

MIGRATION INSTITUTE OF AUSTRALIA (MIA)
RESPONSE TO THE DIAC DISCUSSION PAPER
REVIEW OF THE GENERAL SKILLED MIGRATION POINTS TEST

12 MARCH 2010

CONTENTS

BACKGROUND COMMENTS.....	3
RESPONSE TO DIAC DISCUSSION POINTS.....	8
A POSSIBLE MODEL.....	16
RECOMMENDATIONS.....	18

BACKGROUND COMMENTS

OBJECTIVE

The objective of this submission is to address the need for a balance in Australia's migration program.

- **ECONOMIC**
 - Young, Educated, Skilled, Employable
 - Employer, State/Territory, Family sponsored
 - Successful Businesspeople and Investors
 - Special Eligibility
- **FAMILY**
 - Support to Australian Citizens/ Residents
- **HUMANITARIAN**
 - International Obligations / Capacity

PROGRAM SIZE

Against the objectives determined by Government, there is a need to consider a plethora of environmental factors in setting program targets and limits each year.

Immigration is not an end in itself, it is a means to an end: It cannot, and should not, be considered in isolation from the broader interaction of other social and economic factors at any given time. Not the least of these is a coherent National Population Policy.

The Intergenerational Report addressed the implications of population growth in the context of an aging workforce and expected future demands on infrastructure. There are numerous other considerations and most rely on the ability of the Government to predict the future using the rather inadequate tools of historical analyses.

One point often overlooked is the historical fact that since 1788, skills shortages have been an intrinsic feature of immigration to Australia. Various mechanisms have been employed to address the skills needs at different points in time, starting with the need for farmers to produce food for the early settlers.

While the number and type of skills required continues to change, the absolute need for more skills does not. To deny this truth and then seek to restrict skilled migration to meet future skills needs must result in greater shortages to the detriment of the economy and the future growth of the nation.

There is no evidence to suggest that this will be any different in the future.

Successive Governments have used a variety of mechanisms in an effort to maintain control while, at the same time, facilitate the entry to Australia of the skills needed in the short, medium and long term.

The reality is that migration policy remains at the mercy of political imperatives and expediency rather than long-term planning based on a substantive future-needs analysis.

Nonetheless, in terms of overall program size, it is interesting to compare the experience of other countries.

The following table illustrates migration program outcomes as a percentage of population. Australia falls within the range for comparable migrant-receiving countries, namely Canada and New Zealand. The lower ratio for the USA is a result of the sheer size of its population.

COUNTRY	POPULATION	MIGRATION PROGRAM	PERCENTAGE
AUSTRALIA	22,150,000	180,000	0.81%
CANADA	33,998,000	265,000	0.78%
NEW ZEALAND	4,355,000	40,000	0.92%
USA	308,666,000	1,107,116	0.35%

Despite Australia's better economy and unemployment rate, it alone made a major cut to skilled migration and adopted a "cap and cease" policy last year.

The Prime Minister recently quoted the head of the Reserve Bank of Australia (RBA) that unemployment had peaked in Australia at 5.3% in February 2010. On 2 March 2010, the RBA again increased interest rates to 4% in light of the stronger economy.

Leading economists, such as Dr. Chris Caton, have highlighted the fact that Australia's economy is the strongest of the advanced economies.

It is recognised that recent program outcomes were skewed due to the increased number of onshore GSM applications fuelled by the education industry and its marketing of courses as virtually guaranteeing a Permanent Resident (PR) visa. It is not surprising that such rules yielded the now evident distortions; however, this situation could have been corrected much earlier by simple fine-tuning mechanisms, which were unfortunately not employed.

Why are Temporary Resident (TR) visas counted as PR visas?

A further point of interest is that Australia's migration program includes a substantial number of TR visa grants, which for the sake of integrity in the statistics should be counted separately under the TR numbers, in the same way that Subclass 457 and Employer Nomination Scheme (ENS) statistics are counted separately.

Subclass 485, 475 and 476 visa grants should not be counted under the migration program until such time as they have been granted a Permanent Resident GSM or other PR visa, since there is no guarantee that such individuals will ever be granted a PR visa.

That the Government should decide to dispose of 20,000 valid skilled applications following a previously established special Task Force to address the expected skills

shortage in Western Australia to meet the needs of the Gorgon Gas Project is contradictory. The skills required there are not limited to engineers and trades alone, just as the applicants subject to “cap and cease” cannot all be cooks and hairdressers.

The tendency to plan future immigration programs based on historical data will always remain a problem in a world where change occurs at an ever-rapid rate.

This is not to say that Australia should continue to offer a GSM program that is supply driven rather than demand driven, rather there is a need to bring the program back into focus as per Australia’s future requirements.

This needs to be done in a sustainable manner which does not bring Australia into disrepute or deter good applicants; while the Government appears determined to target cooks and hairdressers already in the system, this decision has already had the unintended consequence of deterring the very best overseas skilled candidates who, after all, have other options.

The Minister for Immigration and Citizenship could have chosen a “cap and queue” option, or simply increased the Points Test pass mark, pending the outcome of a thorough review into the whole system. This could have been done in addition to the abolition of the Migration Occupations in Demand List (MODL). The Minister could decide to cap only selected occupations in a given year, capping and ceasing only cooks and hairdressers without necessarily impacting the other skills in the pipeline that remain in relative demand.

Australia has tended to adopt a stop/start approach to the migration program, but this has never worked because of the necessary lead times, the entire process takes far too long and is not flexible in delivering skilled arrivals.

Competition for the “Best of the Best”

There also remains a real need to consider the market from which Australia hopes to attract the “best of the best” skilled migrants. Potential skilled migrants today are comparatively well educated and well informed and technology enables instant communications between large numbers of people, regardless where they live in the world. Chat lines run hot with every change, real or rumoured, quickly communicated.

The best skilled migrants tend to be flexible and ready to move where the good jobs are located, including skilled Australians, who can be found living and working overseas in increasing numbers.

It is essential for any Government to look forward in order to anticipate likely skill needs that cannot be filled by local Australians over the next three to five years. Employer sponsored migration can only address the immediate needs of eligible employers based on current vacancies.

Given global shortages for the skills needed in Australia over the next 10 years, there is a clear need for Australia to be able to compete effectively, including having a program which is seen to be credible, reliable and transparent.

The cost of migration today is high, and the expectations of highly skilled migrants are also high. Australia can and should deliver accordingly.

Employer Sponsored and State / Territory Sponsored migration is acknowledged as being rightly set at the highest priority levels, given the immediacy of the skill need.

The issue under discussion revolves around how to deal with other applicants who may still bring a wide diversity of skills, experience and networks to Australia.

No Government can pick the best performers without a system with in-built flexibility. The Albert Einstein example is legendary in demonstrating how an overly rigid system is limited to accepting those able to meet technical specifications, but who may or may not prove to be the best overall migrants.

A degree of flexibility enables balance as well as a mix of skills to continue bringing the very diversity so successful for Australia over the last half century.

Of real concern must be how Australia will be able to secure the needed skills, especially when unemployment again drops below 5%, as is expected before the end of 2010.

The Skills Australia Report "Australian Workforce Futures: A National Workforce Development Strategy" identifies the factors impacting the labour market in Australia, stating:

"During the last economic boom, Australia's economic growth was constrained by a shortage of skilled labour. At the same time, however, more than 1.1 million people were either looking for work or wanted more work....."

What the report fails to recognise is that people cannot be forced to obtain higher education or re-train. Even if Government could up-skill the workforce, as suggested, that takes considerable time, which is rarely available when employers need staff to meet urgent contract commitments. This requires mixing a steady flow of skilled migrants with flexibility recruiting overseas workers, all of which entails a longer term perspective and a system able to adjust to the constant changes commensurate with this age of technology.

A Transparent Policy

There also remains a need for clarity and simplicity in the legislation and policy for the benefit of all stakeholders, including DIAC Case Officers. Any new system must provide equally a reasonable degree of certainty and transparency for applicants and their appointed representatives.

Comment

The Department of Immigration and Citizenship (DIAC) Discussion Paper lacks substantive analysis, data or statistics on which to assess various proposals, which means that this response is presented in the absence of such crucial information, limiting the scope of comment to recent announcements by the minister, DIAC fact sheets and sundry media material.

The last major overall review undertaken by Government was in 1988 when the Stephen Fitzgerald Report of the Committee to Advise on Australia's Immigration Policies (CAAIP) was tabled, resulting in the current regulatory framework introduced in 1989. While there have been minor changes and various reports, no similarly comprehensive review of the holistic system has been made in the 22 years since.

A rushed review lacking data and full consideration is not likely to lead to the robust policy setting Australia needs to deal with the next five to 10 years.

RESPONSE TO DIAC DISCUSSION POINTS

Should there be differentiation in points awarded for occupations under the revised Points Test, or should no points be awarded for occupation?

Occupation

In theory, it is possible to develop a single list of occupations, which could contain either all ASCO 1-4 occupations or just those in demand at a given time.

In the former case, it would be necessary to ascribe a weighting to each occupation according to the level of demand in each State/Territory, meaning that current points based on a past notion of occupation type (type of qualification required for each) would be changed to one wherein a numerical points weighting is based on a level of demand.

For example, the occupations in highest demand could attract 60 points; those in a lower level of demand, 50 points; and those in balance, 40 points. Those in any degree of oversupply would attract 0 points and be unable to precede other than by sponsorship. In this example, there is no need for a separate factor for demand points, meaning that the points available to an Industrial Engineer could be less than those available to a Mining Engineer, reflecting a higher demand at a particular time.

Equally, there may be different points for the same ASCO for different States/Territories, reflecting regional differences in demand.

Should the Points Test differentiate between Australian and overseas qualifications? Should prospective applicants be awarded points for overseas and/or Australian qualifications? On what basis could 'eligible' overseas institutions and qualifications be determined?

Qualifications

Points for Qualifications should be allocated separately for the highest qualification obtained, as recognised in Australia according to the CEP or NOOSR or the appointed Skills assessing body.

A loading should be available for selected qualifications where the corresponding qualification has been obtained while studying in Australia, given the higher potential for recognition, employability and applicability to the Australian labour market.

Are these factors (BELOW) appropriate to form the basis of a new Points Test? What changes would you make? What other factors may be appropriate?
a. How should high level English language ability be recognised?

- b. Should there be changes to points awarded for the age factor (to recognise value of work experience)? / Should there be a relaxation of the age limit at time of application or provides applicants who possess work experience with the ability to access greater points? Should there be more or differentiated points for higher degree qualifications?**
- c. Should there be points for a well qualified partner?**
- d. Should there be points for family sponsorship?**
- e. Should there be points for regional study?**
- f. Should there be points for community languages?**
- g. Should there be points for State/Territory sponsorship?**
- h. Should Professional Year (PY) points be retained?**

English

English points should follow IELTS (as an accepted international standard) actual scores, with higher points for higher scores within a bigger range, including the inclusion of an overall score option, aligned with education entry requirements as well as incorporating the flexibility already available to some occupations such as Nurses and Migration Agents.

This approach not only provides for variations in test results, but is consistent with the findings of the Third Longitudinal Survey of Immigrants to Australia (LSIA 3) in 2006.

Given the vagaries of the IELTS Test, especially between different Test Centres, there would be considerable equity in adopting a system that provides a higher score for those with higher results, and is also accepting of those with a slightly lower score in one component of IELTS in one particular test. This latter situation should not, of itself, exclude an otherwise qualified applicant.

In this regard, the law and policy should further allow for DIAC Case Officers to consider the results of more than one valid (less than two-years-old) IELTS Test results in assessing this factor.

Age

There is sustained pressure from the Government for Australians to continue working past current Social Security pension age and an increased life expectancy of the population. It is therefore logical to raise the point system's upper age limit from 45 to 50 years. Given the importance of experience, it would be similarly logical to reduce the age ranges to a mere three: 20-34; 35-44; and 45-49.

While maximum points should remain allocated to the youngest group, the high value of extensive experience should result in a relatively small differential between the middle and oldest group.

Experience

Work experience should be a totally separate item to allow scope for those with higher qualifications, higher English scores and maximum age points, etc, to qualify with less experience than an older applicant with lower qualifications and poorer English scores.

Points should be allocated according the nature and length of experience. A reality of the international labour market is professionals do cross over what are now generally regarded as artificial occupational boundaries. The move towards combined degrees is a reflection of this world-wide trend.

Work experience should reflect the importance placed on experience by employers, as many today value an experience mix over expertise in a narrow specialisation.

To earn the extra points for work experience undertaken while in Australia, an applicant would still be required to hold a relevant visa with work rights.

To allow for those overseas students who hold a recognised overseas qualification prior to the commencement of studies in Australia, the required number of working hours should remain 20 per week.

The micro-management specification that experience be only in the nominated occupation, or in a closely related occupation, is inconsistent with the trend amongst skilled individuals to move between occupations and careers to the benefit of themselves and their employers, while also providing a much needed broad-base of experience for mobility across the labour market.

This concept should be addressed through a more flexible points weighting. Based on the above points, it could be argued that more points should be accorded a well-qualified individual with a mix of post-qualification skilled experience.

Partner

A spouse/partner whose occupation is in demand, plus a skills assessment and the minimum IELTS score, is still regarded as an important human capital asset to Australia, and this should be recognised as part of the value the family unit, as a whole, brings to the country.

The current loading should be increased by a factor of four.

Community Language

Australia is a part of the global community with exports that form the very basis of the country's economic standing. Recognition of additional language skills is in

Australia's best interests across a number of different industry sectors, including trade, tourism, hospitality and education.

Multilingual skills are of increasing importance, and this element should be recognised as such within any GSM Points Test.

Assets

In the absence of evidence of a direct correlation between the relative wealth of a skilled migrant and the skills benefit of their human capital, it is not possible to comment on whether there is sufficient justification for this factor to be included under any new Points Test.

Nevertheless, it is accepted wisdom that skilled migrants do require access to sufficient funds in order to cover their initial migration and settlement costs.

Sponsorship

The benefits of support from an employer are well-established, and the top priority accorded ENS reflects this.

The benefit of the additional employment offer points in respect of the MODL factor is less clear, as the specific requirements for what amounted to an extra 5 points for applicants who would almost invariably have passed with the base MODL points.

There is an additional argument for allocating points to an applicant who is able to secure a verifiable skilled job offer from an Australian employer consistent with their qualifications and experience. This should be guaranteed for a period of six months after the applicant arrives in Australia, and include the exact terms and conditions of employment, including a market rate salary.

This approach has already been adopted by some State/Territory Governments as part of the Sponsorship criteria.

Many employers willing to provide such an employment are either unable or unwilling to sponsor an overseas nominee under ENS or Subclass 457, despite experiencing problems recruiting from within the local labour market due to the perceived transiency of these visa classes. For Australia to rely on such visas there needs to be further education of the labour marketplace.

With respect to State / Territory Sponsorship, it is noted that the Minister has already decided to implement State Management Plans as the second highest priority level. Based on the information available, it appears that each State /Territory Government will be required to submit a plan with a list of occupations in demand in their respective areas.

The plan will require details as to how the State / Territory Government will monitor the level of demand and also ensure sponsored applicants settle and work in the specific area for which they are sponsored.

It is also understood that the area be a particular town or region, not necessarily the state or territory at large.

Regional settlement

It would be interesting to review empirical data to assess the effectiveness of the current allocation of points for regional study and designated area sponsorship against the stated objectives of regionalisation. In the absence of substantive data, it is difficult to conclude whether there is any value in providing for similar factors to be included under any new Points Test.

Pass Marks

There is no evidence that the pool system has produced serious outcomes in terms of subsequent employer nominations. There should be one clear pass mark for all applicants. The range of factors and specific weightings accorded should be sufficient to achieve program outcomes. The weightings for sponsorship should be structured to provide sufficient points for those with lower scores under the skill factor to proceed.

RECOMMENDATION

- a. The Points Test, as a method of selecting high quality GSM applicants should be retained, however, any new Points Test should incorporate suggestions made in this paper subject to proper modelling and testing.**
- b. The value of greater experience should be recognised under the Points Test, with an increased number of possible variables with additional points for greater experience.**
- c. The migration industry should be involved with the development of the final model prior to implementation and participate in necessary field trials.**

ALTERNATIVE APPROACHES FOR TO THE POINTS SYSTEM BASE LINE PROFILING

In this model, the Government could create a limited set of profiles focused on demand for particular occupations at any given time.

For example, the new SOL could be listed by occupation and scored by State/Territory, using a coding such as:

S	-	Serious shortage,
MS	-	Minor Shortage,
B	-	Balance,
MO	-	Minor Oversupply, and
O	-	Major Oversupply.

In such a model, an S or MS occupation would apply for an Independent Skilled visa. All others would be required to obtain an Employer Nomination or State/Territory Sponsorship. Those with a Family Sponsorship would be required to work in an occupation showing a B, MS or S, and be unable to apply at all if their occupation scored an O or MO.

The difference in profile between S and MS would then be based on age, experience and English; for example, those with an S occupation might require an IELTS score of 6/4, be under 50 years of age and have not less than one year experience, while those with an MS occupation might require an IELTS score of 7/4, be under 35 and have and not less than three years experience.

This system lends itself to simplicity and is a hard “in or out” approach. Without more data, there is no way to test outcomes against other options to determine whether it would deliver applicants to match future skills needs.

RECOMMENDATION:

Australia should not adopt an absolute hard line system because a diversity of skills and backgrounds is needed to create an effective and productive society. It is inconceivable that any such system could deliver winners over any period of time and would have to be constantly adjusted to deliver results. This in turn creates uncertainty and unreliability.

LOTTERY

The essential element of a lottery system involves potential applicants lodging an Expression of Interest (EOI), which then go into a pool for a fixed period of time

Each month the Government would trawl through the EOI and select the best to achieve a fixed numerical program outcome. To register an EOI, an individual would score not less than a pass mark, such as 100 points in the case of New Zealand.

Those who meet the Government’s pass mark would be sent an invitation to lodge a formal application, pay the application fee and submit all the required supporting evidence.

Given that New Zealand is very different to Australia in terms of geographical and population size, resources and skills required, there is no evidence to suggest that their current system can be transplanted to Australia.

The United State Green Card Lottery system – the Diversity Lottery (DV) Program – makes 50,000 permanent resident visas for the applicant and immediate family

available through a lottery. A country is listed if the US received less than 50,000 immigrants during the last three years and only those holding the nationality of a listed country are eligible.

Each spouse can lodge a separate application online if they each have either a high school education or equivalent, defined in the U.S. as successful completion of a 12-year course of elementary and secondary education; or two years of work experience within the past five years in an occupation requiring at least two years of training or experience.

The US option does not aim to target specific skills or other attributes. It simply provides a degree of numerical equity between countries. Accordingly, it cannot be considered a suitable model for Australia. An additional drawback to such lottery schemes is that they really need to be presented as such since they afford no real transparency to the process of selection.

RECOMMENDATION:

Australia should not adopt a lottery style system for the reasons stated, especially having regard to the expected skills shortage as reported by Skills Australia in their report on “Australian Workforce Futures - A National Workforce Development Strategy” presented on 5 March 2010.

PROCESSING AND LEAD TIMES

The challenge for the Government is how to deliver the skills "in demand" as per a new SOL in a timely manner, as current GSM lead times are excessive. Variables in lead time include:

- 1) IELTS Testing
- 2) Assessing bodies
- 3) State/Territory sponsorship
- 4) Security and integrity checking delays of 12 to 18 months
- 5) DIAC processing times, now six to eight years for lower priority applications

A total processing time counted in years mitigates the idea of meeting skills shortages, especially in a fast changing world where Australia must compete with a number of countries for the skills in highest demand.

Also in question is how to target specific skills at any particular time whilst providing sufficient flexibility so that Australia does not end up with a program filled by those who can technically comply, but are not necessarily the best skilled migrants. In this, Australia would benefit from the diversity achieved by a degree of mix and match.

RECOMMENDATION:

DIAC should reduce the long lead times and high costs involved in a GSM application as a critical element in any new system which seeks to secure the best quality skilled migrants within a reasonable timeframe.

VISA VALIDITY

The current regime allows a first entry within around six to nine months of visa grant and the balance of five years within which to settle. This flexible Resident Return Visa (RRV) is a major selling point for Australia, but means that skills are not necessarily available when required.

If skilled migrants are required to take up jobs within a reasonable time of an identified need (as per the new SOL), then there are two options: Reduce the RRV from five to two years; Or only grant a Temporary Resident visa to all approved skilled applicants, with a condition requiring the holder to have lived for a period of two years and worked for a period of one year before applying for a PR visa, other than under the ENS.

The current five year RRV applies equally to all successful PR visa applications and changes at this time could be expected to cause far-reaching ramifications. Any suggestion about changing the current provisions should be the subject of a separate review.

There is no evidence to suggest that offshore TR visas have achieved their objective of getting holders into skilled jobs in areas required any faster than PR visa holders.

Anecdotal evidence suggests, in fact, that the opposite may be the case, as employers are reluctant to take a risk with anyone who is not a PR visa holder. TR visa holders themselves are often seen as second class migrants, with no access to Medicare. It is hard to understand why it is necessary to impose added stress on applicants in what is already a very stressful exercise.

On the other hand, onshore GSM applicants who have completed studies in Australia can be required to proceed only to a Subclass 485 Visa since they generally lack the required work experience. Since they will have been living in Australia for the previous two or more years, they should be able to secure employment in their field. Once they are able to evidence 12 months work experience and obtain a full skills assessment, they are able to proceed to a PR visa under Subclass 887.

It is understood that the CSL will be abolished for new applications with effect from the date the new SOL is implemented. If the new SOL reflects only those occupations which are in demand then, clearly, all GSM applications lodged from that date should be processed in strict chronological order.

PROCESSING PRIORITIES

The SOL could be designed to incorporate the level of demand for each occupation in any area of Australia, at any given time. If this can be done successfully then,

logically there would be no need for the minister to issue directions as to the order in which applications should be considered. A further benefit should be the reduction in the number of occupations lists, which have tended to add ever increasing confusion for all stakeholders.

RECOMMENDATION:

- a. No changes should be made to the current RRV validity period**
- b. Offshore GSM applicants should be granted a PR rather than TR visa**
- c. Onshore GSM applicants who have completed studies in Australia continue to apply, initially for a Subclass 485 visa**
- d. The current processing priorities should not apply to new applications from the same date, and all GSM applications lodged from that date should be processed in strict chronological order**

A POSSIBLE MODEL

If a points test is to be maintained, the following is a possible model which could be applied. It is designed to illustrate different weightings being applied to each of the general criterion.

OCCUPATION POINTS*

POINTS AWARDED ACCORDING TO SOL DEMAND + POSITIVE SKILLS 50 / 40 / 30

QUALIFICATIONS

HIGHEST AUSTRALIAN AQF OR COMPARABLE OVERSEAS QUALIFICATION	OVERSEAS AUSTRALIA	
DOCTORATE	25	+5
MASTERS DEGREE	20	+5
BACHELOR DEGREE + POST GRADUATE DIPLOMA	15	+5
BACHELOR DEGREE WITH HONOURS	15	+5
BACHELOR DEGREE	10	+5
ADVANCED DIPLOMA	5	+0
DIPLOMA	5	+0
TRADE CERTIFICATE III OR HIGHER	10	+5

WORK EXPERIENCE

	OVERSEAS AUSTRALIA	
10 YEARS TOTAL POST QUALIFICATIONS EMPLOYMENT IN NOMINATED OCCUPATION	30	+5
ANY SOL OCCUPATION(S)	20	+5
5 YEARS TOTAL POST QUALIFICATIONS EMPLOYMENT IN: NOMINATED OCCUPATION	20	+5
ANY SOL OCCUPATION(S)	15	+5
3 YEARS TOTAL POST QUALIFICATIONS EMPLOYMENT IN: NOMINATED OCCUPATION	15	+5
ANY SOL OCCUPATION(S)	10	+5
1 YEAR TOTAL EMPLOYMENT IN PRECEDING 2 YEARS IN: NOMINATED OCCUPATION	10	+5
ANY SOL OCCUPATION(S)	5	+5

AGE

20 – 34	30
35 – 44	20
45 – 49	10

ENGLISH

IELTS SCORE		
OVERALL	ON EACH COMPONENT	
8.0 or 7.5+		30
7.5 or 7.0+		20
7.0 or 6.0+		10

PARTNER SKILLS

LISTED SOL OCCUPATION + RECOGNISED QUALIFICATION + IELTS 20

COMMUNITY LANGUAGE

NAATI OR DEGREE 5

SPONSORSHIP

EMPLOYER – confirmed verifiable job offer	30
STATE	20
FAMILY	10

PASS MARK

?

NOTE: Points shown for illustration purposes only and are neither evaluated nor tested.

RECOMMENDATION:

Alternative models of points test-based systems should be evaluated.

RECOMMENDATIONS

1. Points Test

- a. The Points Test, as a method of selecting high quality GSM applicants should be retained, however, any new Points Test should incorporate suggestions made in this paper subject to proper modelling and testing.**
- b. The value of greater should experience be recognised under the Points Test, with an increased number of possible variables with additional points for greater experience.**
- c. The migration industry be involved with the development of the final model prior to implementation and participate in necessary field trials.**

2. Australia should not adopt an absolute hard line system because a diversity of skills and backgrounds is needed to create an effective and productive society. It is inconceivable that any such system could deliver winners over any period of time and would have to be constantly adjusted to deliver results. This in turn creates uncertainty and unreliability.

3. Australia should not adopt a lottery style system for the reasons stated, especially having regard to the expected skills shortage as reported by Skills Australia in their report on “Australian Workforce Futures - A National Workforce Development Strategy” presented on 5 March 2010.

4. DIAC should reduce the long lead times and high costs involved in a GSM application as a critical element in any new system which seeks to secure the best quality skilled migrants within a reasonable timeframe.

5. Processing

- a. No changes should be made to the current RRV validity period**
- b. Offshore applicants should be granted a PR rather than a TR visa**
- c. Onshore GSM applicants who have completed studies in Australia continue to apply, initially for a Subclass 485 visa**
- d. The current processing priorities should not apply to new applications from the same date, and all GSM applications lodged from that date should be processed in strict chronological order**

6. Alternative models of points test-based systems should be evaluated.