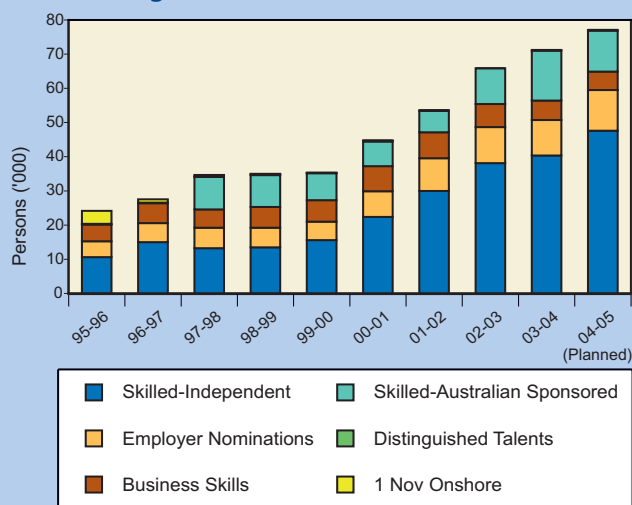


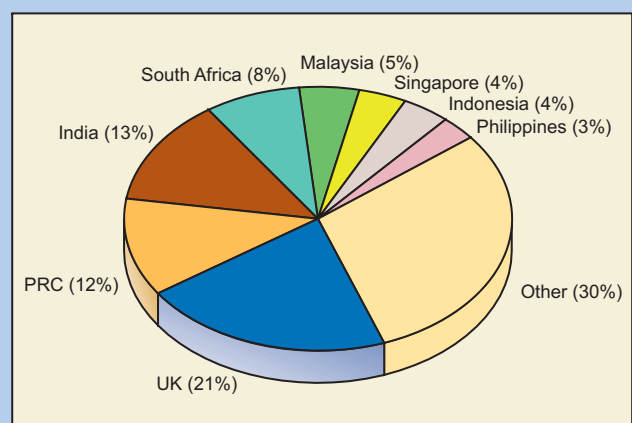
Skill Migration

Fig. 2-4: Skill Stream Outcomes



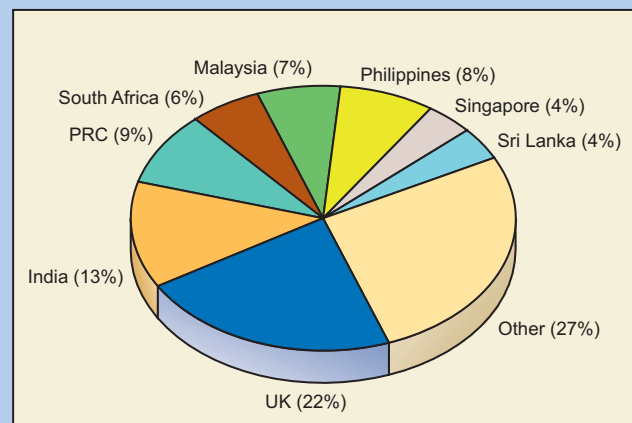
Source Data: MPMS and IMIRS

Fig. 2-5: Skill Stream Outcomes by Country of Citizenship 2003-04



Source Data: MPMS and IMIRS

Fig. 2-6: Skilled Australian Sponsored Outcomes by Country of Citizenship 2003-04



Source Data: MPMS and IMIRS

Skill Stream Outcomes

The Skill Stream of Australia's Migration (non-Humanitarian) Program is specifically designed to target migrants who have skills or outstanding abilities that will contribute to the Australian economy.

In 2003-04, there were 71,243 people granted Skill Stream visas, an increase of 5,190 (7.8 per cent) on 2002-03. Of total Skill Stream visas, 32.7 per cent (23,322 persons) were granted to onshore applicants.

Skill Stream Visa Categories

The main categories of Skill Stream migrants include:

Skilled Independent (from 1 July 1999) and Skilled Independent Overseas Student (from 1 July 2001) - not sponsored by an employer in Australia or an Australian relative. Applicants must pass a points test that includes skills, age, work experience and English language ability (38,637 visas in 2003-04). There were also 1,628 State/Territory Nominated Independent (STNI) visas in 2003-04.

Skilled Australian Sponsored and Skilled Australian Sponsored Overseas Student (from 1 July 2001) - unless sponsor resides in a designated area, applicants must pass a points test that includes skills, age, work experience and English language ability, and receive additional points for sponsorship by an Australian relative (14,069 visas in 2003-04).

Independent Skilled and Skilled Australian Linked (no new applications after 30 June 1999) - residual applications from old points tested categories (602 visas in 2003-04).

Employer Sponsored - employers may nominate (or 'sponsor') personnel from overseas through the Employer Nomination Scheme (ENS), Regional Sponsored Migration Scheme (RSMS) and Labour Agreements. These visas enable Australian employers to fill skilled permanent vacancies with overseas personnel if they cannot find suitably qualified workers in Australia. An outcome of 10,398 visas were granted in 2003-04.

Business Skills migration- encourages successful business people to settle permanently in Australia and develop new business opportunities (net outcome of 5,670 visas in 2003-04).

Distinguished Talent - for distinguished individuals with special or unique talents of benefit to Australia (outcome of 234 visas in 2003-04).

The balance of 5 visas were 1 November onshore visas.

Impact of Changes to General Skilled Migration

Depending on their circumstances, applicants can apply offshore or onshore in the General Skilled Migration (GSM) categories including: Skilled Independent, Skilled Australian Sponsored, STNI and Skilled Designated Area Sponsored. Strengthened selection criteria in the GSM categories introduced on 1 July 1999 have been overwhelmingly successful in ensuring highly skilled migrants.

To be successful, applicants in the GSM categories must meet core criteria for skill, work experience, age (under 45 at time of application), English language ability and, for the most part, pass a points test. Applicants with Australian qualifications who apply within six months of course completion are exempt from the recent work experience requirement. Onshore points tested visa subclasses introduced on 1 July 2001 enable recently completed students to be granted a General Skilled Migration visa without the need to leave Australia at the end of their studies.

The points-test recognises a range of skill-related factors. The number of points prescribed for each factor reflect their relative importance in the context of an applicant's potential contribution to Australia. The skill, age, English language and work experience components earn the highest points. Other recognised factors include Australian qualifications, spouse skills, Migration Occupations in Demand List (MODL) occupation, work experience obtained in Australia and fluency in a community language other than English.

In 2003-04, more than 50 per cent of successful General Skilled Migration (points-tested) applicants claimed points for an Australian qualification, the large majority of whom have also taken advantage of the work experience waiver.

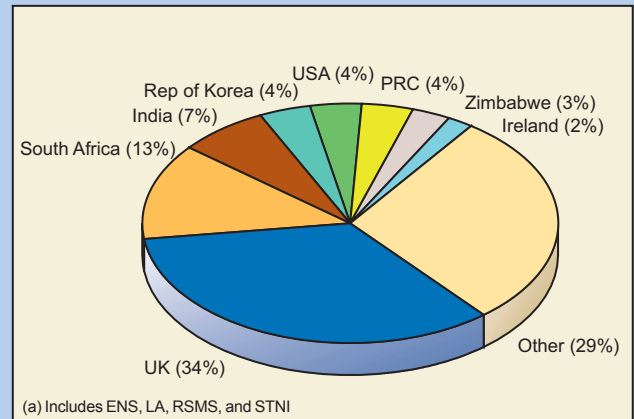
With the introduction of onshore points-tested visas for overseas students and the significant increase in demand in the offshore skilled points-tested categories, there were 54,334 visas granted in the GSM categories in 2003-04.

Of these, 38,637 were in the Skilled Independent category (27,078 offshore, 11,559 onshore). Of successful Skilled Independent migrants, more than 65 per cent were aged under 30 years, more than 95 per cent scored maximum points for skill and approximately 87 per cent scored maximum points for English language proficiency. Also, more than 55 per cent have an Australian qualification while around 7 per cent have a MODL occupation.

Information and Communications Technology (ICT) professions continued as the main occupational grouping. However, the removal of ICT specialisations on the MODL, the suspension of priority processing for ICT applications and changes in skills assessment procedures followed by the Australian Computer Society reduced the number of successful ICT applicants while allowing Australian employers to continue to meet labour market shortages with overseas skilled workers.

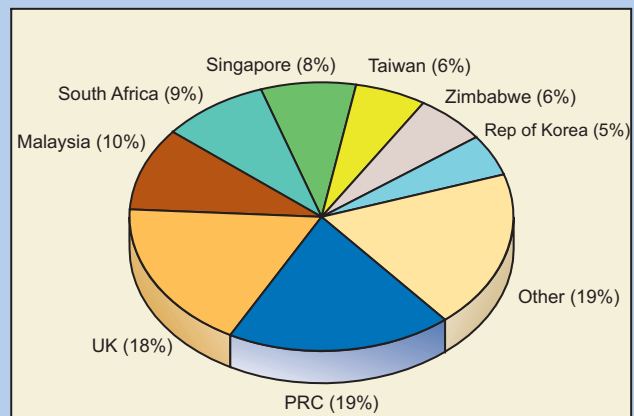
The recent addition to the MODL of certain health professionals and trade occupations is likely to provide further opportunities for employers to fill identified shortages.

Fig. 2-7: Employer Sponsored^(a) Outcomes by Country of Citizenship 2003-04



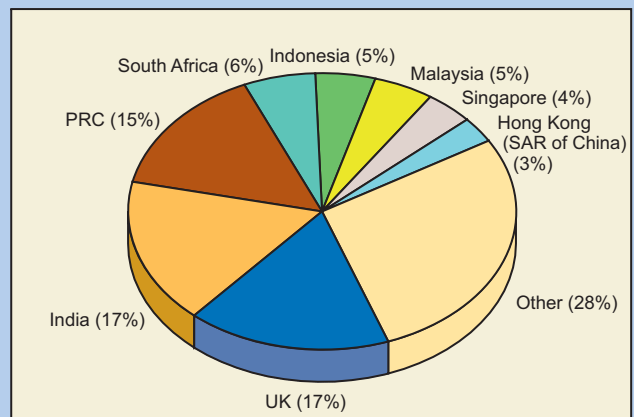
Source Data: MPMS and IMIRS

Fig. 2-8: Business Skill Outcomes by Country of Citizenship 2003-04



Source Data: MPMS and IMIRS

Fig. 2-9: Skilled Independent Outcomes by Country of Citizenship 2003-04



Source Data: MPMS and IMIRS

Points-test Enhancements

Changes to General Skilled Migration selection criteria and the points test have been introduced to ensure that Australia's skilled migrant intake for 2003–04 meets identified demands in the Australian labour market, particularly in regional Australia.

New points introduced on 1 July 2003 encourage overseas students to live and study in regional Australia or a low population growth metropolitan area. As part of this measure, and to ensure that the skills of new migrants are relevant to Australia's changing labour market, the study-qualifying period, at an education provider in Australia, for the purposes of the work experience exemption was increased from one to two years on 1 July 2003.

The points available to applicants with Australian qualifications were adjusted on 1 July 2003. On the basis of at least two years of Australian study, applicants with an Australian qualification (degree, diploma, trade certificate) are awarded 5 points. Applicants with an Australian Masters or honours degree (at least at upper second class level) completed following an Australian undergraduate degree are awarded 10 points. Applicants with an Australian PhD obtained after at least two consecutive study years in Australia are awarded 15 points. A further five points is available if the two years study was at an education provider's campus in regional Australia or a low population growth metropolitan centre.

Australian labour market skills shortages are targeted by the MODL. From 1 July 2004, the MODL-related points increased from 10 to 15 for having a MODL occupation and from 15 to 20 for applicants with a job offer in a MODL occupation.

Skilled Independent Regional Visa

On 1 July 2004 a new Skilled Independent Regional visa was introduced. This visa provides potential General Skilled Migration applicants who fall just short of the pass mark with a three year stay in Australia on the condition that they live and work in regional Australia. The visa is designed to attract skilled migrants who can obtain 110 points in the General Skilled Migration, category and are sponsored by a State/Territory Government or Regional Certifying Body, to regional Australia or low population growth areas where a need has been identified for skilled workers.

Employer Sponsored

Employer Nomination Scheme (ENS)

The ENS is an employer-driven scheme that enables Australian employers to recruit highly skilled migrants to fill highly skilled positions that they have been unable to fill through their own training efforts.

Positions must be "highly skilled", full-time and available for a period of at least three years. Positions must also be in accordance with the standards for wages and working conditions provided for in relevant Australian workplace legislation.

ENS consists of two distinct stages, nomination by an employer and the nominee's application for a visa.

A "highly skilled" position is a position that requires the appointment of a "highly skilled" person. That is, a person who has completed at least three years of formal training (or has an equivalent amount of on the job training - usually 5 years), and has also completed three years of relevant post-training work experience.

Labour Agreements

Labour Agreements are negotiated between the Commonwealth Government (represented by the Department of Immigration and Multicultural and Indigenous Affairs and the Department of Employment and Workplace Relations) and an employer or an industry association. A Labour Agreement enables Australian employers to recruit a specified number of workers from overseas in response to identified or emerging labour market (or skill) shortages. Migration criteria under Labour Agreements are based on the ENS.

10,398 visas were granted under the ENS, including Labour Agreements and the RSMS in 2003-04. There were 1,628 visas granted under the STNI. Details on the RSMS scheme are provided in Chapter 3.

Business Skills Program

Successive governments have reaffirmed a commitment to selecting high quality business migrants, in recognition of the benefits they contribute to Australia's increasingly global economy. They bring with them knowledge of overseas markets, business networks, cultural practices and languages other than English, as well as their specific business skills and experience.

Since 1 March 2003, the majority of Business Skills entrants enter Australia initially on a provisional (temporary) visa for four years and, after satisfactory evidence of a specified level of business or investment activity, may apply for permanent residence. High calibre business migrants may apply for a Business Talent visa to obtain direct permanent residence if they have high level business attributes and are sponsored by a State or Territory government agency.

Lower level visa criteria apply where applicants have attained sponsorship from a State or Territory government, at both the provisional and permanent residence stages. For example, sponsored business owners can attract age and English language concessions.

The Business Skills visa grant for 2003-04 was a net outcome of 5,670 compared to a net outcome of 6,738 in 2002-03. The lower grant number for 2003-04 was as a result of an unprecedented surge of applications in February 2003, immediately prior to the introduction of the March 2003 reforms. This drained the pool of potential applicants for the first half of the 2003-04 program year. A rising business success rate and much lower refusal rate indicate the current arrangements are working well. In addition, applications are now on par with average pre-March 2003 levels with continued growth from North Asia and Western Europe.

Program integrity continues to improve. Provisional visa holders are required to establish and actively manage a business in Australia before obtaining the benefits of permanent residence. Post-arrival monitoring of Business Skills visa holders resulted in a record 1,183 visa cancellations in 2003-04 (up from 844 in 2002-03), where visa holders had not met the requirements attached to their visa.