
Comparison of Skilled Migration Policies and Outcomes in Australia, Canada and New Zealand



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High-Skilled Immigration Policy and the Global Competition for Talent

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Migration in Key Professions (All Arrival Categories): Australia (2001 & 2011) Compared to Canada (2001)

Occupation	2011 % Overseas-Born In Australia	2001 % Overseas-Born In Australia (compared to Canada)
Engineering	62%	48% (50%)
Computing	57%	48% (51%)
Medicine	48%	46% (35%)
Science		37% (36%)
Commerce/ business	43%	36% (27%)
Architecture		36% (49%)
Accountancy	53%	36% (35%)
Arts/ humanities		31% (24%)
Nursing	29%	24% (23%)
Education	24%	20% (15%)

Source: 2001 and 2011 Census data analysis

Policy Challenge - Which Skilled Migration Pathway to Prioritise?

Differential Employment Integration Rates

1. Temporary labour migration
2. Permanent skilled migration
3. **Bilateral/ multilateral agreements (region or field)**
4. International students (study-migration pathway)
5. Dependents of labour migrants
6. Family and Humanitarian migrants/ Asylum seekers

Common Skilled Migration Strategies to 2010:

Goals = Population Growth + Economic Development

1. **Prioritising skilled flows - 60-70% of permanent intakes:**
 - Diversity
 - Distribution
2. **'Privatisation' of skilled migration:**
 - Transforming employer and state/ province roles (sponsorship)
3. **Growing dominance of temporary worker flows:**
 - Uncapped + demand-driven (labour market testing?)
 - Forced distribution
4. **Changing selection paradigms (esp Australia + NZ):**
 - Two-step migration (study-migration pathway + temporary workers)
 - Priority processing
5. **Using employment research evidence:**
 - Different skills sets and employment outcomes
 - SO WHICH skilled migrants?

BUT Significant Policy Differences: **Canada's Skilled Migration Policy (Decade to 2010)**


Intakes:

Highly skilled

Disproportionately degree-qualified (higher than Australia or NZ)

Source countries:

Extremely diverse

 **Minimal skilled migration from major English-speaking countries (just 5% of all degree-qualified migrants from 1996-2001)**

Selection:

No screening for English/ French ability

No pre-migration qualification recognition

Study-migration pathway:

Established late (Canadian Experience Class in 2008)

Processing timelags:

6-10 years (until policy reforms)

Impact of Qualification Recognition and Technical 'Fit'?

Migrant Engineers' Employment Rates by 2001 in Canada (1996-2001 Arrivals, All Immigration Categories)

Source Country	Own Profession	Other Profession/ Manager	Employed Any Job
Canada	28%	45%	88%
UK/Ireland	25%	49%	87%
Australia/New Zealand	~	75%	75%
North West Europe	17%	53%	84%
South Africa	19%	56%	75%
India	19%	31%	83%
East Europe	19%	24%	75%
Hong Kong/ Malaysia/ Singapore	17%	29%	63%
China	12%	24%	60%
Philippines	5%	14%	78%

Who Do Employers Actually Want?

Top Source Countries for Sponsored Temporary Foreign Workers to Canada Compared to Australia (2012)

Canada (TFW Visa)

1. USA (36,346)
2. Mexico (20,894 - agric)
3. France (17,454)
4. UK (11,634)
5. Australia (9,274)
6. India (8,381)
7. Philippines (8,292)
8. Jamaica (7,677)
9. Germany (6,898)
10. Ireland (6,693)

Australia (457 Visa)

1. UK (28,730)
2. India (22,080)
3. Ireland (10,130)
4. Philippines (9,170)
5. USA (8,670)
6. China (4,800)
7. South Africa (4,090)
8. Canada (3,260)
9. France (2,410)
10. Germany (2,350)

Different Global Levels of Educational + Technological Development: Top 500 University Rankings (Shanghai Jiao Tong by 2012)

Region	Top 100	Top 300	Top 500
Americas Total	57	130	182
Northern America	57	126	172
Latin America	—	4	10
Europe Total	31	123	202
Northern Europe	16	46	65
Western Europe	14	63	91
Eastern Europe	1	2	7
Southern Europe	—	12	39
Asia Total	7	35	88
Eastern Asia	4	28	73
Western Asia	3	5	10
South-Eastern Asia	—	2	3
Southern Asia	—	—	2
Oceania Total	5	11	24
Africa Total	—	1	4
Total	100	300	500



Access to Qualification Recognition in Canada?

Impact on Medical Employment Outcomes in Canada and Australia by 2001 (Census Data)


Proportion of medical migrants securing medical employment in first 5 years post-migration:

Canada:

UK - 48%

South Africa - 81%

East Europe - 8%

 India - 19%

HK - 31%

NW Europe - 36%

Philippines - 3%

 China - 4%

Australia:

83%

81%

24%

66%

59%

52%

33%

5%

Source: Analysis of 2001 Census data

Impacts of Skilled Migrant Selection Strategy: **Canada Decade to 2010**


Model:

'Human capital' treated as equal

Qualification level rather than place sought

Political barriers to policy reform (mandatory pre-migration screening, occupational selection etc)

Employment outcomes:

- 
1. Worsening for skilled migrants (despite qualification level)
 2. Poorer employment outcomes than Family category (unscreened for human capital attributes)
 3. Around 60% of skilled migrants employed @ 6 months compared to around 83% in Australia (by 2001)
 4. 20 years ('if ever') to secure wage parity with Canadians

Leads to major reform agenda: 2011-15

Policy Differences: Australia's Skilled Migration Policy (Decade to 2010)

Intakes:

Highly skilled (66% professionals)

Disproportionately degree-qualified (a little lower than Canada)

Source countries:

Highly diverse

Modest skilled migration maintained from major English-speaking countries (17% of the top 10 source countries)

Other main sources = Asia

Selection:

Mandatory screening for English all fields by 1999

Mandatory pre-migration qualification recognition by 1999

Study-migration pathway:

Established 1999 with huge positive + negative impacts!

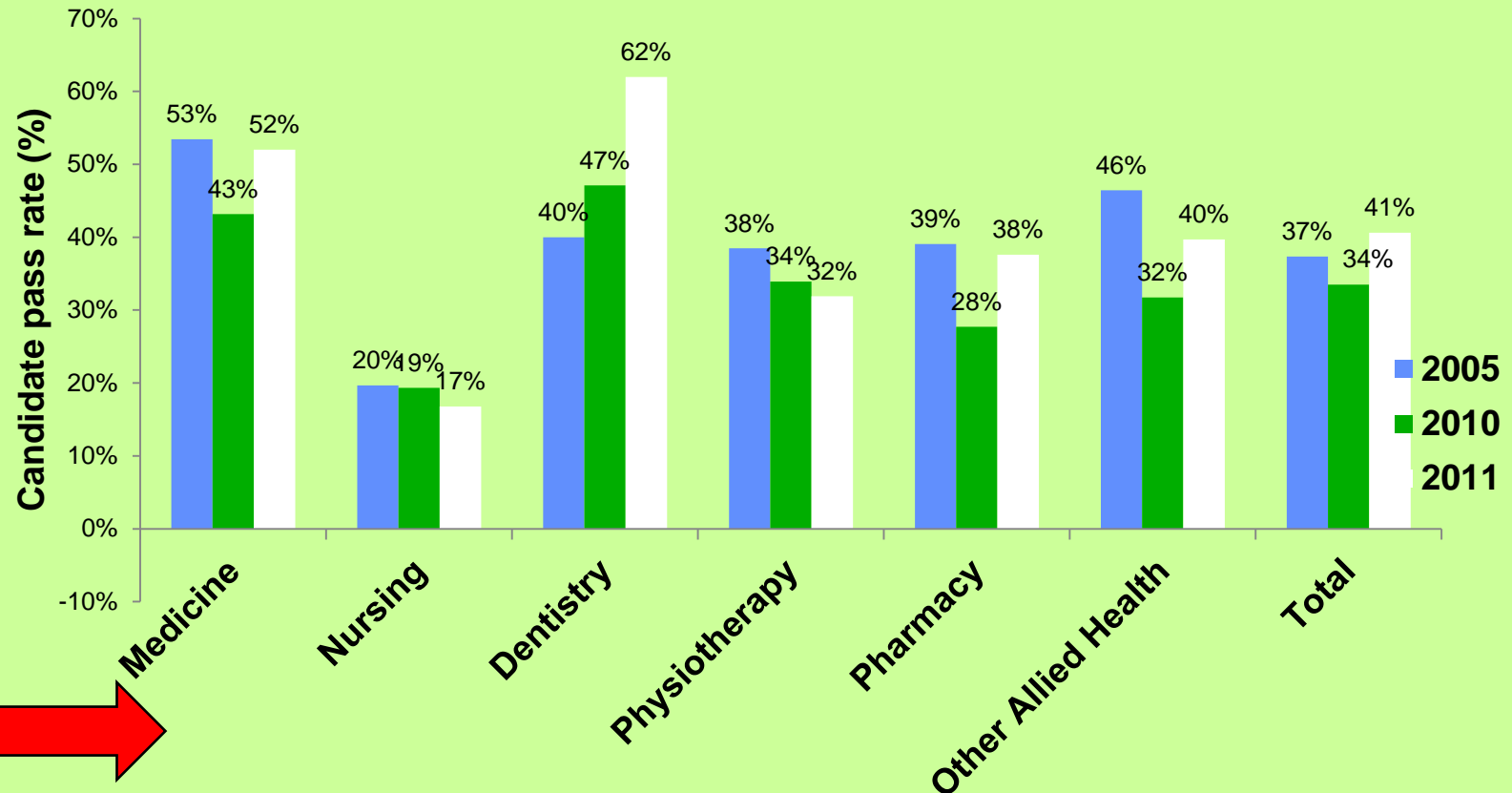
Processing timelags:

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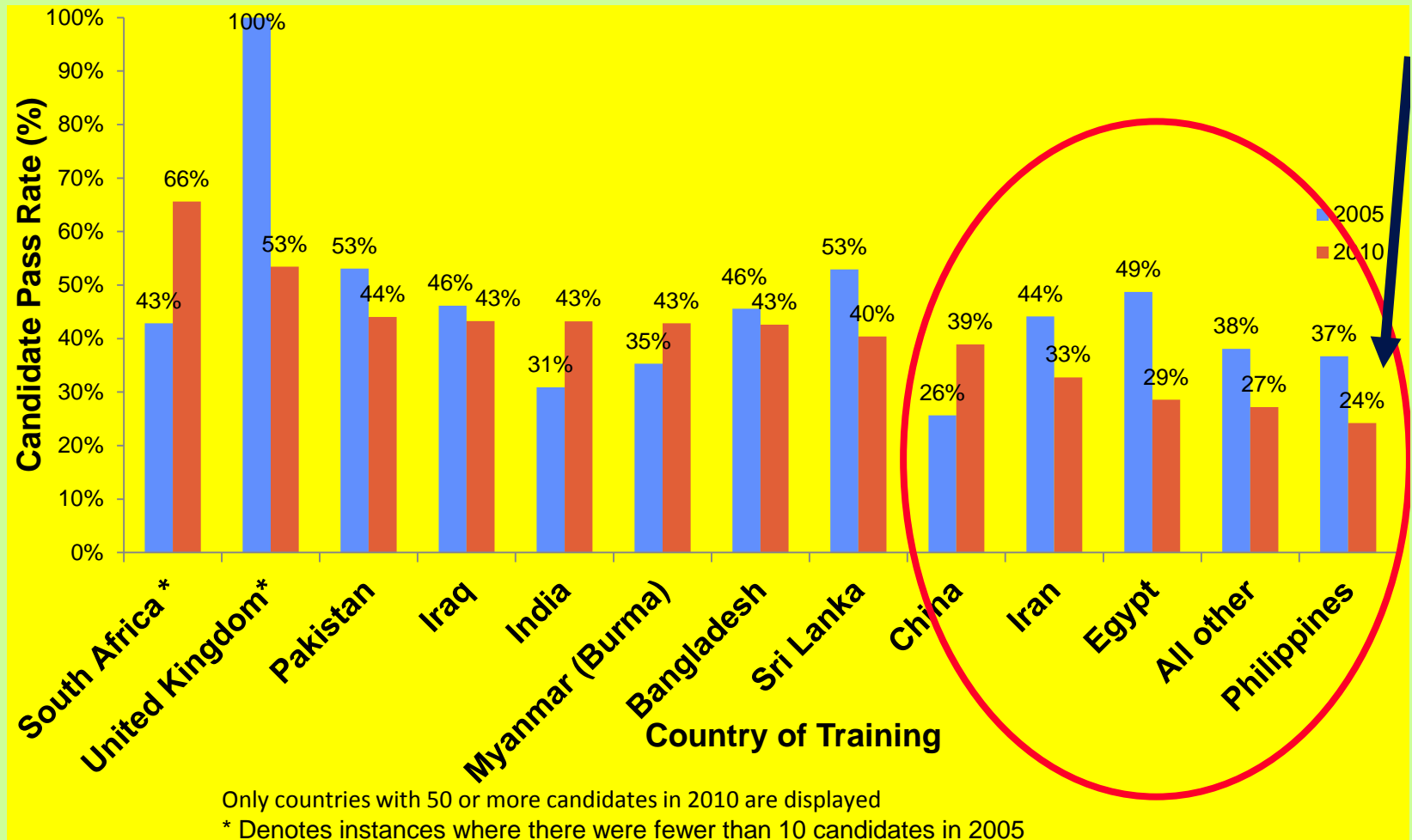
English Testing Impact in Australia: Skilled Migrant Selection and Registration (Health Sector Case Study)

Occupational English Test Pass Rates:

Nurses (17%) Pharmacists (38%), Doctors (52%), Dentists (62%)



English Testing Impact: Skilled Migrant Selection and Registration by Source Country (Health Case Study)



Strong Employment Outcomes @ 6 Months in Australia: Variation by Skilled Migration Sub-Category (2009-2011)

Visa Reporting Category	Skilled Job	Other Job	Not Working	Working Full-time	Particip. Rate	Unemploy.	Median Full-time Earnings
6 Months	Job						(\$'000)
Employer Sponsored	90	7	3	92	98	0.5	71.3
Family/State Sponsored	60	31	9	72	98	7	50.0
Offshore Independent	75	12	12	76	97	10	74.6
Onshore Independent	55	37	8	69	98	6	44.4
Skilled Graduates	58	36	5	65	98	3	40.0
Other Skilled	47	33	20	61	86	7	43.0
All Skilled	68	24	8	75	96	5	52.0

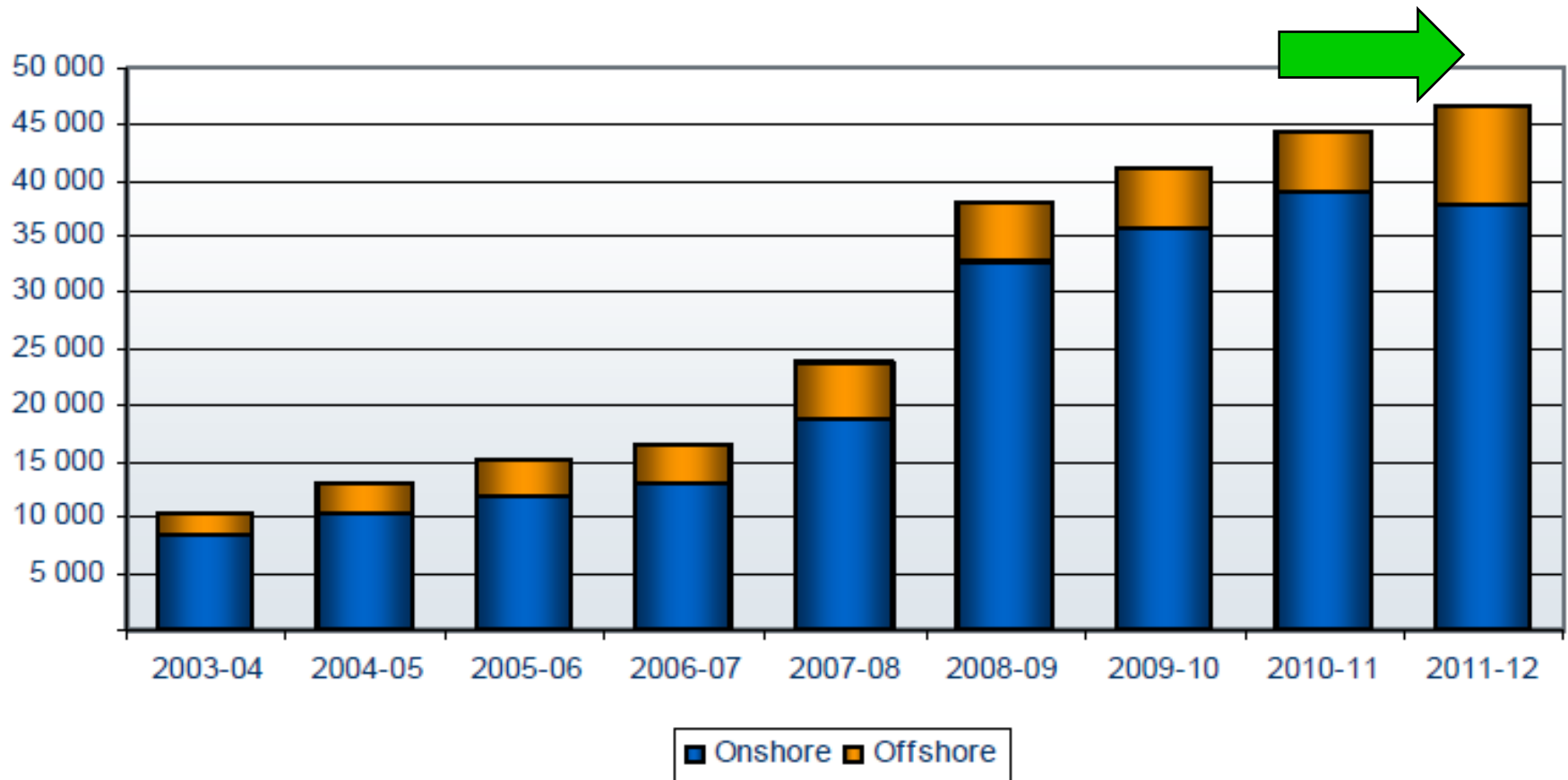
Superiority of Skilled Migrant Outcomes Compared to Family Category: Access to Skilled Work (Professional or Managerial) 2009-11

Migration Stream	Skilled Job @ 6 Months	Skilled Job @ 1 Year	Unemployed @ 1 Year	Employed @ 1 Year + Earnings
Skilled PA	68%	73%	2%	94% \$56,000
Skilled Spouse	30%	26%	11%	64% \$48,000
Family Partner	24%	28%	16%	57% \$45,000

Australian Employment Outcomes: Permanent Medical Migrants' Access to Work by 2011 (2006-11 Arrivals)

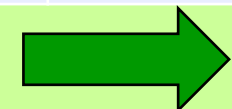
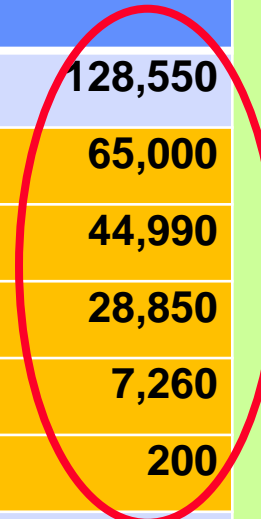
Arrival Date	Birth Country	Own Prof	Other Prof/ Manag	S/Total Employ	Unemp/ NLF	Total
	Australia/NZ	57.4	16.8	92.8	7.2	26658
2006/2011 (N=12,696)	UK/Ireland	73.7	11.7	92.7	7.3	1579
	Canada	63.7	2.7	75.3	24.7	146
	South Africa	83.2	3.8	94.0	6.0	632
	United States	49.3	9.9	80.3	19.7	152
	South Eastern Europe	60.8	4.1	81.1	18.9	74
	North West Europe	58.7	13.2	83.1	16.9	409
	India	60.8	6.3	81.2	18.8	2,625
	Sri Lanka/ Bangladesh	57.6	3.0	70.3	29.7	2,022
	Malaysia	75.1	4.7	82.2	17.8	634
	China (exc. Taiwan)	7.9	14.2	56.7	43.3	705
	Other Sub-Saharan Africa	63.0	8.6	84.1	15.9	979
	Philippines	46.5	7.0	81.4	18.6	473
	North Africa/ Middle East	51.8	3.4	64.6	35.5	1194
	Indonesia	3.8	3.8	35.4	64.6	79
	C & South Americas	42.1	7.3	69.4	30.8	221

Permanent Skilled Migration to Australia 2003-04 to 2011-12: Where Do Employers Generally Prefer to Choose Skilled Migrants?



2013-14 Australian Sub-Categories and Quotas for Permanent Skilled Migrants: 71% = Professionals/Managers

Permanent Migration Categories	2008-09	2012-13	2013-14
Skilled, including:	114,777	129,250	128,550
Employer-sponsored	38,026	63,250	65,000
Independent	44,594	45,550	44,990
State-region sponsored	14,055	24,650	28,850
Business innovation and investment	7,397	7,400	7,260
Distinguished talent	201	200	200
Family	56,366	60,185	60,885
Total Migration	171,318	190,000	190,000
Humanitarian (lower if conservative government elected 7/9/2013)	13,000	20,000	20,000-27,000
Total Permanent Migration	184,318	210,000	?227,000



Current Dominance of Temporary Entry Pathways: Select Fields (2012 Compared to 2014)

2012 - Permanent:

Computing: 8,538
Engineering: 4,891
Accounting: 7,303
Medicine: 1,037
Science: 661

2014 - Permanent:

Computing: 7,975
Engineering: 4,160
Accounting: 6,880
Medicine: 1,134
Science: 699



2012 - Temporary:

Computing: 10,490
Engineering: 8,280
Accounting: 3,330
Medicine: 5,030
Science: 3,130

2014 - Temporary:

Computing: 10,880
Engineering: 6,160
Accounting: 4,010
Medicine: 4,160
Science: 2,240

Policy Differences: New Zealand's Skilled Migration Policy (Decade to 2010)

Migration = 'demographic survival':

1955 and 2004 2.3 million migrants

Net population gain = Just 208,000 people

Intakes:

Far less skilled than Canada or Australia (37% professionals)

Far fewer degree-qualified (many in trades, clerical + sales)

Selection:

Mandatory screening for English – IELTS 6.5 by 2004

Mandatory pre-migration qualification assessment

Source countries far less diverse:

46% of skilled migration from major English-speaking countries

(compared to 17% in Australia and lower in Canada)

Study-migration pathway:

Established

BUT most international students in non-degree courses

Temporary labour migrants:

Lower skilled than in Canada or Australia

Skilled Migrant Retention:

NZ Medical Migration Case Study

OECD data:


- Highest OECD level of reliance on migrant health professionals
- Highest OECD reliance on temporary workers

2009:

- Reliance on medical migrants increasing = 42% of the NZ medical workforce (40% in 2006)

Retention by 2011:

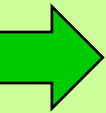
- 1/3 leave within a year
- 53% retained the year after initial registration
- More than 2/3 leave within 3 years



Most likely to leave = Younger medical migrants trained in comparable systems (eg UK, Ireland, US, Canada, Australia)

- Most likely to stay = Older medical migrants from Middle East, Asia, Africa

Current Scale of Skilled Migration to Canada, Australia and NZ: Recent Temporary Compared to Permanent Flows



Temporary

Principal Applicant only



Permanent

Includes family unit

Canada December 2013:

126,816 resident

Canada 2013:

148,037

Australia June 2013-14:

108,870 resident

Australia June 2014-15:

128,550

NZ 2013:

138,200 BY 2010-11

NZ 2014-16:

53,800-59,950 annual target

OECD (2014) notes: Critical to NZ's skilled migrant pipeline but halved since GFC

Overall 3 Country Policy Convergence 2010-15: Competitors + Collaborators for Skilled Migrants

Major Canadian change (influence of Australian + NZ models)

1. **All secure, share and apply the research evidence to:**

Improve selection (Which attributes? Which pathways?)
Avoid perverse study-migration incentives

 2. **Attempt to maximise labour market outcomes through:**

Two-step migration

Use of Expression of Interest model

Priority-processing

Sponsorship (employer + state)

Advanced English ability

Qualification level + pre-migration assessment

Refined occupational demand lists

3. **Compete globally for the 'best + brightest' through the 'total package':**

How competitive in the future?

'Expressions of Interest' – What's Different in This Strategy?

1. Merges: Temporary + permanent skilled processes

2. Australian model:

- A. **Option 1** – Immediate selection for PR
- B. **Option 2** – Immediate selection for TR
- C. **Option 3** – 'Live' status in the 'pool' x 2 years (to facilitate employer and state/territory TR or PR trawling and sponsored selection)

3. What's different about the Eol policy?

- A. **Recognises migration policy reality** - The fluidity and inter-connectivity of flows for all selection purposes)
- B. **Screening TR as well as PR applicants in advance** - Obligated to submit to English and credential screening as a condition of lodgement (a major convenience for TR sponsors)
- C. **Search capacity** - Scope for employers and states/territories to web search for eligible pre-screened PR and TR migrants + assess attributes

Key Policy Challenges: **Current**

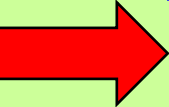
Canada:

1. **Improve skilled migration employment outcomes**
2. **Expand the Canadian Experience Class**
3. **Curb scale of temporary labour migration**
4. **Secure higher value from live-in caregiver program**

Australia:

1. **Continue to refine the study-migration pathway**
2. **Modify temporary labour migration (after 2014 review)**

New Zealand:

- 
1. **Attract more skilled migrants (permanent, temporary and international student flows)**
 2. **Secure a higher skill level (for future economic development beyond agriculture and tourism)**
 3. **Retain!**

Select References – Three Country Study

Government Data: I gratefully acknowledge that the Department of Immigration and Border Protection (Canberra) Statistics Section provided a wealth of unpublished data to my specifications to support this paper. Plus see the DIBP website for 2001-14 reports regarding immigration data for Australia; the Citizenship and Immigration Canada for Canada; the Immigration New Zealand for New Zealand.

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