

WHICH SKILLED TEMPORARY MIGRANTS BECOME PERMANENT RESIDENTS AND WHY

by

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EXTENDED ABSTRACT

Introduction

Most labour migration flows are temporary as destination countries often impose strict conditions to ensure that foreign workers return home at the end of their work contract. It is also inevitable that some temporary migration will become permanent as some temporary migrants decide they would like to remain on a longer term or indefinite basis. In today's global competition for skilled labour, countries are usually more amenable to allowing skilled temporary migrants than the unskilled to become permanent residents. This paper examines the factors that are associated with skilled temporary migrants' decision to become or not become permanent residents and the reasons for their decision. The paper is based on data from a recent survey of skilled migrants in Australia's temporary business entry program, which is similar to the H-1B visa program in the United States. Policy implications of the research findings for destination countries are discussed.

Skilled temporary migration to Australia

There has been a paradigmatic shift in global international migration which has strongly influenced Australia (Hugo 1999). One of the crucial elements in this shift is a continually increasing number of people moving to and from Australia on a non-permanent basis. For most of the postwar period, Australia eschewed acceptance of temporary migrant workers in favour of placing its emphasis on permanent settlement in Australia. However, since the mid-1990s, the number of overseas visitors entering Australia on a temporary long-term basis (staying for at least one year) has exceeded the number of people arriving for permanent settlement, and since 1998/99 net long-term arrivals of overseas visitors has exceeded net permanent migration to Australia.

In 1996, in response to the new global economy and business groups wanting more flexible arrangements for bringing in skilled workers from overseas on a temporary basis, the government introduced a new temporary business entry visa that allowed employers to sponsor skilled workers from overseas for a stay of up to four years (Business Advisory Panel 1999). The visa is renewable and visa holders are able to apply for permanent residence. Since the introduction of the visa, the temporary entry of skilled workers has increased steadily. In 2003-04 over 40,000 temporary business entry visas were granted compared with 25,000 in 1996-97. It was estimated that as of June 2004, over 58,000 people on this visa were temporary resident in Australia. There have also been substantial increases in other categories of temporary migration to Australia such as overseas students and working holiday makers.

Immigration statistics for recent years show that Australia's temporary migration program is providing a pathway to permanent settlement and that the distinction between temporary and permanent migration, especially in relation to skilled migration, is becoming less clear. The Longitudinal Survey of Immigrants in Australia showed that about 25 per cent of permanent migrants admitted under the skilled visa categories were not planning to stay permanently and might return to their former home country. On the other hand, 60 per cent of skilled temporary migrants indicated that they had come to Australia with the intention of applying for permanent settlement. In 2003-04, close to 10,000 people holding the temporary business entry visas applied for and were granted permanent residence in Australia (DIMIA 2005).

In 2001 Australia also changed its policy to allow foreign students to apply for permanent residence as skilled immigrants on completion of their studies. In 2003-04, over 17,000 foreign students applied for and were granted permanent residence as skilled immigrants (DIMIA 2005).

Theoretical focus

The relationship between temporary and permanent migration is an interesting one and has potentially important policy implications. International migration theories do not address this relationship very well since most of the theories consider the economic and structural issues motivating or sustaining migration flows (see Massey et al. 1993) but not the temporal aspects of international migration. However, as in Australia, there has been an increase in temporary migration in recent years in many other countries, both in relation to low-skilled and highly skilled migration (see Salt 1992; Iredale 2001). Therefore, there is increasing interest in the relation between temporary and permanent migration and the extent that temporary migration is becoming a pathway to permanent residence in the destination country.

It has been suggested that the temporary versus permanent migration dichotomy may be a false one because there are strong links between initial temporary migration and intended permanent migration (Balaz et al. 2004). It has been hypothesised that temporary migration can be a learning experience that facilitates permanent migration. Alternatively, it can also be a substitute for permanent migration in that it allows people to satisfy their desire to experience living and working in a foreign country without the need for permanent migration (Balaz et al. 2004). There is also a third potential hypothesis and that is that some temporary immigrants to countries such as Australia want to apply for permanent residency because it is available and may prove to be convenient (giving them more residential and employment options), without necessarily changing their life intentions.

The paper uses survey data on the reasons for initial migration and permanent residence intentions of skilled temporary migrants in Australia to examine these hypotheses. It also looks at the migrant characteristics that are associated with the permanent residence intention of temporary migrants to gain a better understanding of the relation between temporary and permanent migration.

Data

The paper is based on a survey of skilled temporary migrants in Australia conducted by the authors in 2003-04 with the collaboration of the Australian Government's Department of Immigration and Multicultural and Indigenous Affairs (DIMIA).

Letters were sent by DIMIA to 6,000 people who were holders of the employer-sponsored temporary business entry visa for whom contact addresses were available from DIMIA's most current administrative list. The recipient was invited to participate in the survey by completing the enclosed questionnaire and mailing it back to the research team. Alternatively, they could go to the survey website on the internet and complete the questionnaire online and submit it directly back to the research team. A reminder letter was sent one month after the initial approach letter.

The survey questionnaire included questions on demographic characteristics, reasons for coming to work in Australia, employment situation, family situation and future residence and migration plans.

Altogether 1175 people responded to the survey. DIMIA reported that 1,100 letters were returned because the addressee was no longer at the mailing address. The 1175 respondents yielded an estimated response rate of about 25 per cent. Comparison of the survey sample with all the temporary migrants who were contacted about the survey showed that the survey respondents were representative in terms of location of residence, industry of employment and country of citizenship.

Characteristics of skilled temporary migrants

The top five source countries of skilled temporary migrants in the survey were the United Kingdom, Japan, India, United States of America and South Africa. UK citizens made up 30 per cent of all recent arrivals on the temporary business entry visa. In the survey, UK citizens were 33 per cent of all respondents.

Most skilled temporary migrants were young single adults or partnered without children. Female respondents were younger on average than male migrants and less likely to be partnered. Partnered migrants were likely to bring their partners with them, probably because partners had full work rights. One-third of respondents had children and one-quarter had brought children with them.

A great variety of occupations were represented in the survey. The largest occupational group was professionals, followed by managers and administrators. For men, the most often mentioned occupation was computing professional and for women, it was registered nurse. Chefs were the largest group among associate professionals. Trades occupations included motor mechanics and electricians.

Permanent residence intention

Over one-third of the survey respondents had already applied for permanent residence at the time of the survey and another 48 per cent stated that they intended to apply. Only 16 per cent answered 'no' to the question on permanent residence intention.

Multinomial logit analysis will be used to identify migrant characteristics that are significantly related to permanent residence intention. The migrant characteristics that will be examined are sex, age, marital status, country of citizenship, level of education, occupational group and job satisfaction.

Reasons for initial decision to come to work in Australia and for wanting or not wanting to become permanent residents

The survey asked migrants to indicate the importance of a number of specific reasons for coming to work in Australia and for wanting or not wanting to apply for permanent residence in Australia. Sixty per cent of the respondents indicated that permanent residence was an important reason for their initial decision to come to work in Australia as temporary migrants. Lifestyle reasons were important to many people, particularly those from other developed countries, both for the initial decision to come to Australia as temporary migrants and for wanting to apply for permanent residence. For many respondents from less developed regions, an important reason for becoming permanent residents was that it was good for their children. Other important reasons for both the initial decision to come to work in Australia and for permanent residence were better employment opportunities and higher salary. Push factors such as a dislike for the social or economic conditions of the home country were important to only a small minority of people but they were more likely to be important to people from African countries. While few people considered having relatives in Australia to be important in their permanent residence decision, a number of people stated that forming a relationship with an Australian resident was important in their decision to apply for permanent residence.

The skilled temporary migrants who did not intend to apply for permanent residence usually gave employment related reasons for their decision: that promotion, career and employment opportunities and salaries were better elsewhere. Family reasons - not having relatives in Australia or it was better for the children elsewhere - were also important to many people. Thirty per cent indicated that they thought the permanent residence application process was too difficult.

Factor analysis will be used to analyse these reasons to identify the factors that motivate temporary migrants to apply or not apply for permanent residence. The factor scores generated by the factor analyses will also be subject to multivariate analysis to see which reasons are more likely to be important to temporary migrants according to their age, sex, marital status, family situation, country of origin, level of education, occupation and job satisfaction.

On the basis of the findings from these analyses, the paper will discuss the implications for the various hypotheses on the relation between temporary and permanent migration. The paper will conclude with a discussion of the policy implications of the research findings.

References

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