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The Points Based System in Australia – Appropriate for the UK?

1. Summary

1.1.   The Australian 'Points Based System' is increasingly mooted, notably by UKIP, as a solution to the UKs broken immigration system. This paper looks at the Australian system in detail and finds it thoroughly unsuitable for the UK:

    a.   Australia has achieved effective border control as well as accurate recording of arrivals and departures. These are invaluable but have very little to do with their Points Based System (PBS) whose purpose is to promote immigration, not to limit it.

    b.   The Australian context could hardly be more different. Many Australians believe that they have a strategic need to grow and have the space to do so. Both major parties favour increased legal migration and their PBS is a means to that end. (Public debate is mainly about how to handle asylum seekers arriving by boat.)

    c.   The Australian system is, in fact, extremely complex, despite covering less than 60% of skilled work migration and only around 15% of all migrants entering Australia.

    d.   It is intended for job seekers, not employers (who have a different route for recruitment).

    e.   For the UK a low cap would be needed for each category with all the attendant difficulties.

    f.   The Australians can afford a high cap as their net immigration rate is, in proportion to their population, three times ours (240,000 per year on a population one third of the UK's).

    g.   A Points Based System was introduced in the UK in 2008. In practice, it failed to limit migration. A mechanical, points based test that reduces, even eliminates, human discretion cannot cope with the complexities of immigration to the UK and has already failed once.

2. Migration to Australia

2.1. Migration to Australia is broken down by the Australian Department for Immigration and Citizenship into two distinct categories, **permanent** and **temporary** visa types.

Figure one: the different permanent and temporary visa types used in Australia

Permanent Visa Types	Temporary Visa Types
Skill	**Students**
Family	**Working Holiday**
Humanitarian	**Visitors**

3. Permanent Migration to Australia

3.1. The Australian **Permanent Migration** programme has two main components: the **Migration Programme** and the **Humanitarian Programme**. The Migration Programme accounts for the overwhelming majority of permanent migration to Australia, representing 90.5% of the total inflow into the country. The Humanitarian Programme accounts for the other 9.5%. Both programs are divided into streams, categories, and visa 'subclasses.'

3.2. The **Migration Program** includes the Skilled Stream (work) and the Family Stream. Within the Migration Programme, the Skilled Stream (work) element accounts for 68% of the total, while the Family Stream accounts for the other 32%.

3.3. The **Skilled Stream** can be broken down into the following components:

3.4. 38% Employer Sponsored (48,250) , 22% state, territory and regional nominated (28,850) and 6% for distinguished talent and business innovation and investment programme (7,460). The other 34% are Skilled Independent (43,990). The Skilled Independent and State, Territory and Regional nominated are part of the **Points Based System (56%).**

3.5. Of all permanent migration to Australia, only about 38% of arrivals form part of the Points Based System.

4. Skilled Migration to Australia (Skilled Stream)

4.1. For the planning year 2014/15, there are 128,550 places planned for the Skilled Stream. The number of places allocated in each year is calculated on the basis of what the department of Immigration considers Australian needs in that year. The Minister for Immigration is responsible for setting this planning level and he does so on the basis of economic, social, and demographic factors. The Government also consults widely with the State and Territory Governments.[1]

5. Points Based System

5.1. Points Based Migration governs the Independent Migration stream and regional migration. In order to take the points based test, the applicant must be under 50 years old and be competent in English- with a score of at least six in each of the four components of the IELTS test or an Occupational English Test. Some occupations might require a higher level of English. The applicant must have at least a secondary school equivalent education. The applicant must have worked in their chosen profession in their own country for at least 12 of the 24 months before the application. Having satisfied these conditions, the applicant must then pass the points based test. Applicants are awarded points based on several criteria; Age, English Language Proficiency, Level of Education, Time spent working in Australia previously and time educated in Australia previously. The more desirable the answer provided (e.g. higher than required English proficiency or being even younger than the required under 50), the higher chance of passing the test. The exact scores for the different criteria can be found here: https://www.immi.gov.au/skilled/general-skilled-migration/pdf/points-tested-migration-fact-sheet.pdf

5.2. The applicants must nominate themselves for a skilled occupation from the Skilled Occupation List (SOL). The full list (which consists of 192 professions) includes such professionals as medical, engineering professionals as well as skilled occupations such as electricians and carpenters etc. It can be found here: http://www.immi.gov.au/Work/Pages/skilled-occupations-lists/sol.aspx

5.3. The applicant must submit an 'expression of interest' through the online application portal 'SkillSelect'. If suitable, the applicant will then be invited, via SkillSelect to launch an application, supported by evidence. The applicant will not need to have a face to face interview.

5.4. An applicant must attain a score of 50 points in order to pass the test.

5.5. To receive an invitation, the applicant must also have had their skills assessed as being suitable for their occupation by an assessing authority for their nominated occupation. The applicant must also indicate whether the occupation for which they have applied requires them to be a member of a professional or industry organisation.

1   http://migrationblog.immi.gov.au/2013/06/24/determining-australias-migration-program/

5.6. The applicant does not necessarily need to be sponsored by an employer. This route is for those skilled workers wishing to emigrate to Australia. There is another route for those being sponsored by an employer.

5.7. All applicants to Australia have to satisfy a set of health requirements. Applicants will be asked to undergo a medical examination, a chest x-ray and an HIV test. The applicant must prove that they (and any dependents) have health insurance before moving to Australia.

6. Skilled Stream Visas broken down in categories and Numbers

6.1. The 128,550 places within the Skilled Stream are divided as follows:
Figure two: Points-based skilled migration (Or Skilled Independent)

2012/13 arrivals	2014/15 planning level
44, 251	43,990[2]

Figure three: Permanent Employer Sponsored Programme

2012/13 arrivals	2014/15 planning level
47,740	48, 250

Figure four: State specific and Regional Migration (Also Points Based)

2012/13 arrivals	2014/15 planning level
29,769	28,850

Figure five: Business Innovation and Investment Programme

2012/13 arrivals	2014/15 planning level
7,010	7,260

Figure six: Distinguished talent visas

2012/13 arrivals	2014/15 planning level
200	200

7. Non-PBS Skilled Migration

7.1 People can also migrate to Australia as part of the Permanent Employer Sponsored Programme. Under this stream, migrants do not have to pass the Points Based Test. This means, for example, that there is no required level of English and that the age limit can be exceeded. This category accounts for 38% of the Skilled Stream.

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2   https://www.immi.gov.au/media/statistics/statistical-info/visa-grants/migrant.htm

7.2 Skilled work migration is capped at around 130,000 visas a year (not including dependents). All of this work migration has requirements linked to age, experience, qualification etc so could technically be described as 'points based'. However Australia officially describes only a subset of permanent work migration as part of their Points Based System. This accounts for 75,000 visas a year with the other visas being for employer sponsored migrants (like our Tier 2 General) or business investor type visas. Thus their Points Based System accounts for around 60% of skilled work migration (60K/130K) or 15% of total immigration (75K/500K).

8. Family Stream

8.1 Family Stream migrants are 'selected on the basis of their family relationship with their sponsor in Australia.'[3] There is no test for either skills or language ability.[4] It consists of four main categories; partner, child, parent and other family members. It is allotted 32% of the Migration Programme's spaces.

8.2. However, while there is no English Language requirement there are Health and 'Character' requirements. The 'Character' requirement is essentially that the applicants should not have a criminal record. The health requirement is that applicants take tests for HIV, Hepatitis, and TB. There is no obligation on the applicant to get health insurance. However, the dependents of students are normally required to obtain health insurance.

8.3. In 2012/13 there were 60,185 arrivals under the family stream. These were broken down into the following categories: 47 525 partner visas, 3,850 child visas, 8,925 parent visas and 585 other family visas.[5]

9. **Temporary Migration**

9.1. Temporary migration includes the following categories; students, working holiday, temporary work and visitors.

9.2. The numbers coming into the country on temporary visas are substantial; in the year 2013/14 levels are forecast to be as follows:

Figure seven: student migration

Total Inflow	Total Departures	Net
119,000	38,400	80,600

Figure eight: Other Temporary (Working holiday, Temporary Work, Visitors, All other Temporary Visas)

Total Inflow	Total Departures	Net
162,000	99,300	62,700

9.3. It is worth noting there is movement between permanent and temporary migration. So a temporary migrant such as a student can switch into a permanent category like work.

10. Planning and numbers

10.1. Each year the Australian Department for Immigration sets the desired level of migration for the following year. This applies to levels of permanent migration, rather than temporary, which is not capped. For the year 2014/15, the number of places for the Migration Program is 190,000. The number of places for the Humanitarian Program is 20,000.

10.2. Under the Migration Act 1958, the number of visas is set by the Minister for Immigration and Border Protection.

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3   https://www.immi.gov.au/media/fact-sheets/29overview_family.htm
4   Ibid
5   https://www.immi.gov.au/media/statistics/statistical-info/visa-grants/migrant.htm

When that number for a class or sub class is reached for the year, no further visas are granted and applicants wait in a queue for visa grant consideration in a following year, subject to places becoming available. Applications are considered in the order of their queue date.

11. Student Migration

11.1. Student Migration to Australia is considered temporary by the Immigration Department. Each country is assigned an assessment level which is based on the calculated immigration risk posed by students from that country studying in each education sector. Each country is awarded a mark from 1-3 indicating how trusted that nationality is considered to be. Assessment Level 1 represents the lowest immigration risk, while Assessment Level 3 the highest.

11.2. There are number of requirements a successful applicant for a student visa must meet - an institution to sponsor him or her, English Language skills (level 6 in all four components of language on IELTS), sufficient maintenance funds, (Main applicants need $18,500 (£10,000) per year, partners need $6,500 (£3,600) a year, the first child $3,700 (£2000) a year and every additional child $2,800 a year. (£2000)) The applicant must have Health insurance, pass an interview process, and demonstrate a genuine intent to enter the country for the purposes of study.

12. Immigration Levels

12.1. Immigration to Australia is high. Net Immigration for the current year is forecast to be 246,000.

Figure nine: Net migration to Australia by year

Year	2012	2011	2010	2009	2008	2007	2006	2005	2004
Net Migration	237,052	193,978	175,318	278,259	298,648	238,660	186,118	148,132	141,683

12.2. Proportion of Australians born abroad

- As of 2013, 27.7% of the Australian population was born abroad (6.4 million people).

- The top ten nationalities for people born abroad in Australia were the UK, New Zealand, China, India, Vietnam, Philippines, Italy, South Africa, Malaysia and Germany.

12.3. 2013/14 Forecast

Figure ten: total inflow/departures and net migration for 2013/14

Total Inflow	Total Departures	Net
511,500	265,100	246,300

13. The UK Points Based System

13.1. It is important to note that a Points Based System has already been attempted in the UK and it has largely failed. It contributed, for example, to the mass abuse of the student visa in the Indian Sub Continent in 2008 which forced a temporary closure of the relevant visa sections. The subsequent introduction of interviews was intended to remedy some of the weaknesses that became apparent.

14. Conclusion

14.1. An attempt at a PBS system in the UK has already been found ineffective as a means of limiting immigration and, in practice, the coalition government have been moving away from it for four years.

14.2. The situation in Australia is quite different. Both the Australian Government and the main opposition party pursue a policy of population growth in part supported by immigration. Though their system includes caps, these can be and are set at high levels. Proportionately to their population, Australia has a level of net migration three times higher than the UK.

14.3. There are also other stark differences. Australia operates a Universal Visa system, which means all non-citizens require a valid visa both to enter Australia and remain. This is markedly different to the UK, where the 500 million citizens of the EU have free movement to and from the UK. Furthermore, while Australia has some low skilled migration routes, most work migration is skilled, whereas a much larger component of economic migration to the UK is low skilled (mainly coming from the EU.)

14.4. The Australian system is highly regarded because the Australians can identify and accurately record those who arrive and depart and they have achieved effective control of their borders. Neither depends on their Points Based System. These are, of course, important objectives for the UK but we face very different geographical and political circumstances.

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