) Visa

States and Territories that wish to attract people with much-needed skills to regional Australia and low population growth metropolitan areas² have identified independent skilled migrants as one potential source of such skills. The dilemma has been how to attract and then retain such migrants in these areas.

There has been widespread agreement through the multilateral Commonwealth-State Working Party on Skilled Migration that a mechanism that encourages migrants to remain in these areas for a reasonable period will increase the likelihood that a significant proportion will settle there in the longer term. During the life of the Commonwealth-Victoria Working Party, the Australian Government confirmed its intention to establish a new visa aimed at providing such a mechanism. This is known as the Skilled-Independent Regional (Provisional) Visa (SIR). The SIR visa is designed to encourage independent skilled migrants who cannot quite meet the normal independent skilled pass mark, to consider settlement in regional Australia as a pathway to achieving permanent residence.

In broad terms the two-stage arrangement seeks to provide a three-year temporary visa with requirements that applicants live and work **in regional or low growth metropolitan areas of Australia**, and clear pathways to permanent residence if they satisfy these requirements.

Applicants would be required to:

- » Meet threshold criteria for the General Skilled Migration category;
- » Satisfy migrant health and character requirements;
- » Score a pass mark of 110 points; and
- » Sign an undertaking that they would live and work in regional Australia while the holder of a SIR visa.

After living in regional Australia for at least two years and working in regional Australia for a prescribed period, the SIR visa holder would be eligible to apply for permanent residence through the existing suite of regional permanent residence visas.

The Australian Government introduced the SIR visa on 1 July 2004, following consultation with States and Territories regarding details of the policy platform.

The Working Party discussed the following issues in relation to the proposed policy settings for this new visa:

- » What definition should be applied for 'regional Victoria'?
- » Whether or not a necessary criterion for the grant of the initial visa should be State/Territory sponsorship?
- » What conditions should apply to the initial temporary visa—satisfaction of which would be a prerequisite for a successful further application for permanent residence? and
- » What possible pathways to permanent residence should be provided to holders of the visa?

The Australian Government will provide reports on the performance of this visa to participating States and Territories.

In relation to the SIR visa, the Working Party makes the following recommendations:

1. **The Working Party notes and supports the creation of the new SIR visa and recommends that the Australian and Victorian Governments seek to encourage uptake of the visa.**

The Working Party noted that the new SIR visa is a positive development in terms of the Australian Government providing a visa pathway that provides an incentive for migrants to settle in regional areas. The visa is consistent with the Victorian Government's objective of increasing the number of migrants settling in regional Victoria where skills shortages are more acute. The Working Party considers the SIR visa will provide not only a practical visa pathway for potential migrants to Australia, but also an important signal to regional Australia, which has been vocal in calling for an increased share of Australia's skilled migrant intake.

² REGIONAL AUSTRALIA DEFINED AS A STATISTICAL DIVISION WITH A POPULATION OF LESS THAN 200,000. A LOW-GROWTH METROPOLITAN AREA IS ONE WITH A POPULATION GROWTH RATE, BETWEEN THE LAST TWO CENSUSES, OF LESS THAN 50 PERCENT OF THE NATIONAL AVERAGE.

The Working Party notes that the success of the new visa will require co-ordinated efforts by all levels of Government and local communities. DIMIA anticipates that there will be significant demand for the SIR visa—with a notional 9,000 places available under the Migration Program in 2004/05. Federal, State and Local Governments must co-operatively develop strategies to manage the expected interest in the SIR visa.

In particular, these strategies must address the issue of 'facilitation' discussed earlier in this report. Unlike the RSMS visa, the SIR visa does not require applicants to have finalised an employment contract as a condition of the visa being granted. SIR applicants can therefore enter regional Australia without a clearly identified employment opportunity. However, many migrants may be reluctant to take-up a SIR visa if they lack confidence in the range of employment opportunities that exist in the regions. Providing potential migrants with information about what regions have to offer and linking them to employment opportunities will be crucial in ensuring strong take-up of the new visa. It will be important to establish clear lines of referral to ensure migrants are directed to appropriate regions and to avoid unnecessary pressure being placed on limited community resources.

The Working Party noted that DVC's Skilled Migration Unit will lead the Victorian Government's participation in the SIR visa program.

2. The Working Party notes that the Australian Government will manage the SIR visa on a demand-driven basis, and recommends that it closely monitors its impact on other visa programs.

The underlying philosophy of Australia's Skill Migration Program is to attract highly skilled migrants to Australia to address labour shortages that cannot be met through the domestic labour market. Recognising that migrants gravitate to large cities (particularly Sydney), the Australian Government has created a number of SSRMs to channel migrants into particular regions where labour shortages are more acute.

SSRMs are 'demand driven' in that the number of places available for these visas is not limited other than by the overall Skill Migration Planning level (77,000 places for 2004/05). As demand for SSRM grows, the number of places available for other visas will fall (typically Skilled Independent visas). This approach reflects the policy imperative to encourage greater uptake of those visas.

The Working Party notes that places for the SIR visa will also be demand driven. Attracting more migrants to regional areas is a high priority and it is appropriate to not limit the number of places available to SIR visa applicants who meet the criteria.

The Australian Government has created an additional 5,000 places in the Skill Migration Program for SIR visa applicants, bringing to 9,000 the nominal number of visa places in 2004/05. Applications in excess of this number will be included within existing planning levels for Australia's annual skilled migrant intake. The Victorian Government is committed to increasing the number of migrants who settle in regional Victoria, but **also** to continue to attract migrants to Melbourne.

In the short term, the Working Party recommends that the Australian Government closely monitors the impact of the SIR visa on the take-up of other visa categories.

3. The Working Party notes that the SIR visa will receive priority processing, commensurate with that currently provided to SSRMs.

To encourage take-up of SSRM, the Australian Government currently gives these visas priority processing over other general visa categories. Priority processing was introduced by the Australian Government to provide an incentive for migrants, states, territories, employers to utilise the visas.

Given that the SIR visa has similarly been created to address a particular policy issue, the Working Party recommends that applications be given priority processing to encourage uptake by potential applicants.

4. The Working Party recommends that the definition of 'regional Victoria' for the SIR visa should exclude the area within the Melbourne metropolitan area.

The Working Party notes and agrees with the Australian Government's proposal to utilise the existing definition of regional Australia/low population growth metropolitan centre as specified in the Migration Regulations. For clarity, this definition includes all ABS Statistical Divisions outside the Melbourne metropolitan area.

This definition of 'regional Victoria' is consistent with that currently used for the purposes of the RSMS program, and is appropriate given that the RSMS program is the preferred pathway to permanent residence from the SIR visa.

5. The Working Party supports 'sponsorship' of SIR visa applicants as a mechanism to inform them about the range of opportunities available to them in regional Victoria.

Early contact with potential applicants is highly desirable. It will enable states to provide more information to assist an applicant make a decision and perhaps play a more active role in linking them with a job in a particular region. As mentioned earlier, given that SIR visa holders are not required to finalise employment prior to arriving in regional Australia, it is crucial that from the start they are well-informed and provided with guidance on where to settle so they can achieve positive employment and settlement outcomes.

The Working Party notes that participation in the SIR visa by any State or Territory government is optional. The Working Party notes that 'sponsorship' may provide an opportunity for the Victorian Government to provide quality, up-to-date advice to potential SIR applicants on a range of topics including:

- >> Skills needs of the region;
- >> The local business environment and opportunities;
- >> The type of housing available;
- >> The cost to rent/buy a house;
- >> The cost and availability of education;
- >> Access to healthcare;
- >> Access to transport, including public transport;
- >> Availability of childcare;
- >> The availability of English language classes; and
- >> Other local community issues.

Sponsorship will not require States or Territories to either monitor SIR visa holders or to ensure SIR visa holders abide by the conditions of their visa. Similarly State and Territory governments would not be expected to guarantee SIR applicants that they can provide them with a job offer.

It will be important to ensure that SIR applicants understand the boundaries of any 'sponsorship' by States or Territories. DIMIA's approval letters and information leaflets on the SIR visas should define the parameters of any sponsorship requirements.

The Working Party recommends that further discussions be held to determine whether RCBs should play a role in sponsorship assessment, using guidelines prepared by State or Territory governments. Given the preferred pathway to permanent residence is through the RSMS scheme (which already requires RCB certification), it may be appropriate for RCBs to be involved in this aspect of the SIR visa application process, subject to the number of applications to be processed being manageable.

Most SIR applicants will initially approach DIMIA for more information about the visa and the different regions where they could settle. It is therefore crucial that DIMIA and DVC ensure there are high quality linkages between any communications activities (e.g. websites). This issue is dealt with more fully under the recommendations on Communications and Marketing.

6. The Working Party recommends that the Australian Government makes provision for SIR visa holders to be able to extend their visa in specified circumstances.

It was noted that circumstances could arise where, after three years, an SIR visa holder has complied with the conditions of the visa but for various reasons they fall short of the requirements necessary to be granted a permanent visa. For this reason, the Working Party recommends that an extension of the SIR visa should be available to those SIR visa holders who require additional time to meet the permanent residence threshold criteria. It was suggested that the period of any extension should be **one year**.

The Working Party noted the Victorian Government's recommendation that any decisions about whether or not a SIR visa should be extended should be a matter for the Australian Government given that it is responsible for visa monitoring and processing.

7. The Working Party recommends that SIR visa holders converting to permanent residence must have been employed (including self-employed) for a period of at least 12 months in a regional or low-population growth centre. The Working Party supports the Australian Government's intention to provide flexibility in policy guidelines to: (i) enable the spouse of the primary SIR visa holder to be the primary applicant at the residence stage should they meet the relevant criteria; and (ii) cover circumstances where a SIR visa holder cannot comply with their visa conditions for reasons beyond their control.

This recommendation reflects the reality that SIR visa holders may not be able to maintain continual employment for the duration of their visa. As long as the SIR visa holder can demonstrate they have been employed in regional Australia/low population growth centre for a total of 12 months since being granted their SIR visa there will be an increased chance of permanent settlement in that area.

The second recommendation acknowledges that circumstances may arise which prevent the primary SIR visa holder from working. The Working Party considers that providing flexibility for the spouse of the SIR primary visa holder to lodge an application for permanent residence, will provide an additional opportunity for SIR visa holders to meet permanent residence criteria.

The Working Party noted that circumstances could arise where a SIR visa holder may need to go outside a regional or low population growth metropolitan centre (e.g. for medical reasons). Flexibility in assessing whether a SIR visa holder has complied with their visa conditions will ensure that genuine applicants are not disadvantaged at the permanent residence stage.

8. The Working Party recommends that the Australian Government makes available the following existing visas for SIR visa holders wishing to convert to permanent residence: Regional Sponsored Migration Scheme (RSMS); State/Territory Nominated Independent (STNI); and State/Territory Sponsored Business Owner once they have met the obligations of their SIR visa.

The Working Party believes that potential migrants' interest in applying for the SIR visa will depend largely on their perceptions about the certainty of future applications for permanent residence. For this reason the Working Party considers it crucial that applicants have confidence that if they comply with the SIR visa's conditions, pathways to permanent residence will be unambiguous.

With this in mind, the pathways to permanent residence for SIR visa holders have been chosen to reinforce the objectives of this visa category. The Working Party acknowledges that restricting access to residence pathways until a SIR visa holder has met the obligation of their visa provides Regional Victoria with an opportunity to maximise the prospects of the SIR visa holders settling in the region for the longer term.

The Working Party noted the Victorian Government's suggestion that SIR visa holders be permitted to apply for a RSMS visa **prior** to having spent a full two years in regional Victoria, provided a regional employer is willing to sponsor them. It was agreed however, that SIR visa holders would not be able to apply for the onshore RSMS visa until they have lived in regional Victoria for two years. The Australian Government agreed to monitor the SIR visa and report back to the States or Territories on its operation 24 months after its introduction, and report subsequently on its impact on the RSMS program and other programs at 12 month intervals.

4.1.2 Investor Retirement Visa

The Australian Government recently announced the introduction of a new visa that would target retirees with significant assets, who can benefit Australia through major investment but whose presence in Australia would be at no cost to the Australian taxpayer.

The proposed new Investor Retirement visa is a four-year temporary visa that can be rolled over for further periods of 4 years, providing the applicant continues to satisfy some basic requirements.

The new visa will complement the Australian Government's broader strategy to assist State/Territory governments to attract investment to regional and low growth areas. It will provide State/Territory governments with another avenue to attract significant investment. The following benefits are expected to flow to States and Territories:

- » Provides another avenue to attract investment in State/Territory bonds/specified projects;
- » Targets people with spending power to establish themselves and live in regional/low growth areas;
- » Most applicants would typically have a successful business or professional background with potential to make a positive "life skills" contribution to the community in which they live; and
- » Retirees would act as "attractors" for others to follow who are from similar socio-economic backgrounds, potential business skills applicants and young professionals.

The Australian Government will introduce the proposed Investor Retirement visa effective from 1 November 2004 following further consultation with the States and Territories.

9. The Working Party endorses the creation of the Investor Retirement visa and recommends that the Victorian Government undertake further discussion with the Australian Government to determine possible implementation of the visa program.

4.2 Communications and Marketing Strategies

The Working Party considered ways to improve the effectiveness of communications and marketing activities across the three tiers of government to:

- » Attract more migrants to Victoria, particularly regional Victoria; and
- » Inform employers, particularly in regional Victoria, about visa options and services available through the Australian and Victorian Governments to employ skilled migrants.

Opportunities were identified in a number of areas, which are discussed in more detail below.

10. The Working Party recommends that the Commonwealth and Victoria work closely to develop a cross-government communications strategy, specifically targeting employers, to ensure promotion of all SSRM mechanisms is coordinated across governments

The Working Party agreed that further work is required to increase employers' awareness of visa options and services. It noted some of the experiences of Australian, Victorian and Local Government communications activities targeting employers:

- » Regional employers have a low awareness of the visa options and services available to recruit skilled migrants;
- » Employers' interest in information about visa options and services is greatest at the time they are experiencing difficulties in filling a job vacancy;
- » Once a job vacancy arises, employers want quick access to simple information about visa options and services, and prompt processing of visa applications;
- » General information sessions on visa options and services have a limited impact on increasing awareness amongst employers who do not have current job vacancies; and
- » Employers prefer to meet job seekers prior to sponsoring them for a two-year employment contract under the RSMS program.

The Victorian Government's Skilled Migration Unit 2003 client survey provides some further information about communications with employers. Employers who were surveyed indicated that when they need to contact the SMU for information about migration services, they preferred telephone contact (83 per cent) followed by email contact (64 per cent)³.

This information indicates that the Australian and Victorian Governments need to improve their understanding of how to target information to employers, especially in regional Victoria. It suggests that by identifying the best methods and tools for communicating with employers, awareness of visa options and migration services could be increased.

State Specific and Regional Migration programs (SSRMs) are designed in such a way that they require participation by the Australian and State Governments, and involve partnerships with local governments.

While these visa options provide increased flexibility for states and regions to meet local development needs, they present a challenge for how the programs and their requirements can be clearly communicated to migrants, migration agents and employers. Many of these programs, such as the new SIR visa, also require a focus on 'facilitation' to link migrants to employment opportunities and settlement services across government, business and community sectors, adding to the complexity and challenge of providing effective communication.

In developing a cross-government communications strategy, consideration must be given to how SSRMs can best be promoted to migrants and migration agents (in addition to employers) to increase their uptake. Communication activities targeting migrants will need to focus on how migration and settlement services provided by participating governments, business and community sectors can be communicated in an integrated and seamless way. Consideration should also be given to identifying ways to make the large variety of visa programs more 'user-friendly'—for example, by re-naming the visa programs to increase users' familiarity with them.

³ SMALL SAMPLE, MORE THAN ONE OPTION COULD BE SELECTED.

11. The Working Party recommends that the Australian, State and local governments work together to increase linkages between their respective websites to ensure they are effective tools in attracting migrants to Victoria.

The Working Party agreed that the Internet is an important tool in attracting migrants to Victoria because it can be accessed by potential migrants throughout the world and can, in one location, provide extensive information on visa options, migration, employment and settlement services and opportunities throughout Australia.

The Australian Government informed the Working Party that the DIMIA website is a significant source of contact with skilled migrants. It also noted that face-to-face contact with migrants overseas was diminishing with the relocation of more visa-processing activity to Australia.

The Internet is also an important marketing tool for the Victorian Government. The Skilled Migration Unit's 2003 client survey indicated that 53 per cent of skilled migrants found out about the Victorian Government's services for skilled migrants through the Internet (26 per cent directly through the Skilled Migration Unit's website, 21 per cent through an internet search engine, and 6 per cent through other website links). The promotion of tourism to Australia provides an example of cross-government communication using the Internet. The Australian Tourism Commission's website, State and Territory Government and regional websites are integrated to promote tourism to Australia and its regions.

Australian and State/Territory Governments have websites containing information and links about migration, employment and settlement services. Local governments have websites to promote living, working and business in their regions. All of the sites provide information, but the information is not sufficiently integrated and presented in a way that guides migrants clearly and logically through the steps they need to take to migrate, work and live in a region of their choice in Australia.

Reviewing and refining the architecture, links and presentation of information across government sites will improve the effectiveness of the web as a tool to guide migrants through the eligibility criteria and available services. This will increase the likelihood that migrants are attracted to States/Territories and regions where their skills are required.

12. The Working Party recommends the expansion and integration of locally-based regional migration networks and the establishment of a Communications Liaison Group responsible for the ongoing integration of cross-government communications/marketing activities.

The Working Party discussed the importance of well-connected migration networks both in Melbourne and in regional Victoria to increase awareness of SSRMs and associated migration services amongst employers. It discussed how to better employ or expand existing networks to increase migration to regional Victoria. The Working Party noted the Victorian Government has set aside resources through its *Skilled Migration Strategy* to assist local communities develop and/or strengthen migration networks. Regional participants noted the importance of having dedicated contact points within a region to enable ready access to information.

Discussion about possible promotional activity targeting employers included the formation of dedicated regional employer telephone hotlines to provide guidance to regional employers. The Australian Government will establish two regional 'outreach officer' positions in Victoria to focus on regional skilled migration.

It was noted that the effectiveness of tools such as the Skills Matching Database, and the SMU's service to link migrants to employers rely on strong networks to target employers who might benefit from the service, and to distribute and receive migrant resumes. The effectiveness of the new SIR visa will also depend on these networks to facilitate the linking of migrants to opportunities and services (discussed further in next section on 'facilitation').

The Working Party discussed the extensive Job Network presence in regional Victoria, and its significance for migration because of its listing of regional job vacancies and its contact with regional employers who could be referred to migration services if they are unable to find skilled staff through the Job Network. The Working Party noted that any initiative to increase usage of the Job Network to support migration services must be considered in the context of its primary role to assist Australian job seekers.

Existing networks that have relevance to migration include:

- » Victorian Business Centre (Australian Government—DIMIA);
- » Skilled and Business Migration Units, and Overseas Qualifications Unit (Victorian Government);
- » Victorian Business Centres (Victorian Government);
- » Local Governments;
- » Job Network (Australian Government—DEWR); and
- » Regional Migration Working Groups (Local Government/Victorian Government).

Each of the above is described in more detail in Appendix A, and should be connected into the various regional networks. The funds made available to local communities through Victoria's *Skilled Migration Strategy*, will enable better coordination and closer integration of the regional migration networks.

The Working Party also agreed that a Communications Liaison Group should be established. It would be responsible for ensuring that communications/marketing activities are linked in with regional migration networks. In addition, the Liaison Group would:

- » Implement the recommendations of the Working Party in relation to communications and marketing activities;
- » Ensure that promotional activity concerning migration services, particularly in relation to regional Victoria, is coordinated across governments; and
- » Obtain client input—whether from business or community sectors, employers or migrants—to proposed strategies.

It is recommended that the core members of the Communications Liaison Group include representatives from the Victorian Government (DVC, RDV), the Australian Government (DIMIA), and local government and industry (e.g. Regional Cities Victoria, Local Government Association, and peak industry bodies).

Depending on the items to be discussed, other members could be invited to participate in the liaison group; for example, the Victorian Department of Education and Training could provide input on issues relating to international students.

13. The Working Party supports the work of the Standing Committee on Regional Development (SCORD)

The Australian, State and Territory Governments and the Australian Local Government Association, through the Standing Committee on Regional Development, are also seeking to promote a greater awareness and use of SSRMs. A project has been developed to provide practical information to assist regions, government and other relevant stakeholders to attract skilled migrants through the SSRM program. Victoria will be participating in this project through RDV, working in close consultation with DVC.

4.3 Facilitating Migrant Uptake

As discussed earlier, facilitation is the process of progressing an individual's interest in applying for residence in Australia to the actual linking of that person with an employment opportunity. During this phase a potential migrant faces many important decisions, including what type of visa they will apply for, where they will live and what type of work they will seek. Availability and clarity of information is therefore vital.

Other than simply ensuring potential migrants are well-informed, strategies that link migrants to potential employers, service providers and local communities early in this phase could be important in ensuring they proceed with their migration application, as well as being a factor in their decision about where to settle in Australia.

4.3.1 Links to Employers

Matching and linking migrants to potential employers is perhaps the most important aspect of facilitation. Employment is a key factor identified by migrants in their decision to migrate. Finding meaningful, well-paid work is likely to be especially important for a skilled migrant who may be considering a number of migration locations, both in Australia and in other countries.

The Working Party noted that all levels of Government can play a role in assisting migrants to overcome significant hurdles in finding work in regional areas. Migrants can face communication difficulties caused by their geographic separation from a prospective employer, potential processing delays, language and cultural barriers, issues regarding recognition of qualifications, and uncertainties that they will qualify for a permanent visa. The recommendations in this section are an attempt to redress some of these barriers.

Many skilled migrants do not require significant direct assistance to find work—this is particularly the case for General Skilled Independent visa holders who settle in larger cities such as Melbourne or Sydney. However, Government's role in linking migrants to potential employers is important when considering migration to regional areas.

A migrant that has not previously established a link with a regional employer will be more likely to settle in Melbourne, where the opportunities for employment are broader. Large cities have the critical mass necessary to ensure the existence of more comprehensive migration-related services and community groups. Many potential migrants would perceive the risks associated with settling in a large city as being less than in settling in a regional area. Active government assistance in linking migrants to employment opportunities will, at least to some extent, mitigate the perceived levels of risk and increase the likelihood that a migrant will choose to settle in a regional location.

Beyond employment, providing links to the people or organisations that may potentially provide a migrant with services such as language, training, education, childcare or health services may also be useful. These links might also be considered, although the primary concern will generally be the availability of employment.

As mentioned earlier, a key development has been the Australian Government's recent announcement of a new SIR visa for migrants willing to settle in regional areas. Successful implementation of this policy will require careful consideration of the facilitation phase of the migration process. The following recommendations, while targeted mainly at creating employment links for regional migrants, may also have benefits for skilled migration more generally.

4.3.2 Facilitating Links between Employers and Migrants

(A) COORDINATING AND CONSOLIDATING MIGRATION SERVICES

14. The Working Party recommends the establishment/ strengthening of dedicated regional migration networks throughout regional Victoria, responsible for developing linkages between regional employers and migrants, and coordinating and consolidating other migration-related services.

There is currently some confusion in regional areas about the range of migration programs available, and the appropriate contact points in government. Furthermore, coordination between migration-related service providers is often limited.

By bringing together and enhancing the range of migration services offered in regional areas, particularly for linking and matching migrants to potential employers, regional migration networks could: provide a more accessible and centralised point of contact for employers; ensure that the range of migration related services are coordinated; and help identify opportunities for further service improvements.

The networks would have several key responsibilities, including:

- » Raising awareness among regional employers of the potential to use skilled migration programs to meet labour shortages;
- » Providing a point of contact for regional employers wishing to meet labour shortages using a skilled migration program;
- » Providing a point of contact for migration agents seeking to place migrants in regional areas; and
- » Passing knowledge of identified labour shortages back to DVC's Skilled Migration Unit, so that lists of required skills are comprehensive and up-to-date, and that the Skills Matching Database can be checked to find skilled migrants that might be suitable for the position.

The networks will focus primarily on providing links with regional employers, but will also enable links with settlement-related services, such as accommodation, education, health and language services for migrants and their families.

As discussed earlier in the recommendations for communications and marketing strategies, there are already a number of migration-related organisations throughout regional Victoria (see Appendix A). The role of the regional migration networks should be to bring together these existing organisations in a more formal and integrated way so as to ensure that migrants and employers can clearly identify who can assist them within a given region. The Working Party noted that different regions will have different requirements and existing expertise. Therefore the operation of migration networks may vary between regions. The Victorian Government's *Skilled Migration Strategy* (especially the Regional Migration Incentive Fund) and the Australian Government's new regional outreach officers will be essential components of regional migration networks.

(B) MIGRATION AGENTS

15. The Working Party notes that there is merit in increasing communications linkages between government and migration agents—e.g. increased consultation, regular attendance at migration agent meetings, links to and from migration agent web sites, etc.

Migration agents often play an important role in the facilitation stage of the migration process. Members of the Working Party noted that this area requires greater attention in regional Victoria where migration agents' activities are less active. They can provide a valuable role in assisting potential migrants to complete and lodge migration applications, and to link migrants to employment opportunities.

One possible barrier preventing greater involvement of migration agents in regional migration is the fact that very few agents are located in regional Victoria.

This problem is compounded by other factors that may deter migration agents from actively pursuing migrants interested in settling in regional Victoria including:

- » Lack of commercial return due to greater difficulties in matching migrants to employment opportunities;
- » Employers/visa applicants may be unable/unwilling to meet expenses of a migration agent; and
- » Complexity, expense and time delays associated with bringing migrants in under SSRMs.

Because of these difficulties, it is often left to the Local Government, RCB or State Government to act as an employment broker in regional areas.

Increasing migration agents' awareness of, and participation in, regional migration programs represents an opportunity to increase the flow of migrants to regional areas.

Communications strategies could involve State Government attendance at Migration Institute of Australia (MIA) meetings, establishing links from the MIA web site, conducting mail outs to registered migration agents, or regular seminars with migration agents to explain the latest news, highlight opportunities and receive feedback on ways to improve the performance of skilled migration programs.

(C) CHANGING AND SUPPLEMENTING CURRENT SKILL MATCHING MIGRATION PROGRAMS

16. The Working Party recommends that further consideration be given to expanding the number of skilled agricultural-related occupations on the SOL.

In determining whether or not to include an additional occupation on the SOL, DIMIA consults with DEWR (responsible for considering labour market issues and the assessment of overseas trade qualifications through Trade Recognition Australia) and DEST (responsible for carriage of overseas skills recognition issues). DIMIA is seeking clarification as to whether certain agricultural occupations can, and should, be added to the SOL.

The Working Party was informed that DIMIA is consulting with DEWR and DEST about the possible addition to the SOL of occupations included in the 'Environmental and Agricultural Science Professionals' (ASCO unit group 2114). This group includes occupations such as:

- » Agricultural Scientist, including Agronomist (ASCO 2114-19);
- » Agricultural Adviser (ASCO 2114-21); and
- » Environmental and Agricultural Science Professionals (ASCO 2114-79).

One specific issue raised was in relation to occupations classified as falling within the definition of 'production horticulture'. It was noted that this occupation is not currently included on the SOL as it is considered (i) 'unskilled' and hence unsuitable for migration purposes or (ii) is in significant over-supply in Australia.

Regional participants of the Working Party noted that many farming-related trades are highly skilled—reflecting the sophistication of modern agriculture. DEWR informed the Working Party that there are no plans to include the broader occupation of "farmer" on the SOL because:

- » There is clearly a significant and ongoing oversupply in Australia;
- » Farmers are able to migrate through other visa categories, such as Employer Nomination Scheme, Business Skills and Distinguished Talent categories; and
- » As newly arrived migrants, farmers are not generally immediately employable in Australia.

17. The Working Party supports ongoing efforts to enhance the understanding and operation of the process of assessment and recognition of overseas qualifications.

Recognition of migrant skills has been raised in public hearings of the Joint Standing Committee on Skilled Migration (JSCM). This matter has received recent media attention with the release of a University of Western Sydney report. Regional representatives on the Working Party also raised the issue.

Most migrants who enter under the Skill Stream of the Migration Program have highly positive experiences in finding employment in Australia that make good use of their skills. Skill Stream migrants under the current program achieve lower unemployment rates and higher earnings than the Australian average within 18 months of arrival (see table 4 on page 36). Around half the applicants in the Skilled Independent category last financial year had Australian qualifications. Professor Sue Richardson of the National Institute of Labour Studies has found that the skill recognition systems in place are working commendably.

Some Family migrants and Humanitarian entrants with skills and qualifications gained overseas experience difficulty meeting Australia's registration and licensing requirements. Examples have been raised with the JSCM and in the UWS report.

In recognition of the importance of Australia being able to benefit from these people's skills, the Australian Government is continuing to invest significant resources in bridging courses for these migrants. The DIMIA web site contains detailed information (and links to relevant web sites including AEI-NOOSR).

The *Review of Settlement Services for Migrants and Humanitarian Entrants* found that many new arrivals report significant difficulty in obtaining detailed information about the skills recognition process. For some humanitarian and family stream entrants, lower levels of English skills, the cost of skills recognition and the cost and time to undertake bridging courses whilst managing other aspects of their early settlement, are additional significant barriers to the use of qualifications in Australian employment. The review made a number of recommendations, including:

- » Key stakeholders develop streamlined arrangements for obtaining information about skills assessment in all States or Territories;
- » That AEI-NOOSR and Trades Recognition Australia consider providing more targeted assistance to groups of permanent Australian resident overseas trained professionals and that information; and
- » DIMIA, in collaboration with AEI-NOOSR, Trades Recognition Australia, the Department of Family and Community Services and Centrelink review pre-embarkation information about skills recognition processes to prospective and newly-arrived migrants, particularly family stream and humanitarian entrants.

A high level taskforce, chaired by the Department of the Prime Minister and Cabinet, has considered issues requiring a whole-of-government response. The taskforce focused on the review recommendations that go beyond DIMIA's responsibilities. The process of skills recognition is currently the focus of a MCIMA working party.

(D) THE SKILL MATCHING DATABASE

The Skill Matching Scheme enables a skilled migrant who has either applied for a Skill Matching visa or who has applied for a Skilled Independent visa to register their qualification and work experience on DIMIA's Skill Matching Database (SMD). These details are held by the Victorian Government's Skilled Migration Unit and distributed to employers in Victoria seeking skilled employees that they cannot find locally. The SMD currently contains approximately 7,500 names of possible skilled migrants who could be nominated to migrate to Victoria by an employer in regional Victoria under the Regional Sponsored Migration Scheme or by the Victorian Government under the State or Territory Nominated Independent Scheme.

To meet the requirements for the Skill Matching Visa, a migrant must:

- » Be under 45 years of age (Australian Government requirement);
- » Have qualifications and skills on DIMIA's Skilled Occupation List (SOL)
- » Have their skills formally assessed by the relevant Australian trade or professional body as comparable to Australian standards;
- » Have a functional level of English (or higher for some occupations); and
- » Have relevant and current work experience.

A listing of skills and migrant qualifications is available on-line at <http://www.immi.gov.au/skills/index.htm>. Further personal and contact details beyond the basic skills listing are obtained through the relevant state contact.

During the deliberations of the Working Party, it was noted that a system that allows employers and migration agents to access additional information about the work experience and skills of potential applicants might enhance the utility of the SMD. The Australian Government is currently developing the SMD with the aim of improving access to employers and is considering strategies for promoting wider access to potential employers. The SMD will be reviewed in light of these developments to further consider the key information needs of intending employers.

The new web-based version of the SMD will address issues identified concerning the currency of available information, as it will replace the current static system with a live system designed to facilitate access and regularly update applicant information.

18. The Working Party recommends that awareness of the SMD be promoted among regional employers and migration agents.

Promotion of the SMD should be included as part of any communications strategies developed under earlier recommendations. In part, awareness of the SMD will increase as more users have a successful experience with the database.

It is also expected that the new location of the SMD on DIMIA's website, to take effect from mid 2004, will assist in raising awareness of the SMD.

19. The Working Party supports the development of a pilot program in regional Victoria to link the SMD with the Job Network to assist regional employers to have increased access to overseas skilled employees where skills are demonstrably not available locally.

(E) REGIONAL SKILL SHORTAGE DATA**20. The Working Party recommends further work be undertaken to develop a consistent framework for assessing regional skill shortages.**

An issue raised with the Working Party during its community consultations was the need for more local information on skill shortages to assist employers to better plan their recruitment strategies. While some regions are collecting and maintaining their own information on regional skill shortages, this is not being done in any consistent fashion. This issue has also been raised in other jurisdictions across Australia. It is vital that any information on regional skills shortages is regularly disseminated to relevant operational agencies, particularly DVC's Skilled Migration Unit and RDV.

To address the issue, DEWR will work with regional, State, industry and other stakeholders at a national level in developing a consistent framework for assessing regional skill shortages. Responsibility for undertaking surveys or other assessments using any agreed framework would then rest with appropriate regional or industry bodies.

4.4 International Students**4.4.1 The Opportunity**

In Semester 1 2003 there were 51,636 international higher education students enrolled in Victorian institutions, of which 33,627 were enrolled in onshore courses. Victoria entered the international education market early and is now Australia's largest provider of full-award higher education programs and leads all other states in the number of international students attending government schools and government TAFE institutes. As can be seen in Figure 7, international enrolments in Victorian universities have almost doubled since 1999.

Educational services now represent one of Victoria's major service exports. Direct expenditure from international students is estimated to be at least \$1.5 billion per annum, with the sector creating an additional 15,000 jobs in Victoria. It is one of Victoria's fastest growing export industries.

International students have contributed to the diversity and vibrancy of Victorian educational institutions and have transformed the education experience for all students.

The Victorian Department of Education and Training forecasts demand for international higher education in Victoria to grow to between 69,250 and 98,338 places by 2010⁴.

The rapid growth in international demand for education services has been driven by a range of factors, including:

- » Market liberalisation throughout much of Asia, and especially China;
- » Economic restructuring in the Middle East;
- » Growing populations and rising levels of disposable incomes in many developing countries, whose governments and people recognise the social and economic value of quality education;
- » Increasing international mobility amongst students and academics;
- » The increased importance employers around the world attach to international educational experience; and
- » The demand for certification and qualifications in developing countries, which commonly have insufficient resources to meet them.

A survey commission for the Bureau of Immigration Research in 1995 demonstrated that the desire to immigrate motivated many international students' presence in Australia⁵. The study also found that the experience of being an international student in Australia exerts the most significant impact on the decision of these students to immigrate.

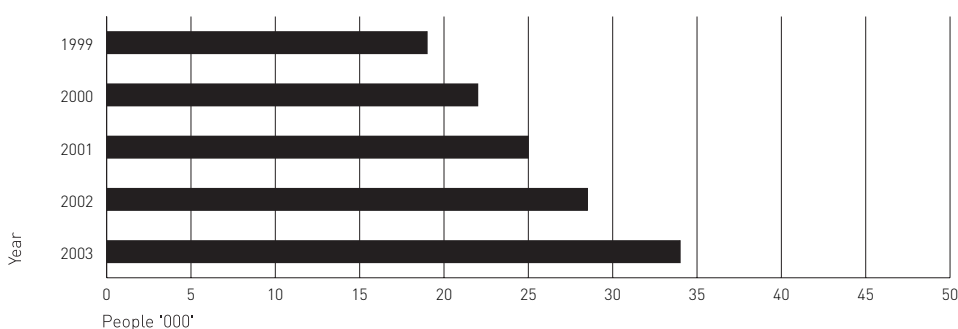
International students today represent a significant and growing proportion of skilled permanent visa recipients. In 2002/03 some 7,700 international students were granted permanent residence under the General Skilled Independent category.

4 VICTORIAN DEPARTMENT OF EDUCATION AND TRAINING AND IDP, 2003, INTERNATIONAL EDUCATION IN VICTORIA.

5 NESDALE, N., SIMKIN, K., SANG, D., BURKE, B., AND FRASER, S., 1995, INTERNATIONAL STUDENTS AND IMMIGRATION, BUREAU OF IMMIGRATION, MULTICULTURALISM AND POPULATION RESEARCH, CANBERRA.

FIGURE 7: VICTORIA-INTERNATIONAL STUDENTS IN HIGHER EDUCATION, ONSHORE STUDENTS: 1999-2003

SOURCE: DET, DPC ANALYSIS



International students possess a number of characteristics that make them a highly desirable target migration group as they:

- >> Are already present in Victoria;
- >> Have Australian qualifications;
- >> Have established social networks;
- >> Are familiar with English language; and
- >> Are familiar with labour market conditions.

A recent OECD study concluded that former international students were likely to be given preference for employment in the host country. Their familiarity with local language and culture makes it easier for them to be absorbed into the workforce. From the applicants' point of view, familiarity with the host country's systems has the advantage of limiting the cost and the time needed to enter the labour market and increasing the likelihood of obtaining stable employment.

Studies have found that skilled migrants have promoted economic growth by increasing R&D and economic activity due to the availability of additional workers; entrepreneurship in high growth areas and export opportunities for technology.

4.4.2 International Student Migration

The Australian Government has recognised the benefits of retaining skilled international students. Figure 8 shows that they qualify from a range of disciplines. Students who have gained Australian qualifications are exempt from the skilled work experience requirement if they apply for a skilled visa within six months of completing their studies.

In a bid to encourage international students to migrate to regional Australia, applicants who have lived and studied for at least two years in regional Australia or low population growth metropolitan areas, gain an additional 5 points under the skilled visa points test.

Upon graduation, international students are highly sought after, both by their home country and other countries with skilled migration programs. Victoria has an opportunity of attracting as potential migrants those students already located in Victoria and who are likely to be interested in remaining after completing their studies.

There are three potential areas of opportunity:

- >> Increase the total number of international students in Victoria;
- >> Increase the number of international students converting to skill migrant visas; and
- >> Promote pathways to permanent residence for international students in regional Victoria.

The Working Party focused on addressing the second and third opportunities.

21. The Working Party recommends that the Australian and Victorian Governments work with higher education (HED) institutions and student representatives to develop tailored information sessions for smaller groups of students providing more specific information (e.g. Post-graduate students or regional migration programs).

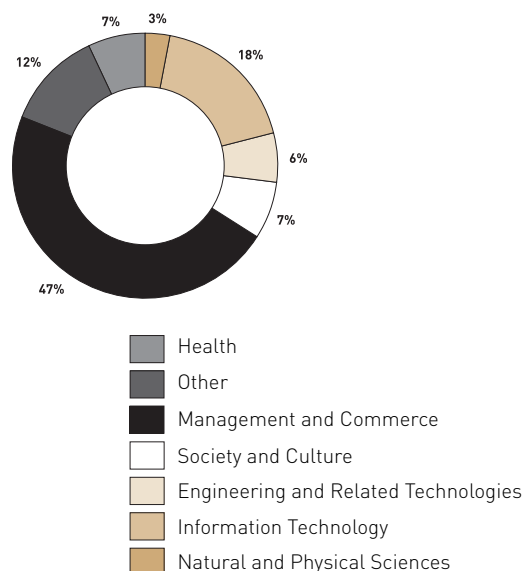
Most international students have a good understanding of the main pathways to migration available to them upon graduation. However, there is demand for information that is tailored towards specific fields of study or specific visa pathways.

The Working Party identified the need for a more coordinated communications strategy for Victorian and Australian Government agencies dealing with migration issues. A targeted program providing appropriate information to international students should be developed as part of this broader strategy.

The introduction of the new SIR Visa provides an excellent opportunity to present a tailored information session to those international students who may not meet the new 120-point threshold for Skilled Independent migration, but fall within the 110 points needed for the SIR Visa. Similar sessions could be conducted to direct students towards the RSMS or STNI programs. The Victorian government will lead this strategy through its ongoing efforts to target international students as skilled migrants. The relevant Australian and Victorian Government agencies dealing with migration issues would provide pertinent information to assist international students in their efforts to secure permanent residence.

FIGURE 8: AUSTRALIA AWARD-COURSE COMPLETIONS FOR OVERSEAS STUDENTS: 2003

SOURCE: AUSTRALIA EDUCATION INTERNATIONAL, DPC ANALYSIS



As a means of improving linkages between governments and universities, a working group comprising regional universities, government and other organisations (e.g. Regional Cities Victoria) could be established. A Regional Higher Education Working Party currently advises the Victorian Minister for Education and Training on a wide range of issues concerning the provision of higher education in regional Victoria. The Working Party recommends that the Minister consider whether this role be undertaken by the Regional Higher Education Working Party or whether a group be specifically established for this purpose.

22. The Working Party suggests that in order to attract international students under regional specific visa classes, the Victorian Government could create a mechanism which will establish more direct links between international students and regional employers willing to consider employing them.

The importance of attracting skilled overseas students has been a key feature of the Working Party's deliberations. The Australian Government has created a number of regional specific visa programs including RSMs and SIR. There is a significant opportunity to target graduating students who may wish to stay in Australia but fall short of the points requirement under the Skilled Independent category.

Anecdotal evidence suggests that international students would be more willing to move to regional Victoria if they were able to find suitable employment. Often their unfamiliarity with regional labour markets and a lack of awareness amongst regional employers does not make this a viable option for most international students.

A potential solution to this issue could be for the Victorian Government to create a database of regional employers who are willing to consider recruiting international students to fill skills shortages. Employers would be under no obligation to recruit international students, but the database would be available to graduating students to assist in seeking job opportunities post-graduation. Such a database could also be made available to domestic students interested in seeking employment in the regions, as part of a broader regional attraction strategy.

To reduce the transaction costs involved in employing an international student (visa processing, compliance etc.), employers could be provided with access to the DIMIA Business Centre to assist in the visa conversion process.

Regional universities have expressed a particular interest in retaining international students in their region upon graduation and could be the focus of initial efforts.

23. The Working Party recommends that DIMIA collect and makes available in its annual population flows publication data on the conversion patterns of international students to enable better-informed policy-making.

Significant numbers of international students are choosing to stay in Australia after completing their studies. However, there is at present no reliable way to quantify the magnitude and pattern of this phenomenon.

As global competition for skilled migrants increases, Australia should be exploiting the competitive advantage it has in attracting international students who are already present onshore. The collection and dissemination of statistical data on conversion rates and patterns will allow governments to better target this category of potential migrant.

24. The Working Party notes Victoria's strategy to grow the number of onshore international students in a sustainable manner, and recommends an increased emphasis on opportunities to attract students to regional education institutions.

Demand from international students is expected to grow substantially over the next 10–20 years. The challenge facing education providers in Victoria is to manage this demand in a manner that does not strain public infrastructure (including housing and transport) or adversely impact educational outcomes for all students. In the course of its deliberations, the Working Party noted the work being done by the Victorian government and education providers (particularly higher education institutions) to attract students and provide high quality educational services.

The Working Party noted that higher education institutions face supply-side constraints as demand continues to grow for educational services. In light of a projected flattening in domestic demand, universities' metropolitan campuses may be unable to significantly grow the number of international student places without compromising domestic/international student ratios (typically these are around 15–20 per cent). The Working Party noted that this may represent an opportunity for regional campuses where domestic/international ratios are currently much lower. For this reason, Victoria's international student strategy *Global Pathways* includes a regional component.

Humanitarian Entrants

5

5.1 Opportunities to Increase Intake in Regional Victoria

As mentioned earlier, Australia operates a dedicated, annual resettlement program distinct from the Migration Program (business, skilled and family migration). It reflects Australia's commitment as a global partner in the system of international protection to share the responsibility of the protection of refugees and people of concern.

Each year the Australian Government decides the total number of places to be made available for the Humanitarian Program. Australia's Humanitarian Program comprises an offshore resettlement component and an onshore protection component. The offshore component of the Humanitarian Program comprises two permanent categories:

- » **Refugees** refugees may enter either as 'linked' entrants (i.e. they have community of family links in Australia) or as 'unlinked' entrants (no strong links exist in Australia); and

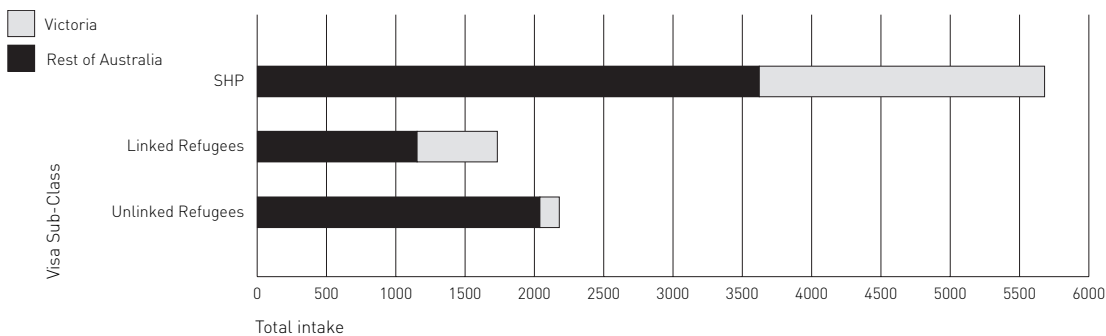
- » **Special Humanitarian Program (SHP)** to qualify under the SHP, applicants must demonstrate a link with Australia. This link is demonstrated by a formal proposal from a permanent resident or a citizen of Australia or a body operating in Australia accompanying the application.

Figure 9 shows Victoria has been very successful in settling SHP entrants and linked refugees, attracting respectively 36 per cent and 33 per cent of the total 2002/03 Australian intake in each category (well above Victoria's 25 per cent share of the population). However, in 2002/03 just 6 per cent of the national intake of unlinked refugees settled in Victoria.

Migrants and Humanitarian Program entrants have particular needs and require considerable assistance during the settlement period. New arrivals need to find somewhere to live, find work or establish some form of income, enrol their children in school, access health services and generally begin to develop relationships with the Australian community. They will need to manage the impact of the stresses of pre-migration experiences and the migration process on themselves and their families.

FIGURE 9: AUSTRALIA AND VICTORIAN HUMANITARIAN PROGRAM ENTRANTS BY VISA SUB-CLASS: 2002/03

SOURCE: DIMIA, DPC ANALYSIS



Other things they may need to do, depending on their circumstances, include developing English language skills, using translating and interpreting services and overcoming a limited understanding of the services funded by Federal, State and local governments.

During its deliberations the Working Party agreed that the availability of effective settlement programs and services is essential to ensure that migrants and humanitarian entrants realise their aspirations and potential and thereby maximise their contribution to Australia.

DIMIA funds a range of services that target newly-arrived migrants and humanitarian entrants in recognition that the migration process can result in specific, on-arrival needs and that some new arrivals can experience difficulties gaining access to mainstream Australian services.

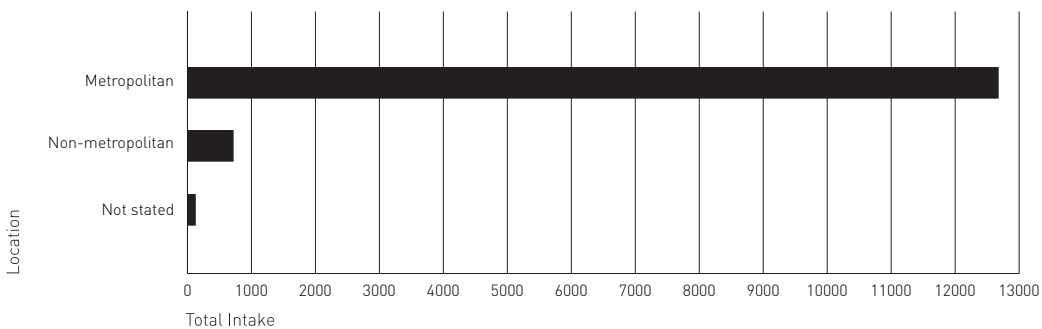
DIMIA's settlement services include:

- » Services funded under the Integrated Humanitarian Settlement Strategy (IHSS);
- » The Community Settlement Services Scheme (CSSS);
- » Funding for Migrant Resource Centres (MRCs) and Migrant Service Agencies (MSAs);
- » The Adult Migrant English Program (AMEP); and
- » The Translating and Interpreting Service (TIS).

In addition to the suite of Commonwealth/DIMIA funded settlement services, the Victorian Government has additional funding and programs for refugee and special humanitarian entrants, many of which are also available to Temporary Protection Visa (TPV) holders. These additional services are mainly provided by the Department of Human Services (DHS) and agencies, and include public housing, Medicare, trauma and counselling services, Home and Community Care and additional language classes.

FIGURE 10: MIGRATION TO VICTORIA: REGIONAL DISTRIBUTION OF HUMANITARIAN AND REFUGEE ENTRANTS: 1998-2003

SOURCE: DIMIA SETTLEMENT DATABASE, 2003; DPC ANALYSIS; 'METROPOLITAN' = MELBOURNE STATISTICAL DIVISION BASED ON ABS STANDARD GEOGRAPHICAL BOUNDARIES



5.2 Distribution of Humanitarian and Refugee Entrants in Victoria

As Figure 10 (page 35) shows for the period 1 July 1998 to 30 June 2003, 13,498 Humanitarian Program entrants arrived in Victoria, of which 12,669 settled in metropolitan Melbourne.

As permanent residents, Humanitarian entrants are free to move or relocate within Australia. A major factor that underpins the settlement of humanitarian entrants is the need to be close to and have the support of their respective communities, social, cultural and religious networks. In Victoria, humanitarian entrants are highly concentrated in metropolitan Melbourne. In part this reflects that SHP and linked refugees usually settle in close proximity to the person community/organisation/to which they have a link. It is logical that SHPs be co-located with their proposer who is responsible for assisting the entrant with meeting their immediate settlement needs. Efforts to direct these entrants into regional areas would be contrary to the reality that settlement is easier for migrants where they have family or community support. As a consequence there is very little potential for DIMIA to exercise any control over the directing of SHP entrants to specific regions.

In relation to the settlement locations of offshore entrants, DIMIA is able to have some control in directing refugee entrants to areas away from metropolitan areas to regional areas, particularly for those refugees who do not have any family or community links. For refugees that do not have strong links to Australia, DIMIA takes into account their needs and the services and opportunities to meet these needs in different areas when referring them to particular settlement locations. For some refugees, particularly those from non-urban backgrounds the best settlement opportunities and the highest degree of community support is found in regional Australia. Refugees are only directed to regional areas where adequate services already exist or can be put in place.

In May 2003 DIMIA released the *Review of Settlement Services for Migrants and Humanitarian Entrants*. The report contained 61 recommendations, endorsed by the Australian Government, outlining improvements to DIMIA settlement services and to other Australian Government services. A key recommendation of the review was that DIMIA seek further opportunities to settle humanitarian entrants in regional Australia. Further, it recommended that DIMIA liaise more closely with relevant stakeholders regarding regional locations where employment opportunities exist and appropriate services and community support exist or may be developed.

In 2004 DIMIA expects that it will identify **three to four regional locations** nationally in order to increase the numbers of humanitarian settlement in regional Australia by about 200–300 per year. It is expected that additional locations and additional number of humanitarian entrants in regional areas would increase in the years following.

Underpinning this initiative is the review recommendation that DIMIA develop a more proactive, thorough, consistent, transparent, consultative and regional needs-based planning process for its own settlement services and to inform the planning of mainstream services. The review recommended that this needs based planning process support the direction of humanitarian entrants to regional locations offering employment opportunities and access to specialist and mainstream services.

25. The Working Party endorses the Australian Government's intention to increase humanitarian settlement in regional Australia. The Working Party recommends that the Victorian and Australian Governments work to identify one or more potential locations in regional Victoria to settle humanitarian and refugee entrants in 2004. This recommendation is subject to a commitment from the various levels of Government to ensure adequate support services are in place to assist with the settlement process.

During the Working Party's discussions, the Victorian Government expressed its support for this initiative to increase humanitarian settlement in regional Australia, but noted that there are currently fewer Australian Government funded settlement services available in rural and regional Victoria than metropolitan Melbourne. The Victorian Government is concerned that settlement in rural and regional areas is often not supported by adequate settlement planning and resourcing. DIMIA's new regional needs-based planning mechanism may alleviate these concerns.

The Working Party noted that DEWR should be consulted in the identification of the regional location to ensure the availability of 'migrant specialist' Job Network members or Job Placement Organisations.

During its deliberations the Working Party noted that there are a number of successful examples of regional settlement across the State that should guide any future settlement planning. Shepparton—which has been identified by DIMIA as a location for regional settlement—has benefited from the presence of extensive settlement services and the efforts of the Ethnic Council of Shepparton and District.

Warrnambool has worked effectively to generate strong community involvement in the settlement of humanitarian entrants and integrate them into the local community. Extensive community consultation was undertaken prior to the implementation of this project and has involved the development of a communication strategy that has utilised local media.

Victoria University of Technology, the Horn of Africa Communities' Network and Murray Mallee Training have driven the experience in Swan Hill. The project has successfully enlisted the involvement of local employers and built strong links to the target refugee community.

The Working Party is of the opinion that the experiences and lessons of these, and other programs across the State should guide future settlement planning.

5.3 Pilot Program

There is growing interest in achieving a more balanced geographic distribution of immigrants throughout the country. This stems from a number of developments including:

- » The increasing concentration of immigrants in Sydney and Melbourne;
- » The increasing involvement by State and local governments in the attraction of immigrants;
- » Concerns about out-migration and the size of the population in regional Australia and a growing interest in sharing the perceived benefits of immigration; and
- » An increasing emphasis on the size and quality of the labour force as a prerequisite for economic development.

Where new communities of humanitarian migrants can be settled in regional areas, they are likely to help stem population decline both directly and through their influence on where subsequent new immigrants settle. Communities of people from the same country exert a strong pull on most immigrants, leading to 'chain migration' into a particular region. The chances of longer-term retention are enhanced if the origins of new arrivals correspond to those of the existing community. Settling humanitarian immigrants by source country may help establish the critical mass needed for higher retention in smaller centres, provided always that there are jobs.

26. The Working Party supports in-principle the trialing of a pilot project in regional Victoria to settle a number of families (unlinked refugees) in a single regional location subject to (i) a suitable location being agreed and (ii) a commitment from the various levels of government to ensure that the necessary support services are put in place prior to project implementation. The project should involve a 'close partnership' approach of relevant bodies, jointly led by DIMIA's state office and the Victorian Government, and include a tangible commitment from local government, the community and regional employers.

The issue of population growth in regional Australia is a well-documented phenomenon and was further confirmed by the consultations of the Working Party. The quality and quantity of human resources is important for economic development and growth. This pilot project, in one of the regional locations referred to in recommendation 25, represents an opportunity for a regional location to alleviate some of its labour market shortages by attracting and retaining humanitarian entrants. Studies have found that skilled and qualified persons often arrive under the humanitarian program. Language barriers, and unfamiliarity with local labour markets are the likely causes of higher rates of unemployment amongst these entrants. The project will seek to overcome these barriers by linking immigrants with employment.

A trial program would allow all levels of government to assess the feasibility of placing humanitarian entrants in regional Victoria under a 'partnership' approach. The pilot would be led by the Australian and Victorian Governments, and also involve local government, the local community and regional employers in the planning and implementation of a settlement program.

The project will focus on the retention of migrants after initial settlement and building the first link in a 'chain' of migration. It will seek to build the nucleus of a community that will increase the likelihood of attracting other migrants, either through secondary movements from Melbourne or primary movements from offshore locations.

Attracting immigrants to a region is only a first step. Immigrants move to a new country in search of work and life opportunities, if these are not available to them in regional areas they will move to Melbourne in search of these opportunities. Regions that wish to maintain population growth must also pursue a broader strategy of economic development to provide both migrants and residents with work and life opportunities.

A Canadian study found a number of reasons for refugees leaving their initial destination:

- » Insufficient or inadequate employment and education opportunities;
- » A desire to be closer to family and friends or to others from the same ethnic origin;
- » Quality-of-life factors like the size of the community (too small), the reception received from residents, or the cost or quality of housing; and
- » The inadequacy or lack of settlement and ESL services.

Any decision to direct the initial settlement of overseas refugees into regional areas must take into account the suitability of the new target areas. Suitability can be assessed in a number of different ways but is mainly concerned with predicting the ability of the target area to absorb and retain its new settlers, by offering the optimum mix of good settlement attributes (see Appendix B). Placing unlinked refugees in a regional centre lacking good settlement attributes runs a greater risk of the settlers eventually relocating to metropolitan centres. Under a 'good settlement scenario', a new settler can readily access key on-arrival needs within his/her city of placement and does not feel compelled to relocate elsewhere to access them.

27. The Working Party recommends that the pilot project seeks the involvement/sponsorship of a number of employers in the target region who are willing to provide stable and suitable employment and training opportunities across a range of occupations (skilled, semi-skilled or unskilled) as required.

The provision of employment is especially important if humanitarian migrants are to be integrated into the local community as productive members. Table 4 (page 38) shows that business migrants and employer-nominated migrants have unemployment rates of 2 or 3 per cent immediately after their arrival, and that they maintain those rates three years later. These rates are well below the Australian average. Skilled Independent migrants have unemployment rates of about 4 per cent, also well below the Australian average, after 42 months in Australia.

In contrast, migrants in the Family stream or the Humanitarian stream experience, on average, unemployment rates higher than the national average 42 months after arrival. Outcomes for Humanitarian entrants are particularly poor at 33 per cent.

Regional employers from the selected region will be required to demonstrate a willingness to work with humanitarian entrants to integrate them into the workforce and the region. In return employers will be able to fill labour market shortages and will receive the benefits of positive publicity and recognition.

The Job Network is a national network of private and community organisations contracted by the Australian Government to find jobs for unemployed people (particularly the long-term unemployed and disadvantaged job seekers). Job Network is designed to provide flexible assistance tailored to the individual job seeker. It provides varying levels of service to job seekers, depending on the barriers to employment that they face and the length of time they have been unemployed.

As humanitarian entrants are eligible for immediate access to the full range of Job Network services (including Job Search Support and Intensive Support Services), the Job Network should be the preferred employment placement provider for the pilot project that aims to integrate humanitarian entrants into regional workforces.

There are currently a number of locations in regional Victoria working proactively to attract and retain skilled migrants and humanitarian entrants. Shepparton, Swan Hill and Warrnambool are amongst the most high profile and offer a number of insights into the partnerships and policies necessary to make such a project successful.

28. The Working Party endorses in-principle a set of criteria to select the location for the pilot project.

Drawing on the deliberations of the Working Party and consultations carried out by the Hon Kaye Darveniza MLC, Victorian Parliamentary Secretary for Multicultural Affairs and the Department for Victorian Communities, the Working Party endorses the following criteria to guide the selection of a suitable site:

- » The Working Party considers that the full ongoing support of the Federal and State Governments and the Local Council is a crucial pre-requisite for the pilot project. Any pilot requires ownership and needs to be driven. Examples are Council, Local Employers or a partnership of the two.

- » Commitment from 2–3 regional employers to work with humanitarian entrants to integrate them into the workforce and the region;
- » Access to IHSS services;
- » Low cost housing that is accessible to workplaces and essential services;
- » Medical and welfare services that are aware of new arrivals’ needs;
- » Have an existing migrant community;
- » Availability of appropriate interpreting and translating services;
- » Adult Migrant English Program (AMEP) provider available; and
- » Creation of steering group with full participation of service providers, education providers and local community and interest groups to ensure coordination and readiness.

29. The Working Party recommends that a steering committee be formed to progress the proposal with a view to commence implementation during 2004.

The cornerstone of this project is the partnership between various levels of government, the local community and regional employers. A steering committee should be established to guide the process and oversee resource allocation to ensure that the project meets the needs of both the local community and migrants.

Possible participants include:

- » Department of Immigration and Multicultural and Indigenous Affairs;
- » Department for Victorian Communities;
- » Department for Human Services;
- » The selected LGA;
- » The local Chambers of Commerce or a sponsoring employer’s representative; and
- » The Ethnic Communities Council of Victoria.

This project presents an opportunity to act in a timely manner to alleviate labour market shortages in regional Victoria and provide humanitarian entrants with an environment conducive to long-term settlement. The project’s implementation should be a priority for the relevant agencies and should be carried out with a view to inform future settlement planning.

TABLE 4: UNEMPLOYMENT RATES OF DIFFERENT MIGRANT CATEGORIES

SOURCE: DIMIA (2001), FACT SHEET 14: MIGRANT LABOUR MARKET OUTCOMES.

MIGRANT CATEGORY	UNEMPLOYMENT RATE 6 MONTHS AFTER ARRIVAL	UNEMPLOYMENT RATE 42 MONTHS AFTER ARRIVAL
Skill stream		
Business skills and employer-nominated migrants ^a	2 per cent	2 per cent
Skilled Independent migrants ^a	26 per cent	4 per cent
Family stream	36 per cent	16 per cent
Humanitarian stream	84 per cent	33 per cent

5.4 Humanitarian Job Seeker Employment Pilot

Eighty humanitarian and refugee job seekers will be helped to find work under an Australian Government Innovation Fund pilot project starting in March 2004.

The project follows work by the Department of Employment and Workplace Relations with Horn of Africa communities in several States and the Department of Immigration and Multicultural and Indigenous Affairs' Report of the *Review of Settlement Services for Migrants and Humanitarian Entrants*. The Report found that while for many new arrivals gaining employment is the key to becoming settled in Australia, they often face considerable difficulty in finding a job and need more opportunities to gain work experience.

The pilot project will provide skills training and information about the Australian labour market and will examine participant's skills and how these could be matched to local job opportunities. Participants will have a 10-week work experience placement, which will help them understand the Australian labour market and workplace culture.

Six Job Network members will participate in the pilot at eight sites in Vic, NSW, Qld, SA, WA and the NT. If successful, the pilot will be made available to the wider Job Network.

The participating sites in Victoria are the Adult Multicultural Education Services (AMES) in Footscray and the Northern Migrant Resource Centre (Spectrum Employment Services) in North Melbourne.

Appendix A: Current Migration-Related Networks

Business Centre (Australian Government—DIMIA) located in DIMIA offices in all Australian State and Territory capital cities, the Business Centres provide information and application assessment services for work and business visas.

Skilled and Business Migration Units, and Overseas Qualifications Unit (Victorian Government) located in Melbourne, the SMU and BMU attract skilled and business migrants to Victoria, and the OQU provides qualification assessment, information and referral to further education, training and employment services to recently arrived migrants in Melbourne. The SMU also provides a service to link employers with skilled migrants. Employers can register with the SMU for this service—over 60 per cent of registered employers are based in regional Victoria. Resumes from DIMIA's Skill Matching Database and the SMU's database are referred to employers. The BMU and SMU require strong local partnerships to link business and skilled migrants to regional opportunities.

Victorian Business Centres (Victorian Government) a network of eight regionally based offices (there are also metropolitan based offices in the network) who act as RCBs for the Regional Sponsored Migration Scheme (RSMS). VBCs are located in Mildura, Shepparton, Wodonga, Wangaratta, Traralgon, Geelong, Bendigo and Ballarat. The VBCs' extensive business, employer and industry contacts enable direct promotion of SSRMs to employers at the time they most need information about visa options and migration services.

Local Governments A number of local governments act as "regional certifying bodies"—Swan Hill Rural City Council, Warrnambool City Council, Wimmera Development Association, Western Murray Development—supplementing the VBC network of RCBs. Local Governments and the Victorian Government (through RDV) have also worked in partnership to develop and implement the *Provincial Victoria—Make it Happen* campaign to attract Melbournians to regional Victoria.

Job Network (Australian Government—DEWR) 147 job network providers are located in regional Victoria. This network is a key source of information on job vacancies, and a key point of contact with Victoria's regional employers.

Regional Migration Working Groups (Local Government/Victorian Government) a network of six Victorian regions—Swan Hill, Shepparton, Horsham, Gippsland (Churchill), Wodonga, and Warrnambool—who have expressed interest in, and have commenced activity towards, attracting more migrants to their regions. Working Groups facilitated through the Victorian Government took place in these regions to assist them in further developing their local regional migration strategies. Other regions have also expressed interest in the attraction of migrants (e.g. Bendigo, Ballarat).

Regional Outreach Officers (DIMIA) The Australian Government announced in its 2004/05 Budget that it will establish a network of 12 Regional Outreach Officers across Australia to promote opportunities to sponsor skilled migrants to regional employers.

Appendix B: Key Principles for ‘Good Settlement’ of Refugees in Regional Centres

Introduction

Any decision to direct the initial settlement of overseas refugees into regional areas instead of metropolitan centres must take into account the suitability of the new target areas. Suitability can be assessed in a number of different ways but is mainly concerned with predicting the ability of the target area to retain its new settlers, by offering the optimum mix of good settlement attributes. Placing unlinked refugees in a regional centre lacking good settlement attributes runs a greater risk of the settlers relocating to the metropolitan centres. Under a “good settlement scenario” on the other hand, a new settler can readily access key on-arrival needs within his/her city of placement and does not feel compelled to relocate elsewhere to get them.

Just what constitutes this “good settlement scenario” can be described as a set of attributes, possessed by the target area either as pre-existing, or else as potentials that can be developed. When considering the purposeful placement of refugees in a particular regional centre, it is not enough that there is plentiful employment only or cheap housing only. Single attributes may be sufficient for certain demographics at certain life-cycle junctures, but it is generally agreed that well developed and well-connected communities are more successful in the long term and to build them up a full set of attributes is required. For simplicity, we have referred to these as “Principles” and a target city should preferably fulfil each of them.

Overriding Principle

Full support of State Government and Local Council(s) involved. Any pilot requires ownership and needs to be driven. Examples are Council, Local Employers or a partnership of the two.

Coordination-readiness

All services need to be prepared to coordinate with each other, access language services and become familiar with cultural aspects of servicing the new clientele. A settlement-planning group needs to be established with full participation of service providers, education providers and local community and interest groups.

Employment

Supply of major employers offering entry-level (un/semi-skilled) employment, so that new settlers can kick-start their economic participation without regard to English skills, recognition of prior skills, experience or length of establishment in the community.

Local economy is also broad enough to offer a variety of skilled employment opportunities for those who are ready to seek them.

Housing

Low cost housing that is accessible to workplaces and essential services—as the newest migrants do not necessarily purchase private transport as their first priority.

Some liaison work invariably needs to be done by settlement agencies to source and facilitate access by new arrivals to local rental accommodation, either by advocating with Estate Agents or liaising with private Landlords. While public housing often provides ‘transitional’ housing in the short-term, it cannot be the sole source of housing for migrants in the longer-term.

Medical and Welfare Services

These need to exist but also need to be aware of new arrivals’ needs. New arrivals may have more intensive needs due to pre-arrival trauma or illness, demographic differences such as higher fertility, larger families, single parent families etc. IHSS providers are identified and contracted by DIMIA as and when qualifying humanitarian entrants are directed into the target area.

Existing Community

Identify existing community and match new arrival community. This facilitates community development, builds on existing settlement progress, gives existing community opportunity to pass on settlement experiences and provides new settlers with a familiar reference resource.

Language Services

Consolidate the existing community by matching language (not just ethnicity) of the new arrivals as closely as possible. If there is to be any "pilot" group, aim to consolidate with an existing community as closely as possible by matching language (not just ethnicity). This would simplify provision of interpreting and translating services, and also enable existing community to provide more assistance.

Local service providers need to be briefed on importance of using/purchasing interpreting services to ensure their agency is accessible by new arrivals. In addition to awareness of the main telephone interpreting services, it is useful for service provider networks to register the availability of local language resources, consider bilingual workers and audit what written materials used in their business should be translated.

Education, including English Training

Adult Migrant English Program (AMEP) provider available, able to deliver flexibly (e.g. in workplace of major employer; provide childcare for mothers with young children etc).

Schools need to be aware of multicultural and ESL resources and strategies to include parents into school community.

Provision for dislocated youth with disrupted education – facilitate access to various education/training pathways

Selection attributes for Pilot Group Humanitarian Entrants

Maintain consistency of one ethnicity and language group to match with existing community in Target City; Postpone arrival of single mother families until later in the establishment phase; Provide pre-departure briefing to those selected about their destination, what to expect and how it will differ from a major city.



