



Australian Government

Department of Home Affairs

Australia's 2019-20 Migration Program

Well-managed migration has contributed to Australia's growth, prosperity and social cohesion. Immigration is central to our story as a nation. From a population of around 7 million people after the Second World War to 25 million people in 2018, immigration has been a core part of our nation building. Australia enjoys high levels of social cohesion and broad public support for its immigration programs. The strong economic contribution of immigration is a result of a managed approach to migration with a focus on skills. Highly-skilled migrants support the labour market, ameliorate the effects of an ageing population, and contribute to tax revenue.

This discussion paper seeks views on the 2019-20 Migration Program to ensure immigration continues to serve the national interest and the interests of all Australians in the coming year. The rate, composition and distribution of immigration has significant impacts. Australia's immigration programs are continuously reviewed to ensure that settings maximise the benefits migration brings to Australia.

Particular areas of focus to inform the 2019-20 permanent Migration Program are on maximising the benefits of immigration for all Australians.

The Department of Home Affairs invites submissions to migration.policy@homeaffairs.gov.au by 31 January 2019.

Purpose and configuration of the permanent Migration Program

The permanent Migration Program consists of three streams:

- **Skill stream** – improves the productive capacity of the economy and fills skill shortages in the labour market, including those in regional Australia.
- **Family stream** – allows Australian citizens and permanent residents to reunite with close family members, including partners, and certain dependent relatives.
- **Special Eligibility stream** - provides visas for those in special circumstances that do not fit into other streams, including former residents. The Special Eligibility stream is a very small component of the overall permanent Migration Program.

The Child category is part of the Migration Program and is uncapped and demand-driven.

There are a number of visa categories under the Skill and Family streams, the purpose of each visa category can be found at **Attachment A**.

The permanent Migration Program planning level was set at a ceiling of 190,000 places for 2018-19. A breakdown of the planning level is at **Attachment B**.

Since 2015, the planning level has been treated as a ceiling rather than a target. This ensures that standards are not lowered to meet an overall number. Program delivery in 2017-18 was 162,417 places. Historical delivery figures are at **Attachment B**.

The contribution of temporary immigration in 2019-20

Temporary immigration is an increasingly important part of Australia's economy, particularly international tourism and education: on any given day in 2017, there were around 1.7 million temporary migrants in Australia.¹ While temporary immigration contributes to short-term population fluctuations, most temporary entrants depart Australia permanently when their visas expire. Growth in temporary immigration reflects a global trend. Temporary visa programs are uncapped and demand-driven. Temporary immigration is relevant when considering the broad benefits and implications of immigration overall. In 2017-18, around half of all permanent visas were granted to people who were in Australia already on a temporary visa.

The scope of this discussion paper is focused on the permanent Migration Program which is planned by stream and category under an overall ceiling.

Maximising the value from the Migration Program

The permanent Migration Program has a focus on the skills Australia needs, a focus that will continue in 2019-20. Since 2013, the Government has committed that no less than two-thirds of the total program will be made up of skilled migrants. This means that the majority of permanent migrants contribute significantly to the economy. Skilled migrants have high education levels and employment outcomes — their workforce participation rates are higher than the Australia-born population and they contribute more in tax revenue than their cost in uptake of government services.²

Migrants sponsored by employers (in the Employer Sponsored category) have particularly strong outcomes — for instance, unemployment rates (1.6 per cent³) are half that of other skilled categories.

The Australian Government continuously looks for ways to improve the permanent Migration Program. Recent changes to strengthen age and English language requirements ensure Australia attracts the most highly skilled migrants, and a new pilot has been announced to attract entrepreneurs to bring innovative ideas and launch seed-stage start-ups. These changes will strengthen the economic outcomes arising from the 2019-20 permanent Migration Program.

¹ Department of Home Affairs, unpublished data.

² Department of Home Affairs, *Continuous Survey of Australia's Migrants November 2017*.

³ Department of Home Affairs, *Continuous Survey of Australia's Migrants November 2017*.

Distribution of migrants is important

Migrants generally settle in Australian capital cities — in 2016, 83 per cent of the overseas-born population were living in capital cities, compared with 61 per cent of the Australia-born population.⁴ Growth has been particularly concentrated in Sydney, Melbourne and South East Queensland.

There are opportunities in regional Australia as well as states or territories experiencing less than optimal population growth, to meet growing economic needs. Skilled migrants can make a significant contribution to local economies and support population growth and meeting workforce needs.

For regional Australia in 2019-20, there are opportunities to make stronger use of immigration programs. Visa programs can support economic development of regions, but are not the only solution. A multi-faceted approach taking into consideration the specific requirements of regional communities is needed.

The Australian Government consults with states and territories at multiple points each year to seek advice on the size and composition of the permanent Migration Program. This two-way dialogue supports the economic development needs of states and territories and that the best settlement outcomes for migrants and refugees are being achieved.

Australia competes globally for migrants

Australia is competing with other countries for the same pool of globally-mobile migrants. The focus for Australia is to remain an attractive destination for migrants that can meet the needs of the country. Australia needs to compete for people who can support innovation, new technology, scientific research and entrepreneurship.

In 2019-20, Australia needs to continue its focus on remaining competitive by ensuring that its visa systems are configured to attract the best and the brightest migrants who will make the strongest contribution to the nation.

From 1 July 2018, all businesses have been able to sponsor highly skilled and specialised workers to grow their businesses and create more jobs, under the Global Talent Scheme pilot program (for established businesses and start-ups).

There are opportunities in the coming program year for further close engagement with industry and academia to position Australia well for attracting migrants.

Risks and threats exist and need to be managed

Australia's universal visa system serves the national interest through facilitation of genuine travellers and residents while identifying and disrupting those who wish to do us harm.

There is now a greater proportion of high-risk cases across the immigration programs which require increased scrutiny, including greater character checks to ensure that the Australian community is protected.

The establishment of the Home Affairs portfolio brings opportunities for a more integrated approach to planning for immigration, together with a strong focus on addressing risks to Australia's security.

It is an opportune time to consider views on the direction of the permanent Migration Program in 2019-20.

⁴ Department of Home Affairs and Department of the Treasury, *Shaping a Nation*, (2018) pg.12.

Questions for consideration in developing your submission

Would maintaining the current composition of the permanent Migration Program, approximately 70 per cent skilled immigration and 30 per cent family immigration, strike an appropriate balance that maximises the benefits of immigration for all Australians in 2019-20?

How can Australia maximise the economic outcomes from the Skill stream in the 2019-20 Migration Program? What should the balance between skilled categories be in order to best meet the needs of Australians in 2019-20?

Is the current size and composition of the Family stream appropriately balanced between partners, parent and other family? What should the balance between family categories be in order to best meet the needs of Australians in 2019-20?

Attachment A: Migration Program streams and categories

Skill stream – improves the productive capacity of the economy and fills skill shortages in the labour market, including those in regional Australia. The Skill stream consists of the following categories:

- **Employer Sponsored** – fills identified skill shortages in the medium- to long-term. This is the largest category in the Skill stream.
- **Skilled – Independent** – addresses Australia's long-term labour market needs by expanding its human capital through young, highly skilled migrants with advanced English language proficiency.
- **State/Territory and Regional Nominated** – supports labour market needs by providing skilled migration specifically for states and territories.
- **Business Innovation and Investment Program** – encourages economic activity by increasing entrepreneurial talent and diversifying business expertise in Australia.
- **Distinguished Talent** – benefits Australia by attracting people who have an internationally-recognised record of exceptional and outstanding achievement in a profession, a sport, the arts, academia and research.

Family stream – allows Australian citizens and permanent residents to reunite with close family members including partners, children and certain dependent relatives. The Family stream consists of the following categories:

- **Partner** – allows Australian citizens, permanent residents or eligible New Zealanders to sponsor their partner to live in Australia. This is the largest category in the Family stream.
- **Parent** – allows Australian citizens, permanent residents or eligible New Zealanders to sponsor their parents to live in Australia.
- **Other Family** – allows family members to sponsor carers, remaining relatives or aged dependent relatives to live in Australia.
- **Child** – allows parents to sponsor their child who is outside Australia to come to Australia. This category is uncapped and demand-driven.

Special Eligibility stream - provides visas for those in special circumstances that do not fit into other streams, including former residents. The Special Eligibility stream also includes visas granted under ministerial intervention.

Attachment B: Migration Program

Table 1: The 2018-19 Migration Program Planning Levels

Stream and Category	2017-18	2018-19
<i>Skill stream</i>		
Employer Sponsored	48,250	48,250
Skilled Independent	43,990	43,990
State & Territory & Regional Sponsored	28,850	28,850
Business Innovation & Investment Program	7,260	7,260
Distinguished Talent	200	200
Skill Total	128,550	128,550
Skill % of Program	68.9%*	68.9%*
<i>Family stream</i>		
Partner	47,825	47,825
Parent	8,675	8,675
Other Family	900	900
Family Total	57,400	57,400
Family % of Program	30.8%*	30.8%*
Special Eligibility	565	565
Total Migration Program (excluding Child)	186,515	186,515
Child (not subject to a ceiling)	3,485	3,485
Total Migration Program	190,000	190,000

Program year	Migration Program outcomes
2013-14	190,000
2014-15	189,097
2015-16	189,770
2016-17	183,608
2017-18	162,417