



Australian Government
Department of Immigration
and Citizenship

Trends in Migration: Australia 2010–11

Annual submission to the OECD's
Continuous Reporting System on Migration (SOPEMI)



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Foreword

The Continuous Reporting System on Migration (known by its French acronym SOPEMI) was established in 1973 to enable the sharing of statistics on international migration and developments in migration policies among Organisation for Economic Co-operation and Development (OECD) member countries.

The principal function of SOPEMI is to provide information to the OECD's Working Party on Migration, whose mandate is to collect information on migration trends and policies in the OECD member countries in order to identify emerging problems in international cooperation.

SOPEMI comprises a network of migration experts (correspondents) from each member country, who prepare annual reports on their countries' migration policies and statistical trends. This report and reports from other OECD countries serve the basis for the OECD's annual flagship publication—the *International Migration Outlook*.

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Introduction to SOPEMI 2011

Overview and context



Just over a week into the 2011 New Year, parts of Queensland and New South Wales experienced their worst flooding for a generation. A few weeks later Cyclone Yasi blew through northern Queensland wreaking havoc in its trail, and flooding large parts of interior Australia. The scale of the disasters, resulting in the loss of many lives and livelihoods, was calamitous enough to hobble the overall level of economic activity in the first quarter of the year. In the rebound from these twin disasters business and consumer confidence in Australia faltered as uncertainty and turbulence in global financial and equity markets magnified throughout the year.

At the same time, rising global demand for mineral commodities – especially from China – and rising prices for agricultural commodities pushed the Australian terms of trade to record high levels, delivering an income windfall for the nation. Capital investment, spurred on by resources projects now made viable, rose strongly, with huge sums projected in the investment pipeline. The Australian dollar broke through parity with the United States dollar for the first time since it was floated in 1983, a boon for Australians travelling overseas and those purchasing goods from abroad, and a challenge to companies and service providers in trade-exposed industries whose price competitiveness was eroded.

Little wonder that the catchcry throughout the year has been the “two-speed economy”. The booming minerals sector is a major contributor to exports and to gross domestic product, but it is a small employer, accounting for around 2 per cent of total employment. The sluggish manufacturing, retail and hospitality sectors, on the other hand, employ large numbers of people. The result has been a patchy labour market during 2011.

Australia experienced a mild downturn during the global financial crisis of 2008 and 2009, and made a quick recovery during 2010. Employers hoarded labour during the downturn by reducing hours of work rather than workers, then quickly took on additional workers during the recovery. In 2011, employers appear to be correcting for their haste in 2010 by taking on fewer additional workers. Trend employment growth for the past three years (ending October) has been 0.6 per cent, 3.4 per cent, and 0.8 per cent, respectively.

The level of employment growth has not kept pace with population growth and, as a consequence, the unemployment rate has edged up slightly, from a post-downturn low of 4.9 per cent in March 2011 to 5.3 per cent in October 2011. The participation rate has also fallen from a record high of 65.9 per cent in December 2010 to 65.6 per cent in October 2011.

The most recent national accounts point to some of the dilemmas. GDP grew in the June 2011 quarter by a robust 1.2 per cent, but only 1.4 per cent for the year after factoring in the 0.9 per cent decline in the March 2011 quarter attributable to the natural disasters. Mining output fell in both the March and June quarters after many mines were slow to re-start flood-damaged operations. As a result of this, as well as the high value of the Australian dollar, exports fell while imports rose strongly. On the other hand, gross domestic income grew by 2.6 per cent in the quarter and 4.4 per cent through the year due to the higher terms of trade.

These aggregate figures naturally mask a great deal of variation. This, as already discussed, is playing out unevenly across different sectors of the economy, which are themselves concentrated in different parts of Australia. Areas with a high concentration of mining and resources activity, such as Western Australia, have been growing strongly, while growth has been more muted in other parts of the country. There is a heightened

sense that the economy is going through a significant structural adjustment, adapting to potentially sustained high levels of the terms of trade and the Australian dollar.

Much of the mining and resources activity occurs in remote regional centres. As labour is a less mobile factor of production than capital, this has resulted in skill shortages in some regions alongside relatively high unemployment in other regions. Employers facing shortages have increased their use of fly-in, fly-out workers from capital city bases, and of migrant workers. Incoming migrants are more readily amenable to moving to hot spots of economic activity. As an example, Western Australia attracted a net inflow of 27 400 migrants during the year ending March 2011, compared with a net inflow of just 5000 people moving from other parts of Australia.

In its 2011–12 Budget, the government introduced three new migration initiatives to aid the process of structural adjustment. As recommended in the 2010 report by the National Resources Sector Employment Taskforce, the government will assist the development of major new resource projects by allowing the developers to source from abroad the necessary labour supply to get projects underway. The object is to prevent labour supply bottlenecks from occurring due to the high volume of engineering and construction activity associated with so many projects commencing simultaneously. Developers will enter into Enterprise Migration Agreements with the government, which will specify for each project the type, number and visa duration of the temporary migrant workers, modelled on the approach presently used in Labour Agreements.

These will be complemented by Regional Migration Agreements, an initiative which recognises that in some parts of Australia there is an overall shortfall of workers, not just skilled workers. Partners to these agreements will be employers, unions, and local and state governments as well as the federal government. Where a region has a demonstrable labour supply constraint on growth, the agreements will permit concessional arrangements to create incentives to attract skilled and semi-skilled migrant workers to base themselves in those regions. The government is also facilitating a quick flow of incoming skilled migrant workers under the Migration Program by giving first priority in visa processing to applicants under the Regional Sponsored Migration Scheme.

Besides these initiatives the government has continued with its overall reforms to skilled migration. The new points test for General Skilled Migration took effect at the start of July 2011. It does away with occupational points, though retains the requirement for applicants to nominate an occupation listed on the Skilled Occupations List and to obtain a pre-application skills assessment. The new test explicitly recognises and awards points to holders of overseas qualifications, but still gives greater weight to those who have gained qualifications – and work experience – in Australia. Greater weight is also given to those with advanced English proficiency.

The government also announced that from July 2012 it will introduce a new two-step regime for skilled migration, to be known as SkillSelect. In the first instance, would-be skilled migrants will submit an electronic expression of interest for a skilled migration visa. In the second step, a sub-set will be invited to apply. For independent skilled migrants, the expression of interest step will provide sufficient information from which to derive a points test score and rank applicants within a nominated occupation, with the highest ranked in each selection round issued an invitation to apply. For state-sponsored migrants, state and territory governments

can select anyone from the expression of interest pool, so long as they meet the points test pass mark and other criteria as specified in their State Migration Plans. For those wishing to enter through the Business Skills program, they will also be required to make an expression of interest and can then be nominated by a state or territory government and issued with an invitation to apply. Employers too will have access to the expression of interest database, from which they can then select migrants who have indicated an interest in being sponsored by an employer on a permanent or temporary basis, though they are not limited to using this means to identify suitable migrant workers.

The new points test and Skill Select are designed to provide government with 21st century tools to choose skilled migrants who have the most to offer Australia as well as promote effective administration of the Migration Program. It will also allow for a greater degree of control over the level of net overseas migration. Under existing regulations, a person who lodges a valid application for a General Skilled Migration visa is legally entitled to a decision. Subject to health and character checks, that decision would be to grant a visa if the applicant meets the points test pass mark. In circumstances where there are more applications than places available this results in a pipeline of queued applicants, and puts upward pressure on net overseas migration levels where those in the queue are already resident in Australia, i.e. as temporary migrants. Under Skill Select, the regulations are to be amended to limit the legal entitlement to the second stage. Invitations to apply will be issued in line with the number of visa places available.

After having peaked at 315 700 persons for the year ending December 2008, the annual level of net overseas migration has since fallen for nine successive quarters. The preliminary estimate for the year ending March 2011 is 167 100 persons. The official forecast of the Department of Immigration and Citizenship is that it will remain at about the same level for the year ending September 2011, at 177 400 persons. If accurate, this would mean that for the first time since 2005–06 the level of net overseas migration is lower than the number of permanent residence places made available in the same period under the Migration and Humanitarian Programs.

The number of permanent residence places totalled 182 500 in 2010–11, slightly higher than the 2009–10 amount, and the second highest level on record after 2008–09. This record looks set to be broken in 2011–12, with the government having announced a planning level of 199 750 places, comprising 125 850 skilled migration places, 58 600 family places and 13 750 humanitarian places. In relative terms this constitutes a 0.8 per cent permanent addition to the 2011 population, which puts it on a par with the migration programs operating in the early 1970s, but well below those of the post-World War II mass immigration programs which ranged from 1.0 up to 1.4 per cent of the population throughout the 1950s and 1960s.

How is it that net overseas migration fell below the number of permanent visas granted? The explanation lies primarily with changes in temporary migration, with a large fall from the previous year in newly arriving temporary migrants as well as an increase in temporary migrants departing. The most marked changes were among international students. Overall, there was a 7.4 per cent decline in student visa grants, but that reflected an 11.1 per cent increase in student visas granted to temporary migrants already resident in Australia (and thereby had no population impact), and a 20.5 per cent decrease in visa grants to students coming from abroad. This latter group are likely to have been more sensitive to apparent course fee

increases, a result of the rise in the value of the Australian dollar, up 15.6 per cent in trade-weighted terms over the year ended June 2011.

Partly prompted by the decline in demand, the government commissioned the Hon. Michael Knight AO, a former state government minister, to undertake a strategic review of the student visa program. The aim of the review was to examine how to improve the competitiveness of Australia's student visa program relative to other countries and also to strengthen integrity. The government released the Knight report in September 2011 and announced that it intended to put into effect all of its recommendations. Key among those are: streamlined visa processing for those enrolling in universities, including a lower level of up-front funds; a requirement that applicants satisfy authorities that they are both a genuine student and a temporary entrant to Australia; and post-study work rights for certain students, tied to the duration of their course. The first tranche of changes took effect in November 2011.

After having fallen sharply in the wake of the global financial crisis, the number of applicants for temporary skilled migration bounced back strongly, rising by 39.8 per cent over the year-ending June 2011. In recent months application numbers have continued to rise, reaching levels on a par with those before the crisis. As a fully demand-driven visa, this heightened activity might appear to be at odds with sluggish growth in overall employment. However, again highlighting the two-speed economy theme running through this overview, the increase has been very uneven across industries with substantial increases in mining, construction and utilities.

The other main category of temporary migrants is working holiday makers. After having faltered slightly in 2009–10, again due to the global financial crisis, the number of visas granted rose by 5.3 per cent to 192 900 to recover to 2008–09 levels. Many of these working holiday makers are employed in the hospitality and seasonal horticultural industries.

Another source of seasonal labour in regional Australia is workers hired through the Pacific Seasonal Worker Pilot Scheme for use in the horticulture industry. The pilot, now in its third year of operation, saw a number of significant program design changes during the year to broaden its appeal to horticultural employers, after just 67 workers came to Australia under the scheme in 2009–10. The main changes are: to allow workers to come for a minimum period of four months (down from six months previously); for workers to share in the costs of travel to and from Australia; to expand the number of regions and employers able to participate in the scheme; and to expand the number of participating countries, with Nauru, Samoa, the Solomon Islands and Tuvalu joining the scheme, and a separate small scale trial involving East Timorese workers in the hospitality industry in Western Australia. During 2010–11, 423 visas were granted to Pacific workers under the scheme, with strong growth projected in 2011–12. The government also announced in the 2011–12 Budget that it intends to put in place more favourable income tax arrangements for Pacific workers, with a flat rate of 15 cents in the dollar.

The horticulture industry is among those known to have a disproportionately high incidence of illegal working, alongside construction and hospitality, and this may partly account for the relatively low take-up to date in the Pacific Seasonal Worker Pilot Scheme. In 2010 the government commissioned Stephen Howells, a legal expert, to undertake an independent review of sanctions for employers hiring illegal workers. The government

released the Howells report for public consultation in July 2011, in doing so stating that it accepted, in principle, all of the recommendations.

By its very nature, it is difficult to establish an estimate of the scale of illegal working. Howells arrives at a figure of between 50 000 and 100 000 non-citizens likely to be working in contravention of their visa conditions, a figure which includes students working in excess of their allotted limit, 20 hours per week during term time for most students. To put this into context, at the upper limit this would represent less than 1 per cent of total employment. The major change proposed by the report is to introduce civil penalties (or fines) for employers found to be employing illegal workers and who could not provide evidence that they had taken reasonable steps to satisfy themselves of the workers' bona fides.

Asylum seekers arriving by boat in Australian waters dominated political and public debate on immigration matters during the year. The debate centred around steps that might be taken to discourage asylum seekers from embarking on a hazardous journey—as illustrated in December 2010 when a boat carrying asylum seekers crashed into rocks near Christmas Island, resulting in many deaths by drowning—and how to process asylum seekers claims.

In March 2011, regional ministers at the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime ministerial conference agreed to establishment a Regional Cooperation Framework. The framework lays the foundation for the implementation of practical arrangements to address irregular movement through the region, including through parties entering into bilateral and multilateral arrangements. In May 2011, the governments of Australia and Malaysia announced that they were progressing a bilateral transfer and resettlement arrangement under the framework. The formal Arrangement was entered into in July 2011. Under the Arrangement, up to 800 asylum seekers entering Australian waters as irregular maritime arrivals were to be transferred to Malaysia for refugee status determination. In return, Australia agreed to resettle an additional 1 000 refugees already residing in Malaysia each year over a four year period. The United Nations High Commissioner for Refugees and the International Organization for Migration were closely consulted in negotiation of the Arrangement and both supported its implementation. A legal challenge to the Arrangement was heard by the High Court of Australia in August 2011. The High Court's judgement was handed down on 31 August 2011 and effectively prevented the transfer of individuals to Malaysia under the Arrangement. Following on from a government announcement on 13 October 2011, asylum claims of individuals arriving in Australia by irregular maritime means will be processed in Australia. The government will also make greater use of existing powers to facilitate more asylum seekers residing in the community while their asylum claims are assessed, rather than being held in immigration detention facilities. The government has indicated the 1 000 additional refugees each year from Malaysia will be accepted within Australia's Humanitarian Program, set at 13 750 in 2011–12.

With the intense focus on asylum seekers there was less public debate than during 2010 on population growth and its relationship with immigration, perhaps a reflection of declining levels of net overseas migration. The government released its sustainable population strategy in May 2011, following a period of public consultation and the release of a series of discussion papers produced by advisory panels. The role of migration in helping to support growing areas of regional Australia was emphasised in the strategy. The strategy eschewed the adoption of a population target and, implicit in that, a migration target. The public release of net overseas

migration forecasts by the Department of Immigration and Citizenship can be seen as complementing the strategy by aiding those involved in infrastructure and service planning and delivery.

The decline in the level of net overseas migration was reflected in community views on immigration in the annual Mapping Social Cohesion study. In 2010 there had been a sharp increase in the proportion of respondents claiming Australia's immigration intake was too high, up 10 percentage points to 47 per cent. In 2011 the proportion regarding the intake as too high fell back towards 2009 levels, at 39 per cent, with a clear majority, 55 per cent, who thought immigration levels were about right or too low. On broader measures of social cohesion, the survey found a majority of people endorsed the underlying non-discriminatory character of the migration program, with 64 per cent agreeing with the proposition that accepting migrants from many countries makes Australia stronger.

In 2010–11, Australia accepted migrants from 185 different countries. Over time the composition of the major source countries has altered. The 2010–11 year was notable as, for the first time, the greatest number of permanent additions, aside from those from New Zealand, came from China, followed by the United Kingdom, India and the Philippines.

The Minister for Immigration and Citizenship, the Hon. Chris Bowen MP, recognised the ethnic and cultural diversity of the Australia population and its ability to absorb and bind new migrants, a phenomenon he dubbed “the genius of Australian multiculturalism”, in a major speech given in February 2011. He identified three attributes that provide the bedrock: respect for traditional Australian values; the acquisition of Australian citizenship and its associated pledge; and bipartisan political support. In the same speech, the Minister launched a new multicultural policy for Australia and the creation of an Australian Multicultural Council to champion multiculturalism and provide advice to the government on multicultural affairs. Members of the foundation were appointed in September 2011, alongside a call for community-based ambassadors to promote social inclusion. The government also announced a national anti-racism partnership, the partners tasked with developing an anti-racism strategy to be put into effect in 2012.

Late in 2011, Australia was welcomed into the family of countries whose migration laws and policies are assessed and ranked in the Migration Integration Policy Index, or MIPEX as it is commonly known. This exercise began in the European Union in 2004, and is periodically updated. Australia was ranked fifth out of 33 developed countries, behind Sweden, Portugal, Canada and Finland. It ranked relatively high in the areas of access to nationality and education, and relatively low in the areas of labour market mobility and political participation.

The scoring in MIPEX is predicated on the belief that an integrated society is one where migrants, both temporary and permanent, are accorded the same legal rights and entitlements as in-country nationals. This may or may not correlate with how well migrants do integrate, such as the welcome they receive or how quickly they settle. On these kinds of measures we know that Australia rates very highly by international standards, though there can be unevenness across different groups, with humanitarian entrants encountering the most difficulties in the initial years of settlement.

A report on the economic, civic and social contribution of humanitarian entrants by Professor Graeme Hugo was published by the department in June 2011. It finds that humanitarian entrants contribute to Australia in a variety of ways which are not always heralded – such as creation of new businesses – and, importantly, that the second generation are able to overcome the disadvantages faced by their parents, with strong evidence of convergence towards the educational attainment and employment participation of persons born in Australia.

There are still considerable gaps in our knowledge, especially around identifying what kind of services and support is most effective in enabling successful settlement. To address this, a new longitudinal survey of refugees and other migrants, known as Building a New Life in Australia, is under development. It is expected to track the journeys of a group of refugees and other migrants over a five year period from arrival in Australia through to eligibility for citizenship, commencing in 2012.

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Chapter 1: Developments in Migration Policy

Highlights in 2010–11



1.1 Changes to skilled migration

In the 2011 budget speech, the Australian Government announced that it would allocate 16 000 skilled migration places to regional areas of Australia. This initiative will be complemented by Regional Migration Agreements for communities with skill shortages, and the introduction of Enterprise Migration Agreements to enable large resource projects to gain readier access to temporary overseas labour to meet skilled vacancies that cannot be met locally.

In addition to this, Perth (the capital of Western Australia and a city of 1.7 million people) will, for the purposes of skilled migration, be considered a regional city. This action was taken because of widespread skill shortages in Western Australia. This provides employers in Western Australia an easier avenue to recruit skilled workers from overseas and gives skilled temporary visa holders in Perth a more streamlined pathway to permanent migration.

A new points test for General Skilled Migration applicants came into effect on 1 July 2011. The points test is a mechanism used to select skilled migrants expected to offer the greatest economic benefit to Australia. Points are awarded to applicants who have certain skills, attributes and qualifications. Compared with the previous test, the new points test does not give undue weight to any one factor and recognises a broader range of skills and attributes, focussing on:

- better English levels
- more extensive skilled employment
- higher level qualifications obtained in Australia and overseas
- better targeted age ranges.

The new points test will continue to award points for study in Australia, including regional study, community languages, partner skills and completing an approved Professional Year. Points will no longer be awarded for specific occupations, although all applicants must still nominate an occupation on the Skilled Occupation List (SOL) and have their skills assessed in their nominated occupation. The pass mark to be eligible for a General Skilled Migration visa is set at 65 points. More information on the new points test can be found at www.immi.gov.au/skilled/general-skilled-migration/pdf/points-test.pdf.

In 2011, the Australian Government announced that a new skilled migrant selection register, SkillSelect, will be introduced from 1 July 2012. It is designed to ensure Australia can select the best and brightest skilled migrants from a pool of prospective migrants. It will be based on an electronic two-stage process whereby prospective migrants first submit an expression of interest and may then be invited by the department to make a skilled migration visa application. More information on SkillSelect can be found at www.immi.gov.au/skilled/general-skilled-migration/pdf/skillselect-faq.pdf.

1.2 Student Visa Program review

In December 2010, the government appointed the Hon Michael Knight AO to conduct a strategic review of the student visa program to help enhance the quality, integrity and competitiveness of the student visa program.

On 30 June 2011, Mr Knight reported to the government with 41 recommendations, including:

- streamlined visa processing for international students enrolled in Bachelor or certain higher degree courses at participating universities
- access to a post study work visa dependent upon the duration and level of an applicant's study
- a "genuine temporary entrant" requirement for all Student visa applicants which will explicitly address whether the applicant's individual circumstances indicate that their principal aim is for a temporary stay in Australia to study and then return home, and
- a fundamental review of the Student visa risk management framework, the assessment levels, to be concluded by mid 2012.

The Australian Government supports, in principle, all of Mr Knight's recommendations, however some recommendations will be modified in places to enhance the performance of the Australian education sector and to better safeguard the integrity of the visa system. The majority of the recommendations are expected to be implemented between October 2011 and mid 2012, with some other changes expected to commence in early 2013. The full report and the Australian Government's planned changes to the student visa program can be found at www.immi.gov.au/students/knight/.

1.3 Visa Simplification and Deregulation project

In June 2010 the Australian Government announced it would simplify Australia's visa system, which currently consists of 149 different visas within a complex regulatory environment. The commitment is to reduce by 50 per cent the number of temporary working visas by 2012 and target a 50 per cent reduction in the total number of visa subclasses by 2015. A number of discussion papers that have informed stakeholder feedback during the early development of this project can be found at: www.immi.gov.au/media/publications/discussion-papers/simpler-visas.htm.

1.4 Refugees and asylum seekers

Since 1 November 2010 all Protection visa applicants in Australia have been required to provide biometrics data in the form of a digital photograph and fingerprints. The collection of this data is intended to reduce the potential for compromise of the integrity of the refugee status determination process by, for example, identifying instances of identity fraud.

On 1 March 2011, a new streamlined refugee assessment process for irregular maritime arrivals commenced — the Protection Obligations Determination. The new process assists faster assessment of protection claims and addresses issues of procedural fairness identified by the High Court of Australia in November 2010. Under the new process, a departmental officer will conduct a Protection Obligations Evaluation. If the applicant is found not

to be owed protection at that stage, the case will be automatically referred to an independent assessor for an Independent Protection Assessment.

In March 2011, the fourth Bali Process Ministerial Conference on People Smuggling, Trafficking in Persons and Related Transnational Crime endorsed a Regional Cooperation Framework for tackling people smuggling. The framework provides several options for combating people smuggling including:

- the development of bilateral arrangements to undermine people smuggling and create disincentives for irregular movement, including where appropriate, transfers, returns and readmissions
- the targeting of people smuggling enterprises through coordinated border security arrangements
- strengthened information and intelligence sharing.

An important initiative under the Regional Cooperation Framework was the Transfer and Resettlement Arrangement between the Governments of Australia and Malaysia. Implementation of the arrangement with Malaysia was designed to undermine the people smuggling business model and prevent asylum seekers risking their lives on the dangerous journey to Australia by boat. A decision of the High Court of Australia on 31 August 2011 effectively removed the ability of the Australian Government to pursue the arrangement under current legislation. Although offshore processing and implementation of the Malaysia Arrangement cannot be pursued at this time, the Government remains committed to this initiative as an important element in the management of irregular migration in our region.

In July 2011, legislative changes were enacted to toughen penalties for criminal behaviour in immigration detention. Under these changes, a person will fail the character test should they be convicted of any offence committed while in immigration detention, and may be refused a visa. Additionally, the maximum penalty for the manufacture, possession, use or distribution of weapons by immigration detainees has increased from three to five years' imprisonment.

In September 2011, new complementary protection legislation was passed to eliminate unnecessary processes for people seeking a Protection visa who are at risk of torture, inhumane treatment or likely death if returned to their home country. Under the new legislation, these people will be provided a transparent, efficient and accountable migration decision process. This replaces the more complex decision making process that left the decision to grant a visa at the discretion of the Minister for Immigration and Citizenship.

1.5 Review of sanctions for employers who employ illegal workers

In May 2010, the Australian Government appointed independent legal expert Stephen Howells to review the penalties to Australian employers who recruit illegal workers, prescribed in Australian migration law. The report recommended legislative changes aimed at more effectively deterring Australian employers and labour suppliers from engaging or referring foreigners who do not have lawful permission to work or who work in breach of their visa conditions.

The government has agreed in-principle to the review's recommendations, which include:

- introducing a new three-tiered employer sanctions regime with civil penalties and fines, as well as maintaining the current criminal penalties

- putting in place legal protections for employers that check their employees' work entitlements
- better education and awareness for employers and labour hire groups on their obligations
- greater powers for visa compliance officers to gather documentary evidence against non-compliant employers.

The full report can be accessed here: www.immi.gov.au/media/publications/compliance/review-employer-sanctions/

1.6 Pacific Seasonal Worker Pilot Scheme expansion

In 2011, the Australian Government invited Nauru, Samoa, Solomon Islands and Tuvalu to join Kiribati, Papua New Guinea, Tonga and Vanuatu as participants in the Pacific Seasonal Worker Pilot Scheme. The government also announced that it would implement a small scale trial with tourism industry employers in Western Australia with workers from East Timor. Discussions to develop memoranda of understanding to give effect to these arrangements will commence soon.

The Government has implemented a number of changes intended to make the pilot scheme more flexible and better reflect the needs of the horticulture sector.

Approved employers now have three options to guarantee workers a minimum amount of work: six months work at 30 hours per week, five months work at 35 hours per week, or 4 months work at 38 hours per week.

Approved employers will continue to pay the full cost of the workers' international airfares to and from Australia upfront, and later recoup a percentage of that cost from the worker. Previously, approved employers contributed 50 per cent of the international return trip for each worker. Under a new risk-based approach to cost-sharing, employers will contribute 35 per cent of each Kiribati worker's fare, 50 per cent for Tongan workers, 55 per cent for Papua New Guinean workers, and 80 per cent for workers from Vanuatu.

The Pilot Scheme allows up to 2 500 seasonal workers over three years to work in low-skilled jobs in the horticultural industry for up to seven months. For more information, see *Chapter 3—Temporary Entry*.

1.7 New Multicultural Policy

In 2011, the Australian Government launched its new multicultural policy, *The People of Australia*. This was the first multicultural policy statement issued since 2003. The four principles that underpin the new policy are:

- The government celebrates and values the benefits of cultural diversity, within the broader aims of national unity, community harmony and maintenance of democratic values.
- The government is committed to a just, inclusive and socially cohesive society where everyone can participate in the opportunities that Australia offers and where government services are responsive to the needs of Australians from culturally and linguistically diverse backgrounds.
- The government welcomes the economic, trade and investment benefits which arise from a successful multicultural nation.
- The government will act to promote understanding and acceptance while responding to expressions of intolerance and discrimination with strength, and where necessary, with the force of the law.

For more information on government initiatives under the new multicultural policy, see *Chapter 9—Diversity and Integration*.

1.8 Sustainable Population Strategy

In 2011, the government released Australia's first Sustainable Population Strategy, *Sustainable Australia—Sustainable Communities*. The strategy sets out the framework for improving the mix of services, job and skilled training opportunities and affordable housing, whilst boosting the liveability of Australian cities and regions to ensure they are places people want to live, work and build a future.

Initiatives under the framework include:

- a Suburban Jobs initiative which aims to support local (municipal) and state governments develop employment precincts, manufacturing hubs and multifunction developments close to residential areas in growing outer suburbs
- a Sustainable Regional Development initiative to support better sustainability planning in regions experiencing high growth through strategic assessments under national environmental law
- a Promoting Regional Living Program to support regional settlements outside Australia's major cities to market themselves as an alternative to living in a major capital city
- new Regional Migration Agreements aimed at enhancing the effectiveness of the Migration Program by ensuring it responds to changing economic needs, including building skills needed in regions outside of the major cities.

The government's Sustainable Population Strategy can be viewed in full here:

www.environment.gov.au/sustainability/population/publications/strategy.html.



Chapter 2: The Migration Program

Permanent residence



2.1 Overview

The Migration Program is the main pathway to permanent residence in Australia. The only other way for migrants to obtain permanent residence is to be accepted into Australia on humanitarian grounds.¹

Australia's Migration Program is non-discriminatory. A person can apply to migrate regardless of their ethnic origin, gender or religion provided that they meet the criteria set out in the *Migration Act 1958*. Persons can apply for Migration Program visas after they have arrived in Australia on a temporary visa (onshore) or before they arrive (offshore).

There are two major streams within the Migration Program:

- **The Skill Stream**—targets migrants who have skills, proven entrepreneurial capability or outstanding abilities that will contribute to the Australian economy.
- **The Family Stream**—enables the migration of immediate family members such as spouses, children, parents and certain other members of extended families.

There are also a small number of **special eligibility** visas issued to people who meet specific criteria or issued to resolve the status of certain groups of persons who have been allowed to remain in Australia as long-term temporary residents on humanitarian grounds.

In reporting on the program size it should be noted that:

- Both the primary applicant (i.e. the person who applied to migrate) and their migrating dependents (secondary applicants) are counted in the program. In the case of the Family Stream, where the majority of applicants are intending to become a partner of an Australian resident, there are relatively few dependents involved. For the Skill Stream however, many primary applicants are already in a family unit and will include their spouse and children on their visa application.
- Under the 1973 Trans-Tasman Travel Arrangement, New Zealand citizens can enter and leave Australia freely and live here indefinitely. This means that unless they choose to apply for permanent residence as a skilled or family migrant, they are not counted as part of Australia's Migration Program. In 2010–11 New Zealand provided Australia with 34 568 permanent settlers—making it the largest source of new migrants for that year.

All applicants for permanent entry to Australia, regardless of stream must meet health and character requirements. Applicants for Skill Stream visas also need to show that they have the skills and attributes necessary to succeed in the Australian labour market.

¹ For more information see *Chapter 4 —The Humanitarian Program*.

The number of visas granted under Australia’s Migration Program is tightly controlled. The Government decides the size and composition of the program and sets **planning levels** on an annual basis. Through careful management and monitoring, **visa grants** in the Migration Program come very close to the planning levels shown in figure 2.1.

Figure 2.1 Australia’s Migration Program 2009–10 and 2010–11 at a glance

Stream	Skill			Family			Special Eligibility		
	Allows for the migration of those with skills and abilities which will contribute to the economy			Allows for the permanent entry of those with close family ties in Australia			Allows for former permanent residents who meet certain criteria to remain in or return to Australia as permanent residents		
Purpose	Comprising: Employer Sponsored Business Skills General Skilled Migration Distinguished Talent			Comprising: Partners Dependent Children Parents Other Family					
Program year:	2009–10	2010–11	↑↓	2009–10	2010–11	↑↓	2009–10	2010–11	↑↓
Planning levels:	108 100	113 850	5.3%	60 300	54 550	-9.5%	300	300	0.0%
Visas granted:	107 868	113 725	5.4%	60 254	54 543	-9.5%	501	417	-16.8%
Females:	47.6%	47.3%	-0.3%	63.4%	64.7%	1.3%	48.1%	50.4%	2.3%
Primary applicants:	43.1%	49.4%	6.3%	84.2%	85.0%	0.8%	53.9%	54.7%	0.8%
Onshore applicants:	43.3%	59.0%	15.7%	27.3%	85.4%	58.1%	96.6%	89.2%	-7.4%

2.2 Australia’s Migration Program 2010–11

The Migration Program for 2010–11 was set at 168 700 places. This consisted of a Skill Stream of 113 850 places, a Family Stream of 54 550 places and 300 Special Eligibility places.

The overall size of the 2010–11 program was virtually unchanged from the 2009–10 program year, with only 62 extra places delivered. In absolute terms, it was the second largest program to date, just 3 100 places less than the record high of 171 800 places in the 2008–09 program. Like all migration programs of the past 12 years this program has more Skill Stream than Family Stream migrants, with the Skill Stream contributing more than two-thirds of the 2010–11 program. Compared with the 2009–10 program, Skill Stream visa grants grew by 5.4 per cent in 2010–11 while both Family Stream and Special Eligibility visa grants fell by 9.5 and 16.8 per cent respectively.

Figure 2.2 Australia’s Migration Program 2000–01 to 2010–11: streams



Most of the growth within the Skill Stream this year was in skilled family sponsored and employer sponsored visas. The trend in onshore migration growth continued in 2010–11, with 48 per cent of Migration Program places going to migrants already in Australia on a temporary basis—compared to only 38 per cent in 2009–10. This onshore growth is mostly driven by former international students and Business Long Stay (subclass 457) visa holders applying to remain in Australia permanently through the Skill Stream.

More detailed information on the composition of the 2010–11 Migration Program is shown in tables 2.1 and 2.2.

Table 2.1 Migration Program visa grants 2009–10 and 2010–11

Category or Component	2009–10	% of Program	2010-11	% of Program
Family				
Partner* Includes fiancé, spouse and interdependent	44 755	26.5	41 994	24.9
Child Includes child adoption, child dependent and orphan minor	3 544	2.1	3 300	2.0
Parent Includes Contributory and Non Contributory Parents	9 487	5.6	8 499	5.0
Other Family Includes aged dependent relatives, carers, orphan unmarried relatives and remaining relatives	2 468	1.5	750	0.4
Total Family	60 254	35.7	54 543	32.3
Skill				
Employer Sponsored Includes Employer Nomination Scheme, Labour Agreement and Regional Sponsored Migration Scheme	40 987	24.3	44 345	26.3
Business Skills**	6 789	4.0	7 796	4.6
Distinguished Talent	199	0.1	125	0.1
General Skilled Migration				
Skilled Independent	37 315	22.1	36 167	21.4
State/Territory Sponsored	18 889	11.2	16 175	9.6
Skilled Australian Sponsored Includes skills tested brothers, sisters, nieces, nephews, non-dependent children, working age parents, grandchildren and first cousins	3 688	2.2	9 117	5.4
Total Skill	107 868	63.9	113 725	67.4
Special Eligibility	501	0.3	417	0.2
Total^	168 623	100	168 685	100.0

*Figures for Partners are a net outcome as places in the Migration Program taken by provisional visa holders who do not subsequently obtain permanent visas are returned to the Migration Program in the year application for permanent residence was refused/withdrawn.

**Net outcome as cancelled visas are returned to the Migration Program in the year in which they are cancelled.

^Table does not include permanent visas granted to New Zealand citizens. Total for 2009–10 includes one grant of a 1 November visa.

Source: Migration Program Outcome data, Department of Immigration and Citizenship

Table 2.2 Migration Program visa grants 2010–11: offshore and onshore

Category or Component	Offshore	Onshore	Total
Family			
Partner*	29 432	12 562	41 994
Child	3 050	250	3 300
Parent	7 892	607	8 499
Other Family	545	205	750
Total Family	40 919	13 624	54 543
Skill			
Employer Sponsored	5 284	39 061	44 345
Business Skills**	7 538	258	7 796
Distinguished Talent	55	70	125
General Skilled Migration			
Skilled Independent	16 938	19 229	36 167
State/Territory Sponsored	12 817	3 358	16 175
Skilled Australian Sponsored	3 984	5 133	9 117
Total Skill	46 616	67 109	113 725
Special Eligibility	45	372	417
Total^	87 580	81 05	168 685

*Figures for Partners are a net outcome as places in the Migration Program taken by provisional visa holders who do not subsequently obtain permanent visas are returned to the Migration Program in the year application for permanent residence was refused/withdrawn.

**Net outcome as cancelled visas are returned to the Migration Program in the year in which they are cancelled.

^Table does not include permanent visas granted to New Zealand citizens.

Source: Migration Program Outcome data, Department of Immigration and Citizenship

2.3 Characteristics of permanent migrants

The proportion of males to females in the 2010–11 Migration Program remains the same as 2009–10 levels, with slightly more females than males—53 per cent compared with 47 per cent.

The main reason for this is because females comprise the majority of the Family Stream—taking up 65 per cent of all places in 2010–11. As shown in Table 2.3, males do however continue to outnumber females in the Skill Stream, although the female proportion is slightly higher than in 2009–10.

Table 2.3 Migration Program visa grants 2010–11: applicant type

Program Stream	Male	Female	Total [^]	Proportion female (%)
Family Stream	19 253	35 290	54 543	64.7
Primary applicants	15 955	30 611	46 566	65.7
Dependents	3 298	4 679	7 977	58.7
Skill Stream	59 889	53 829	113 725(a)	47.3
Primary applicants	36 553	19 604	56 157	34.9
Dependents	23 336	34 225	57 561	59.5
Special Eligibility	207	210	417	50.4
Primary applicants	131	97	228	42.5
Dependents	76	113	189	59.8
Total Program Outcome[^]	79 349	89 329	168 685	53.0

[^]Includes 7 “gender unknown” records. Source: Migration Program Outcome data, Department of Immigration and Citizenship

Persons in the Migration Program are relatively young. In 2010–11, 88.7 percent of migrants were aged under 45, 17.8 percent migrated as children under 15 years and only 3.1 per cent were aged 60 or over. Compared with the 2009–10 program, this represents a slight increase (1.3 per cent) in the share of migrants under 45 (87.4 per cent in 2009–10), with a 2.2 per cent fall in the proportion aged under 15 (20.0 per cent in 2009–10) and a 1 per cent fall in the proportion aged 60 or over (4.1 per cent in 2009–10).

The reasons behind this young age profile are not surprising. An essential criterion for most Skill Stream visas is that the primary applicant is aged younger than 45. Therefore the Skill Stream component of the program tends to attract mostly young families and young persons migrating to Australia without dependents. Within the Family Stream, the partner visa dominates and persons applying for these particular visas also tend to be young.

Table 2.4 Migration Program visa grants 2010–11: age groups

Age Group	Male	Female	Total [^]
0–14	15 421	14 638	30 061
15–19	3 182	3 545	6 727
20–24	6 548	11 415	17 963
25–29	17 500	21 650	39 151
30–34	12 852	13 766	26 620
35–39	8 638	8 533	17 172
40–44	6 161	5 747	11 909
45–49	3 569	3 116	6 685
50–54	1 716	2 131	3 847
55–59	1 362	1 887	3 249
60 +	2 394	2 898	5 292
Unknown age	6	3	9
Total[^]	79 349	89 329	168 685

[^]Includes 7 “gender unknown” records. Source: Migration Program Outcome data, Department of Immigration and Citizenship

The top ten migrant source countries for the 2010–11 Migration Program remained similar to 2009–10 with some re-ordering, and with Irish nationals replacing US nationals in the tenth spot. China remained the top source country with 29 547 places (3 808 more than in 2009–10), followed by the UK with 23 931 places (1 807 less than

in 2009–10), and India with 21 768 places (1 396 less than in 2009–10). The top 10 countries provided 69.4 per cent of the total Migration Program in 2010–11.

As Table 2.5 shows, if New Zealand nationals were counted within the Migration Program, they would be largest citizenship group, contributing nearly 5 000 more permanent entrants than China in 2010–11.

Table 2.5 Migration Program visa grants 2010–11: top 10 source countries

Country of Citizenship	Male	Female	Total†
New Zealand permanent settlers*	17 597	16 971	34 568
China (excludes SARs and Taiwan)	12 741	16 805	29 547
UK	12 577	11 354	23 931
India	11 632	10 136	21 768
Philippines	4 794	6 028	10 825
South Africa	4 302	4 308	8 612
Malaysia	2 381	2 749	5 130
Vietnam	1 659	3 050	4 709
Sri Lanka	2 379	2 218	4 597
South Korea	1 948	2 378	4 326
Ireland	2 251	1 449	3 700
Total of Top 10 Countries^	56 664	60 475	117 145
Proportion of Program^ (%)	35.9	33.6	69.4

OECD countries other than New Zealand are highlighted in orange.

*New Zealand nationals are not counted in the Migration Program and are included here for comparative purposes only.

^Includes 6 “gender unknown” records

†Excludes New Zealand permanent settlers

Source: Migration Program Outcome data, Department of Immigration and Citizenship

2.4 Focus on the Skill Stream

Since 1997–98 the Skill Stream has been the main migration pathway into Australia. In 2010–11, the planning level for the Skill Stream was set at 113 850 places—a 67.4 per cent share of the total program and a 5.3 per cent increase from the 2009–10 planning level of 108 100. This increase was in response to an improving labour market following a significant slowdown in 2008–09 as a result of the global financial crisis.

In 2010–11, the Skill Stream came very close to planning levels delivering 113 725 places. However, demand for permanent skilled visas was lower over the 2010–11 program year compared to 2009–10, with 122 794 skilled visa applications lodged in 2010–11, compared to 147 444 in 2009–10, a 20 per cent decrease.

Australia’s Skill Stream comprises four components. The largest of these is General Skilled Migration, accounting for 54.0 per cent of the Skill Stream and 36.4 per cent of the total Migration Program outcome in 2010–11. This is followed by Employer Sponsored and Business Skills, each accounting for 39.0 per cent and 6.9 per cent of the Skill Stream respectively. The Distinguished Talent component represented only 0.1 per cent of the Skill Stream in 2010–11.

Figure 2.3 Components of the Skill Stream

<h3>General Skilled Migration</h3> <p>Applicants are not sponsored by an employer but must have either recent skilled work experience or a recently completed eligible Australian qualification, and also pass a points test which awards higher points to prospective migrants with certain skills and characteristics.</p> <p>Main visa categories Skilled Independent State/Territory Sponsored Skilled Australian Sponsored</p> <p>61 459 migrants in 2010–11</p>	<h3>Employer Sponsored</h3> <p>Applicants must be sponsored by an Australian employer to fill a skilled job vacancy.</p> <p>Main visa categories Employer Nomination Scheme Regional Sponsored Migration Scheme Labour Agreements</p> <p>44 345 migrants in 2010–11</p>
<h3>Business Skills</h3> <p>For suitably qualified business persons. Most entrants are granted a four year provisional visa to establish a business or undertake designated investments. Once fulfilled, the entrant can apply for permanent residence.</p> <p>7 796 migrants in 2010–11</p>	<h3>Distinguished Talent</h3> <p>For persons who are internationally recognised for exceptional and outstanding achievement in:</p> <ul style="list-style-type: none"> a profession the arts sport research or academia. <p>125 migrants in 2010–11</p>
<p>Total of 113 725 Skill Stream migrants in 2010–11</p>	

2.4.1 General Skilled Migration

There were 61 459 General Skilled Migration (GSM) places filled in 2010–11, representing 54 percent of the total Skill Stream. India, China and the UK remain the top three source countries for GSM visas. The GSM component includes Skilled Independent, State/Territory Sponsored and Skilled Australian Sponsored visas.

The threshold criteria assessed through the GSM points test are a person’s age, their English proficiency and their occupation. Applicants need to be younger than 45, possess at least a competent level of English and have an occupation that is included on the Skilled Occupations List. Once these criteria are met, additional points are awarded where a person: possesses relevant work experience; is younger; has an Australian qualification; and can demonstrate a higher level of English proficiency. The points test was reviewed during 2010, and a new test took effect in July 2011 (see *Chapter 1—Developments in Migration Policy*).

Table 2.6 General Skilled Migration visa grants 2010–11: top 10 source countries

Country of Citizenship	Male	Female	Total	Total Proportion
India	8 064	4 669	12 733	20.7
China (excludes SARs and Taiwan)	5 353	6 805	12 158	19.8
UK	4 388	3 992	8 380	13.6
Sri Lanka	1 790	1 452	3 242	5.3
Malaysia	1 458	1 574	3 032	4.9
South Africa	1 373	1 389	2 762	4.5
Philippines	826	921	1 747	2.8
Nepal	803	602	1 405	2.3
Iran	756	628	1 384	2.3
South Korea	651	679	1 330	2.2
Total Top 10 countries	25 462	22 711	48 173	78.4
Other Countries	7 069	6 217	13 286	21.6
Total Program	32 531	28 928	61 459	100.0
Gender Split of Total (%)	52.9	47.1	100.0	

OECD countries are highlighted in orange.

Source: Migration Program Outcome data, Department of Immigration and Citizenship

2.4.2 Employer Sponsored

There were 44 345 Employer Sponsored places filled in 2010–11, representing 39 percent of Skill Stream outcomes. Employer Sponsored visas are not capped, and receive higher priority under priority processing directions. This is in an effort to respond quickly to the needs of Australian employers.

As in the previous program year, almost two-thirds of Employer Sponsored entrants in 2010–11 were from either the UK, Philippines, India, South Africa or China.

The majority of Employer Sponsored outcomes (88.1 per cent) in 2010–11 were from onshore applicants already in Australia on subclass 457 visas. Demand was slightly lower than the previous program year, with some 47 381 Employer Sponsored visa applications lodged in 2010–11, compared to 53 490 in 2009–10.

Table 2.7 Employer Sponsored visa grants 2010–11: top 10 source countries

Country of Citizenship	Male	Female	Total	Total Proportion (%)
UK	4 934	4 348	9 282	20.9
Philippines	3 265	2 829	6 097	13.7
India	2 463	2 074	4 537	10.2
South Africa	2 303	2 194	4 499	10.1
China (excludes SARs and Taiwan)	1 742	1 737	3 480	7.8
Ireland	952	613	1 565	3.5
South Korea	650	659	1 309	3.0
Zimbabwe	433	441	874	2.0
Germany	422	400	822	1.9
USA	384	386	770	1.7
Total Top 10 countries	17 548	15 681	33 235	74.9
Other Countries	5 745	5 364	11 110	25.1
Total[^]	23 293	21 045	44 345	100
Gender Split of Total (%)	52.5	47.5	100.0	

OECD countries are highlighted in orange.

[^]Includes 7 unknown gender Source: Migration Program Outcome data, Department of Immigration and Citizenship

2.4.3 Business Skills

There were 7 796 Business Skills places filled in 2010–11, out of 7 800 available places, representing 7 per cent of the total Skill Stream. Chinese nationals remain the largest group, receiving almost two-thirds of Business Skills visas granted in 2010–11. Demand in this category decreased by 5.1 per cent in 2010–11, with 11 480 applications lodged compared to 12 099 in 2009–10.

Table 2.8 Business Skills visa grants 2010–11: top 10 source countries

Country of Citizenship	Male	Female	Total	Total Proportion (%)
China (excludes SARs and Taiwan)	2 457	2 334	4 791	61.5
South Korea	333	308	641	8.2
Malaysia	212	202	414	5.3
UK	202	189	391	5.0
South Africa	164	166	330	4.2
Taiwan	70	60	130	1.7
Hong Kong (SAR of China)	68	58	126	1.6
Pakistan	66	49	115	1.5
Iran	38	39	77	1.0
Sri Lanka	34	38	72	0.9
Total Top 10 countries	3 644	3 443	7 087	90.9
Other Countries	359	350	709	9.1
Total	4 003	3 793	7 796	100.0
Gender Split of Total (%)	51.3	48.7	100.0	

OECD countries are highlighted in orange.

Source: Migration Program Outcome data, Department of Immigration and Citizenship

2.5 Family Stream

Table 2.9 contains information on the top 10 countries of citizenship for visas granted in the Family Stream in 2010–11. These 10 countries accounted for almost two-thirds of the Family Stream, and 64.7 per cent of visas granted in this stream were for women.

Table 2.9 Family Stream visa grants 2010–11: top 10 source countries

Country of Citizenship	Male	Female	Total Grants	Proportion of Family Stream (%)
China (excludes SARs and Taiwan)	3 170	5 907	9 077	16.6
UK	3 015	2 791	5 806	10.6
India	1 062	3 364	4 426	8.1
Vietnam	972	2 351	3 323	6.1
Philippines	695	2 268	2 963	5.4
Thailand	350	1 691	2 041	3.7
USA	810	984	1 794	3.3
Indonesia	314	907	1 221	2.2
South Korea	298	718	1 016	1.9
South Africa	454	548	1 002	1.8
Other	8 113	13 761	21 874	40.1
Total	19 253	35 290	54 543	100.0
Gender Split (%)	35.3	64.7	100.0	

OECD countries are highlighted in orange. Source: Migration Program Outcome data, Department of Immigration and Citizenship

2.6 Migration Program planning levels for 2011–12

The Migration Program planning levels for 2011–12 (table 2.10) represent a 10 percent growth in places on the 2010-11 program, with a maximum of 185 000 places, consisting of:

- 125 850 places under the Skill Stream—12 000 more places than in 2010–11
- 58 600 places under the Family Stream—4 050 more places than in 2010–11
- 550 Special Eligibility places—250 more places than in 2010–11.

Table 2.10 Migration Program planning levels 2011–12

Category	2010–11 Planning Level	2011–12 Planning Level	Change (%)
Family			
Partner	42 000	45 400	8.1
Child	3 300	3 450	4.5
Other Family	750	1 250	66.7
Parent	8 500	8 500	0.0
Total Family	54 550	58 600	7.4
Skill			
Employer Sponsored	44 150	46 000	4.2
General Skilled Migration	61 700	72 450	17.4
Distinguished Talent	200	200	0.0
Business Skills	7 800	7 200	-7.7
Total Skill	113 850	125 850	10.5
Special Eligibility			
Total Special Eligibility	300	550	83.3
Total Program	168 700	185 000	9.7

Source: Migration Program Statistics, www.immi.gov.au/media/statistics/statistical-info/visa-grants/migrant.htm

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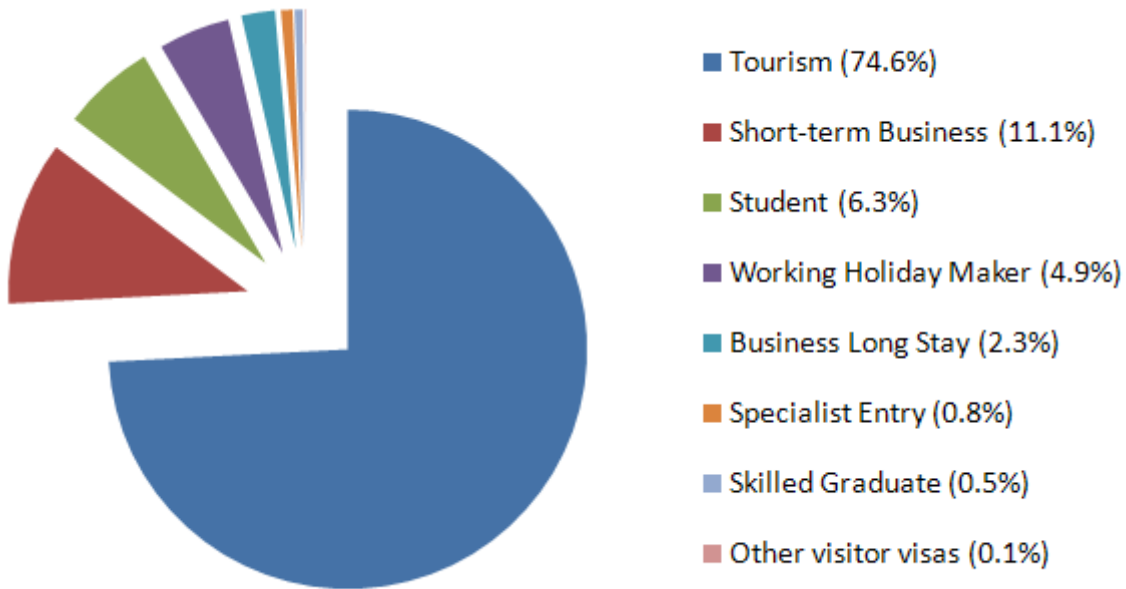
Chapter 3: Temporary Entry



3.1 Overview

In 2010–11, 3 994 830 temporary entry visas were granted. These included visas granted to tourists, long and short-term business visitors, students, working holiday makers, onshore graduates as well as a range of specialist work and medical treatment visas. Figure 3.1 shows that in 2010–11 tourists accounted for the vast majority of temporary entry visas (74.6 per cent), while short-term business visitors came a distant second, with a share of 11.1 per cent.

Figure 3.1 Overview of selected temporary entry visas granted 2010–11



3.2 Business Long Stay visa

A significant component of the temporary entry program and a large contributor to net overseas migration is Australia’s temporary Business Long Stay (subclass 457) visa. This visa enables employers to directly sponsor overseas workers for a period of up to four years, provided they have been unable to source workers through the domestic labour market.

Table 3.1 shows that, following a fall in visa grants in 2009–10, demand for Business Long Stay visas increased in 2010–11, with 32.5 per cent more visas being granted compared with the previous year.

Table 3.1 Business Long Stay visa grants 2001–02 to 2010–11

Year	Male	Female	Gender unknown	Total Grants
2001–02	20 554	17 551	487	38 592
2002–03	22 483	19 063	390	41 936
2003–04	23 007	18 864	566	42 437
2004–05	26 603	21 748	786	49 137
2005–06	40 162	30 868	707	71 737
2006–07	49 426	38 484	27	87 937
2007–08	61 940	49 060	19	111 019
2008–09	55 479	45 930	23	101 432
2009–10	36 688	31 332	3	68 023
2010–11	50 387	39 755	3	90 145

Includes grants to primary and secondary applicants. Source: Migration Planning and Strategies Section (BP0001), Department of Immigration and Citizenship

Table 3.2 shows that six of the top 10 countries of citizenship for Business Long Stay visa grants in 2010–11 were OECD countries, with OECD countries contributing 56.4 per cent of all grants in 2010–11.

Table 3.2 Business Long Stay visa grants 2010–11: top 10 source countries

Citizenship Country	Female	Male	Total	Proportion of total grants (%)
UK	9 621	12 053	21 674	24.0
India	6 452	9 358	15 810	17.5
USA	3 000	4 019	7 020 [^]	7.8
Philippines	2 736	3 161	5 898 [^]	6.5
Ireland	2 366	3 452	5 818	6.5
South Africa	1 699	1 796	3 495	3.9
China (excludes SARs and Taiwan)	1 427	1 554	2 981	3.3
Canada	1 256	1 475	2 731	3.0
Germany	963	1 181	2 144	2.4
France	880	1 208	2 089 [^]	2.3
Total Top 10 countries	30 400	39 257	69 660	77.3
Other	9 355	11 130	20 485	22.7
Grand Total	39 755	50 387	90 145	100.0
Gender Split of Total (%)	44.1	55.9	100.0	

OECD countries are highlighted in orange.

[^]Includes a small number of "unknown gender" records.

Source: Migration Planning and Strategies Section (BP0001), Department of Immigration and Citizenship

The Business Long Stay visa is a common pathway to permanent residence. In 2010–11, 41 720 people transitioned from a Business Long Stay visa to a place in the Migration Program, with 96.2 per cent granted a permanent skilled visa and 3.9 per cent a family visa. The majority of people making this transition to permanent residence were sponsored by their employer, with 68.2 per cent moving onto an Employer Nomination Scheme visa and 17.5 per cent transitioning to a Regional Sponsored Migration Scheme visa.

Table 3.3 Permanent visas granted to Business Long Stay visa holders 2009–10 & 2010–11

Visa Category	2009–10	2010–11	% change	% of total transitions 2010–11
Skill				
Employer Nomination Scheme	25 990	28 430	9.4	68.2
Regional Sponsored Migration Scheme	7 670	7 290	-5.0	17.5
Labour Agreement	80	30	-66.7	0.1
Skilled Independent	5 570	2 730	-51.0	6.5
Other Skilled	1 950	1 640	-15.8	3.9
Skill total	41 260	40 120	-2.8	96.2
Family				
Spouse	1 870	1 400	-25.5	3.3
Other Family	270	200	-24.2	0.5
Family total	2 140	1 600	-25.4	3.8
Total	43 400	41 720	3.9	100.0

In determining the last visa held, bridging visas have been excluded. Figures are rounded. Source: Migration Planning and Population Strategies Section, Department of Immigration and Citizenship

3.3 Students and Graduates

In 2010–11, 250 438 Student visas were granted to foreign nationals to enrol in a full fee paying course in Australia. This represented a decrease of 7.4 per cent compared to the 270 499 student visas granted in 2009–10, and a 21.6 per cent decrease on the peak of 2008–09 (319 632 visa grants).

Figure 3.2 Student visa grants 1993–94 to 2010–11

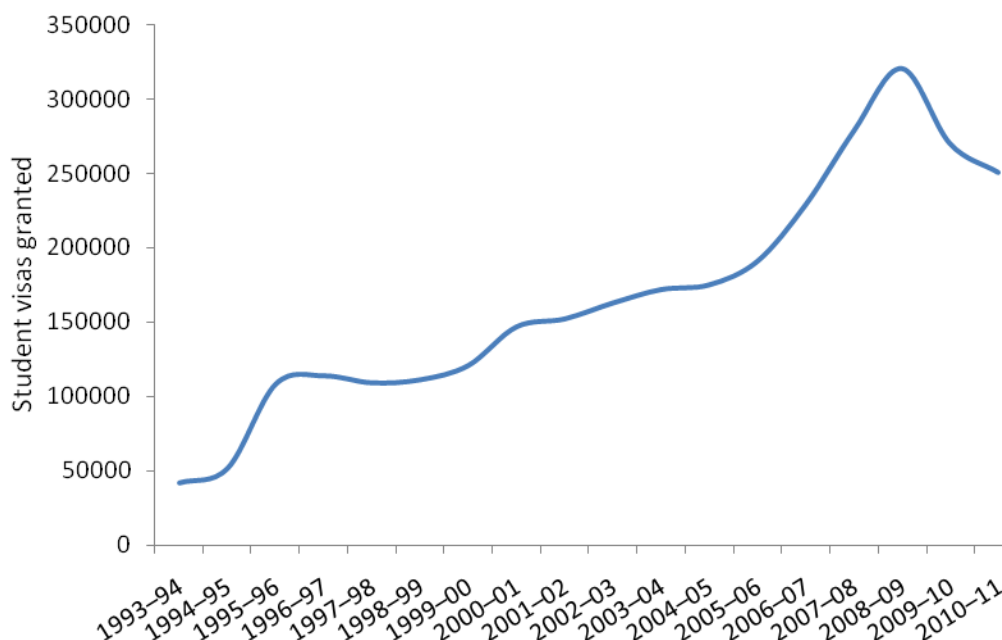


Table 3.4 shows that student visa grants fell across all major source countries between 2009–10 and 2010–11. In 2010–11 reductions in grants were most pronounced for applicants from South Korea (down 19.4 per cent from 2009–10), while grants to Indian students experienced the largest two-year decline (down 55.8 per cent from 2008–09).

Table 3.4 Student visa grants 2008–09 to 2010–11: top 10 source countries

Source country	2008–09	2009–10	2010–11	Per cent change (2009–10 to 2010–11) (%)
China (excludes SARS and Taiwan)	55 331	54 541	49 852	-8.6
India	65 516	29 826	28 954	-2.9
South Korea	17 351	16 416	13 238	-19.4
Brazil	12 525	11 461	9 780	-14.7
Malaysia	11 545	10 643	9 709	-8.8
Thailand	13 489	11 742	9 273	-21.0
Nepal	13 995	6 073	8 830	45.4
US	9 644	9 007	8 562	-4.9
Indonesia	8 681	8 729	8 088	-7.3
Saudi Arabia	7 629	7 318	7 798	6.6
Other	103 926	104 743	96 354	-8.0
Total	319 632	270 499	250 438	-7.4
Proportion citizens of OECD countries (%)	20.7	24.3	23.3	
Proportion Female (%)	45.4	47.4	47.3	

OECD countries are highlighted in orange

Source: Migration Planning and Strategies Section (BP0001), Department of Immigration and Citizenship

In terms of educational sector, table 3.5 shows that in 2010–11, grants in the English Language Intensive Courses for Overseas Students (ELICOS) and Schools sectors declined the most with decreases of 17.5 and 16.5 per cent respectively compared with 2009–10. This table also shows that the share of offshore student visa grants has declined by 8.0 per cent over the period 2008–09 to 2010–11.

Table 3.5 Student visa grants 2008–09 to 2010–11: educational sector

Educational sector	2008–09	2009–10	2010–11	Change (%) 2008–09 to 2009–10	Change (%) 2009–10 to 2010–11
Higher Education	133 860	119 004	112 567	-11.1	-5.4
Vocational Education and Training	103 789	72 030	67 406	-30.6	-6.4
ELICOS [^]	36 452	35 242	29 062	-3.3	-17.5
Non-Award	18 999	18 139	17 107	-4.5	-5.7
Schools	14 139	12 527	10 460	-11.4	-16.5
Postgraduate Research	8 335	9 341	9 203	12.1	-1.5
AusAID/Defence	4 058	4 216	4 633	3.9	9.9
Total Grants	319 632	270 499*	250 438	-15.4	-7.4
Offshore share (%)	28.3	24.0	20.3		
Onshore share (%)	71.7	76.0	79.7		

[^]ELICOS: English Language Intensive Courses for Overseas Students. *Includes 24 unknown location (on/offshore) records. Source: Migration Planning and Strategies Section (BP0001), Department of Immigration and Citizenship

Several factors contributed to the decline in grants since the peak of 2008–09. These include: a stronger Australian dollar; the ongoing impact of the global economic crisis in some countries; increased international competition in the education market; and changes to the Skilled Migration program such as tightening of the Skilled Occupation List (see *Chapter 1—Developments in Migration Policy*).

The decline in student visa grants since 2008–09 is also having an impact on the stock of international students in Australia. On 30 June 2011, there were 332 709 student visa holders in Australia, a decline of 13.1 per cent compared to 30 June 2010 when there were 382 716 international students. The main source countries of these students are China and India with 75 578 and 50 980 visa holders respectively. OECD countries accounted for 15.5 per cent of student visa holders currently at 30 June 2011.

At 30 June 2011, 54.1 per cent of student visa holders in Australia held a Higher Education visa and 28.3 per cent held a Vocation Education and Training Sector visa.

3.3.1 Student and graduate pathways to permanent residence

Since restrictions on onshore skilled migration visa applications for students were eased in 2001, many students have transitioned to the Skill Stream of the Migration Program on completion of their courses. Table 3.6 contains data on the numbers of student visa holders transitioning to selected Migration Program visas for the period 2006–07 to 2010–11. The considerable jump in students transitioning to a Skilled Independent visa in 2010–11 is flow-on from the spike in student visa grants in 2008–09.

Table 3.6 Migration Program visa grants to Student visa holders 2006–07 to 2010–11

Permanent visa category	Grants to former student visa holders [^]					Per cent change (2009–10 to 2010–11)	Per cent change (2006–07 to 2010–11)
	2006–07	2007–08	2008–09	2009–10	2010–11		
Employer Sponsored	464	615	1 010	1 406	2 291	62.9	393.8
Skilled Australian Sponsored	2 571	3 566	2 504	819	4 564	457.3	77.5
Skilled Independent	20 294	17 836	9 649	6 139	16 883	175.0	-16.8
Partner	3 024	3 038	3 733	4 941	5 372	8.7	77.6
State/Territory Sponsored	337	413	2 368	2 320	2 847	22.7	744.8
Other skilled and family	322	338	336	270	116	-57.0	-64.0
Total	27 012	25 806	19 600	15 895	32 073	101.8	18.7

[^]Persons whose last visa held was a student visa (excluding bridging visas). Students transitioning to permanent residency via a Skilled Graduate visa are detailed in table 3.9. Source: Migration Planning and Population Strategies Section, Department of Immigration and Citizenship

International students who do not meet the criteria for a permanent Skill Stream visa after graduating may apply for a Skilled Graduate (subclass 485) visa, which allows temporary residence in Australia for 18 months to gain

skilled work experience or improve their English language skills. Holders of this visa may apply for permanent residence at any time if they meet the passmark on the General Skilled Migration points test. In 2010–11 the top three source countries for Skilled Graduate visa grants were India, China and Nepal, which collectively accounted for 72.8 per cent of all grants.

Table 3.7 Skilled Graduate visa grants 2010–11: top three source countries

Country of Citizenship	Grants 2009–10	Grants 2010–11	Change (%)
India	9 230	9 644	4.5%
China (excludes SARs and Taiwan)	4 942	4 330	-12.4%
Nepal	1 270	1 734	36.5%
OECD countries	2 256	1 395	-38.2%
Other countries	5 692	4 484	-21.2%
Total grants	23 390	21 587	-7.7%

Source: Migration Planning and Strategies Section (BP0001), Department of Immigration and Citizenship

Table 3.8 shows that in 2010–11 the majority of Skilled Graduate visas were granted to students who completed a diploma (17.3 per cent of all grants) or a masters degree (16.3 per cent of all grants) in Australia. Table 3.9 shows that In 2010–11, 6 267 Skilled Graduate visa holders transitioned to a permanent skilled visa.

Table 3.8 Skilled Graduate visa grants 2010–11: qualifications completed in Australia

Qualification completed in Australia	Grants 2010–11	Proportion (%)
Diploma	3 727	17.3
Masters Degree	3 512	16.3
Bachelor Degree	2 240	10.4
Certificate III	1 535	7.1
Advanced Diploma	1 381	6.4
Certificate IV	475	2.2
Graduate Diploma	295	1.4
Doctoral Degree	35	0.2
Honours Degree (other)	32	0.1
Honours Degree (upper 2nd Class)	30	0.1
Honours Degree (1st Class)	15	0.1
Other	8 310	38.5
Total	21 587	100.0

Source: Migration Planning and Strategies Section (BP0001), Department of Immigration and Citizenship

Table 3.9 Migration Program visa grants to Skilled Graduate visa holders 2010–11

Permanent visa category	Grants to former Skilled Graduate visa holders 2010–11	Proportion (%)
Employer Sponsored	474	7.1
Skilled Australian Sponsored	237	3.6
Skilled Independent	5305	79.9
Spouse	373	5.6
State/Territory Sponsored	245	3.7
Business Skills	6	0.1
Total	6 640	100.0

Source: Migration Planning and Population Strategies Section, Department of Immigration and Citizenship

3.4 Working Holiday Maker Program

The Working Holiday Maker program encourages cultural exchange and closer ties between countries by allowing young people to have an extended holiday, during which they can supplement their funds through short-term employment. The program is a valuable provider of supplementary labour for industries needing short-term or seasonal workers, such as hospitality and agriculture.

The Working Holiday Maker program comprises two visas, the Working Holiday (subclass 417) visa and the Work and Holiday (subclass 462) visa. These visas work in similar ways. They:

- are for persons aged between 18 and 30 years, with no accompanying dependent children
- allow a stay of 12 months from the date of initial entry to Australia
- permit up to four months study or training and
- allow for up to six months work with any one employer.

Where these two visas differ most is in the eligibility requirements. The Work and Holiday visa requires applicants from outside the USA to have functional level English, tertiary qualifications and the support of their home government. The Working Holiday visa has no such requirements. Further, Working Holiday visa grants are not capped, whereas Work and Holiday visa grants (except to US citizens) are capped.

Another difference is that Working Holiday visas can be extended but Work and Holiday visas cannot. Since November 2005 Working Holiday visa holders who have completed at least three months of specified work in agriculture, mining or construction in specified regions, may apply for a second Working Holiday visa.

The Working Holiday Maker program has more than doubled in size over the last 10 years. After falling slightly between 2009–10 and 2008–09 due to the global economic slowdown, positive growth has returned, with 192 890 visas granted in 2010–11, an increase of 5.3 per cent on the 183 261 visas granted in 2009–10.

3.4.1 Working Holiday visas

Australia currently has reciprocal Working Holiday visa arrangements with 19 countries. These are Belgium, Canada, Cyprus, Denmark, Estonia, Finland, France, Germany, Hong Kong, Ireland, Italy, Japan, South Korea, Malta, Netherlands, Norway, Sweden, UK, and Taiwan. All but four of these countries are OECD member states.

In 2010–11, 185 448 Working Holiday visas were granted, 5.5 per cent more than the 175 742 grants in 2009–10. The top five source countries in 2010–11 were the UK, Korea, Ireland, Germany and France. These five countries collectively accounted for 70.7 per cent of the program for 2010–11. Male visa holders (51.7 per cent) slightly outnumbered females.

Table 3.10 Working Holiday visa grants 2010–11: participating countries

Arrangement country / citizenship	Male	Female	Total	Proportion (%)
UK	21 867	17 192	39 059	21.1
South Korea	16 914	13 609	30 523	16.5
Germany	9 465	11 702	21 167	11.4
France	10 719	7 833	18 552	10.0
Ireland	13 625	8 159	21 784	11.7
Taiwan	4 497	9 317	13 814	7.4
Canada	3 505	4 405	7 910	4.3
Japan	2 722	5 028	7 750	4.2
Italy	4 209	2 229	6 438	3.5
Sweden	1 760	2 367	4 127	2.2
Netherlands	1 873	1 949	3 822	2.1
Hong Kong (SAR of China)	1 831	2 712	4 543	2.4
Estonia	852	600	1 452	0.8
Belgium	651	579	1 230	0.7
Denmark	685	578	1 263	0.7
Finland	327	741	1 068	0.6
Norway	270	566	836	0.5
Malta	51	37	88	0.05
Cyprus	12	6	18	0.01
Unknown*	2	2	4	0.00
Total	95 837	89 611	185 448	100.0
Gender Split of Total (%)	51.7	48.3	100.0	

OECD countries are highlighted in orange

Figures include first and second Working Holiday Visa. *These are cases where the visa applicant has dual nationality and the visa approval has been recorded against a non Working Holiday Visa eligible nationality.

Source: Migration Planning and Strategies Section (BP0001), Department of Immigration and Citizenship

3.4.2 Work and Holiday visas

Work and Holiday visa arrangements are in place with Bangladesh, Chile, Indonesia, Malaysia, Thailand, Turkey and the USA. With the exception of the USA, the annual number of Work and Holiday visa holders allowed under this category is capped in line with limits upon number of Australians able to take a working holiday in an arrangement country.

In 2010–11, 7 442 Work and Holiday visas were granted, a 1.3 per cent decrease on the 7 422 grants in 2009–10. Applicants from the USA accounted for 83.6 per cent of these grants. Unlike the Working Holiday visa cohort, female Work and Holiday visa holders (56.9 per cent) slightly outnumbered males.

Table 3.11 Work and Holiday visa grants 2010–11: participating countries

Arrangement country / citizenship	Male	Female	Total	Proportion (%)	Program Cap
Chile	279	234	513	6.9	1 500
Thailand	98	401	499	6.7	500
Turkey	2	3	5	0.1	100
USA	2 752	3 467	6 219	83.6	No cap
Malaysia	30	70	100	1.3	100
Indonesia	40	58	98	1.3	100
Iran*	7	1	8	0.1	N/A
Total	3 208	4 234	7 442[^]	100.0	N/A
Gender Split of Total (%)	43.1	56.9	100.0		

OECD countries are highlighted in orange.

[^]Includes gender not stated in total. *Australia's Work and Holiday arrangement with Iran was discontinued on 30 June 2007. Grants shown are for subsequent Work and Holiday visa extensions available under the terms of the agreement. Source: Migration Planning and Strategies Section (BP0001), Department of Immigration and Citizenship

3.5 Tourists and Short-Term Business Visitors

Tourists and short-term business visitors comprise the majority of persons entering Australia on a temporary basis. In 2010–11, OECD citizens comprised two-thirds (66.7 per cent) of tourist visa grants, and just under half (48.4 per cent) of business visitor visa grants.

In 2010–11, almost three million tourism visas were granted, and only 0.7 per cent less than the number granted in 2009–10. The majority of visas granted in the tourism category in 2009–10 and 2010–11 were Electronic Travel Authority (Visitor) visas.

In 2010–11, 442 482 short-term business visitor visas were granted, representing a growth of 16.5 per cent on the 379 696 visas granted in 2009–10. The majority of visas in this category granted in 2009–10 and 2010–11 were Business Short Stay and Electronic Travel Authority (Business Entrant) visas.

Table 3.12 Tourism and short-term business visitor visa grants 2009–10 to 2010–11

Visa category	2009–10 grants	2010–11 grants	Change (%)
Tourism [^]	2 984 331	2 963 345	-0.7%
Short-term business [*]	379 696	442 482	16.5%

[^]Comprises the following visas: eVisitor (Tourism), Tourist, Sponsored Family Visitor, Electronic Travel Authority (Visitor) *Comprises the following visas: Business Short Stay, Sponsored Business Visitor, eVisitor (Business), Electronic Travel Authority (Business Entrant, Short and Long Validity). Source: Migration Planning and Strategies Section (BP0001), Department of Immigration and Citizenship

In 2010–11, OECD countries featured in seven of the top 10 source countries for tourism visa grants and four of the top 10 source countries for business visitor visa grants. Tables 3.13 and 3.14 contain more information about the main countries of citizenship for grants of these visas in 2010–11.

Table 3.13 Tourism visa grants 2010–11: top 10 source countries

Country of Citizenship	Female	Male	Total 2010–11 grants	Proportion (%)
UK	272 734	257 720	530 454	17.9
USA	160 820	149 509	310 329	10.5
Japan	173 948	127 222	301 170	10.2
Malaysia	99 041	78 630	177 671	6.0
South Korea	88 592	74 567	163 159	5.5
China (excludes SARs and Taiwan)	80 900	57 588	138 488	4.7
Germany	65 817	62 385	128 202	4.3
Singapore	68 986	53 408	122 394	4.1
France	56 335	56 057	112 392	3.8
Canada	50 258	43 549	93 807	3.2
Other countries	491 900	393 378	885 279	29.9
Total Tourism	1 609 331	1 354 013	2 963 345	100.0
Gender Split of Total (%)	54.3	45.7	100.0	

OECD countries are highlighted in orange.

Source: Migration Planning and Strategies Section (BP0001), Department of Immigration and Citizenship

Table 3.14 Short-term business visitor visa grants 2010–11: top 10 source countries

Country of Citizenship	Female	Male	Total 2010–11 grants	Proportion (%)
China (excludes SARs and Taiwan)	24 617	49 703	74 320	16.8
USA	13 134	49 535	62 669	14.2
UK	6 828	33 188	40 016	9.0
India	4 552	21 034	25 586	5.8
Japan	3 400	19 645	23 045	5.2
Singapore	5 941	13 349	19 290	4.4
Indonesia	5 102	10 790	15 892	3.6
Malaysia	4 032	10 448	14 480	3.3
Germany	1 932	11 995	13 927	3.1
Thailand	5 175	8 004	13 179	3.0
Other countries	31 547	108 531	140 078	31.7
Total Business	106 260	336 222	442 482	100.0
Gender Split of Total (%)	24.0	76.0	100.0	

OECD countries are highlighted in orange.

Source: Migration Planning and Strategies Section (BP0001), Department of Immigration and Citizenship

3.6 Other Temporary Visas

The specialist entry program provides a range of visas for people to participate in specific professional, cultural or social activities other than tourism in Australia. There are two streams within this program. The Social/Cultural Stream facilitates the entry of workers whose professions contribute to an increased understanding between cultures. The International Relations Stream seeks to foster better relations between countries by facilitating the entry of foreign government personnel, diplomats, and others.

Table 3.15 Specialist entry visitor visa grants 2010–11

Category and visa type	2010–11 grants
Social/Cultural Stream	
Entertainment for workers in the entertainment industry, including film directors, performers etc	16 319
Special Programme for approved special programs, including youth exchanges and Pacific Seasonal Worker Pilot Scheme workers	2 563
Visiting Academic for professional academics to observe or participate in research activities at tertiary and research institutions in Australia	2 602
Religious Worker for persons wishing to conduct full-time religious work in Australia	1 835
Sport for sportspeople participating in sports competition or training events in Australia	497
Media and Film Staff for journalists, film crew etc	30
Professional Development for professionals, managers or government officials undertaking professional development training programs in Australia	491
Proportion citizens of OECD countries (%)	70.2
Total Social/Cultural	24 337
International Relations Stream	
Domestic Worker (Executive) for full-time domestic workers of certain senior executives holding a Business Long Stay visa	17
Domestic Worker (Diplomatic or Consular) for full-time domestic workers of holders of a Diplomatic visa	145
Government Agreement for those working under a bilateral arrangement with the British Council, Alliance Francais, Goethe-Institut and Italian Cultural Institute	496
Foreign Government Agency for representatives of foreign government agencies without official status	286
Exchange for workers participating in a reciprocal exchange program	306
Diplomatic for diplomats	2 330
Occupational Trainee for certain workers undertaking training to improve their occupational skills	3 480
Proportion citizens of OECD countries (%)	49.6
Total International Relations	7 060

Source: Migration Planning and Strategies Section (BP0001), Department of Immigration and Citizenship

3.6.1 Pacific Seasonal Worker Pilot Scheme

Within the Social/Cultural Stream, the Pacific Seasonal Worker Pilot Scheme enables up to 2 500 seasonal workers, over three years, from Kiribati, Papua New Guinea, Tonga and Vanuatu to work in low-skilled jobs in the horticultural industry in regional Australia for up to seven months in a 12 month period. Pacific seasonal workers contribute to the economic development of their home country through skills transfers and remittances.

In September 2011, the Australian Government invited Nauru, Samoa, Solomon Islands and Tuvalu to enter into memoranda of understanding to join the scheme, and announced an additional small scale trial will be implemented involving the employment of workers from East Timor in West Australian tourism businesses.

Now in its third year of operation, the pilot has seen considerable increase in demand. In 2010–11, 392 workers were recruited by eight approved employers. This compares with 67 workers recruited by two approved employers in 2009–10. In 2010–11, Papua New Guinea workers also participated in the scheme for the first time. Demand in the 2011–12 program year is expected to top 1 000 workers.

3.6.2 Other visitors

In 2010–11, 2 197 Medical Treatment (Short Stay) visas were granted to citizens of 60 countries, with citizens of France accounting for 58.4 per cent² of these grants. In addition to these were 131 Medical Treatment (Long Stay) visa grant to citizens of 36 countries, with more than half of these going to citizens of Vietnam, Indonesia, Philippines, Fiji or Pakistan.

There were 243 visas granted to superyacht crew in 2010–11. Of these, 72.8 per cent were for citizens from OECD countries, with UK and US visa holders being the main recipients (85 and 30 grants respectively).

Table 3.16 Other visitor visa grants 2010–11

Category and visa type	2010–11 grants	Proportion granted to citizens of OECD countries (%)
Superyacht Crew	243	72.8
Medical Treatment (Short Stay)	2 197	60.9
Medical Treatment (Long Stay)	131	5.3
Total	2 571	59.2

Source: Migration Planning and Strategies Section (BP0001), Department of Immigration and Citizenship

² The majority of these were people born in New Caledonia.

3.7 Short-Term Intracorporate Flows

Short-term intracorporate transfers (or ‘posted workers’) are employees whose employer temporarily transfers them to a different country to provide services for a limited period. In contrast to ordinary labour migration, these workers (if salaried) are employees of a company in the country of origin rather than of a domestic company or (if self-employed) are based in the country of origin rather than the country where the service is carried out.

Short-term intracorporate flows are an under-studied aspect of international trade, and can be difficult to measure in the Australian context. This is due to the limited availability of data collected for some of the visas that could be used to travel to Australia under an intracorporate transfer arrangement. It is planned that further information on business visitors travelling on intracorporate transfer arrangements will be collected in the future. In this analysis we use the following categories to reflect intracorporate flows:

- Persons who arrive on one of Australia’s five short-term business visitor visas, who indicate business or employment as their primary reason for travel on their incoming passenger card. Holders of these visas can stay in Australia for up to three months at a time. Information on their business activities is currently limited to their stated intentions at the time of arrival.
- Persons who arrive on a Business Long Stay visa whose visa application indicated that they were travelling on an internal company transfer arrangement.

Table 3.17 includes information about arrivals of these cohorts.

Table 3.17 Short-term intracorporate transfers 2010–11

Visa category	Reason for travel [^]	Length of stay	Arrivals 2010–11
Short-stay business visitor*	Employment	3 months [†]	9 610
	Business		342 794
Business Long Stay visa**	Temporary intra-company employee transfer	Less than 1 year	1 970
		1 year or more [†]	1 690
Total			356 064

*Comprises the following visas: Business Short Stay, Sponsored Business Visitor, eVisitor (Business), Electronic Travel Authority (Business Entrant Long and Short Validity).

**Figures are rounded estimates. Business Long Stay visas are generally valid for 4 years, therefore this includes persons granted this visa in 2006–07 and who stayed in Australia for less than 12 months by the time their visa expired in 2010–11.

[^]For short-stay business visitor visa holders, reason for travel is determined by the travel purpose they indicate on their incoming passenger card—options include ‘convention/conference’, ‘business’, ‘employment’, ‘visiting friends/relatives’, ‘holiday’, and ‘education’. Information on the travel purposes of Business Long Stay visa holders is collected from their visa application.

[†]Maximum length of stay allowed is 3 months for short-term business visa holders and 4 years for Business Long Stay visa holders.

Source: Overseas Arrivals and Departures data and Migration Planning and Strategies Section (BE4402.01), Department of Immigration and Citizenship.



Chapter 4: The Humanitarian Program

Permanent settlement for refugees

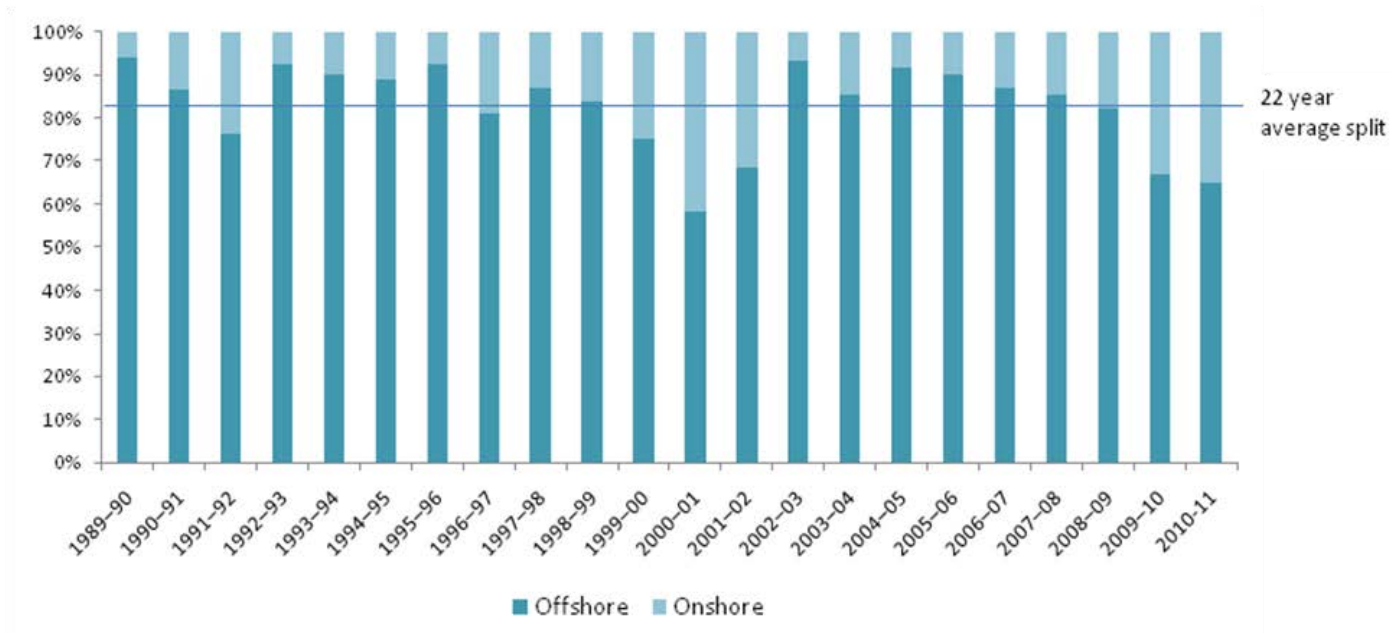


4.1 Overview

Australia's Humanitarian Program consists of an offshore resettlement component for people outside Australia who are in need of humanitarian assistance and an onshore protection component for people who seek asylum after arrival in Australia and are subsequently found to be refugees.

Figure 4.1 shows that from 1989–90 to 2010–11, offshore applicants represented an average of 82.8 per cent of total visa grants in the Humanitarian Program. In 2010–11, 35.0 per cent of Humanitarian Program visas were granted to onshore applicants—the second highest in 22 years (the 2000–01 program had the highest share of onshore applicants—41.8 per cent). This greater onshore share is a consequence of increased numbers of irregular maritime arrivals, that is, asylum seekers arriving by boat without a valid visa. In 2010–11, there were 4 910 irregular maritime arrivals.

Figure 4.1 Humanitarian Program 1989–90 to 2010–11: onshore and offshore



4.2 Humanitarian Program places 2010–11

In 2010–11, the Humanitarian Program was set at 13 750, comprising:

- 6 000 places primarily for those who have been referred to Australia for resettlement by the United Nations High Commissioner for Refugees (UNHCR), and
- 7 750 places catering for people overseas subject to substantial discrimination and human rights abuses in their home country, and people who have sought protection after arrival in Australia who are subsequently found to be refugees.

In 2010–11, 8 971 visas were granted to people overseas, while 4 828 visas were granted to people found to be refugees in Australia.

The majority (58.1 per cent) of the 8 971 persons granted a visa in the offshore component were granted a Refugee (subclass 200) visa, representing 37.8 per cent of the total Humanitarian Program. These are predominantly persons residing overseas and outside their home country who have been referred to the Australian Government by the UNHCR.

Within the offshore component, the government sets annual targets for grants of Woman at Risk visas. In 2010–11 the target for Woman at Risk visa grants was 12 per cent of visas allocated under the Refugee category, which comprises the Refugee, In-Country Special Humanitarian, Emergency Rescue and Woman at Risk visa subclasses. In 2010–11, 759 Woman at Risk visas were granted, 0.7 per cent more than the target, mostly to applicants from the Democratic Republic of the Congo, Afghanistan, Burma, Iraq and Eritrea.

Among the onshore component, the vast majority of visas granted are Protection visas. Generally people applying for Protection visas are already in Australia on a valid visa or are irregular maritime arrivals. For example, an overseas student may apply for a Protection visa if they have a well-founded fear that they will be persecuted because of their race, religion, nationality or political opinion on their return home.

Other visas in the Humanitarian Program and their main source countries are outlined in tables 4.1 and 4.2.

Table 4.1 Humanitarian Program visa grants 2010–11

Visa	Male	Female	Total visa grants	Proportion of total program (%)
Offshore component				
Refugee The majority of applicants considered under this category are referred to the Australian Government by the UNHCR.	2 791	2 420	5 211	37.8
In-country Special Humanitarian For people who have suffered persecution in their country of nationality or usual residence and who have not been able to leave that country to seek refuge elsewhere.	12	14	26	0.2
Global Special Humanitarian For people who, while not being refugees, are subject to substantial discrimination and human rights abuses in their home country. Applicants must be proposed by an Australian citizen, permanent resident or organisation operating in Australia.	1363	1610	2 973	21.5
Emergency Rescue An accelerated processing arrangement for people who satisfy refugee criteria and whose lives or freedom depends on urgent resettlement.	†	†	2	0.01
Woman at Risk For females and their dependents who are subject to persecution or are of concern to the UNHCR, are living outside their home country without the protection of a male relative and are in danger of victimisation, harassment or serious abuse because of their gender.	221	538	759	5.5
Total offshore	4 387	4 582	8 971	65.0
Onshore component				
Protection For persons currently in Australia and subsequently found to be a refugee under the Refugees Convention.	3 630	1 167	4 818 [^]	34.9
Resolution of Status For persons previously holding a Temporary Protection or Temporary Humanitarian visa. These temporary visas were abolished in 2008.	†	†	2	0.01
Global Special Humanitarian (Ministerial Intervention) Decisions to grant this visa to persons onshore are made personally by the Minister for Immigration and Citizenship, in special circumstances under the Ministerial Intervention provisions of the Migration Act 1958.	†	†	8	0.06
Total onshore	3 630	1 167	4 828	35.0
Total humanitarian program[^]	8 017	5 749	13 799	100.0
Gender Split of Total (%)	58.1	41.7	100.0	

†Gender data is not disclosed for small caseloads to avoid possible identification of individuals.

[^]Includes 21 “unknown gender” records.

Source: Humanitarian Branch and Onshore Protection Branch, Department of Immigration and Citizenship

Table 4.2 Humanitarian Program visa grants 2010–11: top five source countries

Visa	Top source countries* (grants)				
	1	2	3	4	5
Refugee	Burma 1 289	Iraq 1 023	Bhutan 975	DR Congo 386	Afghanistan 289
In-country Special Humanitarian	**	**	**	**	**
Global Special Humanitarian	Iraq 1 037	Afghanistan 604	Sri Lanka 211	Sudan 182	Iran 130
Emergency Rescue	**	**	**	**	**
Woman at Risk	DR Congo 128	Afghanistan 110	Burma 104	Iraq 90	Eritrea 56
Protection (IMA)	Afghanistan 1 335	Stateless 481	Iran 333	Iraq 239	Sri Lanka 236
Protection (other)	Iran 369	China 315	Pakistan 208	Zimbabwe 172	Egypt 142

*Refugee, In-country Special Humanitarian, Global Special Humanitarian, Emergency Rescue and Woman at Risk visas are measured by country of birth, whereas Protection visas are measured by country of citizenship.

**Country of origin data is not disclosed for small caseloads as this may enable identification of individuals.

IMA—irregular maritime arrival. Source: Humanitarian Branch and Onshore Protection Branch, Department of Immigration and Citizenship

As already mentioned, the onshore protection visa caseload comprises two distinct client cohorts: irregular maritime arrivals and all others. Table 4.4 provides more information on Protection visa grants within these cohorts.

In 2010–11, onshore Protection visa grants grew by 6.7 per cent, with 4 818 Protection visas granted, compared with 4 516 in 2009–10. This growth was primarily felt in the irregular maritime arrival caseload, with visa grants increasing by 27.2 per cent in 2010–11. This growth was accompanied by a 11.2 decrease in grants to other onshore applicants. As table 4.4 shows, of the Protection visas granted in 2010–11, 2 696 (56.2 per cent) were granted to irregular maritime arrivals, while 2 101 (43.8 per cent) were granted to other onshore persons. Both client cohorts comprise significantly larger numbers of males than females.

Table 4.4 Onshore Protection visa grants 2009–10 and 2010–11

Client category	2009–10			2010–11		
	Male	Female	Total	Male	Female	Total
Irregular maritime arrivals (IMA)	1 984	135	2 119	2 371	325	2 696
Other	1 403	964	2 367	1 259	842	2 101
<i>Data adjustment*</i>			30			21
Grand Total	3 387	1 099	4 516	3 630	1 167	4 818
IMA Gender Split (%)	93.6	6.4	100.0	87.9	12.1	100.0
Other Gender Split (%)	59.3	40.7	100.0	59.9	40.1	100.0
Total Gender Split (%)	75.5	24.5	100.0	75.7	24.3	100.0

Includes grants to primary applicants and dependents.

*Data adjustment reflects visa grants with unattributed gender and arrival category.

Source: Onshore Protection Branch, Department of Immigration and Citizenship

4.3 Humanitarian Program places 2011–12

In 2011–12, Australia's Humanitarian Program will remain at 13 750 places. This comprises 6 000 places primarily for refugees, and 7 750 places for the special humanitarian and onshore protection programs.

4.4 Recent research: contributions of humanitarian entrants

In June 2011, a report by Professor Graeme Hugo into the economic, social and civic contributions of first and second generation humanitarian entrants was released by the Minister for Immigration and Citizenship. Among his findings were that humanitarian entrants:

- provide an important demographic dividend due to their younger age profile, greater fertility and lower emigration
- increasingly settle outside the major cities, helping to address regional labour shortages
- are prepared to work hard in low-skilled jobs to see their children succeed in Australia
- respond to labour market barriers by setting up their own businesses and opening up linkages with domestic and international markets
- show a greater propensity to setting up their own businesses
- play an important role in providing support networks and knowledge about settling into life in Australia for new arrivals, and that
- second generation humanitarian migrants have much higher levels of labour force engagement than the first generation, and in many cases the level is higher than for second generation Australians.

Professor Hugo's full report can be accessed here:

www.immi.gov.au/media/publications/research/_pdf/economic-social-civic-contributions-about-the-research2011.pdf. A booklet that summarises Professor Hugo's findings, prepared by the department, can be found at: www.immi.gov.au/media/publications/research/_pdf/economic-social-civic-contributions-booklet2011.pdf.



Chapter 5: Irregular Migration and Visa Compliance



5.1 Overview

The Australian Government defines irregular migration as including persons:

- who enter Australia without authority, for example through entry with fraudulent or no documents
- who overstay their visas
- who gain visas fraudulently, for example, through contrived marriages
- who breach their visa conditions
- whose entry to Australia is facilitated by people smugglers or traffickers.

Australian citizens and permanent residents have the unrestricted right to reside in Australia and to travel freely in and out of the country.³ Australia also has a universal visa system, meaning that all non-citizens, including those from New Zealand,⁴ need a visa to enter and stay in Australia.

Australia's universal visa system acts as a screening method, preventing the entry of persons who are identified as posing a character, security or health risk to the Australian community. Health and character checking, in the form of police clearances, health clearances or declaratory statements, are undertaken as part of a standard visa application process.

The vast majority of people do comply with Australia's immigration rules and enter Australia lawfully. Australia's compliance model is based on a four-stage approach, outlined in figure 5.1.

Figure 5.1 Australia's immigration compliance model at a glance

↓	Preventative activities	are aimed at maximising voluntary compliance. These activities include raising awareness of Australia's immigration laws; ensuring that program settings, policies and processes encourage compliance; and early engagement with persons through the Community Status Resolution Service to proactively resolve their immigration status.
↓	Deterrence activities	are targeted at those who might be considered non-compliant and who are opportunistic in their exploitation of the Migration Programs. In addition to having a preventative function, the department's communication activities—including community outreach visits—ensures strong messaging around the consequences of non-compliance.
↓	Detection activities	include information provided by the Australian community through the Immigration "Dob-in Line" and partnerships with Australian law enforcement agencies, other Commonwealth agencies, and a broad range of community organisations, including employers and unions.
↓	Enforcement activities	are a last resort, and are aimed at those who are deliberately non-compliant and who seek to exploit Australia's Migration Programs. The department has the authority to locate persons, cancel visas, and ultimately to detain and remove persons who refuse to regularise their status or depart Australia voluntarily when they no longer have the legal basis to remain.

³ Permanent residents living overseas need to obtain a resident return visa on a five year basis.

⁴ New Zealand citizens are granted a Special Category (subclass 444) visa on arrival, which entitles them to work and reside in Australia indefinitely.

Underpinning the above compliance model, the department has implemented a 'status resolution' approach as the most efficient and effective way to resolve people's immigration status. This responsive regulatory (rather than control) based approach sees immigration officers working actively with clients towards an immigration outcome. The status resolution approach seeks to fully and actively engage with clients through early engagement and intervention, the provision of timely and accurate information about their case and pathway options, voluntary return and counselling services and, in some instances, targeted health and welfare assistance. Where there is non-compliance the department provides a scalable and proportionate response, with enforcement (including cancellation or refusal of visas, detention and removal) being a last resort.

As a result of the department's enforcement and detection activities, 13 831 persons in the community who were either unlawful (for example, visa overstayers) or were believed to be in breach of their visa conditions (for example, by working without authority) were located. This is down on the 14 169 locations made in 2009–10. The majority of these locations (81.9 per cent) comprised persons who voluntarily approached the department to resolve their immigration status (11 327 persons).

5.2 Overstayers in Australia

Australia's overstay population is the total number of people remaining in the community after their temporary visa has expired. As at 30 June 2011, it was estimated that Australia's overstay population was approximately 58 400 persons.⁵ This is an 8.3 per cent increase on the previous estimate of 53 900 overstayers at 30 June 2010 and reflects increases in permanent and temporary migration from previous years. Most of these overstayers only overstay their visa for a short period and then depart voluntarily.

As can be seen from table 5.1, almost three-quarters were holders of visitor visas and another one in six were on student visas. The number of student overstayers has increased significantly in the past year—up from 7 480 at June 2010 to 10 100 at June 2011.

Table 5.1 Estimated overstay population at 30 June 2011: general visa categories

Visa type	Overstayers	Proportion of overstayers (%)
Visitors	42 090	72.1
Students	10 100	17.3
Temporary Residents	3 900	6.7
Other visa categories	2 320	4.0
Total	58 400[^]	100.0

Figures are rounded estimates.

[^]There are known errors in the overstay data, and numbers provided are a rounded estimate only.

Some of the clients included in these figures may have since resolved their immigration status.

Source: Compliance Statistics, Program Analysis Section, Department of Immigration and Citizenship

⁵ This figure is an estimate of all overstayers, accumulated over more than 60 years of regulated migration.

Table 5.2 shows the estimated stock of overstayers at 30 June 2011 by country of citizenship. Given the dominance of visitors among the overstayer cohort, countries that provide large numbers of visitors to Australia feature prominently in this table.

US nationals, for example, were the second largest overstayer group in 2010–11, and also the second largest provider of visitors to Australia over that period. Similarly, the UK was the largest source of visitors to Australia in 2010–11 and UK nationals were the fourth largest overstayer group. The situation with Chinese nationals is a little different however. Chinese nationals were the largest overstayer group in 2010–11—this was because they were the fourth largest contributor of visitors and the largest provider of international students during this year. Indians were the fastest growing overstayer group—increasing 49.5 per cent from 2 200 at June 2010 to 3 290 at June 2011. This is related to the growth in student overstayers, which is likely to be a consequence of reduced permanent migration pathways for international students.

It is estimated that collectively, OECD countries contributed 38.7 per cent of Australia’s overstayer population at June 2011.

Table 5.2 Estimated overstayer population at 30 June 2011: top 10 source countries

Citizenship	Overstayers at 30 June 2010	Overstayers at 30 June 2011	Change (%)	Proportion of overstayers in 2011 (%)
China (excludes SARs and Taiwan)	7 490	8 070	7.7	13.8
USA	5 010	5 080	1.4	8.7
Malaysia	3 890	4 260	9.5	7.3
UK	3 470	3 610	4.0	6.2
India	2 200	3 290	49.5	5.6
South Korea	2 570	2 730	6.2	4.7
Indonesia	2 460	2 580	4.9	4.4
Philippines	2 430	2 400	-1.2	4.1
Thailand	1 660	1 790	7.8	3.1
Vietnam	1 550	1 670	7.7	2.9
Other	21 130	22 970	8.7	39.3
Total [^]	53 860	58 400 [^]	8.5	100.0

OECD countries are highlighted in orange.

Figures are rounded estimates.

[^]Due to known errors in overstayer data, the total is not the same as the sum of data presented.

Source: Compliance Statistics, Program Analysis Section, Department of Immigration and Citizenship

5.3 Visa cancellations

Under the *Migration Act 1958*, visas can be cancelled for non-compliance with visa conditions, including overstaying, working without authority, or on the basis of character concerns (such as committing serious criminal offences). When a person’s visa is cancelled, the person becomes an unlawful non-citizen and arrangements are subsequently made for detention and removal from Australia. Visa cancellation is a last resort, and the department seeks to assist in resolving a person’s immigration status in the first instance through the Community Status Resolution Service (CSRS). More information on the CSRS can be found at www.immi.gov.au/managing-australias-borders/compliance/community-status-resolution.

In 2010–11, 39 620 visas were cancelled, a 2.6 per cent increase on the 38 633 visas cancelled in 2009–10. In 2010–11, Indian citizens accounted for almost a quarter (24.9 per cent) of all cancellations. Citizens of OECD countries accounted for 23.3 per cent of cancellations. Table 5.3 contains more information on the top 10 source countries for visa cancellations in 2009–10 and 2010–11.

Table 5.3 Visa cancellations 2009–10 and 2010–11: top 10 source countries

Country of Citizenship	2009–10			2010–11			Proportion of total 2010–11 cancellations (%)
	Male	Female	Total [^] Cancellations	Male	Female	Total [^] Cancellations	
India	5 604	2 551	8 156	6 956	2 915	9 871	24.9
UK	3 215	2 735	5 951	2 572	2 102	4 674	11.8
South Korea	1 232	913	2 145	1 517	1 140	2 657	6.7
USA	1 400	1 079	2 479	1 325	1 089	2 414	6.1
China (excludes SARs and Taiwan)	1 285	791	2 076	1 446	897	2 343	5.9
Malaysia	796	462	1 258	813	465	1 279	3.2
Canada	703	688	1 391	623	570	1 193	3.0
Ireland	576	599	1 175	518	481	999	2.5
Germany	604	484	1 088	472	431	903	2.3
France	465	350	815	498	320	818	2.1
Other (including unknown)	7 133	4 804	11 754	7 408	5 061	12 469	31.5
Total	23 013	15 616	38 633	24 148	15 471	39 620	100.0

OECD countries are highlighted in orange

[^]Totals include "unknown gender" records.

Source: Compliance Statistics, Program Analysis Section, Department of Immigration and Citizenship

5.4 Compliance-related departures

The department facilitates the departure of persons who have no entitlement to remain in Australia. In 2010–11, there were 10 175 returns and removals from Australia, an increase of 15.3 per cent on the 8 825 departures in 2009–10. These persons either:

- left voluntarily as an assisted voluntary return or monitored departure—approximately 69 per cent, or
- were forcibly removed or deported under section 198 of the *Migration Act 1958*.

Returns and removals generally apply to the following categories of unlawful non-citizens:

- persons who have overstayed their visa
- persons who have been refused a further visa or had their visa cancelled, including those whose visas are cancelled on the basis of their criminal conduct
- crews of vessels caught fishing illegally in Australian waters
- persons who arrived in Australia without authorisation and have not been granted a visa to remain in Australia (i.e. unauthorised and irregular arrivals).

In 2010–11, OECD countries contributed 29.5 per cent of compliance-related departures, and more than two-thirds of all such departures were males. Table 5.4 shows the top 10 countries of citizenship among compliance-related departures in 2010–11. Collectively, these ten countries represented 60.5 per cent of all such departures for the year.

Table 5.4 Compliance-related departures from Australia 2010–11: top 10 source countries

Country of Citizenship	Female	Male	Total
China	550	861	1 411
India	212	764	976
Malaysia	211	643	854
UK	221	453	674
South Korea	226	345	571
Indonesia	112	320	435 [^]
Philippines	178	188	367 [^]
Ireland	85	268	353
Vietnam	84	176	260
USA	88	162	250
Other	1 399	2 624	4 024 [^]
Total	3 366	6 804	10 175
Gender Split of Total (%)	33.1	66.9	100.0

OECD countries are highlighted in orange.

[^]Includes small number of "unknown gender" entries.

Compliance-related departure activities include voluntary and involuntary removals (deportations), monitored and supervised departures.

Source: Compliance Statistics, Program Analysis Section, Department of Immigration and Citizenship

5.5 Irregular maritime and air arrivals

Currently, the majority of irregular arrivals who enter Australia come by sea. In 2010–11 Australia continued to experience high numbers of irregular maritime arrivals—that is people arriving via boat in Australian waters without a valid visa. In 2010–11, 4 730 irregular maritime arrivals were intercepted in Australian waters and taken to Christmas Island for initial processing— a 11.2 per cent decrease on the 5 327 irregular maritime arrivals intercepted in 2009–10. The main countries of citizenship for irregular maritime arrivals in 2010–11 were Afghanistan, Iran and Sri Lanka.

Most irregular maritime arrivals seek to engage Australia’s protection obligations under the Refugees Convention. Their claims are assessed through the Protection Obligations Determination process, which can lead to the grant of a Protection visa (see *Chapter 4—Humanitarian Program*).

In 2010–11, irregular maritime arrivals represented 73.5 per cent of all irregular arrivals in Australia. However, table 5.5 shows that unauthorised air arrivals—people refused immigration clearance at airports with or without a valid visa— have represented the majority of irregular flows into Australia for much of the previous decade.

Table 5.5 Irregular maritime arrivals and unauthorised air arrivals 2002–03 to 2010–11

Year	Irregular maritime arrivals		Unauthorised air arrivals [^]		Total
	Arrivals	Proportion (%)	Arrivals	Proportion (%)	
2002–03	0	0.0	937	100.0	937
2003–04	82	6.2	1 241	93.8	1 323
2004–05	0	0.0	2 058	100.0	2 058
2005–06	61	3.0	1 995	97.0	2 056
2006–07	133	7.3	1 678	92.7	1 811
2007–08	25	2.1	1 189	97.9	1 214
2008–09	985	43.4	1 284	56.6	2 269
2009–10	5 327	77.2	1 573	22.8	6 900
2010–11	4 730	72.8	1 768	27.2	6 498

[^]These are persons refused immigration clearance at airports for any reason, including those who do not present with a valid visa or have their visa cancelled on arrival.

Source: DIAC Annual Report 2010–11 and the DIAC submission to the Joint Select Committee on Australia’s Immigration Detention Network September 2011

For information on Protection visas granted to irregular maritime arrivals in 2010–11, see *Chapter 4—The Humanitarian Program*.

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Chapter 6: Australia's Population

Native and overseas-born



6.1 Overview

Australia's preliminary estimated resident population at the end of March 2011 was 22 546 300 persons. This was an increase of 312 400 persons (1.2 per cent) since 31 March 2010. This growth in population is a result of two factors:

- Natural increase—the number of births less the number of deaths
- Net overseas migration (NOM)—the net gain or loss of population through people arriving and departing from Australia for 12 months or more in a 16 month period. In calculating NOM, the 12 months does not have to be continuous over the reference period. This means that an international student who visits their home country only during semester breaks will be counted as a NOM arrival. When they return to their home country at the end of their studies they will subsequently be counted as a NOM departure.

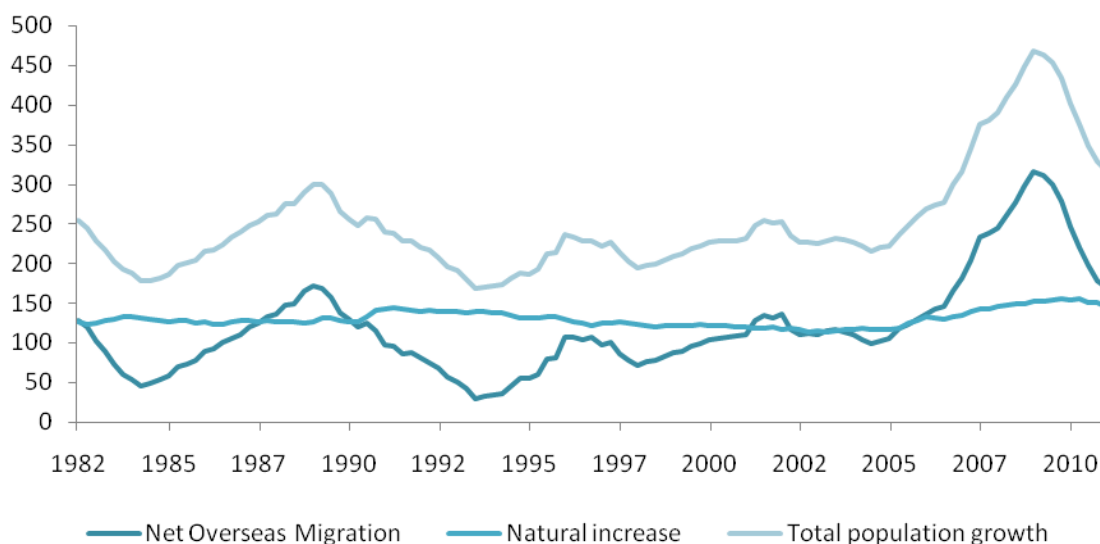
The contribution to population growth for the year ended 31 March 2011 was higher for NOM (53.5 per cent) than for natural increase (46.5 per cent). Natural increase for the year ended 31 March 2011 was 145 200 persons, a decrease of 6.1 per cent, or 9 400 persons when compared with natural increase for the year ended 31 March 2010 (154 600 persons).

For the year ended 31 March 2011, Australia's preliminary NOM estimate was 167 100 persons. This was 24.0 per cent (52 800 persons) lower than the NOM recorded for the year ended 31 March 2010 (220 000 persons).

Figure 6.1 also shows that NOM's recent decline is leading to lower overall population growth. Australia's annual population growth rate slowed to 1.4 per cent in the year ending March 2011, down from its peak growth rate of 2.2 per cent for the year ending December 2008. This is equal to the long term average since 1982.

The reason why NOM is currently outstripping natural population is Australia's low fertility rate. Even though fertility rates have shown some growth in recent years and is now at 1.9 births per woman (up from a low of 1.7 in 2001), it remains below replacement levels of 2.1 births per woman.

Figure 6.1 Components of Australia’s population growth 1982 to 2010



Source: Australian Demographic Statistics (3101.0), Australian Bureau of Statistics

6.2 NOM forecasting model

The department is working to implement a Long-Term Migration Planning Framework which looks at both temporary and permanent migration flows over a multi-year period.⁶ As part of this, the department is forecasting NOM departures and arrivals, disaggregated by visa components and updating these forecasts on a quarterly basis. The NOM forecasting model combines the latest data on visa grants with past behaviour of migrants across different visa groups to enter the population. It includes the impact of existing policy decisions (and assumed no change in policy settings) as well as Treasury’s forecasts for leading economic indicators.

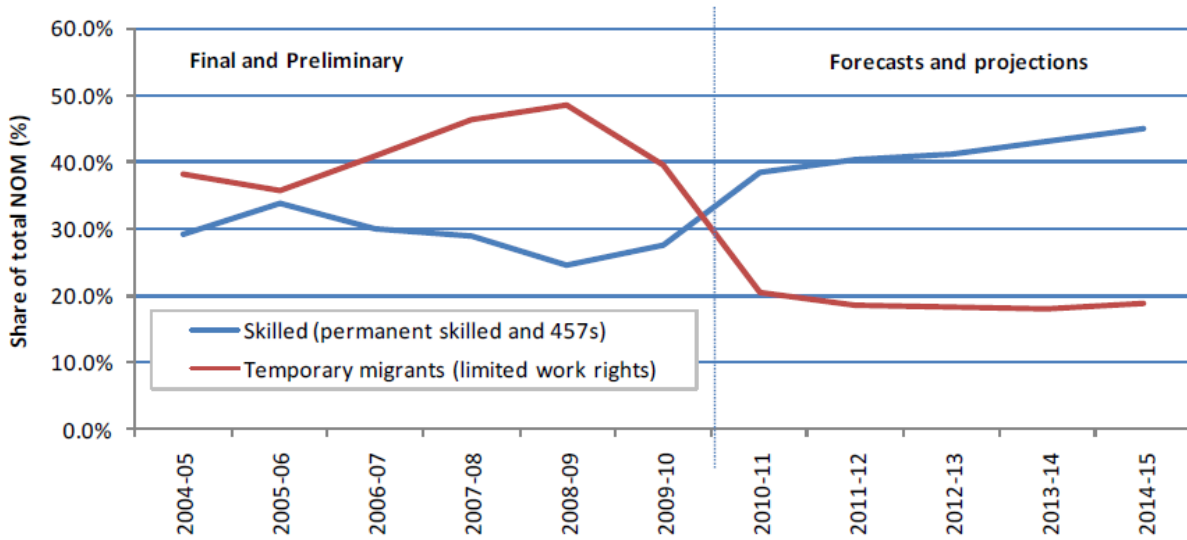
Using this model, the department estimates that the level of NOM for the year ending September 2011 is 177 400. This represents a fall of 43.8 per cent from the December 2008 peak. The key driver behind the expected fall in NOM is a much lower inflow of international students as well as higher student departures. The reduction in international students is partly due to Australia's high exchange rate has made it a more expensive destination for overseas students.

As most of the decline in NOM has been felt mostly in the international student sector, the share of NOM has shifted towards both permanent and temporary skilled workers (Figure 6.2). The skilled component of NOM—permanent Skill Stream visas and temporary Business Short Stay (subclass 457) visas—is projected to increase its share from around 28 per cent in 2009–10 to 45 per cent by 2014–15.

In comparison, the share of NOM comprising temporary migrants with limited work rights—that is, international students and working holiday makers—is expected to fall from a peak of 49 per cent in 2008–09 to 24 per cent by 2014–15.

⁶ A copy of *The Outlook for Net Overseas Migration—July 2011* can be found here: www.immi.gov.au/media/publications/statistics/immigration-update/nom-july11.pdf

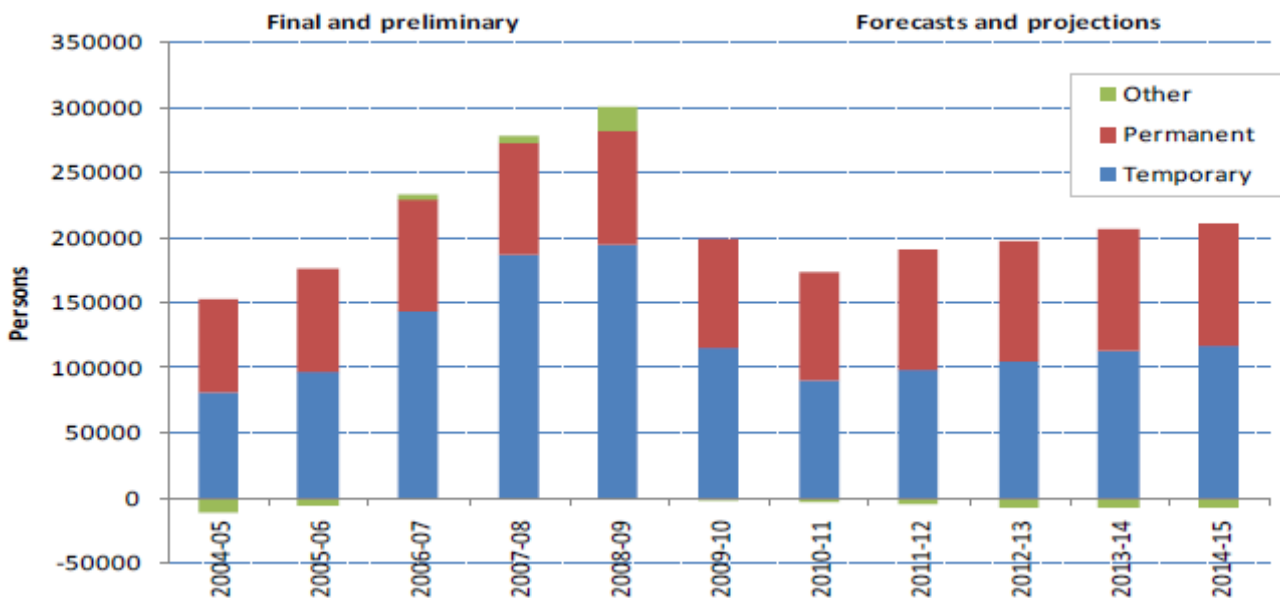
Figure 6.2 Changing composition of net overseas migration 2004–05 to 2014–15



Source: The Outlook for Net Overseas Migration July 2011, Department of Immigration and Citizenship

Beyond 2011 the projections are that NOM will recover and stabilise at between 190 000 and 200 000 (Figure 6.3). These projections take into account Treasury’s Economic Outlook from the 2011–12 Australian Government Budget, as well as the progressive implementation of the recommendations of the Knight Review of the Student Visa Program.⁷ The effects of these changes, including the roll-out of the post study work rights visa, are not expected to be visible until late 2013. Therefore NOM forecasts from September 2013 account for a small but steady increase in net student numbers as more students arrive and proportionally less students leave Australia.

Figure 6.3 Components of net overseas migration: 2004–05 to 2014–15



Source: The Outlook for Net Overseas Migration July 2011, Department of Immigration and Citizenship

⁷ See Chapter 1—Developments in Migration Policy.

6.3 Overseas-born population

Table 6.1 shows that the numbers of overseas-born as a proportion of Australia's total resident population was steady through the late 1990s, with considerable growth through the last decade reaching almost 27 per cent in 2010. This growing share is because the growth rate of overseas-born outpaces that of Australian-born. For example, during the 10 years to June 2010, the number of Australia-born residents increased at an average rate of 1.0 per cent per year, while the number of overseas-born residents increased at an average 3.1 per cent per year.

Table 6.1 Overseas-born residents at 30 June 1996 to 30 June 2010

Year	Australia-born population	Overseas-born population	Total population	Overseas-born (%)
1996	14 052 080	4 258 630	18 310 710	23.3
1997	14 203 110	4 314 450	18 517 560	23.3
1998	14 379 130	4 332 140	18 711 270	23.2
1999	14 556 540	4 369 320	18 925 860	23.1
2000	14 741 340	4 412 040	19 153 380	23.0
2001	14 931 180	4 482 060	19 413 240	23.1
2002	15 066 680	4 584 760	19 651 440	23.3
2003	15 201 260	4 694 180	19 895 440	23.6
2004	15 330 820	4 796 540	20 127 360	23.8
2005	15 467 770	4 927 020	20 394 790	24.2
2006	15 607 820	5 090 060	20 697 880	24.6
2007	15 777 310	5 295 140	21 072 450	25.1
2008	15 953 490	5 545 050	21 498 540	25.8
2009	16 147 710	5 804 030	21 951 740	26.4
2010	16 334 900	5 993 950	22 328 850	26.8

Source data: Migration, Australia (3412.0), Australian Bureau of Statistics

As shown in Table 6.2 overseas-born residents tend to be younger than those born in Australia—this is explained in part by the heavy emphasis on the Skill Stream of the Migration Program which targets skilled workers under age 45. At 30 June 2010, the majority (76.2 per cent) of all overseas-born Australian residents were of working age (15–64 years). In comparison, the proportion of Australia-born residents of working age was 64.4 per cent.

In 2010, as in 2009, the top five countries of birth among overseas-born residents were the UK, New Zealand, China, India and Italy. As table 6.3 shows, these groups represented 44.6 per cent of the overseas-born resident population.

Table 6.2 Overseas-born residents at 30 June 2010: age groups

Age	Overseas-born ERP		Australia-born ERP	
	Male (cumulative %)	Female (cumulative %)	Male (cumulative %)	Female (cumulative %)
0–4	1.0	0.9	8.9	8.3
5–9	3.2	3.0	16.6	15.7
10–14	6.0	5.7	24.5	23.0
15–19	10.1	9.4	32.4	30.6
20–24	18.2	16.7	39.9	37.6
25–29	27.3	25.5	46.9	44.4
30–34	35.4	33.6	53.4	50.7
35–39	43.1	41.6	60.5	57.7
40–44	51.2	49.9	67.0	64.2
45–49	59.8	58.7	73.4	70.6
50–54	67.7	66.9	79.4	76.7
55–59	74.9	74.3	84.8	82.1
60–64	82.5	81.6	89.5	86.9
65–69	88.2	87.0	92.9	90.5
70–74	92.8	91.5	95.5	93.3
75 and over	100.0	100.0	100.0	100.0
Gender % of total population	13.3	13.5	36.4	36.7
% of population under 15	0.8	0.8	8.9	8.5
% of population 15–64	10.2	10.3	23.7	23.4
% of population over 65	2.3	2.5	3.8	4.8
Grand total ERP				22 329 830

ERP: Estimated Resident Population

Source: Migration, Australia (3412.0), Australian Bureau of Statistics

Over the past decade the share of UK-born among the overseas-born population fell from 5.9 per cent in 2000 to 5.3 per cent in 2010. There was also a decline in share of persons born in Italy (from 1.3 per cent to 1.0 per cent). Conversely, the proportions increased for people born in New Zealand (from 1.9 per cent to 2.4 per cent), China (from 0.8 per cent to 1.7 per cent) and India (from 0.5 per cent to 1.5 per cent).

Table 6.3 Overseas-born residents 30 June 2010: top five countries of birth

Country of birth	Estimated number	Proportion of overseas-born (%)	Proportion of total ERP^ (%)
UK	1 192 878	19.9	5.3
New Zealand	544 171	9.1	2.4
China (excludes SARS and Taiwan)	379 776	6.3	1.7
India	340 604	5.7	1.5
Italy	216 303	3.6	1.0
Total top five	2 673 732	44.6	12.0
Other	3 320 218	55.4	14.9
Total overseas-born	5 993 950	100.0	26.8

^Based on figure of 22 328 850 total ERP at 30 June 2010

OECD countries are highlighted in orange.

Source data: Migration, Australia (3412.0), Australian Bureau of Statistics

The ratio of males to females among the overseas-born population at 30 June 2010 was 98.8 males per hundred females. This is roughly equivalent to the 98.6 males per hundred females among the overseas-born population who were born in an OECD country, and slightly less than the 99.8 males per hundred females among the Australia-born population. However as table 6.4 shows with the exception of China all of the top five countries of birth among the overseas-born population comprise more males than females.

Table 6.4 Overseas-born residents at 30 June 2010: gender ratio

Birthplace	Males per 100 females
Top five birth countries^	
UK	103.4
New Zealand	105.5
China (excluding SARs and Taiwan)	84.2
India	140.8
Italy	106.8
Other cohorts	
Overseas-born (OECD-born) average	98.6
Overseas-born (non-OECD) average	100.7
Overseas-born (all birthplaces) average	98.8
Australia-born average	99.8
Total population average	99.2

OECD countries are highlighted in orange.

^Refers to top five birth countries of total ERP (see table 6.3)

Source data: Migration, Australia (3412.0), Australian Bureau of Statistics

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Chapter 7: Emigration and Return Migration



7.1 The quality of Australia's emigration data

The analysis in this section is drawn from the department's Overseas Arrivals and Departures data, which is in turn based on people's travel intentions as recorded on their outgoing passenger card. Relying on people's intentions is a flawed approach. While travelling overseas is an exciting activity in people's lives it is also an uncertain activity. People who are confident that they will be leaving Australia for good, subsequently return after finding that life in their new country falls short of expectations.

This is actually a very common occurrence. Analysis by Ernest Healy and Bob Birrell of Monash University, Melbourne, shows that the majority of people intending to leave Australia permanently or long-term do in fact return within 12 months.⁸

The following table shows the number of permanent, long-term and short-term departures of Australian residents that were counted against net overseas migration (NOM) between 2004 and 2010. In this context, counting against NOM means that the person who was currently counted within the resident population was outside of Australia for at least 12 of the next 16 months and was subsequently counted out of Australia's resident population.

Table 7.1: Travellers' migration intentions versus effect on NOM: 2004-10

Travellers' intention	Number of departures	Number counted against NOM	Percentage (%) counted against NOM
Permanent departure	446 780	81 224	18
Long term resident departure	559 807	206 712	37
Short term resident departure	32 866 351	391 251	1

As can be seen from this table:

- Only 18 per cent of Australian residents who stated they were leaving Australia permanently on their passenger card were counted against net overseas migration. The other 82 per cent had returned to Australia within the following year.
- Residents who stated they were leaving Australia for more than a year were more likely to stay overseas for more than 12 months—with 37 per cent being counted against net overseas migration.
- Only 1 per cent of those departing Australia short-term were counted against net overseas migration. In absolute terms however this group has a significant impact, reducing the size of our population by over 391 000 people.

Care should be taken in comparing all departures with NOM data, as a person who moves to and from Australia on multiple occasions will account for more than one departure, but they will only be counted once against NOM.

⁸ Birrell, Bob and Healy, Ernest (2010) Net Overseas Migration: why is it so high? *People and Place*, vol. 18, no. 2.

Despite these significant shortcomings, we have used DIAC data in this section because while data from the ABS is more accurate it does not provide an estimate of permanent departures. The ABS data is also less timely as measuring return migration delays the release of the data.

7.2 Emigration by birthplace

In 2010–11, 88 461 persons indicated that they were departing Australia permanently, representing a 1.2 per cent increase on the 86 277 emigrants recorded in 2009–10. While this is the largest on record and the 16th annual increase in a row, this growth is less than in 2009–10, which saw a 6.5 per cent increase on 2008–09 levels.

In recent years around half of all emigrants have been people born outside Australia—that is, former migrants themselves. This trend continued to 2010–11 with 44 045 Australia-born and 44 416 overseas-born emigrants. More than half of all overseas born emigrants were from either New Zealand (8 115 emigrants), UK (7 173 emigrants) or China (5 796 emigrants).

Table 7.1 Emigrants 2009–10 and 2010–11: main source countries

Country of birth	2009–10	2010–11	Per cent change (%)
Australia	42 570	44 045	1.7
New Zealand	8 744	8 115	-3.7
UK	7 127	7 173	0.3
China (excludes SARs and Taiwan)	5 550	5 796	2.2
Hong Kong (SAR of China)	2 407	2 669	5.2
Vietnam	1 350	1 340	-0.4
USA	1 261	1 196	-2.6
Other	17 268	18 127	2.4
Total	86 277	88 461	1.2

OECD countries are highlighted in orange.

Source: Overseas Arrivals and Departures data, Department of Immigration and Citizenship

7.3 Emigration by destination

The most common destinations for emigrants are shown in table 7.2. Three things are notable from this table.

- More than half (51.6 per cent of all emigrants) went to the UK, New Zealand, USA or Singapore. This is consistent with 2009–10 levels, with New Zealand and British emigrants swapping places in 2010–11.
- In 2010–11, New Zealand remained the most popular destination for overseas-born emigrants (9 319), while UK was the most popular destination for Australia-born emigrants (9 242)
- In 2010–11, as for previous years, Australian-born emigrants significantly outnumbered those born overseas among those emigrating to the UK, USA, Canada or the United Arab Emirates.

Table 7.2 Emigrants 2010–11: main destinations

Destination	Australia-born	Overseas-born	Total	Proportion overseas-born (%)
UK	9 242	5 877	15 119	38.9
New Zealand	5 276	9 319	14 595	63.9
USA	5 559	2 486	8 045	30.9
Singapore	4 145	2 807	6 952	40.4
Hong Kong (SAR of China)	2 546	4 089	6 635	61.6
China (excludes SARs and Taiwan)	1 234	4 507	5 741	78.5
United Arab Emirates	2 297	1 060	3 357	31.6
Canada	1 387	782	2 169	36.1
Indonesia	903	837	1 740	48.1
Thailand	810	915	1 725	53.0
Malaysia	640	753	1 393	54.1
Japan	759	615	1 374	44.8
Vietnam	408	883	1 291	68.4
Other	8 835	9 478	18 313	51.8
Total[^]	44 041	44 408	88 449	50.2

OECD countries are highlighted in orange.

[^]Excludes countries and destinations 'not stated'.

Source: Overseas Arrivals and Departures data, Department of Immigration and Citizenship

Table 7.3 shows the variation in repatriation rates between different birthplace groups. In 2010–11, over 80 percent of New Zealand-born emigrants returned to New Zealand, while just under 20 per cent of South African-born emigrants returned to their country of birth.

Table 7.3 Emigrant repatriation rates 2010–11: selected birthplaces

Birthplace	Emigrating to country of birth	Emigrating to another country	Proportion emigrating to country of birth (%)
New Zealand	6 501	1 613	80.1
UK	4 078	3 095	56.9
China (excludes SARs and Taiwan)	3 939	1 857	68.0
Hong Kong (SAR of China)	2 027	642	75.9
Vietnam	774	566	57.8
USA	864	332	72.2
Taiwan	701	290	70.7
Malaysia	288	682	29.7
India	345	568	37.8
South Africa	161	653	19.8

OECD countries are highlighted in orange.

Source: Overseas Arrivals and Departures data, Department of Immigration and Citizenship

6.4 Characteristics of emigrants

For both Australian and overseas cohorts, male emigrants slightly outnumbered female emigrants in 2010–11. This slight difference is a continuation of a trend dating back to 1999–2000.

Although the gender balance is similar for both the Australia and overseas-born cohort, Australian-born emigrants do tend to be younger than emigrants born overseas. In 2010–11, 80.1 per cent of Australian-born emigrants were aged under 45 compared with 65.7 per cent for the overseas-born.

Table 7.4 shows that Australia-born emigrants were also more likely to be in the labour market and engaged in skilled employment than those born overseas. In 2010–11, 85.2 per cent of Australian-born emigrants aged 15–64 were employed, with just over two-thirds of those working being employed in either managerial or professional roles. In comparison, the employment rate for overseas-born emigrants was 73.5 per cent, with just under two-thirds having professional or managerial occupations. The employment rate among both Australia-born and overseas-born emigrants decreased on 2009–10 levels, with a drop of 2.5 and 2.3 percentage points, respectively.

Table 7.4 Characteristics of Emigrants 2010–11

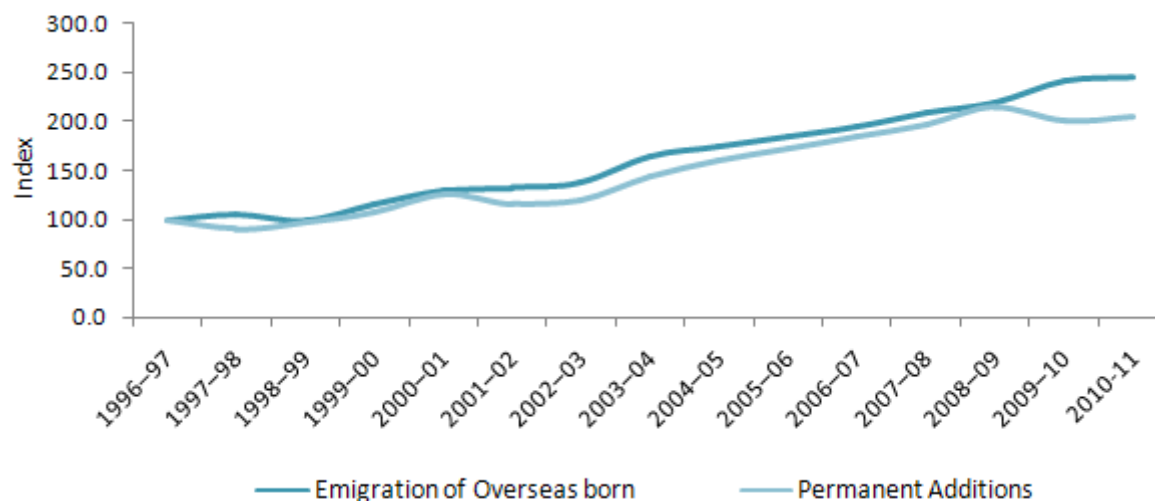
Characteristic	Australia-born (%)	Overseas-born (%)	Overall (%)
Gender			
Male	52.8	50.3	51.5
Female	47.2	49.7	48.5
Age			
0–4 Years	9.1	6.2	7.6
5–9 Years	5.9	4.6	5.2
10–14 Years	3.8	3.6	3.7
15–19 Years	2.2	3.5	2.9
20–24 Years	4.8	5.3	5.1
25–29 Years	13.5	10.2	11.9
30–34 Years	15.8	11.5	13.6
35–39 Years	14.6	11.0	12.8
40–44 Years	10.4	9.7	10.1
45–49 Years	7.2	9.3	8.3
50–54 Years	5.4	8.1	6.7
55–59 Years	3.9	6.1	5.0
60–64 Years	1.9	4.2	3.1
65+ Years	1.5	6.6	4.1
Occupation profile (emigrants aged 15–64)			
Managers	18.1	15.1	16.6
Professionals	39.6	27.5	33.6
Technicians and Trades Workers	4.8	6.8	5.8
Community and Personal Service Workers	6.0	4.0	5.0
Clerical and Administrative Workers	5.8	5.0	5.4
Sales Workers	3.6	3.6	3.6
Machinery Operators and Drivers	0.7	1.9	1.3
Labourers	0.9	2.3	1.6
Inadequately Described	5.7	7.3	6.5
Not in Labour Force	12.8	21.1	16.9
Not in Employment	0.5	1.4	1.0
Not Stated	1.5	4.0	2.8
Summary			
Employment rate of emigrants aged 15–64 (%)	85.2	73.5	79.3
Proportion of emigrants aged 15–64 employed as professionals / managers (%)	72.6	64.4	68.9

Source: Overseas Arrivals and Departures data, Department of Immigration and Citizenship

7.5 Return migration

Between 2000–01 and 2010–11, emigration of overseas-born increased by 92 per cent. However, as figures 7.1 and 7.2 show, this increase is strongly correlated with growing migration levels and long-term resident returns.

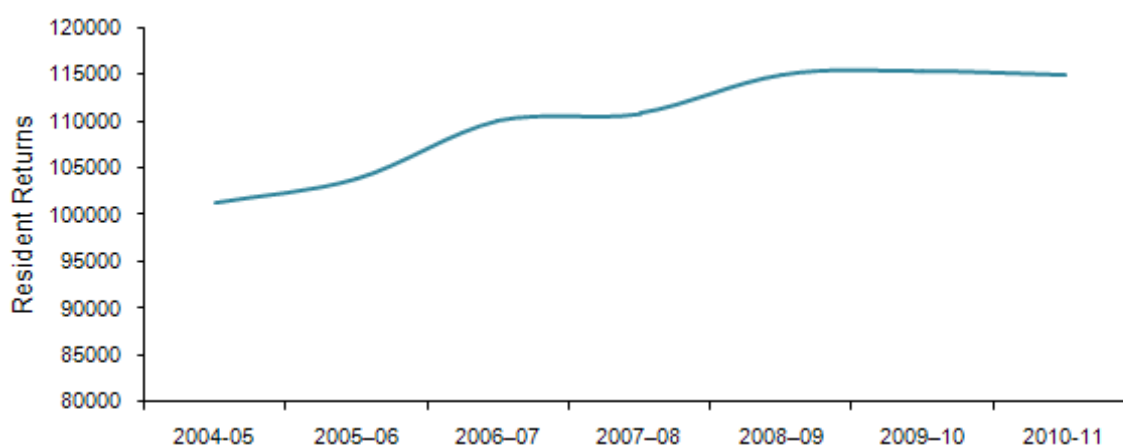
Figure 7.1 Emigration and Immigration 1996–97 to 2010–11



Source: Overseas Arrivals and Departures data and Permanent Additions data, Department of Immigration and Citizenship

In 2010–11, 115 056 Australian residents who had lived overseas for one year or more indicated on their incoming passenger card that they were returning to Australia permanently. This is a slight decrease on the 115 354 resident returns in 2009–10.

Figure 7.2 Long-term residents returning to Australia: 2004–05 to 2010–11



Source: Overseas Arrivals and Departures data, Department of Immigration and Citizenship

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Chapter 8: Naturalisation

Conferral of Australian Citizenship



8.1 Overview

Citizenship by conferral is the most common method for migrants to acquire Australian citizenship. This application pathway is open to:

- migrants with permanent residence
- spouses or partners of Australian citizens
- New Zealand citizens living in Australia
- children of former Australian citizens
- Commonwealth Child Migration Scheme arrivals⁹
- refugee or humanitarian entrants
- persons born in Papua before independence in 1975.

The other modes of naturalisation are **citizenship by descent** (for those born overseas to an Australian citizen), **citizenship by adoption** (for those adopted by an Australian citizen) and **citizenship by resumption** (for those who previously lost or gave up their Australian citizenship). The total number of people approved as Australian citizens in 2010–11, including by conferral, descent and resumption was 101 780. This chapter focuses on the largest naturalisation stream—citizenship by conferral.

Migrants seeking citizenship by conferral are required to satisfy a range of criteria. The General Eligibility provisions—under which most migrants apply—require applicants to:

- hold an Australian permanent residence visa
- have been resident in Australia for a prescribed period of time¹⁰
- be of good character
- have an understanding of the rights and responsibilities of Australian citizenship, demonstrated through the successful completion of a citizenship test
- be likely to reside, or to continue to reside in Australia or to maintain a close and continuing association with Australia.

A total of 95 284 people were conferred Australian citizenship in 2010–11, 20.5 per cent less than in 2009–10. This decrease in applications is likely due to the cessation of transitional residence requirements at the end of June 2010. Under these arrangements, migrants who were permanent residents before 1 July 2007 needed to be residing in Australia for two years as a permanent resident in the five years immediately before applying. From 1 July 2010, all applicants must have been living in Australia lawfully for four years, including 12 months as a permanent resident immediately before applying for citizenship.

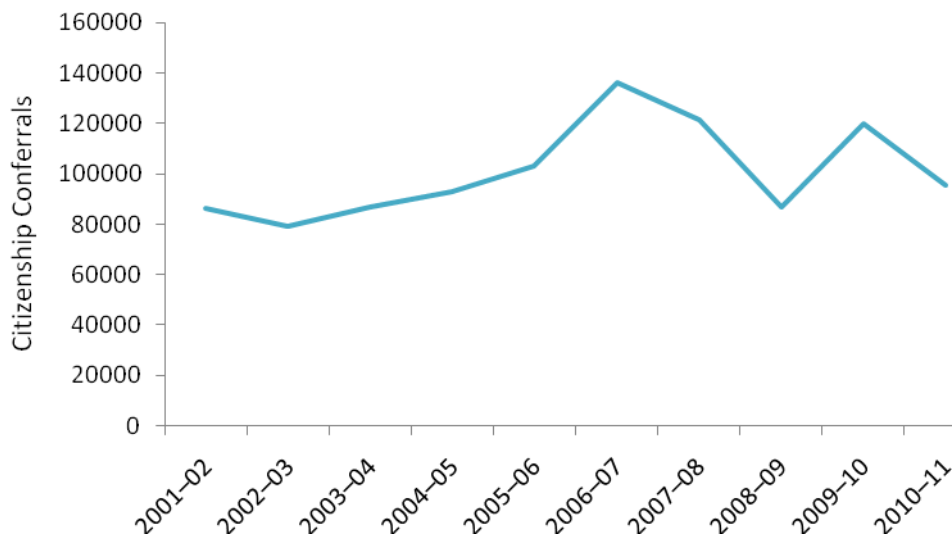
⁹ Unaccompanied children, mostly from the UK and Malta, arrived in Australia under this scheme between 22 September 1947 and 31 December 1967.

¹⁰ In order to meet the residence requirement, persons who apply for Australian citizenship on or after 1 July 2007 must have been lawfully resident in Australia for 4 years immediately before applying, including 12 months as a permanent resident immediately before applying.

In addition to these requirements, the majority of citizenship applicants are required to pass the Australian Citizenship Test. During the 2010–11 program year, 73 898 Citizenship Tests were administered to 59 787 applicants, with 98.9 per cent passing on their first or subsequent attempt.

Figure 8.1 shows the number of people who became Australian citizens by conferral over the past decade. As a demand driven program, applications for citizenship by conferral vary significantly over time and are influenced by a range of events and policies. In recent years there have been significant peaks, such as just before introduction of the Citizenship Test on 1 October 2007 and again before the transitional residence requirements ceased at the end of June 2010. Corresponding troughs are evident following these changes.

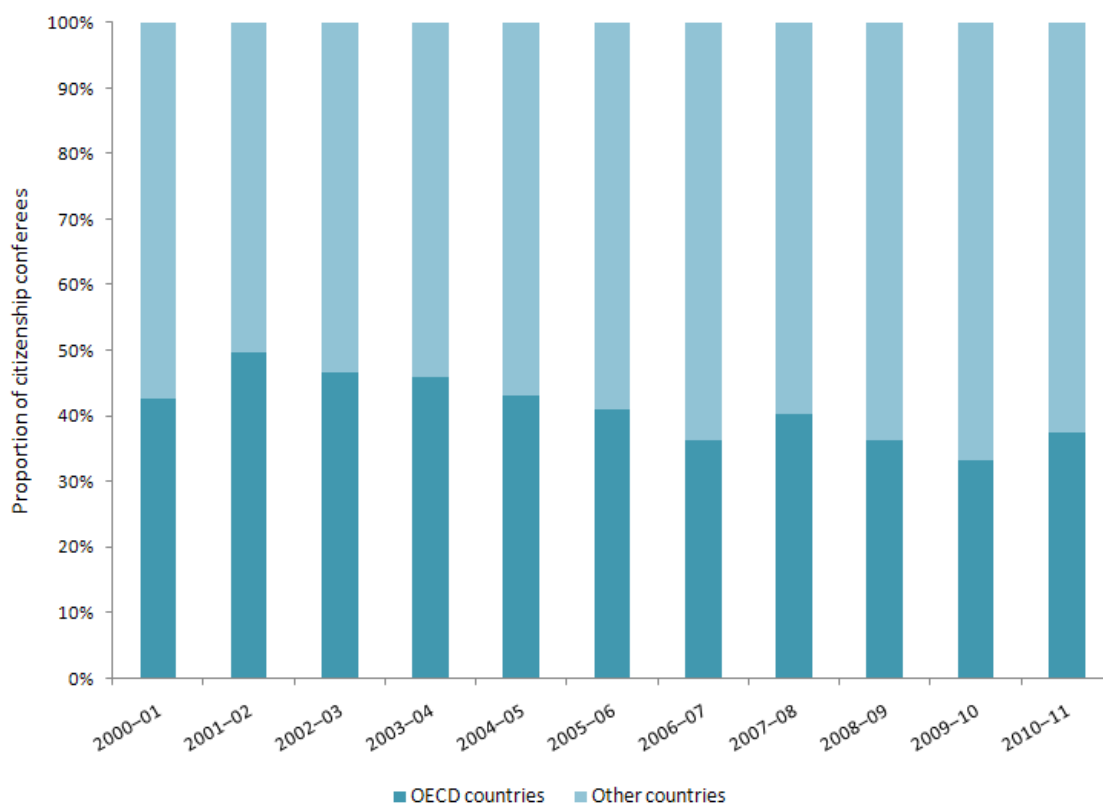
Figure 8.1 Conferrals of Australian citizenship 2001–02 to 2010–11



Source: Citizenship Program Management, Department of Immigration and Citizenship

Figure 8.2 shows the changing proportion of conferees from OECD countries for the past decade. OECD nationals represent an average of 54.2 per cent of all Australian citizenship conferrals for this 10 year period. In 2010–11, however, only 37.4 per cent of all conferees were from the OECD (see *Appendix A—Table 7*).

Figure 8.2 Conferrals of Australian citizenship 2001–02 to 2010–11: OECD share



Source: Citizenship Program Management, Department of Immigration and Citizenship

Table 8.1 shows the top 15 original countries of citizenship of people who were conferred Australian citizenship in 2010–11. Consistent with recent trends, the UK continues to provide the highest number of new citizens to Australia, followed by India and China. These three source countries represented 42.9 per cent of all conferees in 2010–11, similar to the 43.2 per cent in 2009–10, and above the 37.0 per cent in 2008–09.

Table 8.1 Citizenship conferrals 2010–11: top 15 countries of original citizenship

Country of original citizenship	Male	Female	Total conferees	Proportion of all conferees (%)	Proportion female (%)
UK	9 939	9 162	19 101	20.0	48.0
India	7 930	5 018	12 948	13.6	38.8
China	3 746	5 152	8 898	9.3	57.9
South Africa	2 212	2 177	4 389	4.6	49.6
New Zealand	2 120	2 184	4 304	4.5	50.7
Philippines	1 681	2 370	4 051	4.3	58.5
Sri Lanka	1 339	1 181	2 520	2.6	46.9
South Korea	1 058	1 263	2 321	2.4	54.4
Malaysia	1 023	1 184	2 207	2.3	53.6
Vietnam	573	1 115	1 688	1.8	66.1
USA	826	854	1 680	1.8	50.8
Indonesia	555	794	1 349	1.4	58.9
Thailand	327	1 016	1 343	1.4	75.7
Ireland	733	569	1 302	1.4	43.7
Bangladesh	656	522	1 178	1.2	44.3
Other countries	12 415	13 590	26 005	27.3	52.3
Grand Total	47 133	48 151	95 284	100	50.5

OECD countries are highlighted in orange.

8.2 Rates of citizenship acquisition

At the time of the 2006 Census there were almost three million migrants living in Australia who had acquired citizenship—a citizenship rate of 68 per cent. This is 20 percentage points higher than the OECD average, slightly lower than Canada's 75 per cent and well above the US rate of 48 per cent.

However this rate does not factor in the time it takes for a person to become 'residentially eligible' for citizenship, nor does it account for the number of temporary entrants who, because they are in Australia for 12 months or more, are counted in the Census population. By taking these two factors into consideration we get a much higher citizenship rate of 80 per cent. This figure will be updated next year when results from the 2011 Census become available.

Analysis by nationality reveals a lot of variation in the take-up rate of Australian citizenship among migrants from different countries. Migrants born in India and China have a low take up rate because at the time of the Census many of their migrants were relatively recent arrivals who had not yet met citizenship residency requirements. Since then many have become citizens—with 12 948 former citizens of India and 8 898 former citizens of China being conferred citizenship in 2010–11. This made India and China the second and third largest provider of new Australian citizens during this period.

The absence of dual citizenship arrangements may explain low take-up rates for migrants from Japan (15 per cent) and Singapore (55 per cent). This is consistent with data from the second Longitudinal Survey of Immigrants in Australia conducted in 2003 which shows that the two most common reasons for not wanting to take up Australian citizenship were to retain citizenship of their home country and to keep their current passport.

Migrants from the UK also have relatively low take-up rates. Many of these migrants have been in Australia a long time, and provided they were on the electoral roll before January 1984, enjoy all the rights of Australian citizens including the right to vote in federal elections (a right that is not extended to other countries). Furthermore, because Australia did not allow dual citizenship until 2002, many older UK migrants who were initially reluctant to give up their UK citizenship may now see little point in acquiring Australian citizenship at this stage in their lives.

The limited citizenship pathways for New Zealanders who came to Australia following the introduction of the bilateral social security arrangements in 2001 have contributed to their low citizenship take-up rates. Under these arrangements New Zealanders who first arrived in Australia after February 2001 need to satisfy the criteria for skilled or family reunion migration and then formally apply if they want to gain permanent residence and obtain Australian citizenship. On the other hand New Zealanders who arrived before this date probably have less motivation to become citizens than most other nationalities as they receive all the benefits of permanent residence and they can continue to move freely to and from New Zealand and maintain strong connections with their home country.

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Chapter 9: Diversity and Integration

An introduction to Australia's multicultural and settlement policies



9.1 Multiculturalism in Australia

Australia's Multicultural Policy—*The People of Australia*—was launched on 16 February 2011.¹¹ The policy clearly states that Australia celebrates and values the benefits of cultural diversity for all Australians within the broader aims of national unity, community harmony and maintenance of our democratic values. It also makes an important statement that all Australians are entitled to celebrate, practise and maintain their cultural heritage and language within the law and free from discrimination. The policy includes several important new initiatives, outlined below.

9.1.2 The Australian Multicultural Council (AMC)

The AMC was launched on 22 August 2011. It is a permanent and independent body which will:

- advise the government on multicultural affairs
- have a formal role in a strengthened access and equity strategy
- have a research advisory role around multicultural policy
- assist with cultural diversity celebrations and Harmony Day activities
- implement the 'People of Australia' Ambassadors' program to articulate the benefits of and help celebrate our multicultural nation.

9.1.3 The National Anti-Racism Partnership and Strategy

The National Anti-Racism Partnership and Strategy will be led by the Australian Human Rights Commission and a new full-time Race Discrimination Commissioner. It will have five key areas of effort:

- research and consultation
- education resources
- public awareness
- youth engagement and
- ongoing evaluation.

9.1.4 Multicultural Arts and Festivals Grants

The new Multicultural Arts and Festivals Grants program provides opportunities for Australians of all backgrounds to come together and experience different cultural activities, and encourage social cohesion and mutual understanding.

¹¹ See www.immi.gov.au/living-in-australia/a-multicultural-australia/multicultural-policy

9.1.5 The Multicultural Youth Sports Partnership Program

The new Multicultural Youth Sports Partnership Program provides opportunities for young people from new and emerging communities, including young refugees, to connect and be involved with local sports and community organisations. It will complement and strengthen existing initiatives and be consistent with the Government's National Strategy for Young Australians which envisions all young Australians growing up safe, healthy, happy and resilient.

9.1.6 Strengthened Access and Equity Framework

The Australian Government's access and equity framework is based on the principle that all Australians should be able to access government programs and services equitably, regardless of their cultural, linguistic or religious backgrounds.

To ensure that government programs and services are responsive to Australians from culturally and linguistically diverse backgrounds, the Government will strengthen the access and equity framework by conducting an inquiry into the responsiveness of Australian Government services to clients disadvantaged by cultural or linguistic barriers.

9.2 Settlement and integration in Australia

The Australian Government works to ensure that eligible migrants and humanitarian entrants can become contributing members of the Australian community as quickly as possible through the provision of settlement services. This support is targeted to new arrivals most in need, particularly refugees and humanitarian entrants in their first five years. These services and programs are outlined below.

9.2.1 The Australian Cultural Orientation (AUSCO) program

The Australian Cultural Orientation (AUSCO) program is the beginning of the settlement journey for refugee and humanitarian visa holders preparing to settle in Australia. It is delivered overseas before they travel to Australia, and provides an initial introduction to aspects of Australian life which will enhance entrants' settlement prospects, help create realistic expectations for their life in Australia and help entrants learn about Australian culture prior to arrival. AUSCO supplements the on-arrival services provided through the Humanitarian Settlement Services (HSS).

In 2010–11, 351 AUSCO courses were delivered to 5 275 participants in their own languages in Bangladesh, Egypt, Eritrea, Ethiopia, Ghana, Guinea, India, Indonesia, Iran, Jordan, Kenya, Lebanon, Malaysia, Nepal, Pakistan, Romania, Rwanda, the Republic of Congo, Sierra Leone, Sudan, Syria, Tanzania, Thailand, Turkey, Uganda, Zambia and Zimbabwe.

9.2.2 Humanitarian Settlement Services (HSS)

Humanitarian Settlement Services (HSS) provides intensive settlement support, through a coordinated case management approach, to newly-arrived humanitarian clients on arrival and throughout their initial settlement period. Support through the HSS program is tailored to individual needs, including the specific needs of young people. HSS endeavours to strengthen the ability of humanitarian clients to participate in the economic and social life of Australia, and to equip individuals with the skills and knowledge to independently access services beyond the initial settlement period.

9.2.3 Adult Migrant English Program (AMEP)

The Australian Government encourages eligible migrants and humanitarian entrants to undertake free English language tuition through the Adult Migration English Program (AMEP). The AMEP aims not only to assist migrants becoming independent and to participate fully in Australian life, but also provides pathways to finding employment, training or further education and applying for citizenship.

The AMEP complements the AUSCO and HSS programs and is available to eligible migrants from the humanitarian, family and skilled visa streams who do not have functional English. All AMEP clients have access to up to 510 hours of English language courses in their first five years of settlement in Australia.

In 2010–11, AMEP services were provided to 55 134 clients. This is a 3.8 per cent decrease on 2009–10 when 57 343 received AMEP services. Of the client group in 2010–11, 66 per cent were women and 74.5 per cent were aged between 16 and 44 years. Fifty-five per cent of clients were family entrants, 27 per cent were humanitarian entrants and 18 per cent were dependents of skilled migrant entrants. Twenty per cent indicated they had seven years or less of formal education. Clients came from 191 countries and the top three languages spoken were Mandarin (20 per cent), Arabic (10 per cent) and Vietnamese (7 per cent).

9.2.4 Diversity and Social Cohesion Program (DSCP)

The Diversity and Social Cohesion Program (DSCP) aims to provide an environment in which all Australians can develop a sense of belonging by providing opportunities to participate and contribute to Australian society. This work is undertaken through initiatives that address cultural, racial and religious intolerance by promoting respect, fairness and a sense of belonging for everyone. It also includes projects which develop the community capacity building skills of specific community groups under significant pressure due to their cultural, religious or racial diversity.

Generally, funding for individual projects of up to A\$50 000 is available to incorporated, not for profit organisations seeking to address an issue involving prejudices which might lead to racial discrimination, and which affects social cohesion and community harmony in the local area. Projects are aimed at providing opportunities for interaction between members of different communities and for all people to participate in Australian social and cultural life.

9.2.5 Settlement Grants Program (SGP)

The Settlement Grants Program (SGP) is a national grants program that aims to help eligible migrants to become self-reliant and participate equitably in Australia society as soon as possible after their arrival. In addition to providing settlement services for eligible migrants it encourages referrals and cooperation among other government services to achieve better client outcomes.

In 2010–11 the settlement service providers delivered the following services:

- Orientation to Australia—activities to promote self-reliance in individuals and families through the development of Australian life skills. Orientation may take the form of providing information or referrals to appropriate agencies and casework with individuals and families.
- Developing Communities—activities to assist communities to identify common goals and interests, develop a shared purpose and promote a sense of identity and belonging.
- Integration, inclusion and participation—activities to promote inclusion and participation in Australian society by encouraging partnership initiatives with mainstream community and government organisations.

9.2.6 Complex Case Support (CCS)

Some humanitarian entrants have significant and particularly complex needs that affect their settlement and participation in Australian society. These migrants are eligible to receive specialised and intensive case management services under the Complex Case Support (CCS) Program.

Like the HSS program, eligibility for CCS services extends to all humanitarian entrants, including Refugee and Protection visa holders. These clients are eligible for CCS services for up to five years after their arrival in Australia, and there is provision to extend this timeframe in exceptional circumstances.

In 2010–11 there were 437 cases referred to the program with 301 being accepted to receive CCS services. Services to these clients were delivered by a panel of 38 service providers throughout Australia known as the Humanitarian Services Panel. The top six countries of birth for CCS clients in 2010–11 were Sudan (27 per cent), Iraq (12 per cent), Burma (Myanmar) (11 per cent), Burundi (7 per cent), Congo (6 per cent) and Afghanistan (6 per cent). The majority of referrals to the CCS program come from settlement service providers, government agencies, such as health services and child protection services, as well as church and community groups.

9.2.7 Translating and Interpreting Services (TIS National)

Through TIS National, the department provides translating and interpreting services for people who do not speak English and for the English speakers who need to communicate with them.

TIS National has access to more than 2 000 contracted interpreters, speaking more than 160 languages and dialects. TIS National is accessible from anywhere in Australia and provides telephone interpreting services 24 hours a day, seven days a week.

In 2010–11, TIS National provided almost one million interpreting services, 13.1 per cent more than were provided in 2009–10. This increase was due to changing patterns in the composition and number of irregular maritime arrivals, and significant changes in humanitarian settlement patterns. The main languages for which an interpreter was requested in 2010–11 are shown in table 9.1.

Table 9.1 Interpreting services provided 2010–11: top 10 languages

Language	Services provided	Proportion (%)
Mandarin	171 570	17.2
Arabic	145 709	14.6
Vietnamese	107 205	10.7
Cantonese	61 534	6.2
Korean	58 174	5.8
Persian	55 202	5.5
Turkish	31 378	3.1
Spanish	28 141	2.8
Dari (Afghani)	22 181	2.2
Greek	21 002	2.1
Other	297 272	29.7
Total	999 368	100.0

Source: Translating and Interpreting Service statistics, Department of Immigration and Citizenship

Fee-free interpreting services are provided through TIS National to approved individuals and organisations to help them communicate with non-English speaking migrants and humanitarian entrants who are Australian citizens, or permanent residents. Fee-free interpreting services are available to:

- private medical practitioners providing services under Medicare
- non-profit, non-government, community-based organisations providing settlement services and casework (subject to their funding arrangements)
- members of parliament for constituency purposes
- local government authorities
- trade unions
- emergency Management Australia
- pharmacies for the purpose of dispensing Pharmaceutical Benefits Scheme medications.

During 2010–11, a total of 160 490 fee-free interpreting services were provided, compared to 197 060 in 2009–10. Of these fee-free interpreting services, 130 298 were for telephone interpreting and 30 192 were for on-site interpreting. The decrease in the number of fee-free interpreting services provided between 2009–10 and 2010–11 is due to a change in the administrative definition of services. The decrease does not reflect an actual reduction in interpreting services to clients.

Fee-free translations of personal settlement-related documents are provided to permanent residents and some temporary visa holders, as well as to returning Australian citizens within their first two years of arrival or grant of permanent residence. In 2010–11, 8 408 clients utilised the fee-free translation service in 2010–11, compared to 10 015 in 2009–10.

9.3 Recent research: settlement outcomes of new arrivals

The department commissioned a study to better understand socio-economic outcomes of Humanitarian and Migration Program entrants in their first five years of settlement, and to identify what factors contribute to successful settlement. The survey sample used comprised 60 per cent humanitarian entrants, 20 per cent skilled migrants and 20 per cent family migrants. The findings of the *Settlement Outcomes of New Arrivals*¹² report include:

- Humanitarian entrants are more likely than Skill and Family Stream migrants to be unemployed, however they are more highly involved in further education activities.
- Seventy-five per cent of humanitarian entrants arrive with at least high school level education. Around a quarter of humanitarian entrants obtain a technical or university qualification after arriving in Australia. Nearly 50 per cent of those who arrive with trade qualifications go on to obtain more technical or university qualifications in Australia. Forty-three per cent of those arriving with a university degree obtain further university qualifications after arrival.
- Humanitarian entrants who have no community or family links in Australia prior to arrival are more economically independent—they are more likely to learn English quickly, obtain a qualification and gain paid employment.

¹² Full version available at www.immi.gov.au/media/publications/research/_pdf/settlement-outcomes-new-arrivals.pdf

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Chapter 10: Special Focus (A)

Labour and educational outcomes of migrants and their children



10.1 Overview

A key measure of the success of a country's migration program is the labour market outcomes of the migrants it has selected. In recent years between a quarter and a third of Australia's Migration Program has been made up of Primary Applicants entering through the Skill Stream. These migrants would be expected to adjust easily to Australia's labour market conditions—enjoying a high rate of labour force participation, a low rate of unemployment and a high likelihood of working in a skilled job.

The remainder of Australia's Migration Program is made up of dependents of these skilled migrants plus people coming to Australia through Australia's Family Stream. There are also currently around 14 000 people each year receiving permanent residence through Australia's Humanitarian Program. These latter groups would not be expected to enjoy the same level of labour market success as skilled migrants.

Being able to measure the variation in labour market performance across these different groups is the reason why the department surveys recent migrants. Complementing this are the Australian Bureau of Statistics (ABS) Labour Force Survey, which measures labour market outcomes based on country of origin and time in Australia and the ABS Characteristics of Migrants Survey which includes information on the labour force performance of humanitarian entrants and temporary migrants.

The performance of different categories of migrants constitutes the first part of this chapter. In the second part, the focus shifts to examine the labour market outcomes of the children of migrants. Using data from the ABS 2009 Survey of Education and Training we report on the education attainment, employment outcomes and returns to increased education for this group.

10.2 Outcomes for all overseas born

In August 2011, the Australian labour force comprised 12.07 million persons¹³ of which 8.63 million were born in Australia. Of the 3.32 million overseas-born, 1.34 million were from the Mainly English Speaking Countries (MESCs) of New Zealand, Canada, USA, UK, South Africa and Ireland. The remaining 1.99 million migrants were from Non English Speaking Countries (NESC).

Table 10.1 uses ABS Labour Force Survey data to provide a summary of the labour force status of these persons averaged over the year to August 2011.¹⁴

¹³ ABS Labour Force, Australia (6202.002)—seasonally adjusted.

¹⁴ ABS Labour Force, Australia Detailed Electronic Delivery (6291.0.55.001)—LM7 data cube: data has been averaged over 12 months due to small sizes of survey subgroups.

Table 10.1 Employment status of civilian population aged 15 years or more, by birthplace, 2010–11

Category	Employment rate (%)	Unemployment rate (%)	Participation rate (%)
Australian born males	71.1	5.0	74.8
Australian born females	59.2	5.1	62.4
Australian born	65.1	5.0	68.6
MESC born males	71.7	3.9	74.6
MESC born females	58.5	5.0	61.6
MESC born	65.3	4.4	68.2
NESC born males	63.5	4.9	66.8
NESC born females	47.6	6.6	51.0
NESC born	55.3	5.6	58.6
Total	63.3	5.1	66.6

Source: Labour Force, Australia (6291.0), Australian Bureau of Statistics

As seen in Table 10.1:

- the Australia-born and MESC migrants are more strongly represented in the workforce than NESC migrants. Their participation rates of 68.6 per cent and 68.2 per cent respectively are substantially higher than the 58.6 per cent rate for NESC migrants
- MESC migrants have the lowest unemployment rates, slightly below the Australia-born and considerably lower than NESC migrants
- the female participation rate for NESC migrants (51.0 per cent) was considerably below the female participation rate for Australian born and MESC migrants (62.4 per cent and 61.6 per cent respectively).

Table 10.2 shows that both NESC and MESC migrants are more likely to be employed as professionals than the Australian-born and MESC migrants are also over-represented in management positions due to the skilled focus of the Migration Program. Compared with others in the population, NESC migrants are significantly over-represented in lower skilled labouring jobs.

Table 10.2 Occupation by birthplace, August 2011

Occupation	Australia (%)	MESC (%)	NESC (%)	Overall (%)
Managers	13.1	15.1	11.0	13.0
Professionals	20.0	25.7	25.6	21.6
Technicians and Trades Workers	14.8	13.9	12.0	14.2
Community and Personal Service Workers	9.9	8.6	9.6	9.7
Clerical and Administrative Workers	15.6	14.7	12.9	15.1
Sales Workers	10.2	6.9	7.6	9.4
Machinery Operators And Drivers	6.8	6.9	6.9	6.8
Labourers	9.6	8.2	14.4	10.3
Total	100.0	100.0	100.0	100.0

Source: unpublished labour force data, Australian Bureau of Statistics. Monthly labour force data has been averaged over 12 months due to small sizes of survey subgroups.

In terms of industry, table 10.3 shows that:

- NESC migrant workers are over-represented in Health Care and Social Assistance, Accommodation and Food Services and in Manufacturing industries, but are under-represented in Construction, Public Administration and Safety and Education and Training sectors. While MESC migrant workers are notably over-represented in mining and construction, less than 1 per cent of NESC workers are in mining jobs and are significantly under-represented in construction.
- MESC workers have higher representation in the Professional, Scientific and Technical Services industry, but have lower representation in the Retail Trade and Accommodation and Food Services industries.
- MESC and NESC workers are significantly under-represented in the agricultural sector. This is not surprising since migrants—in particular recent migrants—are more likely than the rest of the population to be living in urban areas. For example, while more than a third of the Australia-born population lives outside of Australia’s major cities, only 15 per cent of the overseas-born population and just 11 per cent of migrants arriving since 2000 chose to live in regional Australia.¹⁵

¹⁵ Source: Unpublished data from 2006 Census of Population and Housing

Table 10.3 Industry by birthplace, August 2011

Industry	Australia (%)	MESC (%)	NESC (%)	Total (%)
Agriculture, Forestry and Fishing	3.4	1.3	1.1	2.8
Mining	2.1	3.2	0.8	2.0
Manufacturing	7.7	8.3	11.0	8.3
Electricity, Gas and Water Supply	1.3	1.2	1.1	1.2
Construction	9.7	9.8	6.0	9.1
Wholesale Trade	3.4	3.6	4.2	3.6
Retail Trade	11.4	8.3	9.5	10.8
Accommodation and Food Services	6.4	4.7	10.4	6.9
Transport Postal and Warehousing	5.0	5.1	5.7	5.1
Information Media and Telecommunications	1.7	2.1	1.9	1.8
Finance and Insurance Services	3.6	4.7	4.1	3.8
Rental, Hiring and Real Estate Services	1.8	2.0	1.2	1.7
Professional, Scientific and Technical Services	7.0	9.9	9.5	7.7
Administrative and Support Services	3.2	4.0	5.0	3.6
Public Administration and Safety	7.0	5.5	5.0	6.5
Education and Training	8.0	8.6	5.6	7.6
Health Care and Social Assistance	11.1	12.2	13.6	11.7
Arts and Recreation Services	2.0	1.9	1.1	1.8
Other Services	4.1	3.9	3.6	4.0
Total	100	100	100	100

Source: unpublished labour force data, Australian Bureau of Statistics. Monthly labour force data has been averaged over 12 months due to small sizes of survey subgroups.

10.3 Outcomes across different visa categories

Results from the Continuous Survey of Australian Migrants (CSAM)—the department’s survey of recently arrived Skill and Family Stream migrants—indicate that 6 months after arrival or grant of permanent residence the vast majority of skilled migrants have quickly become active participants in the Australian labour market, with migrants who are sponsored by an employer performing particularly well. Results also show that other primary applicants, including those from the Family Stream, have higher participation rates than the national average.

The main results from the survey run in late 2010 are as follows:

- The unemployment rate of recently arrived skilled migrants was 4.0 per cent—considerably lower than the national average of 5.2 per cent

- Recently arrived skilled migrants had a participation rate of 97 per cent—well above the national average of 65 per cent
- Skilled migrants sponsored by an employer enjoyed the best employment outcomes—they had a negligible unemployment rate of less than 1 per cent and 91 per cent were working in a skilled job
- Skilled graduates had a participation rate of 100 per cent and an unemployment rate of less than 1 per cent, although only 68 per cent were working in a skilled job
- Unemployment for the primary applicants from the Family Stream was relatively high at 29 per cent. This is due to a combination of factors—employment not being the main motive for migration; being new to the Australian labour market; and being less likely than skilled migrants to have the qualifications and experience sought by employers.

Table 10.4 Employment outcomes of recently arrived migrants 2010

Visa category	In skilled work (%)	In other jobs (%)	Not working (%)	In full-time work (%)	Participation rate (%)	Unemployment rate (%)	Median full-time earnings (A\$)
Family Stream	19	31	55	30	69	29	40 600
Skill Stream							
Employer sponsored	91	6	4	92	97	1	65 000
State/Territory Sponsored and Skilled Australian Sponsored	67	22	12	74	99	10	60 000
Skilled Independent (offshore applicants)	76	10	14	76	96	10	78 000
Skilled Independent (onshore applicants)	56	36	8	70	97	5	44 700
Other Skill Stream primary applicants	45	38	18	63	89	7	41 000
All Skill Stream primary applicants	71	22	8	75	97	4	52 000
Skilled graduates	68	30	2	68	100	1	41 000

Source: Continuous Survey of Australia's Migrants, Cohort 3 October 2010, Department of Immigration and Citizenship

Results from the ABS Characteristics of Recent Migrants Survey (CORMS)—a survey run in 2010 of around 3 000 skilled, family and humanitarian migrants who arrived in the past decade—show that the labour market integration of humanitarian entrants is quite poor.

For instance, although the humanitarian entrants surveyed had been in Australia for up to 10 years, only three in 10 were working at the time of the survey and more than half had never worked at all since coming to Australia. It is therefore not surprising that almost six out of every 10 humanitarian entrants relied on government pensions and allowances as their main source of income.

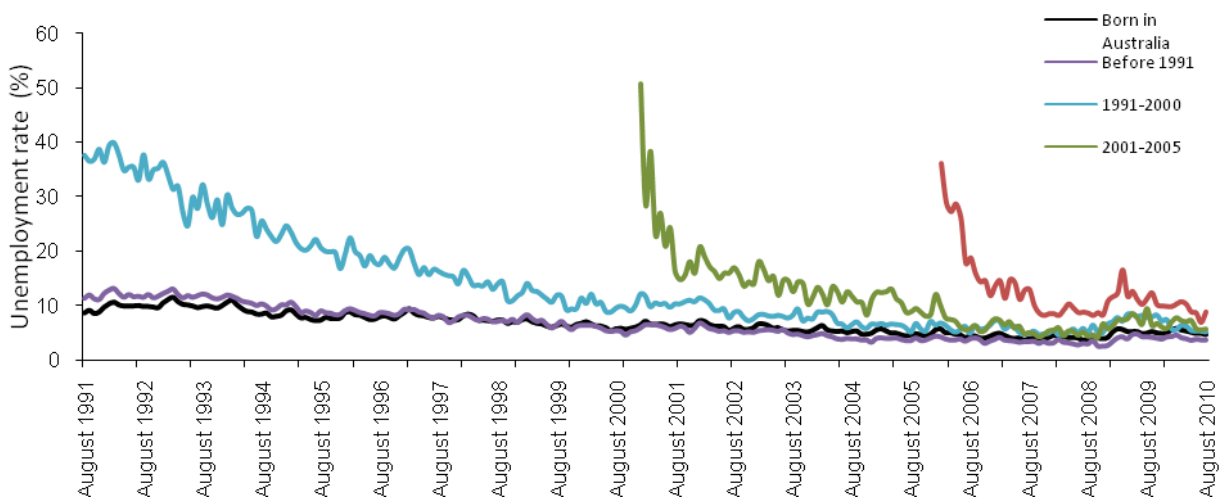
Given the importance of English in securing employment, one encouraging finding from the survey was that humanitarian entrants indicated their English language skills had improved substantially since arrival, with 53 per cent claiming good English compared with only 29 per cent on arrival.

A feature of the CORMS is that it also provides information on the labour market performance of temporary residents. Among these migrants around 66 per cent are labour market participants and 5 per cent are unemployed. These outcomes are similar to that of Australia's resident population.

10.4 The Labour Market Integration of Migrants

So far we have looked at outcomes by visa category and outcomes by origin, without controlling either for time in Australia or education attainment. These are significant oversights. As seen from figure 10.1 it takes migrants around five years on average to adapt to the Australian labour market.

Figure 10.1 Migrant unemployment rates by year of arrival 1991 to 2010



ABS Labour Force, Australia Detailed Electronic Delivery (6291.0.55.001) — LM7 data cube: data

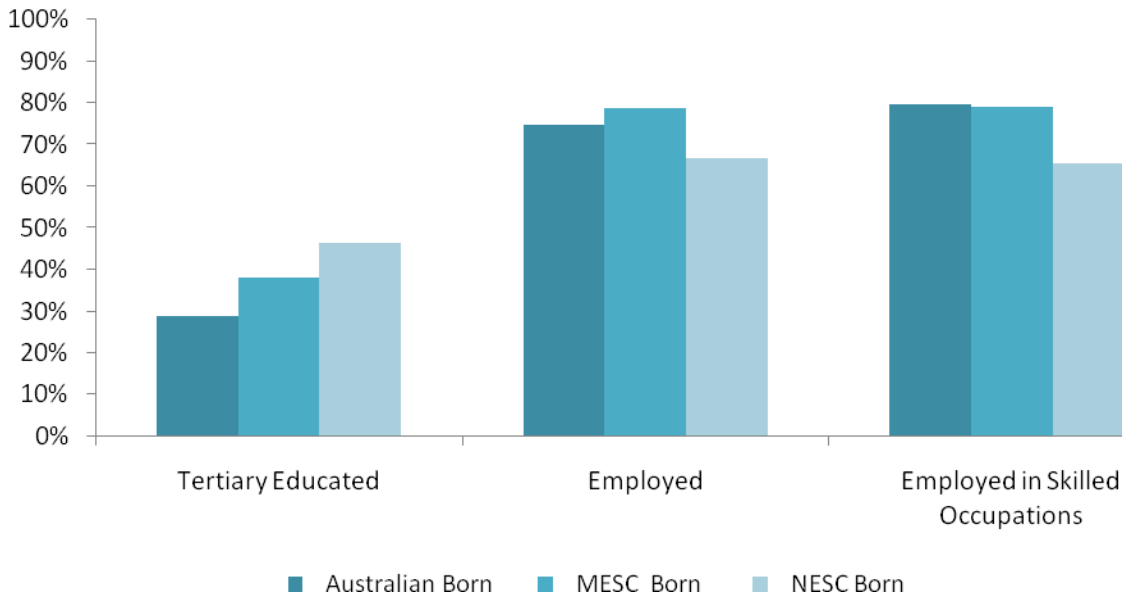
In this section we address these oversights by using data from the 2009 ABS Survey of Education and Training to report on the educational attainment, labour market outcomes, and returns on education for three migrant cohorts:

- persons born in Australia
- persons from Mainly English Speaking Countries (MESCC)
- persons from Non English Speaking Countries (NESCC)

To enable a more precise comparison, we limit the analysis to persons aged 15 to 64 who are no longer in full-time study.

As can be seen from figure 10.2, NESC migrants are a highly educated cohort but this is not translating into good labour market outcomes.

Figure 10.2 Education Attainment and Employment Outcomes 2009: migrants and non-migrants aged 15-64

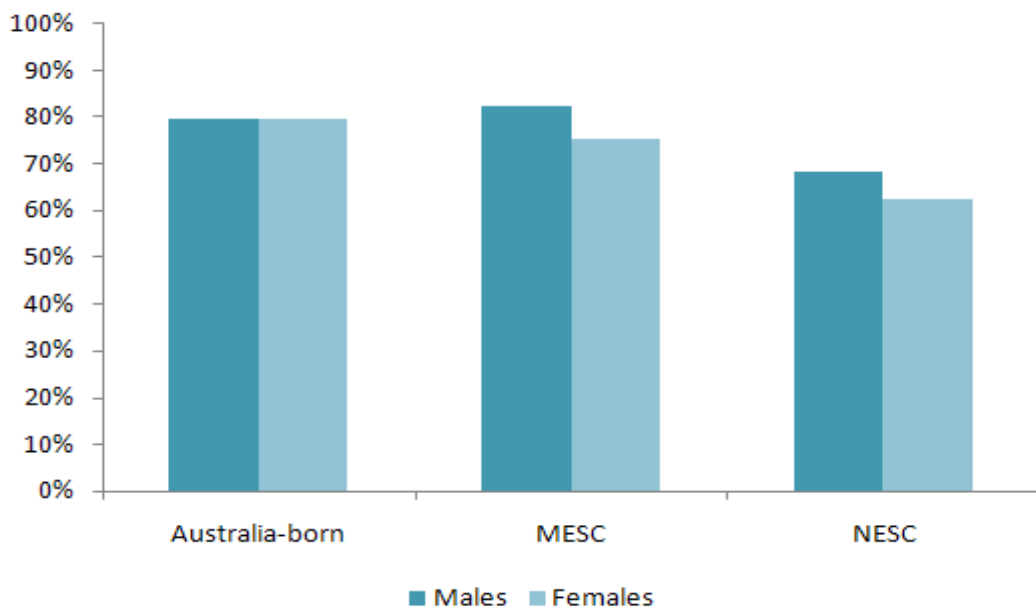


Source: Survey of Education and Training, 2009, unit record file (ABS catalogue 6278.0.055.001)

For example, almost half (46 per cent) of NESC migrants have a tertiary qualification, but only two thirds are working. The returns for education are poorer as well. Only two thirds of NESC migrants with a tertiary qualification are working in a skilled field compared with 79–80 per cent of MESC migrants and Australian-born.

Outcomes are especially poor for females (figure 10.3). Only 62 per cent of tertiary-educated female NESC migrants work in skilled occupations.

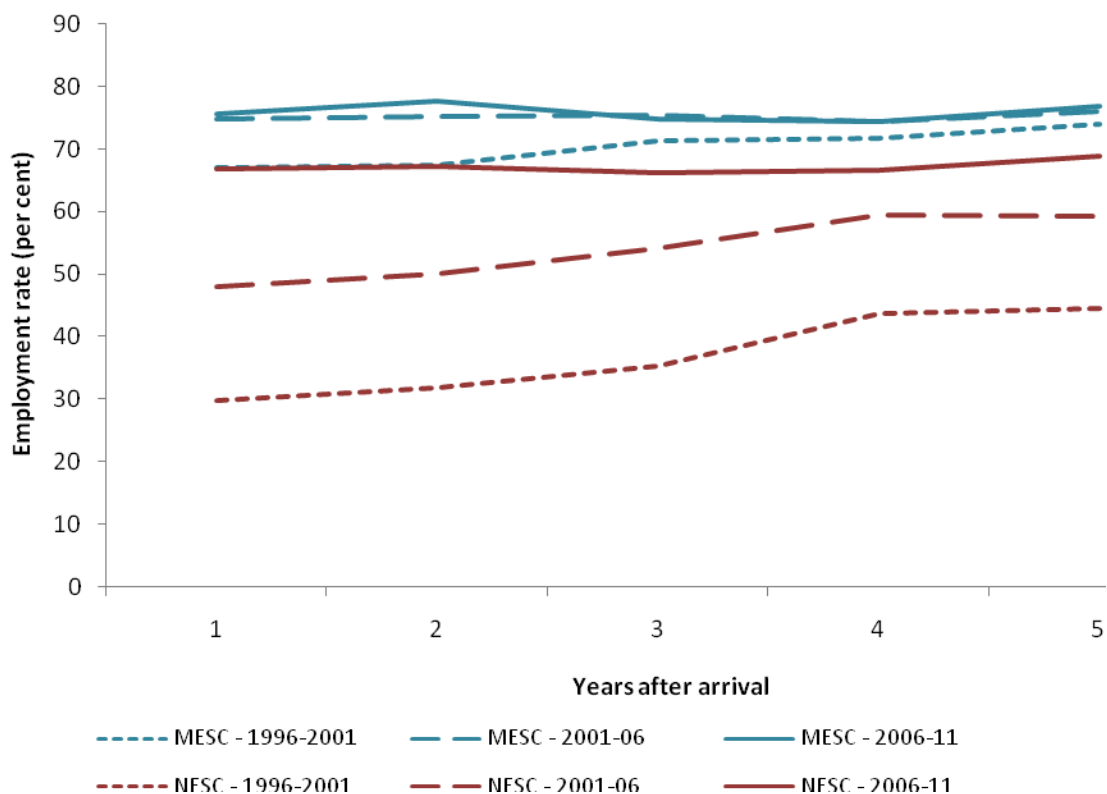
Figure 10.3 Proportion of tertiary educated working in a management or professional field 2009: migrants and non-migrants aged 15-64



Source: Survey of Education and Training, 2009, unit record file (ABS catalogue 6278.0.055.001)

While the overall labour market performance of NESC migrants falls short of migrants from MESC and the Australia-born, there is evidence that their performance is improving. Figure 10.4 uses data from the 1996, 2001 and 2006 Censuses to show the employment rate for recent migrants.

Figure 10.4 Employment rates since arrival for different MESC and NESC migrant cohorts



Source: ABS Census of Population and Housing 1996, 2001, 2006

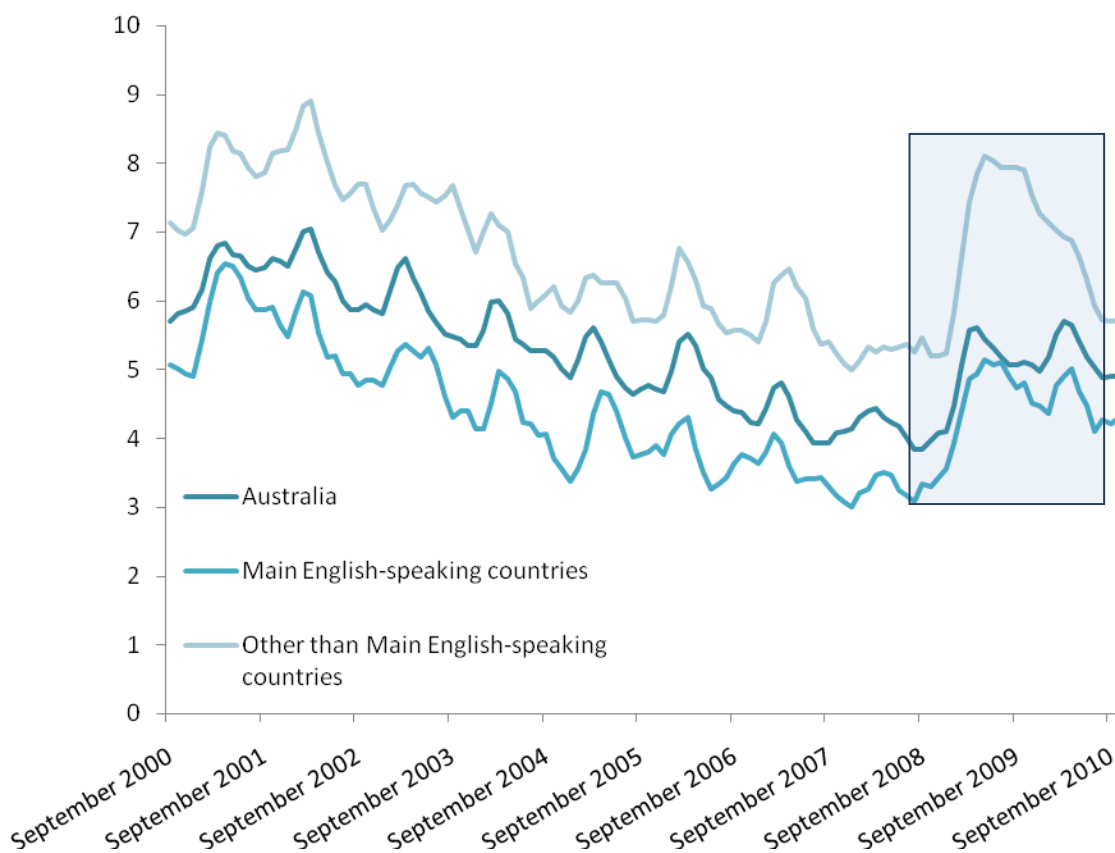
As can be seen from the figure, employment rates improve with increased time in Australia. This is consistent with the labour force data presented earlier in figure 10.1 and is a natural consequence of improved confidence and greater familiarity with the Australian labour market, the acquisition of Australian work experience and Australian qualifications and improved English.

The figure also shows that more recent cohorts of NESC migrants perform better than earlier cohorts. For instance, 5 years after arrival only about 45 per cent of the 1996–2001 NESC cohort were working, compared with almost 70 per cent of the 2006–2011 cohort. In fact the gap between NESC and MESC who have been in Australia for 5 years has narrowed from 30 percentage points for the 1996–2001 cohort to just 10 percentage points for the 2006–11 cohorts. This improved performance is due to the growing number of Skill Stream migrants among more recent NESC cohorts.

10.5 The longer-term view

So far we have focussed on current labour market data. We now broaden the analysis to examine how migrants have contributed to the labour force over the past decade. Figure 10.5 shows the unemployment rate for migrant and non-migrant groups over the period 2000 to 2010. As can be seen from this figure MESC migrants consistently have lower unemployment than NESC migrants and the Australian-born. The figure also shows that the unemployment rates for NESC migrants have tracked unemployment rates for the rest of the population but have been on average 1.4 percentage points higher than the Australian born and 2.3 percentage points higher than that of MESC migrants.

Figure 10.5 Unemployment Rate: country of birth, 2000–2010

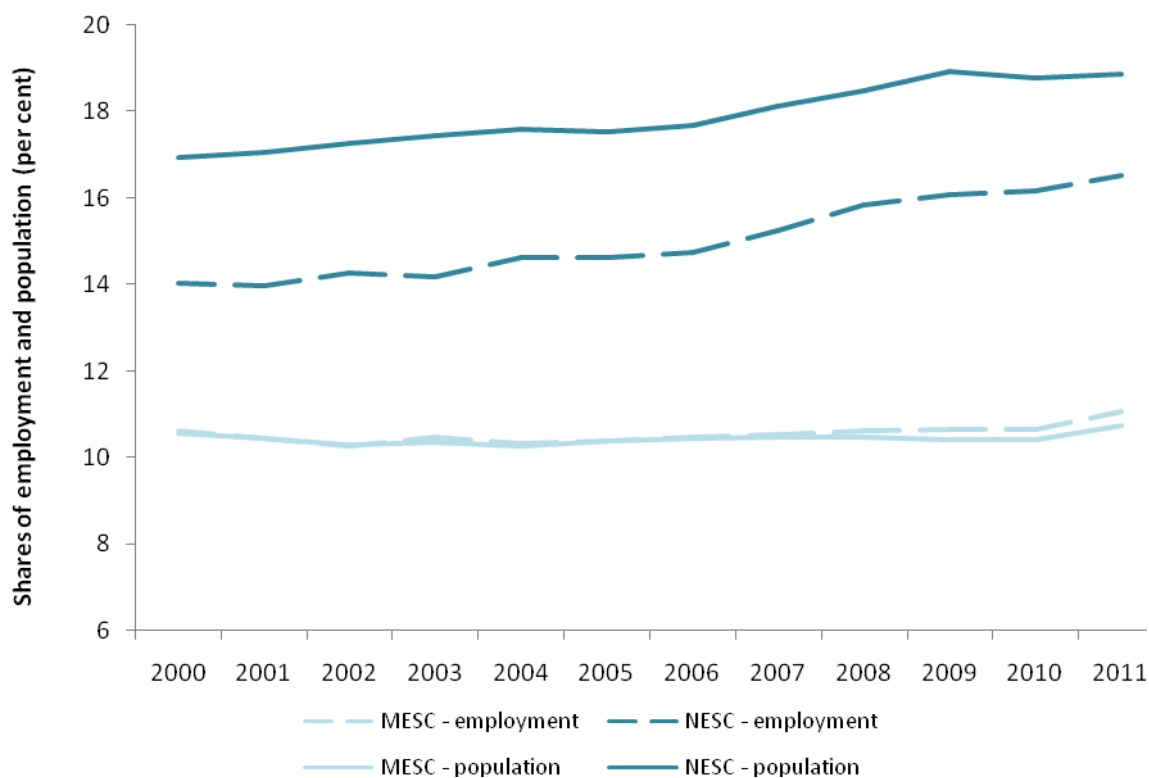


Source: Labour Force, Australia (6291.0), Australian Bureau of Statistics

NESC migrants are however more susceptible to down-turns in the labour market. As can be seen in the shaded area in figure 10.5, the global economic crisis triggered a sharp increase in NESC migrant unemployment—with unemployment rising from 4.7 per cent in October 2008 to 8.4 per cent in August 2009. Over the same period, MESC migrants and the Australia-born experienced relatively modest increases in unemployment of around 1.5 percentage points and 0.9 percentage points respectively. When the Australian economy started improving, the unemployment rates for NESC migrants decreased sharply—falling from 8.4 per cent in August 2009 to 5.7 per cent in August 2011. This spike in NESC unemployment, and unemployment in general, was far less pronounced and much shorter in duration than the spikes that occurred in the recessions of the early 1980s and early 1990s.

The difference between labour market outcomes of migrants from MESC and NESC can also be looked at in another way. Figure 10.6 shows that over the past 10 years the proportion of MESC migrants in employment has been almost identical to its population share. In contrast, NESC migrants are under-represented in Australia's workforce. While they represented around 18 per cent of Australia's population in 2011 they only accounted for 16 per cent of employed persons. This 2 percentage point gap has been more or less consistent for the past decade.

Figure 10.6 Employment and share of civilian population: MESC and NESC migrants 2000–2011



Source: Labour Force Quarterly (6291.0.55.001), Australian Bureau of Statistics

10.6 Labour market outcomes for children of migrants

ABS Census data shows that the children of migrants (whether they were born overseas or were born in Australia to migrant parents) made up 32 per cent of Australia's overall population, while accounting for a somewhat higher share of our working age population. This is a remarkably large contribution to our labour market when one considers people who migrated as adults are now mostly retired, and account for only 13 per cent of Australia's working age population.

In this section we use data from the 2009 Survey of Education and Training (the same dataset that was used in Section 10.5) to report on the labour market performance and returns to education for three groups of migrants and non-migrants:

- Children of Australians—people born in Australia with at least one Australia-born parent
- Australia-born children of migrants—people born in Australia with both parents born overseas
- Overseas-born children of migrants—people born overseas who arrived before the age of 15.

Within these three groups we have only selected people who are relatively young—i.e. between 15 and 34 years of age. This is because for older age cohorts a person's migrant background becomes less relevant in terms of labour market participation. Also as with the earlier analysis we have excluded those engaged in full-time study.

Data from this survey shows that it is the overseas-born children of migrants that have the highest level of education, with 36 per cent having a tertiary qualification compared with only 23 per cent of those who are children of Australians. Australia-born children of migrants fall between these two extremes, with 29 per cent having tertiary qualifications.

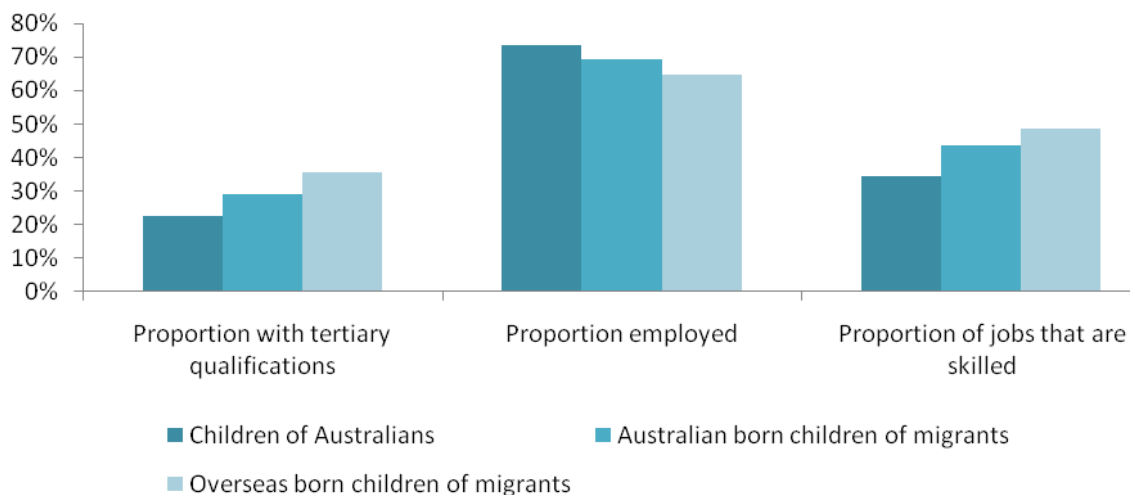
The reasons why the overseas-born children of migrants are better educated can be traced back to how long this particular cohort has been in the country. Unlike the other two cohorts—where by definition everyone has been in Australia at least 15 years—the overseas-born children of migrants cohort contains a mix of established and recent migrants. For example, it will include people who are aged 34 who have been living in Australia for almost all their life, and it will also contain 15 year olds who have been in Australia for less than a year.

Given the emphasis on skilled migration in the past decade, these more recent arrivals are likely to have been the dependent of a skilled migrant. It then follows that the children of these migrants will be more educated on average as well. This is because their parents will have experienced the benefits of a good education and will have wanted to ensure that their children are given the same opportunities.

As shown in figure 10.7 the returns on this additional human capital for children of migrants (whether they are born overseas or in Australia) are mixed.

After excluding those still in full-time education, children of migrants are less likely to be working than those born to Australian parents. One possible explanation is that because they a young, well-educated cohort they will have entered the workforce at a later age and therefore have less work experience on average than those with Australian parents. A lack of work experience is a substantial barrier for young people looking for their first full-time job. Some overseas born children of migrants—those who arrived from a non-English speaking country in their teens—may also be having difficulties finding work because of poorer English.

Figure 10.7 Education and employment outcomes: children of Australians and children of migrants aged 15–34



Source: Survey of Education and Training, 2009, unit record file (ABS catalogue 6278.0.055.001)

Provided they are working, however, children of migrants do appear to be getting better jobs. For instance almost half of the jobs for overseas-born children of migrants are in management, professional or technical fields (ISCO 1/2/3) compared with just over a third of jobs for the children of Australians.

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Chapter 11: Special Focus (B)

The fiscal impact of migrants



11.1 Overview of the model

Migration contributes to economic growth by bringing people into Australia who are concentrated in the prime working ages of 25 to 44 years, have a high propensity to work and are highly skilled. It is difficult to measure in overall terms the economic contribution of migrants, however good indicators include the impact on labour market participation and employment growth, and the fiscal impact that migration has on Australia's Budget bottom line.

The department worked with Access Economics, an independent economic consultancy, over many years to develop the Migrants' Fiscal Impact Model. The model provides a detailed profile of the effect of new migrants on the Australian Government Budget, taking into account their impact on revenues and expenditure.

In terms of revenues this is achieved by using estimates of income, employment and expenditure for different categories of migrants to model income tax and goods and service tax receipts. The model also estimates the indirect contribution of migration to other revenue streams such as company tax.

When modelling expenditure estimates of government outlays on health, education, social security and settlement services, we take into account the migrant's age profile and propensity of different migrant groups to use government services.

In interpreting the model's findings some considerations need to be considered:

- Fiscal impacts are modelled over a 20-year period, taking into account the starting age profile of the migrant cohort and survival rates over time. The model also takes into account broader government spending and revenue and as such can be very responsive to changes in the fiscal outlook.
- The model, however, is not a 'life cycle' model of migrants. This is because most Primary Applicants (particularly in the Skill Stream) tend to be aged between 20 and 40 years, meaning that over the 20-year timeframe most would remain in the workforce and not draw significantly on health or aged pension costs.
- The model only examines the first generation of migrants, meaning that the impact on the Australian Government Budget from any children born after arrival in Australia is not considered.

11.2 Findings from the model

These caveats aside, the model shows that most new migrants provide a substantial positive contribution to the Budget. In fact, over their first 10 years of settlement, migrants arriving through the 2010–11 Migration and Humanitarian programs will provide an estimated net fiscal benefit of over A\$10 billion.

The reasons for this strong net contribution are that the migrants:

- have high average incomes and rates of workforce participation leading to a high level of direct tax receipts and less reliance on welfare payments
- have good levels of English overall, which reduces the need for language services
- from the Skill and Family Streams are excluded from many government benefits for the first two years after arrival, and
- have an age profile that is generally much younger than the Australian population, reducing their demand on health services.

Table 11.1 below shows the fiscal contribution of migrants coming through the 2010-11 Migration Program over a 20 year settlement period. These estimates are more detailed than those in the government's Budget Papers, which only show the overall effect on forward estimates of varying the size and composition of the program.

As can be seen from this table, while the fiscal contribution of migrants grows over time, skilled migrants make the greatest fiscal contribution. In aggregate terms the model estimates that the total fiscal contribution from the 2010–11 Migration and Humanitarian programs (approximately 182 500 migrants) is around A\$712 million in the first year after their arrival. Over the first 10 years the cumulative contribution of these migrants is estimated to be more than A\$10.2 billion.

Additionally, the continuation of the Business Long Stay visa intake at 2010–11 levels (approximately 90 100 migrants) is estimated to contribute about A\$890 million in the first year after arrival and deliver a cumulative benefit of around A\$5.2 billion 10 years after arrival.

Table 11.1 Migrants' net impact on the Australian Government Budget by visa category 2010–11
(A\$ million)

Visa category	Visa grants in 2010-11	Net fiscal impact (A\$ million)				
		Period of settlement in Australia (years)				
		1	2	3	10	20
Family Stream						
Parent	8 499	-7.7	-5.6	-6.0	-7.7	-9.4
Partner and other	46 044	-16.8	76.9	48.2	244.1	242.3
Family Stream total	54 543	212.3	60.0	43.0	200.9	146.4
Skill Stream						
Skilled Independent	36 167	163.0	223.3	283.7	384.2	439.5
Skilled Australian Sponsored	9 117	5.4	12.2	13.0	17.3	21.1
State/Territory Sponsored	16 175	68.3	80.2	86.6	104.7	138.1
Business Skills	7 796	44.9	44.3	46.2	33.2	24.1
Employer Sponsored	44 345	465.9	478.8	485.7	493.3	530.8
Skill Stream total	113 725	747.4	838.7	915.1	1 032.8	1 153.6
Humanitarian Stream	13 799	-247.3	-69.4	-62.0	-12.3	48.4
Total fiscal impact of permanent migration	182 067	712.4	829.2	896.1	1 221.4	1 348.5
Business Long Stay visa	90 120	889.3	954.5	383.1	441.0	585.9

Source: Access Economics and DIAC Migrants' Fiscal Impact Model

11.3 Modelling different economic scenarios

The model can also be used to report on different economic scenarios. This was done by the department in late 2009 when it used the model to estimate the fiscal effects of the economic downturn, through scenarios based on actual conditions and revised government estimates of unemployment, revenue and expenses.

These revisions were made because earlier assumptions used in the model did not account for the deteriorating labour market conditions in 2009 and the shift from a Budget surplus to a sizeable deficit. When compared with the original estimates, the Australian Government's revised forecasts predicted unemployment to be 1.0 to 1.5 percentage points higher and expenditure to be 4 to 8 per cent greater. Revised revenue forecasts were up to 12 per cent lower.

In applying these revisions three scenarios were developed:

- **Scenario 1:** The baseline scenario, using the model's original assumptions of unemployment, revenue and expenditure
- **Scenario 2:** Incorporating the Government's revised estimates of revenue and expenditure
- **Scenario 3:** Incorporating the Government's revised estimates of revenue, expenditure and unemployment.

Comparing the fiscal impacts of these three scenarios revealed three important findings.

- Even in times of higher unemployment, migrants continue to make a large positive fiscal contribution, one which increases over time.
- The impact of higher unemployment is much smaller than the indirect impact of the Budget moving into deficit. During the economic downturn, the government stimulated the Australian economy through cash payouts and implementing major infrastructure programs. The share of this increased expenditure to the 182 000 migrants who came through 2008–09 Migration Program was about three times greater than the direct impact of higher migrant unemployment.
- In the long term this decline in benefits is not a major concern. Over time migrants will continue to make a positive fiscal impact that overshadows the short-term fiscal effects of higher unemployment and greater spending. Extending the model to a 20 year period showed the cumulative fiscal benefit of the 2008–09 Migration Program to be about A\$23 billion (in 2009 dollars) for all three scenarios.

For more details on this scenario analysis can be found at:

www.immi.gov.au/media/publications/statistics/popflows2008-09

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Appendix A

Citizens of OECD countries in Australia



Appendix A Notes

Unless stated otherwise, figures exclude small numbers of visa grants where the gender and/or country of citizenship of the applicant has not been recorded.

Under the 1973 Trans Tasman Travel Arrangement, most New Zealand citizens are automatically granted a Special Category (subclass 444) visa on arrival, which allows them to visit, live, work or study in Australia indefinitely. As this visa ceases when the holder departs Australia, and a new one is granted on each entry, it is not considered a 'permanent residence' visa, and is not counted as part of Australia's Migration Program. In the following tables, visa grant figures for New Zealand citizens do not accurately reflect the number of New Zealand citizens residing in Australia, as these are likely to be New Zealand citizens who also have citizenship of a third country.

Table 1 Migration Program visa grants 2010–11

Country of Citizenship	Male	Female	Total Grants
Austria	58	55	113
Belgium	92	84	176
Canada	747	953	1 700
Chile	100	114	214
Czech Republic	68	110	178
Denmark	68	72	140
Estonia	15	50	65
Finland	46	93	139
France	643	580	1 223
Germany	776	1 023	1 799
Greece	82	52	134
Hungary	121	142	263
Iceland	5	3	8
Ireland	2 251	1 449	3 700
Israel	226	185	411
Italy	477	335	812
Japan	363	1 116	1 479
Luxembourg	1	1	2
Mexico	110	116	226
Netherlands	369	347	716
New Zealand	Nil	Nil	Nil
Norway	51	85	136
Poland	162	326	488
Portugal	115	109	224
Slovakia	47	91	138
Slovenia	22	23	45
South Korea	1 948	2 378	4 326
Spain	104	151	255
Sweden	136	231	367
Switzerland	123	117	240
Turkey	385	324	709
UK	12 577	11 354	23 931
USA	1 353	1 545	2 898
OECD Total	23 641	23 614	47 255
OECD Proportion of Grand Total (%)	14.0	14.0	28.0
Non-OECD Total	55 708	65 715	121 423
Grand Total	79 349	89 329	168 678
OECD Gender Split (%)	50.0	50.0	100.0

Table 2 Business Long Stay visa grants 2010–11

Country of Citizenship	Male	Female	Total Grants
Austria	112	81	193
Belgium	188	113	301
Canada	1 475	1 256	2 731
Chile	121	101	222
Czech Republic	70	76	146
Denmark	176	139	315
Estonia	27	22	49
Finland	74	94	168
France	1 208	880	2 089^
Germany	1 181	963	2 144
Greece	41	16	57
Hungary	82	80	162
Iceland	4	7	11
Ireland	3 452	2 366	5 818
Israel	211	169	380
Italy	609	314	923
Japan	841	751	1 592
Luxembourg	4	1	5
Mexico	74	66	140
Netherlands	875	498	1 373
New Zealand	32	32	64
Norway	149	70	219
Poland	133	122	255
Portugal	68	53	121
Slovakia	43	36	79
Slovenia	16	21	37
South Korea	562	556	1 118
Spain	334	240	574
Sweden	235	227	462
Switzerland	160	104	264
Turkey	88	66	154
UK	12 053	9 621	21 674
USA	4 019	3 000	7 020^
OECD Total	28 717	22 141	50 860
OECD Proportion of Grand Total (%)	31.9	24.6	56.4
Non-OECD Total	21 670	17 614	39 285
Grand Total	50 387	39 755	90 145
OECD Gender Split (%)	56.5	43.5	100

^Includes 1 unknown gender

Table 3 Student visa grants 2010–11

Country of Citizenship	Male	Female	Total Grants
Austria	146	228	374
Belgium	92	129	221
Canada	1 067	1 566	2 633
Chile	759	598	1 357
Czech Republic	571	571	1 142
Denmark	351	449	800
Estonia	51	70	121
Finland	94	193	287
France	1 246	1 386	2 632
Germany	1 877	2 564	4 441
Greece	64	38	102
Hungary	301	256	557
Iceland	10	13	23
Ireland	371	345	716
Israel	154	97	251
Italy	1 126	830	1 956
Japan	1 949	3 843	5 792
Luxembourg	4	8	12
Mexico	565	498	1 063
Netherlands	223	321	544
New Zealand	7	1	8
Norway	591	974	1 565
Poland	532	550	1 082
Portugal	198	202	400
Slovakia	303	310	613
Slovenia	54	42	96
South Korea	6 459	7 118	13 577
Spain	671	576	1 247
Sweden	441	779	1 220
Switzerland	461	598	1 059
Turkey	813	329	1 142
UK	1 460	1 651	3 111
USA	3 327	5 237	8 564
OECD Total	26 338	32 370	58 708
OECD Proportion of Grand Total (%)	10.5	12.9	23.3
Non-OECD Total	105 829	87 017	192 846
Grand Total	132 167	119 387	251 554
OECD Gender Split (%)	44.9	55.1	100.0

Table 4 Visitor visa grants 2010–11

Country of Citizenship	Male	Female	Total Grants
Austria	8 788	7 836	16 624
Belgium	7 668	5 608	13 276
Canada	52 673	53 021	105 694
Chile	2 862	2 704	5 566
Czech Republic	3 224	3 034	6 258
Denmark	10 894	9 869	20 763
Estonia	515	577	1 092
Finland	4 854	5 118	9 972
France	64 564	58 891	123 455
Germany	74 798	68 399	143 197
Greece	4 036	2 941	6 977
Hungary	1 878	2 077	3 955
Iceland	285	290	575
Ireland	22 889	24 792	47 681
Israel	5 616	3 777	9 393
Italy	30 493	22 117	52 610
Japan	147 041	177 810	324 851
Luxembourg	298	298	596
Mexico	2 334	2 245	4 579
Netherlands	29 239	25 229	54 468
New Zealand	386	60	446
Norway	7 973	7 767	15 740
Poland	5 064	5 633	10 697
Portugal	3 728	3 270	6 998
Slovakia	1 293	1 589	2 882
Slovenia	1 062	1 020	2 082
South Korea	86 230	91 234	177 464
Spain	11 132	8 622	19 754
Sweden	15 176	15 045	30 221
Switzerland	18 463	17 897	36 360
Turkey	2 508	2 203	4 711
UK	292 217	280 764	572 981
USA	199 690	174 663	374 353
OECD Total	1 119 871	1 086 400	2 206 271
OECD Proportion of Grand Total (%)	31.6	30.7	62.3
Non-OECD Total	632 438	705 173	1 337 612
Grand Total	1 752 309	1 791 573	3 543 883
OECD Gender Split (%)	50.8	49.2	100

Visitor visas comprise the following subclasses: 456 (Business Short Stay), 459 (Sponsored Business Visitor), 488 (Superyacht Crew), 651 (eVisitor), 675 and 685 (Medical Treatment), 956 and 977 (Electronic Travel Authority–Business Entrant), 976 (Electronic Travel Authority–Visitor), 676 (Tourist), and 679 (Sponsored Family Visitor).

Table 5 Specialist Entry (Social/Cultural Stream) visa grants 2010–11

Country of Citizenship	Investor Retirement	Retirement	Special Program	Visiting Academic	Entertainment	Sport	Media & Film Staff	Religious Worker	Total Grants
Austria	2	1	11	18	62	1	0	0	95
Belgium	1	0	15	12	130	0	0	0	158
Canada	2	28	94	120	684	8	0	50	986
Chile	0	0	6	1	34	4	0	5	50
Czech Republic	0	0	5	3	19	1	0	0	28
Denmark	0	8	86	56	73	0	0	1	224
Estonia	0	0	1	0	17	0	0	0	18
Finland	0	0	0	64	53	1	0	6	124
France	10	26	69	89	469	3	0	11	677
Germany	4	82	170	141	606	6	4	13	1 026
Greece	1	0	0	1	136	0	0	10	148
Hungary	0	0	12	4	50	5	0	2	73
Iceland	0	0	5	0	21	0	0	0	26
Ireland	0	10	21	5	278	5	0	4	323
Israel	0	2	32	47	57	1	0	5	144
Italy	3	7	55	28	140	2	0	5	240
Japan	9	132	88	173	142	6	0	43	593
Luxembourg	0	0	0	1	3	0	0	0	4
Mexico	0	0	13	9	32	0	0	2	56
Netherlands	2	52	8	56	276	3	0	4	401
New Zealand	0	0	0	0	0	0	0	0	0
Norway	0	3	17	33	47	0	0	9	109
Poland	0	0	8	13	26	0	0	1	48
Portugal	0	0	5	5	27	0	0	3	40
Slovakia	0	0	4	2	62	0	0	0	68
Slovenia	0	0	1	0	5	1	0	0	7
South Korea	0	17	33	143	109	7	0	240	549
Spain	0	3	21	79	75	0	0	4	182
Sweden	0	4	22	54	150	1	0	20	251
Switzerland	2	47	55	76	44	1	0	5	230
Turkey	0	0	3	5	31	0	0	14	53
UK	64	1 037	218	96	2 860	99	5	67	4 446
USA	4	92	421	204	6 074	100	4	458	7 357
OECD Total	104	1 551	1 499	1 538	12 792	255	13	982	18 734
OECD Proportion of visa subclass (%)	78.2	82.7	58.5	59.1	78.4	51.3	43.3	53.5	72.5
Non-OECD Total	29	324	1 064	1 064	3 527	242	17	853	7 120
Grand Total	133	1 875	2 563	2 602	16 319	497	30	1 835	25 854

Table 6 Specialist Entry (International Relations Stream) visa grants 2010–11

Country of Citizenship	Educational Government Agreement	Exchange	Foreign Government Agency	Domestic Worker (Diplomatic or Consular)	Domestic Worker (Executive)	Occupational Trainee	Diplomatic	Total Grants
Austria	0	3	1	0	0	42	5	51
Belgium	0	0	0	0	0	9	1	10
Canada	41	153	2	0	0	81	36	313
Chile	0	0	0	1	1	8	18	28
Czech Republic	0	0	0	0	0	0	12	12
Denmark	0	4	5	0	0	75	4	88
Estonia	0	0	0	0	0	1	0	1
Finland	0	0	2	0	0	15	1	18
France	93	2	62	0	0	287	52	496
Germany	5	4	12	0	0	280	29	330
Greece	0	0	10	0	0	4	29	43
Hungary	0	0	0	0	0	3	7	10
Iceland	0	0	0	0	0	0	0	0
Ireland	0	0	2	0	0	32	5	39
Israel	0	0	0	0	0	27	14	41
Italy	0	0	16	0	0	56	65	137
Japan	17	5	50	0	0	45	68	185
Luxembourg	0	0	0	0	0	0	0	0
Mexico	0	0	0	0	0	18	0	18
Netherlands	0	2	2	0	0	154	7	165
New Zealand	0	0	0	0	0	0	40	40
Norway	0	0	5	0	0	17	3	25
Poland	0	0	0	0	0	18	7	25
Portugal	0	0	0	0	0	9	2	11
Slovakia	0	0	0	0	0	2	8	10
Slovenia	0	0	0	0	0	1	5	6
South Korea	7	0	20	0	0	84	33	144
Spain	0	2	16	0	0	49	14	81
Sweden	0	2	11	1	0	53	6	73
Switzerland	7	10	0	0	0	33	11	61
Turkey	0	0	2	0	0	5	63	70
UK	20	83	0	0	0	216	56	375
USA	228	25	6	0	0	161	178	598
OECD Total	418	295	224	2	1	1 785	779	3 504
OECD Proportion of visa subclass (%)	84.3	96.4	78.3	1.4	5.9	51.3	33.4	49.6
Non-OECD Total	78	11	62	143	16	1 695	1 551	3 556
Grand Total	496	306	286	145	17	3 480	2 330	7 060

Table 7 Conferrals of Australian Citizenship 2010–11

Country of Original Citizenship	Male	Female	Total Conferees
Austria	33	33	66
Belgium	64	82	146
Canada	476	570	1 046
Chile	115	133	248
Czech Republic	23	55	78
Denmark	31	26	57
Estonia	2	9	11
Finland	41	76	117
France	309	311	620
Germany	442	497	939
Greece	54	38	92
Hungary	61	86	147
Iceland	8	0	8
Ireland	733	569	1 302
Israel	193	143	336
Italy	367	293	660
Japan	53	84	137
Luxembourg	1	7	8
Mexico	47	58	105
Netherlands	238	230	468
New Zealand	2 120	2 184	4 304
Norway	12	15	27
Poland	131	250	381
Portugal	61	59	120
Slovakia	28	39	67
Slovenia	12	23	35
South Korea	1 058	1 263	2 321
Spain	66	76	142
Sweden	113	189	302
Switzerland	80	89	169
Turkey	211	179	390
UK	9 939	9 162	19 101
USA	826	854	1 680
OECD Total	17 948	17 682	35 630
OECD proportion of all conferees (%)	18.8	18.6	37.4
Non-OECD Total	29 185	30 469	59 654
Grand total	47 133	48 151	95 284
OECD Gender Split (%)	50.4	49.6	100.0

Table 8 Estimated Resident Population (overseas-born) at 30 June 2010

Birth country	Male	Female	Estimated Total Residents
Austria	10 870	9 640	20 510
Belgium	3 320	3 380	6 700
Canada	20 920	23 210	44 130
Chile	13 830	14 760	28 590
Czech Republic	6 850	7 170	14 020
Denmark	5 780	5 230	11 010
Estonia	1 390	1 560	2 950
Finland	4 170	5 480	9 650
France	15 980	14 670	30 650
Germany	61 660	66 900	128 560
Greece	62 780	64 430	127 210
Hungary	11 470	11 190	22 660
Iceland	310	290	600
Ireland	38 970	33 450	72 420
Israel	6 050	4 840	10 890
Italy	111 710	104 590	216 300
Japan	18 770	33 330	52 100
Luxembourg	130	160	290
Mexico	1 750	1 760	3 510
Netherlands	45 300	43 310	88 610
New Zealand	279 360	264 830	544 190
Norway	2 180	2 380	4 560
Poland	25 980	32 460	58 440
Portugal	9 530	9 000	18 530
Slovakia	2 590	2 910	5 500
Slovenia	3 770	3 680	7 450
South Korea	48 020	52 230	100 250
Spain	7 980	7 640	15 620
Sweden	4 920	5 870	10 790
Switzerland	7 700	7 090	14 790
Turkey	20 740	19 220	39 960
UK	606 370	586 520	1 192 890
USA	42 490	41 520	84 010
OECD Total	1 503 640	1 484 700	2 988 340
OECD Proportion of Grand Total (%)	25.1	24.8	49.8
Non-OECD Total	1 474 740	1 531 830	3 006 570
Grand Total	2 978 380	3 016 530	5 994 910
OECD Gender Split (%)	50.3	49.7	100.0

Table 9 Overseas-born residents emigrating 2010–11

Birth Country	Male	Female	Total Emigrants
Austria	45	34	79
Belgium	23	33	56
Canada	281	335	616
Chile	77	89	166
Czech Republic	17	17	34
Denmark	47	36	83
Estonia	1	5	6
Finland	25	30	55
France	187	171	358
Germany	277	231	508
Greece	160	134	294
Hungary	53	28	81
Iceland	2	5	7
Ireland	247	258	505
Israel	98	70	168
Italy	185	98	283
Japan	210	278	488
Luxembourg	5	1	6
Mexico	17	18	35
Netherlands	144	98	242
New Zealand	3 941	4 174	8 115
Norway	18	39	57
Poland	97	94	191
Portugal	32	32	64
Slovakia	13	8	21
Slovenia	1	4	5
South Korea	350	376	726
Spain	49	51	100
Sweden	67	100	167
Switzerland	162	124	286
Turkey	110	114	224
UK	3 866	3 307	7 173
USA	612	584	1 196
OECD Total	11 419	10 976	22 395
OECD Proportion of Grand Total (%)	12.9	12.4	25.3
Non-OECD Total	34 165	31 901	66 066
Grand Total	45 584	42 877	88 461
OECD Gender Split (%)	51	49	100

Table 10 Gender ratio of overseas-born residents 2010–11

Birth Country	Number of males per 100 females
Austria	112.6
Belgium	98.2
Canada	90
Chile	93.8
Czech Republic	95.5
Denmark	110.6
Estonia	90
Finland	76.4
France	109.2
Germany	92.2
Greece	97.5
Hungary	102.6
Iceland	No data
Ireland	116.5
Israel	126.1
Italy	106.8
Japan	56.3
Luxembourg	No data
Mexico	98.5
Netherlands	104.6
New Zealand	105.5
Norway	92.3
Poland	80.1
Portugal	106
Slovakia	89.1
Slovenia	101.9
South Korea	91.9
Spain	104.6
Sweden	84.1
Switzerland	108.6
Turkey	108
UK	103.4
USA	102.4
Australia-born	99.3

Table 11 Estimate of unlawful non-citizens in Australia at 30 June 2011

Country of Citizenship	Estimated Number of Unlawful Non-Citizens*
Austria	210
Belgium	110
Canada	940
Chile	130
Czech Republic	50
Denmark	230
Estonia	< 10
Finland	80
France	1 230
Germany	1 430
Greece	420
Hungary	80
Iceland	<10
Ireland	1 250
Israel	< 10
Italy	750
Japan	1 300
Luxembourg	<10
Mexico	110
Netherlands	670
New Zealand	80
Norway	210
Poland	290
Portugal	210
Slovakia	30
Slovenia	20
South Korea	2 730
Spain	420
Sweden	390
Switzerland	350
Turkey	210
UK	3 610
USA	5 080
Estimated total	22 660

Due to known errors in Overstayer data, figures are provided as an estimate only and rounded to the nearest 10.

*Excludes persons in immigration detention

Table 12 Visa cancellations 2010–11

Country of Citizenship	Male	Female	Total
Austria	42	33	75
Belgium	100	50	150
Canada	623	570	1 193
Chile	56	41	97
Czech Republic	34	21	55
Denmark	56	53	109
Estonia	40	33	73
Finland	41	44	85
France	498	320	818
Germany	472	431	903
Greece	15	4	19
Hungary	24	16	40
Iceland	7	5	12
Ireland	518	481	999
Israel	64	46	110
Italy	171	111	282
Japan	394	403	797
Luxembourg	0	0	0
Mexico	24	27	51
Netherlands	233	152	385
New Zealand	3	2	5
Norway	57	50	107
Poland	57	53	110
Portugal	23	11	34
Slovakia	24	16	40
Slovenia	5	0	5
South Korea	1 517	1 140	2 657
Spain	72	62	134
Sweden	127	137	264
Switzerland	64	54	118
Turkey	73	27	100
UK	2 572	2 102	4 674
USA	1 325	1 089	2 414
OECD Total	9 331	7 584	16 915
OECD Proportion of All Cancellations (%)	23.6	19.1	42.7
Total Non-OECD	14 817	7 887	22 705
Grand Total	24 148	15 471	39 620
OECD Gender Split (%)	55.2	44.8	100.0

Table 13 Visa compliance-related departures 2010–11

Country of Citizenship	Male	Female	Total Departures
Austria	3	6	9
Belgium	14	8	22
Canada	56	56	112
Chile	12	9	21
Czech Republic	18	7	25
Denmark	11	6	17
Estonia	15	10	25
Finland	2	6	8
France	98	52	150
Germany	65	53	118
Greece	18	11	29
Hungary	8	2	10
Iceland	0	0	0
Ireland	268	85	353
Israel	52	22	74
Italy	48	24	72
Japan	39	38	77
Luxembourg	0	0	0
Mexico	7	11	18
Netherlands	19	15	34
New Zealand	127	10	137
Norway	6	3	9
Poland	14	8	22
Portugal	9	1	10
Slovakia	4	2	6
Slovenia	3	1	4
South Korea	345	226	571
Spain	27	9	36
Sweden	22	21	43
Switzerland	7	11	18
Turkey	34	10	44
UK	453	221	674
USA	162	88	250
OECD Total	1 966	1 032	2 998
OECD Proportion of Grand Total (%)	28.9	15.2	44.1
Total Non-OECD	4 838	5 772	3 806
Grand Total	6 804	6 804	6 804
OECD Gender Split (%)	65.6	34.4	100.0

Compliance-related departures include: voluntary and involuntary removals (deportations), monitored departures, supervised departures, voluntary returns, criminal deportations.

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Appendix B

Relevant literature



2008 Update of the Migrant's Fiscal Impact Model

Access Economics for Department of Immigration and Citizenship (April 2008)

www.immi.gov.au/media/publications/research/_pdf/migrants-fiscal-impact-april-2008.pdf

Australian Bureau of Statistics data package: 3101.0 Australian Demographic Statistics—March 2011

www.abs.gov.au/ausstats/abs@.nsf/mf/3101.0

Australian Bureau of Statistics data package: 3412.0 Migration, Australia—2009–10

www.abs.gov.au/ausstats/abs@.nsf/mf/3412.0

Creating a Simpler Framework for Temporary and Permanent Entry to Australia

Department of Immigration and Citizenship (June 2011)

www.immi.gov.au/media/publications/pdf/simpler-visas.pdf

Department of Immigration and Citizenship Annual Report 2010–11

Department of Immigration and Citizenship (October 2011)

www.immi.gov.au/about/reports/annual/2010-11/pdf

Economic, Civic and Social Contributions of First and Second Generation Humanitarian Entrants

Professor Graeme Hugo for Department of Immigration and Citizenship (May 2011)

www.immi.gov.au/media/publications/research/_pdf/economic-social-civic-contributions-about-the-research2011.pdf

Economic, Civic and Social Contributions of Refugees and Humanitarian Entrants: A Literature Review

Refugee Council of Australia for Department of Immigration and Citizenship (February 2010)

www.immi.gov.au/media/publications/research/_pdf/economic-civic-social-contributions-refugees-humanitarian-entrants-literature-review.pdf

Implementing a Simpler Framework for Temporary Residence Work Visas

Department of Immigration and Citizenship (December 2011)

www.immi.gov.au/media/publications/pdf/temp-res-dereg.pdf

Migrant Economic Outcomes and Contributions

Department of Immigration and Citizenship (April 2011)

www.immi.gov.au/media/publications/research/_pdf/outcomes-contributions-apr11.pdf

Net Overseas Migration: why is it so high?

Birrell, Bob and Healy, Ernest (2010) , *People and Place*, vol. 18, no. 2.

Population Flows: Immigration Aspects 2009–10 (most recent edition)

Department of Immigration and Citizenship (July 2011)

www.immi.gov.au/media/publications/statistics/popflows2009-10/pop-flows.pdf

Refugee and Humanitarian Issues: Australia's Response

Department of Immigration and Citizenship (June 2011)

www.immi.gov.au/media/publications/refugee/ref-hum-issues/pdf/refugee-humanitarian-issues-june11.pdf

Report of the 2010 review of the *Migration Amendment (Employer Sanctions) Act 2007*

Stephen Howells for Department of Immigration and Citizenship (July 2011)

www.immi.gov.au/media/publications/compliance/review-employer-sanctions/pdf/howells_report.pdf

Settlement Outcomes of New Arrivals

Australian Survey Research Group for Department of Immigration and Citizenship (April 2011)

www.immi.gov.au/media/publications/research/_pdf/settlement-outcomes-new-arrivals.pdf

Simpler Visas: Making Visitor Visas Simpler Discussion Paper

Department of Immigration and Citizenship (April 2011)

www.immi.gov.au/media/publications/discussion-papers/_pdf/visitor-dereg.pdf

Strategic Review of the Student Visa Program 2011

Michael Knight for Department of Immigration and Citizenship (June 2011)

www.immi.gov.au/students/_pdf/2011-knight-review.pdf

Submission to the Joint Select Committee on Australia's Immigration Detention Network

Department of Immigration and Citizenship (September 2011)

<http://www.immi.gov.au/media/publications/pdf/2011/diac-jscaidn-submission-sept11.pdf>

Sustainable Australia—Sustainable Communities: A Sustainable Population Strategy for Australia

Department of Sustainability, Environment, Water, Population and Communities (May 2011)

www.environment.gov.au/sustainability/population/publications/strategy.html

The 2010 Intergenerational Report

The Treasury, Australian Government (2010)

www.treasury.gov.au/igr/igr2010/default.asp

The Outlook for Net Overseas Migration September 2011

Department of Immigration and Citizenship (September 2011)

www.immi.gov.au/media/publications/statistics/immigration-update/nom-sept11.pdf

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Glossary



Census	Refers to the Census of Population and Housing, conducted by the Australian Bureau of Statistics every five years. The latest Census for which data was available at the time of this report was conducted in 2006. Data from the most recent Census, conducted in 2011, will become available from late 2012.
Citizenship by Conferral	Process of naturalisation whereby an applicant, after meeting all other criteria, becomes an Australian citizen at a formal citizenship ceremony. The other naturalisation pathways are Citizenship by Descent, Adoption and Resumption.
Electronic Travel Authority (ETA)	A type of visa which does not require a stamp or label in the passport. It is available for citizens of certain countries to visit Australia for tourism or business purposes.
Estimated resident population (ERP)	An estimate of the Australian population obtained by adding natural increase (the excess of births over deaths) and net overseas migration (NOM) occurring during the period at the beginning of the period. ERP refers to all people, regardless of nationality or citizenship, who usually live in Australia, with the exception of foreign diplomatic personnel and their families. Conceptually, it includes usual residents who are overseas for less than 12 months and excludes overseas visitors who are in Australia for less than 12 months. See <i>net overseas migration (NOM)</i> .
Irregular maritime arrival	A person who arrives in Australia by boat at a place outside of Australia's regular migration zone (including Christmas Island), without a valid visa. Also referred to as an 'offshore entry person'.
Labour force	Population aged 15 years or over who are employed or unemployed.
Main English speaking countries (MESC)	The main English speaking countries, other than Australia, comprise the United Kingdom, Ireland, Canada, the United States of America, South Africa and New Zealand. See <i>non-English speaking countries (NESC)</i> .
Net overseas migration (NOM)	Net overseas migration is a measure of the net addition (or loss) to Australia's resident population from migration. NOM is net permanent and long-term overseas migration plus an adjustment for changes in travel intentions.
Non-English speaking countries (NESC)	Non-English speaking countries are all countries other than those listed under <i>main English-speaking countries (MESC)</i> .
Outcomes	The number of permanent visas granted net of visas cancelled, but include any cancelled visas that have been re-issued in the reference period. The reference period is the financial year, i.e. 2010–11 etc. See <i>planning levels</i> .
Passenger card	Completed by all passengers arriving in or departing from Australia. Information including occupation, nationality, intended length of stay and state or territory of intended stay/residence is collected.

Permanent Settlers	Permanent Settlers is the term used that collectively defines the sum of offshore and onshore permanent migration, i.e. the number of settlers arriving in Australia from overseas plus the number of people granted permanent residence while in Australia on a temporary visa.
Planning levels	Notional number of places available in the Migration Program for the financial year, set by the Australian Government. Due to the way outcomes in the Migration Program are measured, these levels will not always precisely match outcomes. See <i>outcomes</i> .
Primary applicant	The visa applicant who must satisfy the primary criteria for the grant of the visa. For example, the primary applicant of a Business Long Stay visa must be sponsored by an Australia employer, while the secondary applicants (their dependents) need not. See <i>secondary applicant</i> .
Program year	The program year (e.g. 2010–11) aligns with the Australian financial year, i.e. 1 July 2010 to 30 June 2011.
Secondary applicant	Usually the dependent child/ren or spouse who will accompany the primary applicant of the visa to Australia. See <i>primary applicant</i> .
Settlement	Roughly equivalent to 'integration', settlement refers to the experience of adapting to life in Australia for newly arrived permanent settlers.
Short-term intracorporate transfers	Also known as "posted workers", includes employees whose employer temporarily transfers them to a different country to provide services for a limited period. In the Australian context, these include certain persons arriving on one of Australia's five short-term business visitor visas or Electronic Travel Authorities, and some holders of a Business Long Stay visa.
Subclass	A unique three-digit numerical code associated with each visa. For example, the Business Long Stay visa is also known as the subclass 457 visa.