

State-Specific and Regional Migration

All spheres of government are focused on the development, acquisition and retention of skills. The Australian Government recognises that a balanced Migration Program plays an important role in contributing to the economic, demographic and social development of regional Australia and low population growth areas. Since 1996-97, the Australian Government, in consultation with state and territory governments, has operated a number of initiatives designed to assist state and territory governments and regional authorities to:

- encourage a more balanced settlement of Australia's skilled migrant intake
- address skill needs that may exist in specific regions of Australia, and
- attract overseas business people to establish new or joint ventures.

Research into patterns of population distribution and the reasons why migrants decide to settle in certain areas of Australia shows that there are four factors which are of primary importance in determining where migrants settle: location of family members; the availability of employment; business opportunities; and prior experience of an area, for example, as an overseas student. The State-Specific and Regional Migration (SSRM) initiatives are based on these factors.

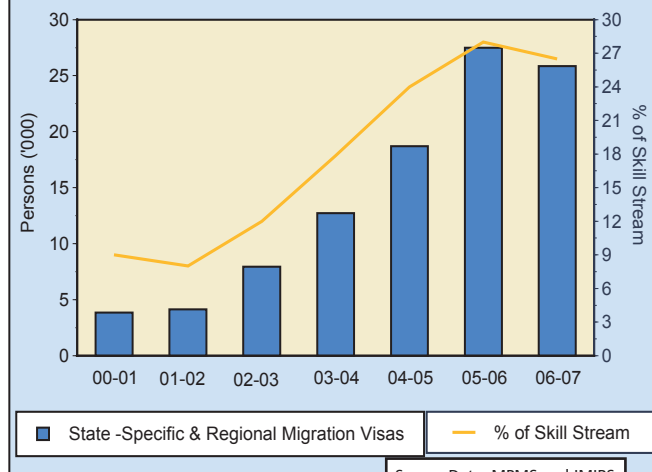
SSRM initiatives enable state/territory governments, regional employers and development bodies to pursue regional development objectives and employment and business outcomes through the use of more flexible program provisions and threshold criteria for skilled migrants. SSRM initiatives also provide an incentive for skilled migrants to locate to areas of Australia that are seeking more migrants through recognition of family linkages. These concessions have been carefully designed so that they do not undermine the overall integrity of the Migration Program. Applicants must be skilled and meet mandatory health and character requirements.

For 2006-07, 25 845 visas were granted under these initiatives, the second highest since the introduction of the initiatives in 1996-97. This is a slight decrease of 6.0 per cent on the 2005-06 outcome of 27 488 visas. This outcome represents 26.4 per cent of the total Skill Stream in 2006-07.

The distribution of these visas across states and territories for the last three years is provided in Figure 2-14. Over 109 692 visas have been granted since the introduction of SSRM initiatives in 1996-97.

The SSRM initiatives are designed to deliver skilled and business migrants in line with the needs of each state and territory. A two-stage process for offshore Skilled

Fig. 2-13: State-Specific and Regional Migration visa grants, 2000-01 to 2006-07



Source Data: MPMS and IMIRS

Fig. 2-14: Distribution of State-Specific and Regional Migration visa grants

State/Territory	2004-05	2005-06	2006-07
New South Wales	1303	1632	1900
Victoria	7100	10 496	9178
Queensland	2412	3103	3084
South Australia	4951	8182	7158
Western Australia	1786	2401	3025
Tasmania	459	503	512
Northern Territory	158	303	290
Australian Capital Territory	528	682	650
Total	18 697	27 488^(a)	25 845^(a)

(a) Total includes Other territories.

Source Data: MPMS and IMIRS

Designated Area Sponsored (SDAS) visa applications was introduced in July 2006, which was designed to ensure that migrants entering under this category live and work in the specified designated area before becoming eligible for permanent residence. The changes to the SDAS application process were aimed at achieving a better dispersal of skilled migrants to designated areas, which would benefit regional communities and provide a higher level of integrity to offset significant selection concessions.

Key milestones in State-Specific and Regional Migration initiatives

- October 1995 - Regional Sponsored Migration Scheme (RSMS)
- November 1996 - Skilled Regional Linked category
- November 1996 - Skill Matching Database (SMD)
- July 1997 - state/Territory Sponsored Regional Established Business in Australia (REBA) category
- November 1997 - state/Territory Nominated Independent (STNI) category
- July 1998 - Enhancement to Regional Linked category
- July 1999 - Skill Matching visa (SMV) class
- July 1999 - Skilled Australian Sponsored
- July 1999 - Skilled Regional Sponsored (SRS) category
- July 1999 - English Language Concession for SRS category
- July 2001 - Skilled Regional Sponsored (SRS) became the Skilled Designated Area Sponsored category (SDAS)
- May to July 2002 - Enhancements to the Skill Matching Database/Skill Matching visa implemented (early registration and trial removal of initial fee)
- November 2002 - English Language Concession for Skill Matching visa
- November 2002 - Applicants on Skill Matching Database eligible for nomination under Labour Agreements without lodging a new application
- November 2002 - Concessions for regional sponsorship of Temporary Business entrants
- March 2003 - Business Skills two- stage process
- July 2003 - Changes to the points test for General Skilled Migration allows for the award of 5 additional points for overseas students who study and reside in regional Australia or a low population growth metropolitan area for at least 2 years
- July 2004 - Two-stage Skilled Independent Regional (SIR) (Provisional) visa
- July 2004 - Creation of network of Regional Outreach Officers (ROOs)
- April 2005 - Skill Matching Database upgrade from Access to Oracle web based product
- May 2005 - Expansion of the Migration Occupations in Demand (MODL) list with additional trade, engineering and other occupations
- July 2005 - Changes to the points test for General Skilled Migration allows (SIR) (Provisional) visa applicants to be awarded 10 additional points when sponsored by an authorised state or Territory agency.
- August 2005 - Industry Outreach Officer (IOO) network introduced
- November 2005 - Trade Skills Training visa
- April 2006 - Further enhancements made to the Skill Matching Database including; improved navigation, and ease of use, indication of the intended state/Territory residence of applicants, a portfolio option and enhanced search and filter options.
- July 2006 - Expansion of the Skill Matching Database to include visa applicants in the Skilled Independent Overseas Student (subclass 880), Skilled Australian Sponsored Overseas Student (subclass 881) and Skilled Australian Sponsored (subclass 138)
- July 2006 - The SDAS visa was modified to improve its focus on regional areas of Australia, SDAS visa holders now enter on a three year temporary visa. To be eligible to apply for permanent residence, applicants will need to demonstrate that they have lived in the same designated area as their sponsor for a minimum of two years and have worked in that area for at least one year.
- August 2006 - State/Territory Nominated Independent scheme expanded to now include all jurisdictions. Qld only sponsor applicants who first hold a SIR visa.
- September 2007 - Restructure and simplification of the General Skilled Migration (GSM) categories from an 11 class 15 subclass structure, to a 4 class 9 subclass structure.
- September 2007 - Skilled Independent Regional (SIR) and Skilled Designated Area Sponsored (SDAS) visa categories replaced with the provisional Skilled Sponsored and Skilled Regional Sponsored (onshore and offshore) visa categories, which includes option for either state/territory nomination or sponsorship by an eligible relative, pathway to permanent residency with the Skilled Regional (Residence) visa (subclass 887).

The proportion of skilled migrants opting to settle in regional Australia over the last five years is assisting economic development in regional areas. State and territory governments and regional authorities determine the extent of their involvement in SSRM initiatives depending on their own individual development priorities. This partnership approach is essential to the long-term success of these policies. State-Specific and Regional Migration initiatives include permanent skilled migration categories as well as specific temporary residence programs that can be used to fill skill needs. These regional initiatives can be used to the advantage of regions experiencing skill shortages. The main SSRM initiatives in 2006-07 were:

- Employment based migration initiatives
 - State/Territory Nominated Independent Scheme (STNI)
 - Regional Sponsored Migration Scheme (RSMS)
 - Skill Matching Database (SMD)
 - Skill Matching visa (SMV)
 - Skilled Independent Regional (SIR) (Provisional)
 - Additional General Skilled Migration (GSM) points for study undertaken in a regional or low population growth area of Australia
- Employment based temporary entry scheme
 - Sponsored Business Long Stay visa
- Family based initiatives
 - Skilled Designated Area Sponsored Category (two stage process as of July 2006)
 - Skilled Designated Area Sponsored Overseas Student
- Business based initiatives
 - State/Territory Sponsored Business visas (two stage process).

Details of these initiatives follow in this chapter and further information is on the department's website at www.immi.gov.au/skilled/regional-employment/index.htm.

In addition to the State-Specific and Regional Migration initiatives there are a range of other migration categories (both permanent and temporary) that impact on regional Australia. Examples include:

- Skilled migrants who do not migrate under regional initiatives may still elect to reside in regional centres or low population growth metropolitan cities
- Temporary resident doctors, and
- The Working Holiday Maker Program, which allows young people to tour Australia and engage in short-term work during their stay which can be in regional areas. Since November 2005 the program has been expanded to allow Working Holiday Makers to apply for a

second Working Holiday Maker visa if they have spent three months doing seasonal harvest work.

The government increased the Skill Stream intake by 20 000 places in the 2005-06 program year and maintained this increase in 2006-07. Priority for these places was given to the employer sponsored visas, state and territory sponsored visas and occupations in national shortage. The government also placed senior immigration officers in industry groups, conducted recruitment expos in Australia and overseas and delivered employer awareness seminars and workshops.

Introduced in 2004, DIAC's Regional Outreach Officer network continues to play an integral role in promoting and supporting regional migration initiatives. Working closely with state and territory governments and regional authorities, this network engages directly with regional employers to provide information on the department's programs. Additionally, the department's industry based officers provide expert immigration advice and support to their host groups and their members, including those in regional Australia. Having a local contact point and the opportunity to meet personally with a departmental officer is a service highly valued by regional stakeholders.

In 1998 the Commonwealth state/territory working party on skilled migration was established in order to bring together Commonwealth Government agencies and state/territory government jurisdictions for consultation. This working party meets twice per year to investigate the development of long-term skilled migration options and strategies to increase the number of skilled migrants to state/territories and regional areas. There is a particular reference to the impact of growth rates generated by such migration on infrastructure, employment and sustainable economic development.

Particular State-Specific and Regional Migration initiatives

Skill Matching

The Skill Matching scheme was introduced on 1 November 1996 to help state/territory governments and employers to meet their skill needs. Skill matching is made possible by the Skill Matching Database (SMD). The database is a free web-based tool that helps match potential skilled migrants with skilled vacancies or skill shortages in Australia. It contains the occupational, educational and work experience details of more than 11 000 potential skilled migrants representing over 300 trades and professions.

To be eligible for inclusion on the SMD, applicants must be applying for the Skill Matching visa (abolished from September 2007) or a Skilled Independent or Sponsored category visa. Applicants remain on the database for up to two years, or until they migrate to Australia. Many of these applicants are interested in settling in regional Australia and have occupations that are in demand or in short supply in these areas. The database provides the opportunity for applicants to secure employment in Australia before they migrate.

The database can be accessed by state and territory governments and employers who may then nominate an applicant off the SMD for migration. State and territory governments can nominate applicants from the database for state-specific and Regional Sponsored visas and employers can nominate applicants from the database under RSMS, Labour Agreements or the Employer Nomination Scheme.

Applicants on the SMD are at various stages of the visa process. Many applicants listed on the SMD do not require formal sponsorship by an employer or state/territory government for their visas to be granted. Employers can contact these applicants directly and negotiate an offer of employment without involving DIAC. Employers also

have the option to offer sponsorship to all applicants on the database that have not had their visa granted or been sponsored by a state/territory government. Employer sponsorship expedites the processing of the visa application.

The database is available on the internet through DIAC's website at www.immi.gov.au/skills/.

State/Territory Nominated Independent (STNI) Scheme

The STNI Scheme enables states and territories to sponsor Skilled Independent category and Skill Matching visa applicants, who are interested in settling in states and territories where their skills are in demand and who have a sound chance of gaining employment in that state or territory soon after their arrival. They are identified through the Skill Matching Database or directly by state and territory governments.

Applicants for this visa are given priority processing and are not required to meet the pass mark for general skilled migration.

Grants under the STNI have decreased by 15.4 per cent from 4105 in 2005-06 to 3474 in 2006-07. South Australia is the leading state with 51.5 per cent of the grants followed by Victoria at 38.4 per cent.

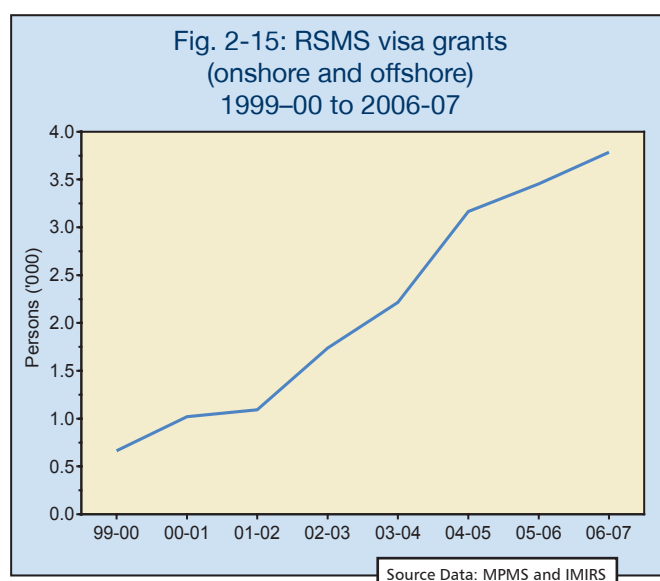
Regional Sponsored Migration Scheme (RSMS)

The Regional Sponsored Migration Scheme was initiated in 1995-96 to assist employers in regional Australia fill skilled vacancies where they have been unable to do so through the local labour market. The scheme is available to employers in all areas of Australia except Perth, Melbourne, Wollongong, Sydney, Newcastle, Brisbane and the Gold Coast.

The RSMS process involves an employer nomination (endorsed by a state or territory Regional Certifying Body (RCB) to confirm that there is a genuine need for the position to be filled), and a visa application by the prospective employee.

Employers may nominate employees directly from overseas, or from within Australia. Those nominated from within Australia are often already in regional employment on a temporary basis.

For the position to be approved under this program, there must be a genuine vacancy for a position in a business in regional Australia that requires a person with an Australian diploma equivalent qualification and provides full time employment for at least two years. The position can be approved as an exceptional appointment if the position is so highly specialised or unusual that a person with a diploma equivalent qualification could not be found for the position. The nominee is expected to have the skills



for the position at diploma level or higher (unless it is an exceptional appointment), be under the age of 45 and have a functional level of English. Any employer with their business based in regional Australia may participate in the scheme.

DIAC actively promotes the ENS and RSMS through a network of Industry Outreach Officers (IOOs) and Regional Outreach Officers (ROOs), along with officers from DIAC's Business Centres. These officers maintain close contact with interested bodies to increase awareness of the program. There is a special focus on developing closer links with regional areas and government agencies, such as state and regional development authorities, to help overcome skill shortages.

The 2006-07 Migration Program outcome included 3784 visas granted under the RSMS (onshore and offshore), which represents an increase of 9.1 per cent on the outcome for the 2005-06 program year. The states with the largest number granted under this program were South Australia (almost 1100 visas granted), Queensland (almost 700 visas granted), and Western Australia (almost 500 visas granted).

More information on the RSMS can be found on DIAC's website at www.immi.gov.au/skilled/skilled-workers/rsms/.

A current list of Regional Certifying Bodies can be found at www.immi.gov.au/skills/regional-certifying-bodies.htm.

Skill Matching visa

The Skill Matching visa was abolished in September 2007. The following details relate to its operation in 2006-07. The Skill Matching visa provides the opportunity for skilled people who do not meet the current pass mark under the Skilled Independent category to attract sponsorship or nomination for permanent migration to Australia. Their details are included on the Skill Matching Database to assist them to secure a possible nomination by an employer or a state or Territory government.

The Skill Matching visa is not points tested and there is no initial cost to lodge an application. The applicant pays the visa application charge if they are successfully nominated by either an employer or state or territory government. Applicants are required to meet key threshold criteria for General Skilled Migration relating to skill, age, English language ability and work experience. However, as the Skill Matching visa is a concessional visa, applicants are able to qualify with a slightly lower level of English and less recent work experience than applicants for some other General Skilled Migration visas.

The English language concession allows participating states and territories to make provision for applicants with functional English to upgrade to vocational English level at

the applicant's cost. South Australia, Tasmania, the ACT and the NT are gazetted for this purpose.

Applicants remain on the SMD for up to two years from the date of assessment. If after two years the applicant has not received a nomination by an employer or state/territory government their details are removed from the database.

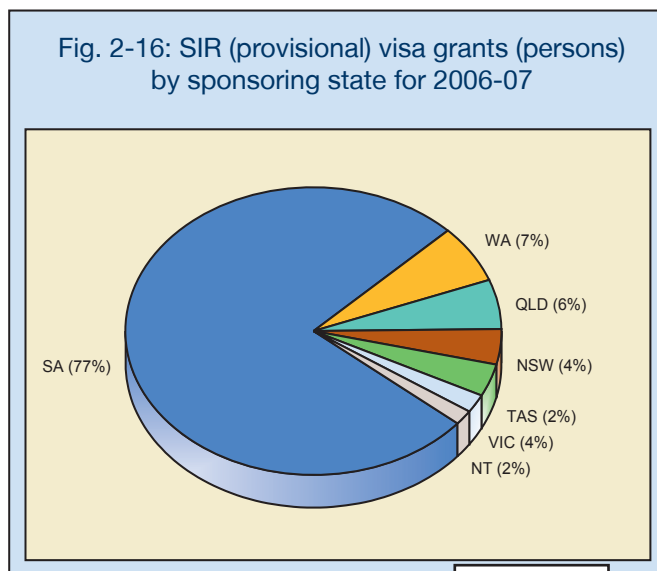
Skilled Independent Regional (SIR) (Provisional)

Since 1 July 2004, skilled people who wish to live in regional Australia have been able to apply for a SIR (Provisional) visa. The SIR (Provisional) visa was developed in consultation with state and territory governments and designed to attract skilled migrants wishing to live in a regional or low population growth area in Australia but who are not able to meet the criteria to be granted a permanent visa.

Applicants for the SIR (Provisional) visa are still required to meet the threshold criteria for General Skilled Migration and be assessed against the General Skilled Migration points test. However, the passmark for the SIR (Provisional) visa is slightly lower than that applied to Skilled Independent visas. In addition, from 1 July 2005, SIR (Provisional) visa applicants became eligible for 10 'sponsorship' points when sponsored by an authorised state or territory government agency.

If approved, SIR (Provisional) visa applicants are granted a visa valid for three years. After they have resided in a regional or low population growth area for at least two years, and been employed for a total of 12 months in the area, they are then eligible to apply for a permanent visa. A range of concessions are available to SIR (Provisional) visa holders applying for permanent residency under the Regional Sponsored Migration Scheme (RSMS), State/Territory Nominated Independent (STNI) or the State/Territory Sponsored Business Owner (STSBO) visa categories. An integral part of the SIR (Provisional) visa initiative is that an authorised state or territory government agency

Fig. 2-16: SIR (provisional) visa grants (persons) by sponsoring state for 2006-07



Source Data: ORS

or regional certifying body must sponsor a prospective applicant. Sponsorship enables states, territories and regions to promote themselves to prospective migrants, target particular skills in short supply and give potential migrants information about living in their jurisdiction to help them settle.

Since 1 November 2005, Working Holiday and Occupational Trainee visa holders have been eligible to apply for and obtain a SIR (Provisional) visa without leaving Australia. As with other SIR (Provisional) visa applicants, they must be sponsored by an authorised state or territory government agency or regional certifying body and meet the relevant passmark. In 2005-06, the outcome for SIR visas was 3919. This number decreased slightly to 3454 in 2006-07.

SIR survey results at six months after arrival (for SIR visa holders who were granted their SIR visa and were residing in Australia between 1 July 2004 and 30 June 2006) indicate that 85.0 per cent of the principal applicants in the survey had a job, 71.0 per cent of whom were working in skilled jobs. The median income for SIR principal applicants was \$38 100; this compares with \$47 000 for Skilled Stream principal applicants. The vast majority (85.0 per cent) thought it was the right decision to migrate, while 14.0 per cent were undecided and 1.0 per cent said it was the wrong decision.

Rewarding study in regional Australia

Overseas students who have studied and lived in regional Australia or a low population growth metropolitan area for at least two years can be awarded five points under the General Skilled Migration points test. This is in addition to the five points already available to applicants who have an Australian qualification. These points are designed to encourage overseas students to live and study in regional Australia. They also aim to encourage these overseas students to remain and contribute their skills to the benefit of these areas after they complete their studies.

In addition, any SIR (Provisional) visa applicant who has studied at a regional campus is eligible to apply for, and be granted, their SIR (Provisional) visa while they are in Australia even if their nominated occupation only attracts 50 points on the General Skilled Migration points test.

Skilled Designated Area Sponsored (SDAS) category

This visa allows Australian citizens and permanent residents to sponsor skilled relatives (including first cousins, nieces, nephews and grandchildren) to join them in designated areas identified by state and territory governments. In 2006-07 all of Australia apart from Sydney, Newcastle, Wollongong, Perth and Brisbane was designated for this purpose. Applicants are required to meet threshold criteria for skill, age, English language and work experience. There are flexible threshold requirements for work experience

and English language ability. Under these concessional arrangements, the English language requirement can be met where:

- the applicant has been assessed as having only functional rather than vocational level English
- the applicant's sponsor lives in a state/territory which has appropriate upgrading arrangements in place, gazetted by the Minister for Immigration and Citizenship for this purpose, and
- the applicant pays the required fee for English tuition to the designated English tuition provider before the visa is granted.

On 1 July 2006, the SDAS visa was modified from a permanent to a provisional visa regime. Skilled migrants sponsored by relatives living in a designated area of Australia now enter on a three year temporary visa. To be eligible to apply for permanent residence, applicants need to demonstrate that they have lived in the same designated area as their sponsor for a minimum of two years and have worked in that area for at least one year.

In line with the objectives of the SDAS visa, the two-stage visa arrangement gave states and territories greater assurance that people sponsored under these arrangements settle in the same area as their sponsor.

Temporary skilled workers

The Temporary Business Long Stay visa (subclass 457) visa, which is discussed in detail in Chapter 3, allows Australian businesses to nominate skilled overseas workers for up to four years. The position must meet minimum skill and salary thresholds. In November 2002, concessional arrangements were introduced to reflect the special skill needs of regional Australia. These provisions allow for lower minimum skill and salary levels to be approved. Unskilled occupations are not included. State or territory regional certifying bodies must endorse requests for the lower threshold criteria, confirm that the position is necessary and that the position could not be filled locally.

Business Skills category State-Specific and Regional Migration Initiatives

The interests of state/territory governments have been given greater priority in the two-stage processing arrangements for this visa. Applicants may apply for sponsorship from a state or territory government and be eligible to meet concessional criteria, enabling sponsors to attract the kinds of business people they are seeking to assist in the economic development of their specific areas. This linkage also encourages applicants who are more committed to succeeding in business in Australia.

In 2006-07 more than 95 per cent of all business skills provisional (first stage) visa applications were state/territory sponsored.

In 2006-07 state and territory governments continued to sponsor business entrants to establish new or joint ventures or to continue a business they had established in a regional area. In 2006-07 there were 6447 visas granted under state Sponsored Business Skills (SSBS) and Regional Established Business in Australia (REBA) categories. Victoria sponsored the highest percentage of these entrants (51.3 per cent), followed by Western Australia and NSW (13.2 and 12.0 per cent respectively) and by South Australia and Queensland (11.1 and 10.4 per cent respectively).

Australia continues to actively encourage Business Skills entrants to set up business in regional, rural or low growth areas of Australia.