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Migration Trends in South Australia 1998/99 to 2008/09

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Director's Note

Welcome to the thirtieth issue of *Economic Issues*, a series published by the South Australian Centre for Economic Studies as part of its Corporate Membership Program. The scope of *Economic Issues* is intended to be broad, limited only to topical, applied economic issues of relevance to South Australia and Australia. Within the scope, the intention is to focus on key issues – public policy issues, economic trends, economic events – and present an authoritative, expert analysis which contributes to both public understanding and public debate. Papers will be published on a continuing basis, as topics present themselves and as resources allow.

This paper considers emerging trends in overseas and interstate migration to South Australia, in particular the significance of skilled migrant to augment the South Australian workforce. The Skilled Regional Sponsored (SRS) visa has been an important policy instrument in boosting migration to South Australia, including because it is increasingly used by overseas students once they have graduated.

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The author of this paper is Mark Trevithick, Research Economist at the Centre. The views expressed in the report are the views of the author.

Michael O'Neil
Executive Director
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January 2011

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Migration Trends in South Australia 1998/99 to 2008/09

Overview

This issues paper analyses recent migration patterns to South Australia over the period 1998/99 to 2008/09; net overseas migration in South Australia has increased significantly above the long-term trend during the last ten years. Permanent skilled migration has experienced the strongest increase providing much of the growth in net overseas migration. This paper presents data showing recent growth in migration numbers and provides commentary on some of the causes. Migration stream data and migration categorised by visa type is sourced primarily from the Department of Immigration and Citizenship (DIAC) annual reports.

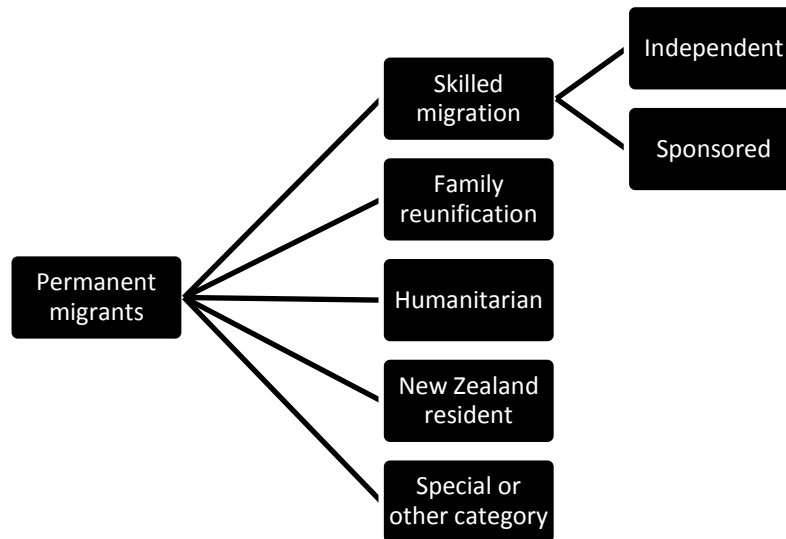
Migrants intending to move to South Australia can enter the state via a number of migration streams. Each stream has different requirements with migrants needing to satisfy certain criteria before they can emigrate from their home country. Migrants can enter the state on a range of permanent or temporary visas, each of which carry specific entitlements as to, *inter alia*, length of stay, the right to work, specific location in which they can reside and entitlements to a range of government benefits. The relevant definitions of “net overseas migration”, “long-term arrivals” and “a permanent migrant” are shown below, followed by the migration streams for permanent migration and then temporary migration.

Net overseas migration is defined as “*a measure of the number of people added to Australia's resident population each year as a result of the movement of people into and out of Australia. It comprises the difference in numbers between permanent and long-term arrivals and permanent and long-term departures*”. (DIAC)

Long-term arrivals are defined as “*overseas travellers who indicate an intention to stay in Australia for 12 months or more (in effect, temporary residents who will eventually leave Australia) and Australian residents returning after an absence of 12 months or more overseas*”. (DIAC)

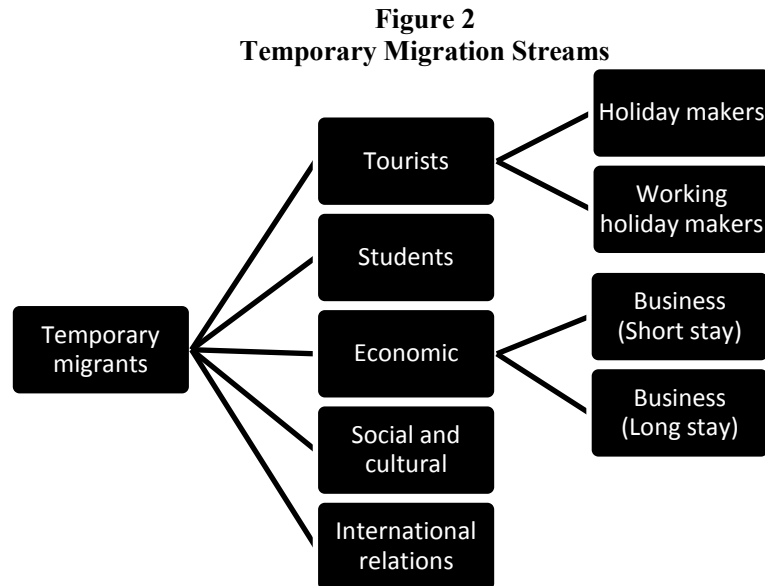
A **permanent migrant** is someone who “*holds a visa which entitles them to stay in Australia indefinitely*”. There are five streams under which permanent migrants can enter South Australia as shown in Figure 1. Skilled migrants can be categorised into either independent or sponsored.

Figure 1
Permanent Migration Streams



- **Skilled migration:** Targets individuals who have skills or outstanding abilities. The four categories of skilled migrants include: general skilled migration, employer nominated, business skills and distinguished talent. Skilled migrants can be further classified as independent or sponsored.
 - **Independent migrants:** are not sponsored by an Australian citizen or business. They are selected based on criteria such as: occupation, age, skills, English language proficiency and employability.
 - **Sponsored migrants:** are nominated by a relative, employer or state or territory government. There are many types of sponsored schemes including: the Employer Nomination Scheme (ENS), Skilled Regional Sponsored scheme (SRS), skilled sponsored, labour market agreement scheme and business skills category.
- **Family reunification:** Australian residents are permitted to sponsor their partners e.g. fiancé, parents, children or other family members currently living abroad to reside with them in Australia. There are no skills or language requirements to be met.
- **Humanitarian:** Australia offers onshore protection (asylum) plus offshore resettlement to migrants who are considered refugees or migrants who are eligible to migrate through the Special Humanitarian Program (SHP). SHP migrants must be nominated by Australian citizens, permanent resident, eligible New Zealand citizen or organisation that is based in Australia.
- **New Zealand residents:** The Trans-Tasman travel agreement grants New Zealanders the right to travel to Australia to visit, live and work without the need to apply for authority and vice versa.
- **Special or other category:** Former residents who have never held Australian citizenship but seek a return to Australia are eligible to migrate under the special or other category. Types of special migrants include: people who have spent the first nine out of 18 years in Australia, are under the age of 45 and have cultural or personal ties in Australia, or former permanent residents who served in the armed forces prior to 1981 and wish to return to Australia.

A temporary migrant is someone who “holds a visa which entitles them to stay in Australia for a specified duration”. Once their visa expires either an application for renewal must be completed or they must leave the country. Figure 2 below shows all the categories of temporary migrants.



Descriptions of each stream of temporary migration are provided below.

- **Tourists:** Visit Australia *inter alia*, to holiday, see friends and family or go to social and cultural events. Tourists generally make short stays and as such do not count as part of net overseas migration. However, holiday makers and working holiday makers who stay for longer than twelve months are included in the net overseas migration total.
 - **Holiday makers:** Visit Australia exclusively for pleasure and are not entitled to undertake employment while holidaying in the country.
 - **Working holiday makers:** Are entitled to stay in Australia for up to twelve months for an extended holiday and supplement their funds with short-term employment.
- **Students:** Overseas students who enrol in full-time study at Australian institutions are issued with temporary visas for the duration of their study. A student undertaking study for more than a year, e.g. a three year bachelor degree, will be included in net overseas migration. Once graduated they may apply for permanent residency through the skilled migration program.
- **Economic:** Business migrants come to Australia to conduct business dealings; they can be of two types, either business (short stay) or business (long stay) migrants.
 - **Business (short stay):** Short stay migrants are permitted to stay in Australia for up to three months to attend conferences, meetings, negotiate contracts or explore investment opportunities. Average length of stay is usually one to two weeks, and as such, short stay migrants do not count towards net overseas migration.
 - **Business (long stay):** Long stay migrants are permitted to work in Australia for an approved employer for a period of up to four years.

To obtain this visa, sponsorship from the prospective employer is required. Long stay migrants applying for a visa in excess of one year are included in net overseas migration.

- **Social and cultural:** Visiting academics, media and film staff, entertainers, sports people, occupational trainees and religious workers require temporary visas to enter Australia. In 2008/09 social and cultural visas granted in Australia amounted to 25,400, most of which were short term, i.e., less than 6 months. This is not a significant source of temporary migrants to South Australia.
- **International relations:** Foreign government personnel and diplomats require temporary visas to enter Australia, but since the 1st of July 2006 have been excluded from the net overseas migration statistics.

This paper considers the number of permanent migrants entering South Australia by stream, the percentage of permanent additions by stream and permanent skilled migration by type of visa. Visa categories are broken down into Skilled Regional Sponsored (SRS) and non-Skilled Regional Sponsored (non-SRS). The flows of temporary migrants is also discussed. Of the temporary visa holders, students, business (long stay) migrants and working holiday makers make the largest contribution to net overseas migration.

Of particular interest is that of skilled permanent migration which has been the most important driver of net overseas migration. The introduction of the SRS visa which became available on the 1st of July 2004 has had the biggest effect on skilled migration to South Australia comprising 30 per cent of skilled stream migration in 2007/08. South Australia has attracted the largest share of SRS visa applicants since 2004.

Permanent non-SRS migration comprises all other types of skilled sponsored and skilled independent visas. Employer sponsored migration and skilled independent migration form the largest share of non-SRS migration. The source countries of migrants entering South Australia between 2001 and 2006 is included showing those countries that provide most of the State's overseas migrants.

The number of South Australians leaving the State annually between 1998/99 and 2008/09 is also provided.

Introduction

Over the past 10 years migration patterns across Australia have changed with record numbers of new permanent and temporary overseas migrants entering the country. The eastern States attract the largest share of overseas migrants, but since 2003/04 South Australia has experienced a sharp increase in the number of overseas migrants choosing to take up residence. In 2008/09 South Australia's net overseas migrant intake was 17,073 compared with the 1998/99 figure of 2,682. The growth in the intake of skilled migrants and substantial numbers of student arrivals has principally contributed to net overseas migration¹ with some graduating students going on to apply for general skilled migration.

In 2008/09 the skilled migration stream was five times greater than in 1998/99. Migrants with occupations on the migration occupation in demand list (MODL) have been specifically targeted, because they possess skills which are in high demand. All other permanent migrants entered South Australia under the family reunification stream, humanitarian stream, Trans Tasman agreement or under the special or other stream.

Temporary migration has grown strongly with the rapid growth in the number of overseas students studying in South Australia over the past decade. Since 2005 the stock of students studying in South Australia has doubled. Approximately 70 per cent of education arrivals to Australia stay short term i.e. stay less than twelve months (ABS, Australian Social Trends, 2007). The remaining 30 per cent stay more than twelve months and are therefore included as part of net overseas migration. Tourists on working holidays have also added to temporary migration, more than doubling between 2006 and 2009, although it is predicted this component of temporary migration will slow due to the impact of the high value of the Australia dollar. Since 2008 business (long stay) migration has declined sharply due to the effect of the Global Financial Crisis (GFC).

In a recent Productivity Commission Research Paper (Population and Migration: Understanding the Numbers, 2010) a summary of annual population growth between 2004 and 2009 highlights the lower levels of population growth in South Australia relative to other states. Adelaide's annual growth rate of 1.05 per cent over this period was significantly lower than the other mainland cities of, Perth (2.58 per cent), Brisbane (2.34 per cent), Melbourne (1.96 per cent) and Sydney (1.34 per cent). While our population growth rate was lower than for other capital cities, it is important to note that skilled migration comprised the largest component of net overseas migration to South Australia.

It is also notable that South Australia experienced negative net interstate migration between 1998/99 and 2008/09. The typical South Australian leaving the state is young, well educated and prefers to settle in the eastern States where there are greater employment opportunities.

Skilled Regional Sponsored Visa

Strong economic growth in Australia combined with skill shortages explains a significant proportion of the rise in permanent skilled migration. Employer sponsored migrants and skilled independent migrants remain important contributors to net overseas migration. However, South Australia's rapid increase in skilled migration since 2003/04 can also be directly attributed to the introduction of the Skilled Regional Sponsored visa (SRS).

The creation of the SRS visa on the 1st of July 2004 requires the applicant to settle in a designated low population growth regional area. A low population growth area is classified as having a population growth rate which is less than 50 per cent of the national average over the last two censuses. These areas include: New South Wales, except Sydney, Newcastle, Central Coasts and Wollongong; Victoria, except Melbourne; Queensland, except Brisbane and the Gold Coast; Western Australia, except Perth and the whole of South Australia, Tasmania and the Northern Territory.

As the entire state of South Australia is classified as a low population growth area Adelaide is the only mainland capital city which can accept this type of visa applicant. As such, Adelaide has attracted many SRS visa holders who would prefer to settle in a large capital city rather than a small regional centre.

In a survey conducted by Hugo, Khoo and McDonald (2006) involving skilled migrants living in capital cities, half of the respondents indicated they would not have accepted a job in a regional area. The principal reasons cited for this preference included lifestyle factors, access to health and education facilities (especially if the skilled migrant had school-aged children) and job opportunities for their partners.

The SRS visa is a three year temporary visa and requires the holder to live in the designated area for at least two years and have paid employment in the area for at least one year. Once the three year period has elapsed they can apply for a permanent residence visa. An advantage of the SRS visa is applicants need only score 100 points as opposed to 120 points for other general skilled migration visas.

Applicants must fulfil the following eligibility criteria for the visa:

- be under 45 years of age at the time they apply;
- have an occupation on the skilled occupations list;
- have their skills for that occupation assessed as adequate by the assessing authority;
- have vocational level English language proficiency;
- have recent skilled work experience or have completed an Australian qualification as the result of two years full-time study in Australia;
- score at least 100 points on the visa application test; and

must be nominated by a state or territory government or sponsored by an eligible Australian relative.

Net overseas migration - Permanent migrants

Skilled migration

The contribution of permanent skilled migration to South Australia for the past ten years is shown in Table 1. In 2008/09, 9,069 skilled migrants moved to the State comprising 67 per cent of new permanent additions; the highest proportion of any State. The growth rate for all permanent migration streams was 12.0 per cent (compound average growth rate) from 1998/99 to 2008/09, but for the skilled stream it was 17.5 per cent; the family stream was 7.4 per cent and the humanitarian and New Zealand citizen and other program were both 3.6 per cent and 3.7 per cent respectively. The skilled migrant intake of 2008/09 is approximately five times greater than the 1998/99 intake of 1,815 persons.

Table 1
Migration Streams, Permanent Migrants
South Australia, 1998/99 to 2008/09

South Australia	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
Family Stream	1,234	1,201	1,299	1,428	1,579	1,688	1,794	1,980	2,185	2,192	2,522
Skill Stream	1,815	1,668	1,416	1,721	1,876	3,118	4,669	7,842	8,977	9,149	9,069
Humanitarian Program	767	532	670	576	698	867	1,787	1,519	1,330	975	1,107
New Zealand citizens, other and special	521	1,069	1,048	738	521	484	547	538	545	691	742
TOTAL	4,337	4,470	4,433	4,463	4,674	6,157	8,797	11,879	13,037	13,007	13,440

Source: Permanent additions, DIAC, statistical tables associated with chapter 8 of Population Flows: Immigration Aspects 2008/09 edition.

A summary of the breakdown of each migration stream by State/Territory is shown in Table 2.

Table 2
Percentage of Permanent Additions by Migration Stream
All States and Territories, 2008/09

State/Territory/ Australia	Family Stream	Skill Stream	Humanitarian Program	Special and other categories	New Zealand citizens
New South Wales	32.59	48.65	8.59	0.92	9.25
Victoria	26.54	55.28	6.57	0.78	10.83
Queensland	19.38	43.03	3.01	0.86	33.72
South Australia	18.76	67.48	8.24	0.80	4.72
Western Australia	18.86	62.01	5.50	0.54	13.09
Australian Capital Territory	28.77	56.99	7.54	1.23	5.48
Northern Territory	23.38	61.93	5.33	0.73	8.63
Tasmania	25.22	49.20	16.05	0.83	8.70
Australia	25.23	52.72	6.49	0.81	14.76

Source: DIAC, statistical tables associated with chapter 8 of Population Flows: Immigration Aspects 2008/09 edition.

Family stream migration

Family stream migrants to South Australia have more than doubled from 1,234 persons in 1998/99 to 2,522 persons in 2008/09, comprising the second largest component of permanent migration to South Australia (CAGR: 7.4 per cent). Applicants must be sponsored and do not need to meet the usual language or skills requirements. Sponsors may apply to bring a spouse, their children or parents to Australia.

Humanitarian stream migration

Humanitarian stream migration is the third largest source of migrants to South Australia and occurs through the onshore and offshore resettlement programs (CAGR: 3.7 per cent). Refugees already in Australia who face persecution in their home country are allowed to settle permanently as part of onshore resettlement. Offshore resettlement is provided to individuals who face discrimination or persecution but are living outside Australia. Refugees are sourced mainly from countries affected by war such as Iraq, Afghanistan and Sudan. In 2008/09 1,107 refugees settled in South Australia which is below the peak number of 1,787 refugees who arrived in 2004/05.

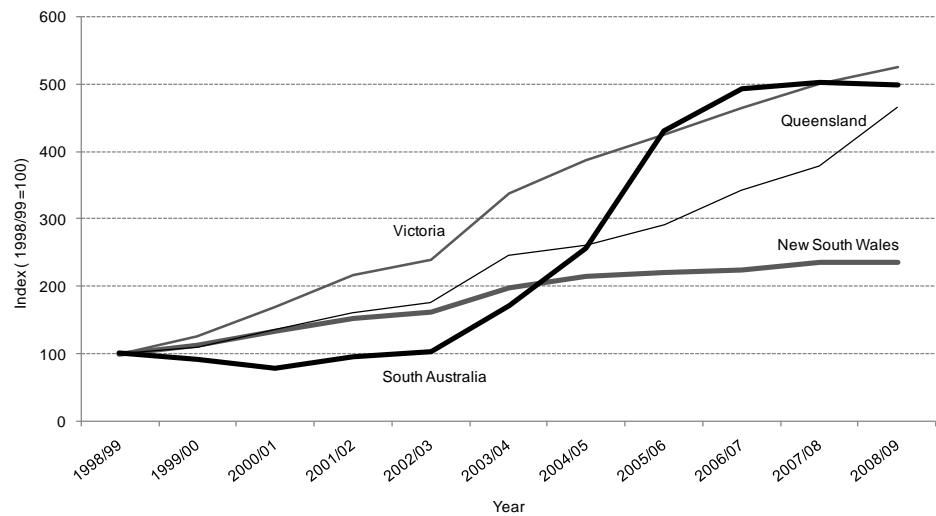
New Zealand and special or other

New Zealanders and migrants categorised under the “other or special” stream make up the remaining source of permanent additions (CAGR: 3.6 per cent). Under the Trans Tasman agreement New Zealand residents can live and work in Australia without a visa. On June 30th 2009 there were approximately 550,000 New Zealanders living in Australia (see DIAC), with 11,363 residing in South Australia as of the 2006 census. In 2008/09 635 New Zealand migrants settled in South Australia which is a small proportion of the Australian total.

Growth in skilled SRS migration

The growth of skilled regional migration following the implementation of the SRS visa scheme is shown in Figure 3 for South Australia and the eastern States of Australia. Skilled migration is indexed, with a base of 100 in the year 1998/99. There was virtually no change in the skilled migration intake to South Australia over the period 1998/99 to 2002/03. In contrast there was consistent growth in the eastern States over the same time period. The impact of the implementation of the skilled SRS visa scheme is well illustrated by the steep increase in the index line for South Australia after 2003/04. A significant portion of this growth in skilled migration was due to the take up of SRS visas by overseas migrants.

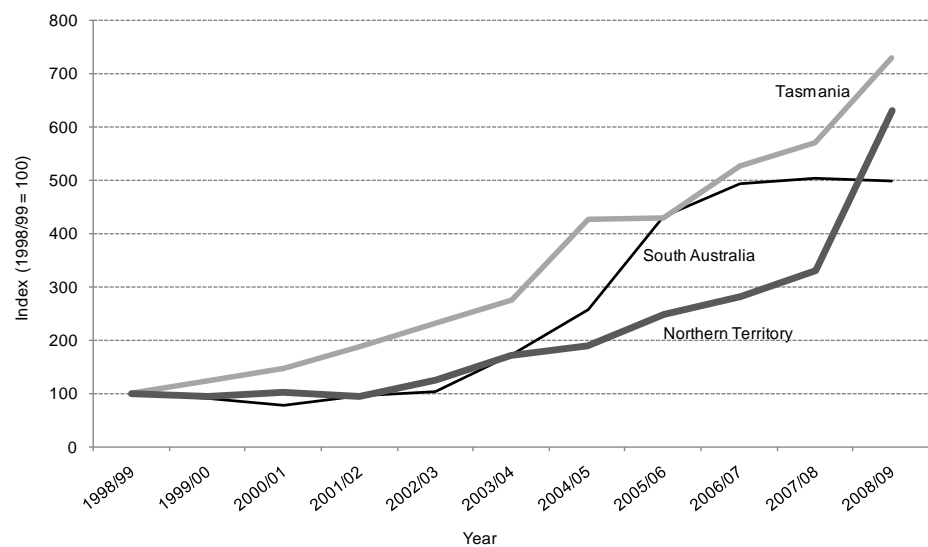
Figure 3
Permanent Additions, Skilled Stream, Base Year (100) 1998/99
 New South Wales, Victoria, Queensland and South Australia, 1998/99 to 2008/09



Source: Permanent additions DIAC statistical tables associated with chapter 8 of Population Flows: Immigration Aspects 2008/09 edition, SACES calculations.

Figure 4 compares the growth of skilled migration for South Australia, Tasmania and the Northern Territory as each is classified as a “low population growth area” and SRS visa holders can settle anywhere within the region including the capital city. It might reasonably be assumed that the increase in skilled migration to all three regions is a direct result of the SRS visa program. However, the cause of increased skilled migration to Tasmania and the Northern Territory is due largely to non - SRS migration as shown in Table 3. SRS migration in these two regions is not significant and aggregate numbers migrating using an SRS visa actually declined between 2006/07 and 2008/09.

Figure 4
Permanent Additions, Skilled Stream, Base Year (100) 1998-99
 South Australia, Tasmania, and Northern Territory, 1998/99 to 2008/09



Source: Permanent additions DIAC statistical tables associated with chapter 8 of Population Flows: Immigration Aspects 2008/09 edition, SACES calculations.

SRS visa holders contribute more to skilled migration in South Australia than all other States and Territories (see Table 3). In 2008/09, 1,415 SRS visas were granted to overseas migrants who subsequently settled in South Australia; more than all other states and territories combined. Between 2007/08 and 2008/09 the number of SRS visas granted declined for all States/Territories, while non-SRS migration continued to increase.

Table 3
Skilled Migration by Visa Type
All States and Territories, 2006/07 to 2008/09

		2006/07	2007/08	2008/09
New South Wales	Non-SRS Visa	30,799	32,566	33,108
	SRS Visa	543	408	210
	Total Skilled Visas	31,342	32,974	32,898
Victoria	Non-SRS Visa	26,427	28,653	30,446
	SRS Visa	328	251	149
	Total Skilled Visas	26,755	28,904	30,297
Queensland	Non-SRS Visa	14,203	15,464	18,880
	SRS Visa	270	243	117
	Total Skilled Visas	13,933	15,407	18,997
South Australia	Non-SRS Visa	6,564	6,035	7,654
	SRS Visa	2,413	3,114	1,415
	Total Skilled Visas	8,977	9,149	9,069
Western Australia	Non-SRS Visa	15,383	16,580	22,504
	SRS Visa	262	343	182
	Total Skilled Visas	15,121	16,923	22,686
Tasmania	Non-SRS Visa	611	683	921
	SRS Visa	75	61	29
	Total Skilled Visas	686	744	950
Northern Territory	Non-SRS Visa	529	617	1,250
	SRS Visa	39	52	27
	Total Skilled Visas	568	669	1,277
Australian Capital Territory	Non-SRS Visa	1,460	1,568	1,855
	SRS Visa	13	6	5
	Total Skilled Visas	1,473	1,574	1,860

Source: Immigration update reports, DIAC, 2006/07, 2007/08 and 2008/09.

Effect of the GFC on SRS migration

A possible cause of the variation in growth of SRS and non - SRS migration numbers can be attributed to the onset of the GFC in late 2008. Deterioration of economic conditions and reduced demand in the economy deterred businesses from sponsoring new migrants because there was less work available and more general uncertainty, which reduced the demand for SRS migrants. Independent non-SRS migration (which forms a significant proportion of non-SRS migration) was less affected because independent migrants have their migration decisions determined by relative business conditions in their home country compared with their potential destination country. In 2009 shortly after the initial impact of the GFC unemployment increased to 7.7 per cent in the United Kingdom (UK) compared to 5.6 per cent in Australia (see OECD StatExtracts). As the UK is Australia's largest source country for migrants and Australia remained the least affected OECD member country by the GFC, independent migrants moving from the UK found Australia a desirable destination in terms of employment opportunity. As such, independent non-SRS migration from the UK and other developed countries that experienced higher unemployment remained strong.

Independent non-SRS migrants sourced from developing countries such as China and India are also likely to be attracted to Australia due to the substantial wage income differential (leaving aside any personal social and/or political preferences) which persists between their country and Australia. Hence independent non-SRS migration from China, India and other developing countries is less likely to fall by as much as SRS migration.

In all States/Territories, except for South Australia, SRS visa grants form an insignificant share of total skilled migration.

Net overseas migration - Temporary migrants

Temporary migration program includes: tourists, students, business migrants (short stay or long stay), people with specialist skills such as academics, people who make a social or cultural contribution such as visiting academics and people who contribute to the development of international relations such as foreign diplomats.

Temporary residents who make the largest contribution to net overseas migration are respectively, students, business (long stay) migrants and working holiday makers. The flows of these three types of migrants are provided in Table 4. Business (short stay) migrants are entitled to stay in Australia for a maximum of three months and are therefore not included in the net overseas migration statistic.

Table 4
Flow of Temporary Migrants
South Australia, 2006-2009

Year as at	Stock of students	Stock of business (long stay) visitors	Flow of students	Flow of business (long stay) visitors	Flow of working holiday makers	Total Flow
2005	10,738	1,794	-	-	-	-
2006	12,164	2,769	1,426	975	830	3,231
2007	14,236	3,840	2,072	1,071	1,129	4,272
2008	17,067	4,798	2,831	958	1,350	5,139
2009	20,790	5,152	3,723	354	1,698	5,775

Source DIAC, statistical tables associated with chapter 8 of Population Flows: Immigration Aspects 2008/09 edition.

Tourists

Tourists can apply for a number of different holiday visas varying in length from three to twelve months; they comprise the largest group of temporary residents. On arrival they are counted as a migrant entering the country and upon leaving they are considered an emigrant exiting the country. As the length of stay of the majority of holiday making tourists is small (i.e., less than twelve months) they do not count as part of annual net overseas migration.

Working holiday makers

On the other hand, working holiday makers are entitled to holiday in Australia for twelve months and are included in net overseas migration figures. They may work for any employer for up to six months and study at an Australian educational institution for four months. In 2006 working holiday makers entering South Australia numbered 830 persons. This figure increased each year from 1,129 persons in 2007 to 1,350 persons in 2008, reaching 1,698 persons in 2009 (see Table 4).

Students

Students are the second largest group of temporary entrants after tourists. Since 2005 the stock of overseas students studying in South Australia has doubled from 10,738 students to 20,790 students in 2009, see Table 4. The flow of students has increased each consecutive year increasing from 1,426 in 2006 to 2,072 in 2007 and from 2,831 in 2008 to 3,723 in 2009.

Many students studying in Adelaide desire to migrate to South Australia according to a report by Education Adelaide, *“Research shows 70 per cent of international students eventually want to migrate and about 45 per cent of Australia’s skilled migrants are former students”*. As such there is a strong link between the growing number of overseas students and the increase in South Australia’s net overseas migration; with many students taking out Australian Permanent Residency and General Skilled Migration visas.

Business (long stay) migrants

Business (long stay) migrants can stay in Australia for a period of up to four years. This visa is used by Australian employers choosing to sponsor a skilled migrant to fill a vacant position within their business. In 2006 the flow of business (long stay) migrants was 975 but by 2009 the intake had declined to 354 due to the effects of the GFC, with many businesses choosing to defer sponsoring new migrants until economic conditions improve.

Source countries

Migrant source countries have changed significantly since the mid 1970’s with large scale migration from the Asian region and the Middle East. From the beginning of the 20th Century to 1973 most migrants came exclusively from the British Isles, many coming under assisted migration. From 1973 and thereafter migrants from Asia make-up an ever growing share of net overseas migration.

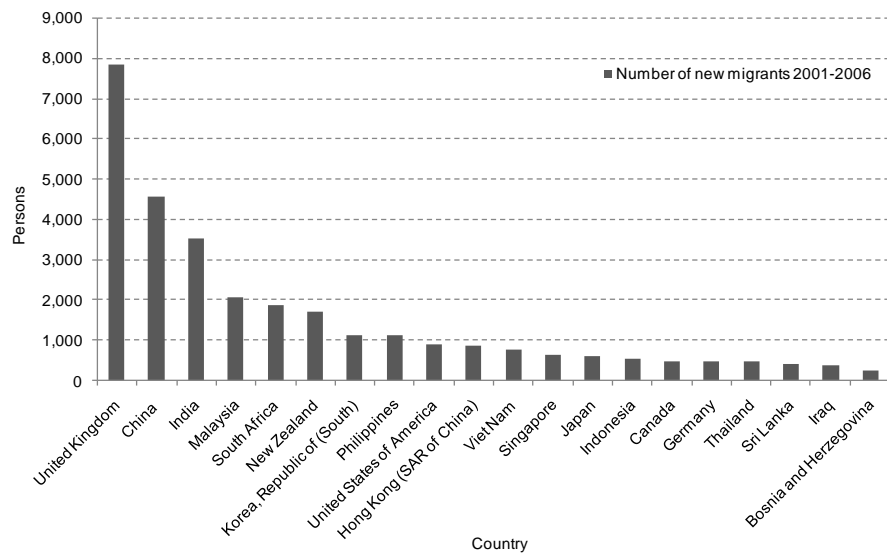
The number of migrants settling in South Australia between 2001 and 2006 for the top 20 migrant source countries is summarised in Figure 5. South Australia still attracts the largest share of migrants from traditional sources such as the UK (7,828), followed by developing countries such as China (4,571) and India (3,534). Other countries in Asia supplying significant numbers of migrants are Malaysia (2,074), South Korea (1,136) and Philippines (1,132). New Zealand is South Australia’s sixth largest source country for new migrants. This is in contrast to the whole

of Australia where New Zealand residents comprised the second largest group of source migrants after the UK between 2001 and 2006.

Students from China and India make a significant contribution to permanent migration to South Australia. The ABS notes, for Australia as a whole, that “of the 44,000 Chinese and Indian born people who committed to settlement in 2007/08, more than one-third (36 per cent) had applied from within Australia and most were students” (ABS, 2009).

In 2006 there were 25,000 South Koreans and 17,900 Malaysians studying in Australia (ABS, 2007). Given 70 per cent of international students indicate they desire to migrate permanently to Australia upon completion of their study, students from these countries referred to above who are studying in South Australia potentially make a significant contribution to the State’s skilled migration stream.

Figure 5
Top 20 Source Countries for New Migrants
 South Australia, 2001-2006



Source: ABS 2006 census tables, South Australia.

Net interstate migration

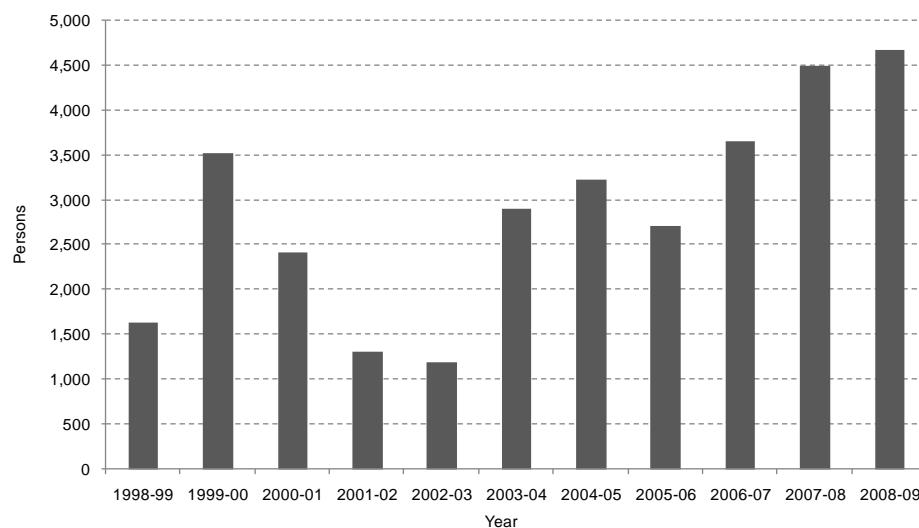
The “picture” thus far is that South Australia has performed well in increasing the number of foreign students studying in Adelaide, in attracting skilled migrants under the regional sponsored arrangements and welcoming humanitarian migrants. However, even with these inflows South Australia has negative net interstate migration with most movers aged between 20-39 years. This age group comprise 47 per cent of total movers (ABS, 2010). Their preferred destination is to settle in the capital cities of the eastern States which provide greater employment opportunities. In 2008/09 South Australia had a net loss of 4,676 residents (see Figure 6), second only to New South Wales with a net loss of 19,831 residents. The cumulative total net loss of South Australians to

other States and Territories between 1998/99 and 2008/09 is approximately 32,000 persons.

The most popular destination for South Australians was Queensland for older residents, with Melbourne the most popular destination for those aged 20-39 years.

Compared to the 1990's South Australia has retained a greater number of its younger residents due to stronger economic conditions and a growing labour market (e.g., between June 2000 and June 2010 some 130,000 jobs were created in the State compared to the period June 1990 and June 2000 where total employment growth was 21,500 jobs (ABS, 2010).

Figure 6
Net interstate migration, persons leaving South Australia annually
South Australia, 1998/99 to 2008/09



Source: DIAC statistical tables associated with chapter 8 of Population Flows: Immigration Aspects 2008/09 edition.

Conclusion

South Australia has experienced a sharp increase in net overseas migration over the past ten years with increasing numbers of permanent and temporary migrants settling in the State. Growth in permanent migration is principally due to the growth in skilled migration which is driven by the availability of the SRS visa. It is largely South Australia which has benefited from the SRS program; Tasmania and the Northern Territory have few SRS visa applicants with their skilled migration coming largely from non-SRS visa migrants.

Temporary migrants such as students and working holiday makers have increased significantly, with the flow and stock of students more than doubling since 2005. The flow of migrants on working holiday visas has also doubled since 2005 making this group an important source of new arrivals.

The UK remains the largest source country for permanent and temporary migrants, contributing 18 per cent of new migrants between 2001 and 2006. China and India are fast catching the UK as the largest contributors of new migrants.

South Australia loses more residents than it gains through interstate migration. Emigrants from the state are often young, aged 20-39 years (this age group accounts for 47 per cent of departures to interstate) and well educated. Preferred destinations are the eastern States of Australia, particularly Queensland (for elderly adults) and also to employment in Sydney and Melbourne for young adults. In recent times South Australia has reduced the outflow of residents in comparison to the mid 1990's, due to a stronger labour market and growing economy, which has provided more employment opportunities for local residents.

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End Notes

- ¹ The Australian Bureau of Census and Statistics (ABS) adopt the United Nations definition of an international migrant being “any person who changes his or her country of usual residence”. For the purpose of measuring net overseas migration a usual resident is defined by the ABS as a person who has resided in Australia for twelve months or more regardless of nationality, citizenship or legal status. The twelve month duration does not need to be continuous with duration of stay measured over a 16 month reference period. For example, if an individual spent six months in Australia two months overseas and then a further six months in Australia they would be counted as a usual resident and included in the annual net overseas migration statistic.