

# Skilled Temporary Residents

Employer-sponsored temporary business visas allow employers to fill skill shortages from overseas and to access new ideas, skills and technology. These visa holders are generally highly skilled and have relatively high income levels, and contribute to economic growth through improved productivity and increased demand for goods and services. The entry of managers and skilled specialists under these categories also enhance Australia's ability to compete in international markets, including the markets from which the temporary residents have come.

## Business (Long Stay)

Australia has modern, flexible and streamlined temporary entry arrangements which provide for business people and skilled personnel seeking to stay in Australia for up to four years. The arrangements provide for:

- personnel (executives, managers and specialists) for companies operating in Australia;
- personnel from offshore companies seeking to establish a branch in Australia, participate in joint ventures, or fulfil a contract awarded to an offshore company.

There are minimum skill and salary levels for personnel sponsored under the Business (Long Stay) visa program. They must be paid a minimum of AUD \$35,828 (as from 1 Nov 2002), excluding allowances, and must be in skilled occupations (managers, professional or associate professional or skilled trades positions).

Skilled temporary residents are not able to access Medicare or social security benefits. They must pay to access health and education services and must pay Australian taxes (income tax and GST), superannuation and the Medicare levy. Given that they have salary rates generally above the Australian average, they make a disproportionately high positive contribution to Commonwealth, State and Territory budgets.

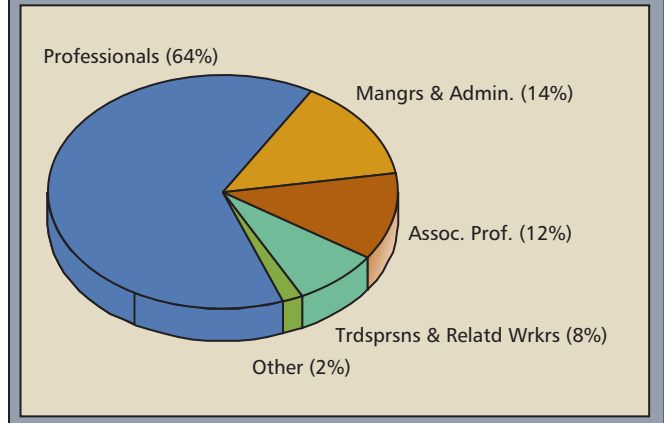
On the basis of Access Economics modelling, the Commonwealth budget can be expected to benefit by over \$2 billion over a four year period from the 42,363 temporary business entrants arriving in 2002–03. The modelling also indicates that state and territory budgets may benefit by about \$800 million over four years.

The program's key aim is to enable business to enhance international competitiveness through the quick and smooth transfer of key skills, while safeguarding employment and training opportunities for Australian workers. This is achieved by ensuring a high skill focus.

The key benefits for Australia under this category include:

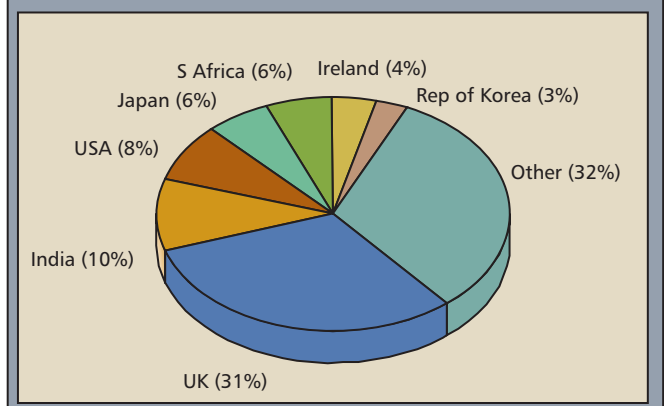
- expanding trade;
- improving links with international markets;
- increasing local industry global competitiveness; and
- maintaining or increasing local training and employment opportunities.

**Fig. 5-21: Long Stay Temporary Business Onshore Approved Nominations by Major Occupation Group (excl. Independent Executives) 2002–03**



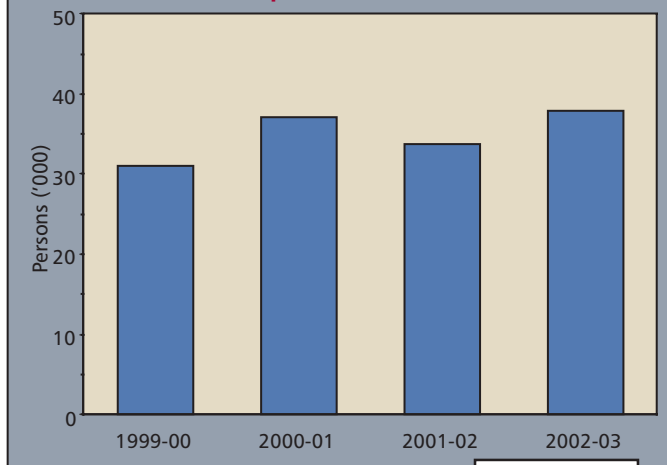
Source Data: IMIRS

**Fig. 5-22: Long Stay Temporary Business Grants by Country of Citizenship (excl. Independent Executives) 2002–03**



Source Data: IMIRS

**Fig. 5-23: Long Stay Temporary Business Grants (excl. Independent Executives)**



Source Data: IMIRS

In 2002–03, a total of 37,859 Business (Long Stay) visas were granted, excluding Independent Executives who were establishing businesses in Australia, a rise of 12.2 per cent compared with 2001–02. This rise contrasts with a significant fall (8.7 per cent) in the previous year, which was attributed to the global fall in demand for ICT professionals, and a reluctance to travel following the terrorist attacks of 11 September 2001. The falling demand for ICT professionals in the previous year appears to have levelled off, while demand within the health industry continues to increase. There were 1,901 visas granted to registered nurses in 2002–03 - a 54.8 per cent increase over 2001–02.

Registered nurse is the largest single occupation sought by Australian employers. The importance of meeting this demand for nursing professionals is acknowledged by giving priority processing to applications for nursing positions. The top five occupational groups nominated by employers in 2002–03 were computing professionals (22.8 per cent), registered nurses (11.6 per cent), managers (10.9 per cent), chefs (2.9 per cent) and accountants (2.8 per cent).

In 2002–03, 6,953 people holding the Business (Long Stay) visa applied to remain in Australia permanently. The majority of these (82 per cent) applied for permanent entry under the Employer Nominations Scheme, Regional Sponsored Migration Scheme and Labour Agreements. These applications represented 90 per cent of the visas granted in these visa categories onshore.

The Business (Long Stay) visa is one of the key tools for employers seeking to fill skilled vacancies, and aims to provide a rapid and simple process for the recruitment of overseas personnel. In keeping with this focus, two major initiatives currently under way are:

- the introduction of an electronic lodgement facility for applications for sponsorship, for nomination by temporary business employers and for visas for their employees, which is currently being trialed and will become progressively available during 2003–04; and
- the relocation of visa processing to DIMIA offices in Australia, to give a single point of contact for employers and their employees for the entire application process.

The Department sets and publicises standards for its processing times for applications in various visa subclasses. For the temporary business (long stay) visa, the service standard for high risk cases is 60 days and 30 days for low risk cases. For 2002–03, processing times both overseas and in Australia were reduced to 40 days for high risk cases and 17 days for low risk cases overseas, and 28 days for high risk and 14 days for low risk cases processed in Australia.

All sponsors of Business (Long Stay) visa holders are monitored to ensure that they comply with the conditions of their sponsorship. This monitoring may be by a document check to ensure that employees are receiving all their correct entitlements, or may involve a site visit to the workplace to perform more detailed checks. This ensures that employers genuinely need the temporary overseas employees for the positions for which they were nominated, and that the workers are not being exploited.

In 2002–03 the objective of monitoring 100 per cent of sponsors was achieved, with 9,988 sponsors being monitored in 2002–03 compared to 1,977 in 2001–02.

The Independent Executive stream of the Business (Long Stay) visa is a non-sponsored temporary visa that enables a person to enter Australia for the purpose of establishing or buying into a business and managing that business.

Offshore applications under this subclass ceased on 1 March 2003 and was replaced by a range of visa options under the new Business Skills category (see below).

Holders of a Business (Long Stay) Independent Executive visa will continue to be able to lodge an application in Australia for a further visa of this type, the Business (Long Stay) Independent Executive Further Application Onshore. This extension has been available since November 2001 and gives visa holders a further two years in Australia in which to meet the eligibility requirements for permanent residence.

On the basis of their successful operation of a business in Australia, holders of Independent Executive visas are able to apply for permanent residence under the following subclasses:

- Established Business in Australia;
- Regional Established Business in Australia;

and, from 1 March 2003:

- State/Territory Sponsored Business Owner (Residence).

In 2001–02, 4,093 Independent Executive visas were granted. In 2002–03, 4,943 Independent Executive visas were granted.

## Business Skills

Under changes to the Business Skills Category, introduced on 1 March 2003, the majority of Business Skills migrants now enter Australia initially on a Business Skills (Provisional) temporary visa valid for four years and, after satisfactory evidence of a specified level of business or investment activity, may apply for permanent residence.

The pathway to permanent residence is designed to give clarity and certainty to provisional business migrants and relies upon the establishment and management of genuine business activity in Australia.

The key objectives underpinning the changes to the Business Skills category were:

- (i) Better dispersal of the business migration intake by increasing the proportion of business people settling in regional and low growth areas of Australia.

The new program, developed in consultation with state and territory governments empowers those governments to sponsor business migrants in line with their specific economic development objectives, including regional economic development plans.

- (ii) An increase in the number and proportion of business migrants

who successfully engage in business in Australia.

Under the two stage visa arrangements, it is envisaged that increased sponsorship will improve linkages with state/territory government business related services and provide the opportunities for assistance that will lead to more business migrants successfully engaging in business in Australia.

- (iii) Improving the integrity of the category, by requiring business migrants to establish a business in Australia before obtaining the benefits of permanent residence.

The two stage visa arrangement should also greatly increase the motivation of provisional visa holders to get into business as business engagement in Australia is an eligibility requirement for lodging a business skills permanent resident application.

In addition to the changes introduced on 1 March 2003, a greater emphasis on the monitoring of Business Skills visa holders has improved the integrity of the category and resulted in a significant increase in the number of Business Skills visas cancelled (from 13 persons in 1999–2000 to 844 persons in 2002–03).

Median processing times for the Business Skills category continue to improve. In 2002–03, the median processing time for low and high risk onshore applications was 3.5 and 5.4 months respectively, compared to 6.4 and 7.8 months respectively in 2000–01.

### Medical Practitioner

This visa allows for qualified general and specialist medical practitioners where there is a demonstrated need for employing practitioners from overseas. Temporary resident doctors are recruited to fill identified 'area of need', specialist and hospital positions that can not be filled by suitably qualified Australian residents.

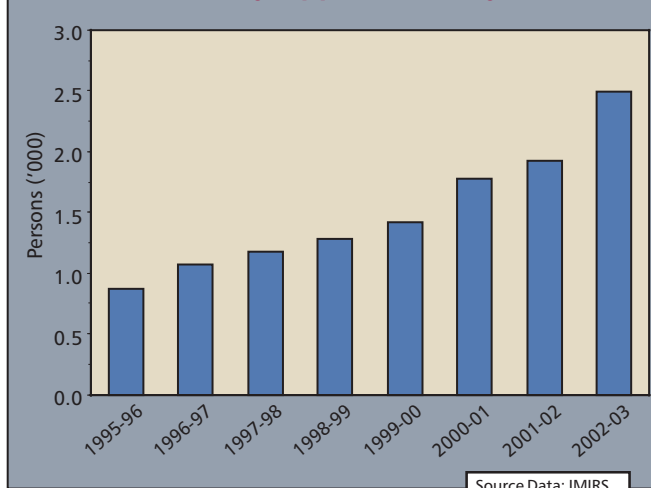
5,031 visas were granted in 2002–03 (2,496 principal applicants and 2,535 dependants). Australia benefits from this category as many temporary resident doctors are providing services in regional and remote areas of Australia, as entry under this category must be to an 'area of need' as identified by State Health Authorities. This category showed a 29.5 per cent increase in 2002–03 over 2001–02, due to the increasing demand for doctors in rural and regional areas of Australia. On 1 March 2003, the validity of visas in this category was extended so that doctors with conditional registration can obtain a visa for up to two years, providing greater certainty and less processing demands on visa holders.

### Educational

This visa is for qualified people to join educational and research institutions or organisations to fill academic, teaching and research positions that cannot be filled from within the Australian labour market. The Review of the Temporary Residence Program recommended that the needs met by this visa class could equally well be met within the Business (Long Stay) program, so numbers are diminishing as applicants and sponsors are referred to that subclass. (1,315 visas granted in 2002–03, down considerably from 1,819 in the previous year).

Legislation has not yet been introduced to abolish the educational visa, but this is expected shortly. This category has provided benefits to Australia by allowing educational and research institutions to appoint internationally regarded academics and researchers who are able to contribute new ideas and knowledge as well as enhancing international cooperation. The Business (Long Stay) visa will continue to provide these benefits.

Fig. 5-24: Medical Practitioner Visa Grants Primary Applicants Only



# Other Temporary Entrants

A Review of most Temporary Residence Visas was announced by the Minister on 4 July 2000 and was completed in June 2002. Implementation of the recommendations for the Social/Cultural group commenced on 1 July 2003 with further changes to come into effect in a phased introduction.

The objective of the review was to simplify the current regime, with a view to removing unnecessary complexities and inconsistencies, standardising requirements where appropriate, and maintaining the integrity of the temporary residence program. Sponsorship will be a universal requirement for all temporary residence visas. The purpose of this is to ensure that sponsors meet their obligations to the people they sponsor and do not transfer costs onto the taxpayer.

## Social/Cultural Entrants

The Social/Cultural Stream under the temporary visa category allows for the entry of people taking part in a range of sporting, entertainment, academic and cultural activities. A total of 26,215 Social/Cultural temporary visas were granted in 2002–03, an increase of 8.7 per cent compared with 24,123 in 2001–02. This 2001–02 figure includes Special Program visas, which were part of the International Relations Stream in that year but were moved to the Social/Culture Stream in 2002–03.

As a result of the review, the following changes have been made to the Social/Cultural stream:

**Sport** - restricted to elite level sports people who have the ability to participate at the Australian national level or higher. A letter of support from the relevant Australian national sporting body is required to demonstrate that the applicant is operating at an elite level and that their entry will be of benefit to Australian sport (4,166 visas granted in 2002–03).

**Entertainment** - for people seeking to perform or take part in a film or television production. Major changes to visa processing arrangements have been made by introducing an onshore processing centre where all applications and sponsorships must be lodged together. This enables faster processing, with the sponsor having a greater role in the process. ETA nationals are able to travel to, and remain in Australia, without the need for a visa label (9,189 visas granted in 2002–03).

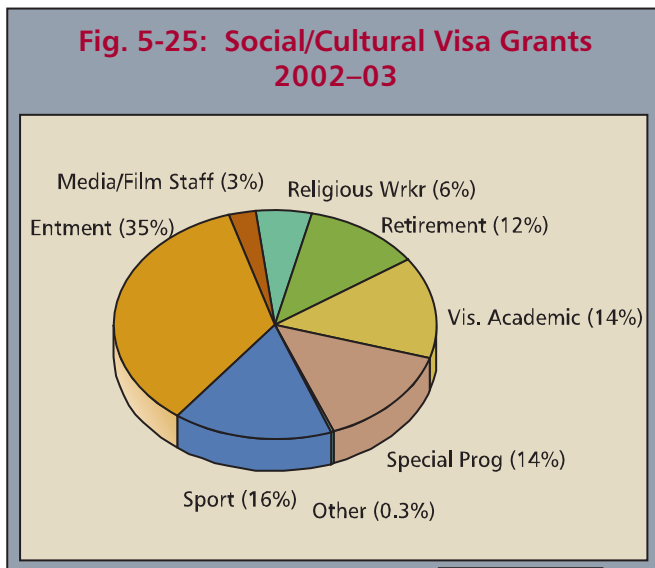
**Religious Worker** - for religious workers, including ministers, priests and spiritual leaders to serve the spiritual needs of people of their faiths in Australia. Religious organisations enter into Agreements with DIMIA to streamline processing of applications for religious workers, and assist in monitoring their stay in Australia. Agreements will be valid for a period of 1–2 years (1,464 visas granted in 2002–03).

**Visiting Academic** - allows the entry of academics whose primary purpose of stay is to observe or participate in research projects at the invitation of an Australian tertiary institution or research organisation. Applicants must provide a letter of invitation from the institution. No remuneration must be paid to the applicant under this visa. (3,734 visas granted in 2002–03).

**Public Lecturer** - intended for persons who are professional lecturers or subject experts and who have been invited to make a public presentation by an organisation in Australia for a period of less than three months (21 visas granted in 2002–03).

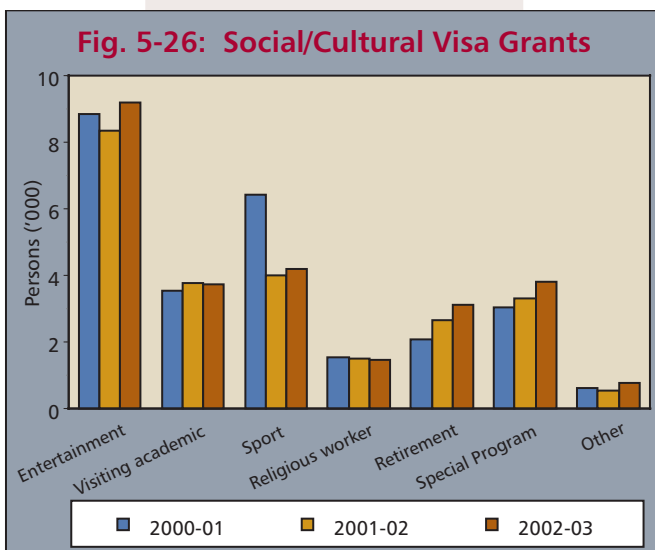
**Retirement** - is to allow the long term temporary entry of people who would be ineligible for permanent residence, due to age, but who, due to their financial position, will not pose a risk to Australia's health and welfare budget. Only persons who are able to demonstrate an ability to be fully self-supporting are eligible under this visa class (3,107 visas granted in 2002–03).

**Fig. 5-25: Social/Cultural Visa Grants 2002–03**



Source Data: IMIRS

**Fig. 5-26: Social/Cultural Visa Grants**



Source Data: IMIRS

**Special Program** - for people to experience other cultures and enhance international relations and broaden their experience and knowledge by participating in approved youth exchange schemes or community-based non-commercial programs (3,796 visas granted in 2002–03).

**Media and Film Staff** - for professional staff members of overseas news organisations or television/film crews producing documentary programs or commercials for use outside Australia. This visa is recommended to be abolished as a result of the review and applicants will be directed to apply under the Business or Entertainment visa, depending on the nature of stay (683 visas granted in 2002–03).

**Family Relationship** - for single persons under 18 years of age to have an extended holiday of up to 12 months, to stay with relatives or close family friends. This visa is recommended to be abolished as a result of the review and applicants will be directed to apply under the visitor visa class (55 visas granted in 2002–03).

### International Relations Entrants

The International Relations Stream under the temporary entry program aims to promote Australia's relations with other countries and foster goodwill. For example, it allows for the entry of persons working for foreign governments, for organisations funded by foreign governments and international organisations, as well as for persons entering under exchange or bilateral agreements.

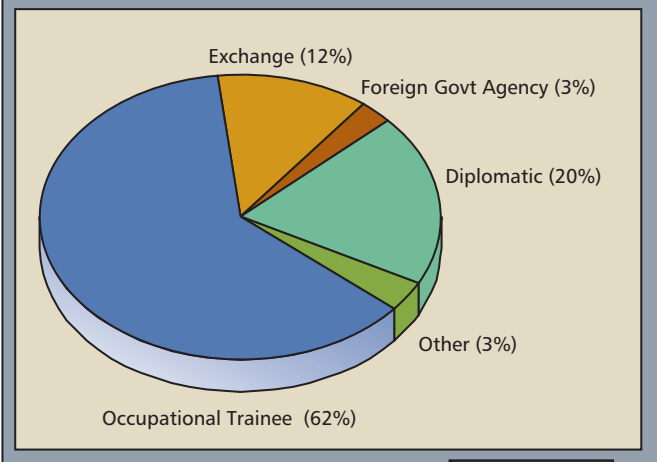
A total of 11,142 international relations visas were granted in 2002–03, up 0.9 per cent compared with 11,043 in 2001–02.

This group is made up of people entering on the following visas:

**Foreign government agency** - to enable foreign government officials to conduct official business on behalf of their government where the officials do not have diplomatic or official status in Australia; and certain foreign language teachers who are to be employed in Australia by their government. A stay of more than three months requires sponsorship by a foreign government agency. Work is currently underway to broaden the use of this visa to include certain international organisations (296 visas granted in 2002–03).

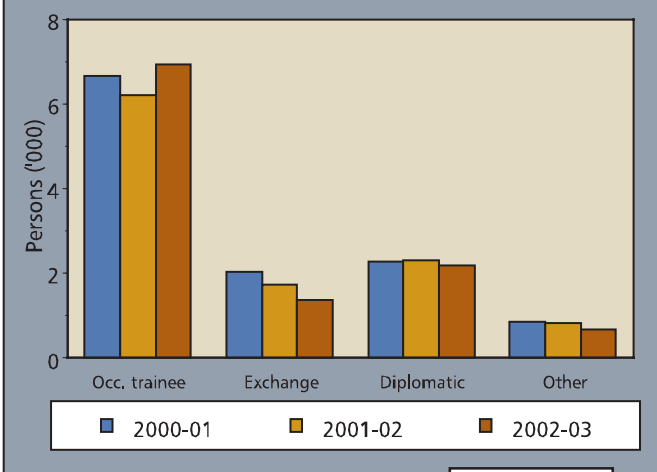
**Domestic Worker (diplomatic)** - intended for adult domestic workers employed in a private capacity by diplomatic and consular representatives posted to Australia. Department of Foreign Affairs and Trade endorsement is required. This visa is currently being examined within the context of the Diplomatic visa review (111 visas granted in 2002–03).

**Fig. 5-27: International Relations Visa Grants 2002–03**



Source Data: IMIRS

**Fig. 5-28: International Relations Visa Grants**



Source Data: IMIRS

**Domestic Worker (Executive)** - provides for the entry of persons to be employed as domestic workers by certain holders of Temporary Business (Long Stay) visas in order to assist executives with their representational and entertainment responsibilities. No changes to this visa have been introduced as a result of the review (11 visas granted in 2002–03).

**Occupational trainee** - provides for attendance at a supervised training program that is work-place based rather than classroom-based and is designed specifically to increase or upgrade a person's skill level in his/her occupation or existing area of expertise in a person's home country. A nomination from an Australian organisation is required to ensure that the applicant will be undertaking a supervised work-place program. The nominating organisation will also be required to demonstrate that the applicant will be employed under standard Australian pay and conditions for training positions (6,916 visas granted in 2002–03).

**Supported Dependant** - for family members who wish to accompany an Australian relative who normally lives overseas but who is intending to reside in Australia temporarily. This visa is recommended to be abolished as a result of the review and applicants will be directed to apply for either a visitor, ETA or student visa, depending on the nature of stay (225 visas granted in 2002–03).

**Expatriate** - for family members of persons employed in remote localities in SE Asia, South Pacific or PNG, by international companies that have business associations with Australia. This visa is recommended to be abolished as a result of the review and applicants will be directed to apply for a visitor visa (32 visas granted in 2002–03).

**Exchange** - for skilled persons entering under exchange arrangements giving Australian residents reciprocal opportunities to work with overseas organisations. This visa will be abolished as a result of the review and incorporated into the generic arrangements for sponsored employees (1,376 visas granted in 2002–03).

**Diplomatic** - for diplomats, consular staff and other officials, accredited by the Department of Foreign Affairs and Trade (DFAT). This visa was not part of the review as the Department acts on the recommendation of DFAT in relation to the issue of these visas (2,175 visas granted in 2002–03).