Australia's State-Specific and Regional Migration Scheme: An Assessment of its Impacts in South Australia

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Abstract In post-demographic transition societies, the impacts of low fertility and aging are most strongly felt in peripheral areas where they are exacerbated by youth outmigration. International migration is increasingly seen to have the potential to offset these demographic constraints on economic development. In Australia, immigration policy has been strongly focused on selecting who can be accepted as settlers. However, there are now a range of visa categories which also influence where they settle and channels a fifth of settler arrivals into lagging peripheral parts of the nation. This paper shows how these have been used by the State of South Australia to more than treble its immigrant intake as part of its economic development strategy. The impact of the State-Specific Regional Migration (SSRM) Scheme in South Australia is assessed and the initial experience of settlers examined. It is argued that international migration can play a supportive role in the development of peripheral regions in OECD countries, but there are a number of preconditions which need to be met for them to be effective.

Résumé Dans les sociétés de transition post-démographique, les faibles taux de naissance et le vieillissement de la population se font le plus sentir dans les secteurs périphériques, où l'exode des jeunes vient exacerber leur impact. Le potentiel de la migration internationale à contrer ces limites démographiques sur le développement économique est de plus en plus apprécié. En Australie, la politique en matière d'immigration visait principalement l'identification des postulants acceptables. Par contre, il existe maintenant une gamme de catégories de visas qui influencent également le lieu d'établissement des immigrants, dirigeant le cinquième des nouveaux arrivants vers les secteurs périphériques défavorisés du pays. Cet article démontre comment l'État de l'Australie-Méridionale a profité de ces catégories pour augmenter (par un facteur dépassant trois fois) son apport d'immigrants dans le cadre de sa stratégie de développement économique. Nous évaluons l'impact du projet de migration régionale spécifique à l'état (State Specific Regional Migration) de l'Australie-Méridionale et étudions l'expérience d'établissement des immigrants. Nous proposons que la migration

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internationale puisse appuyer efficacement le développement de secteurs périphériques dans les pays de l'OCDE en autant que certaines conditions sine qua non soient respectées.

Keywords Settlement · Regional migration · Migration policy · Migration and development

Mots-clés Établissement · Migration régionale · Politique en matière de migration · Migration et développement

Introduction

International migration accounts for around a half of contemporary Australian population growth, so where immigrants settle significantly influences population distribution. Indeed, international migration is as important a process in explaining variations in population growth in Australia as internal migration. In recent decades, two trends in immigrant settlement have been of crucial importance in this respect.

- An increasing trend to settle in particular states—especially New South Wales, Victoria, and Western Australia. Queensland's share of settlers has increased.
- A growing concentration in major metropolitan areas especially Sydney and Melbourne.

Since the mid-1990s, however, Australian immigration policy has undergone a major change whereby it not only establishes who can settle in Australia but also, for a significant number, where they are permitted to settle, at least for their first 3 years in the country. There have been some limited policies in the past to influence where some immigrants settle (Hugo 1999), but not on the scale as is presently the case. This change in policy resulted partly from a desire by some to direct immigrants away from Sydney where immigrants were perceived to be contributing to environmental pressures, increased living and housing costs, and congestion (Withers and Powell 2003). However, the main force has been lobbying by lagging regions and states who consider labor and skill shortage as a major constraint on their economic development. The result has been the introduction of a suite of State-Specific and Regional Migration (SSRM) visa categories which channel settlers toward particular parts of Australia and also a greatly increased role of State and Regional Authorities in immigration and settlement in Australia. This paper focuses on the nature and impact of the SSRM Scheme in the State of South Australia which has arguably been the strongest lobbyist for, and user of, the Scheme.

Since Federation a century ago, immigration and settlement policy and programs have been overwhelmingly undertaken by the Federal Government. Under Section 5.51 (xxvii) of the Australian Constitution, the Commonwealth government is empowered to legislate for immigration. As Jupp (2002, 67–8) points out, before Federation in 1901, the states (then separate colonies) organized immigration control, assisted passengers and settlement services, and continued to do so (in cooperation with the Commonwealth) until the end of World War I. Thereafter, the Commonwealth took over control of settlement and assistance. However, the

introduction of the SSRM program has seen states like South Australia take on a greater role in the immigration and settlement process, changing the balance of Commonwealth/State involvement (Hugo 2005a).

The paper begins with a discussion of the changing role of international migration in shaping population distribution patterns in OECD countries. In the rapidly growing immigration into these countries, especially from "south" countries, one of the most pervasive patterns is the concentration of immigrants in large metropolitan centers, especially global cities (Benton-Short et al. 2005). However, there is increasing diversity in immigrant settlement which is influencing some peripheral areas within OECD nation-states. The next section focuses on South Australia and shows how the State's peripheral position in the Australian space economy has resulted in it having the lowest levels of demographic and economic growth of Australia's mainland states. In response to this, the South Australian government was the first in the nation to develop a Population Policy in which increasing immigration was central. The paper then makes an assessment of the impact of the policy in increasing immigrant settlement. A survey of SSRM settlers in South Australia is then drawn upon to examine the way in which immigrants have been attracted to the State, make an early assessment of their adjustment and address the crucial issue of the extent to which they will be retained in South Australia. Finally, some of the implications of the findings for future immigration patterns are discussed.

The introduction of the SSRM Scheme represents a major change in Australian immigration for a number of reasons:

- It in effect creates two classes of immigrants. One group can settle where they wish, while the other is restricted in where they settle, at least during their initial years in Australia.
- The SSRM Scheme has involved the explicit factoring of international migration into regional as opposed to national development planning and strategies.

It is important, therefore, to assess the early impacts of the SSRM.

Changing Patterns of Immigrant Settlement

One of the most striking elements in the new global migration is the increasing flow from south (less developed) to north (more developed, mainly OECD) countries (Global Commission on International Migration 2005; SOPEMI 2006). The United Nations (2006) has estimated that more than a half of population growth in more developed countries over the 1995–2005 decade was attributable to net migration gain from less developed countries. The south–north migration has been predominantly directed toward the major metropolitan areas of the north, especially global cities (Benton-Short et al. 2005). Moreover, this immigration has been seen as a crucial element in the functioning of such cities providing many of the highly skilled, managerial, and other high-level workers fundamental to global cities but also large numbers of low income, low status service workers (Sassen 2001). Low or declining fertility and aging in OECD countries is seen as one of the key drivers of south–north migration (World Bank 2006). However, these demographic patterns in OECD countries are being felt most outside of large cities, and labor and skill shortages are often more severe in those areas.

While the connection between international migration and global cities is an important one, there is growing evidence of international migration becoming increasingly influential in more peripheral areas in OECD nations. In the United States for example in 1990, 75% of the nation's foreign-born population lived in the states of California, New York, Florida, Texas and Illinois, but by 2005, this had been reduced to 59% (Martin and Midgely 2006, p. 16).

In Europe, too, there is an increasing trend toward immigrant settlement outside of major cities, especially in Southern Europe. In France, Spain, Italy, Greece, and Portugal, migrants provide the main source of agricultural labor (Kasimis 2005), but they increasingly work in other sectors of the economy outside of major cities as well (Kasimis et al. 2003). In the case of Greece, Kasimis and Papadopoulous (2005, p. 102) have demonstrated how the settlement of immigrants has been facilitated by the outmigration of native populations from rural areas, the unwillingness of local labor to take on low status, low income, manual jobs, and the expansion of job opportunities in tourism, housing, and new consumption patterns of leisure and recreation in rural areas has 'facilitated the social, economic, and demographic penetration of migrants'. Indeed, they argue that migrants have brought a new dynamism to rural communities that were experiencing decline and depopulation.

In Australia, immigrant settlement has become increasingly more concentrated during the postwar period (Hugo 2004). The most consistent pattern has been the increasing proportion settling in urban areas. Between 1947 and 2001, there was an increase of 141% in the numbers of Australia-born persons living in cities with 100,000 residents or more (to reach 60% of the total). However, among the overseasborn there was a 642% increase so that in 2001, 82% of the foreign-born lived in these major cities. The proportion of the foreign-born living in Sydney and Melbourne alone increased from 42.5% in 1947 to 53.2% in 2006. However, the focus here is more on the role of international migration in shaping the distribution of population between the Australian states and territories.

State/territory	Total population			Australia-born			Overseas-born		
	1971	2001	2006	1971	2001	2006	1971	2001	2006
New South Wales	36.1	33.4	32.9	36.4	32.7	32.1	34.6	35.9	35.2
Victoria	27.5	24.6	24.9	26.6	24.0	24.4	30.9	26.3	26.6
Queensland	14.3	19.2	19.7	15.7	20.4	20.9	9.0	15.0	15.8
South Australia	9.2	7.9	7.7	8.8	8.1	8.0	10.9	7.2	7.0
Western Australia	8.1	9.8	9.8	7.3	9.1	9.1	11.0	12.1	12.0
Tasmania	3.1	2.4	2.4	3.4	2.8	2.8	1.6	1.1	1.1
Northern Territory	0.7	1.1	0.9	0.7	1.2	1.1	0.7	0.7	0.6
Australian Capital Territory	1.1	1.7	1.7	1.1	1.7	1.7	1.4	1.6	1.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Table 1Australia: percent of total overseas-born and Australia-Born population in states and territories,1971, 2001, and 2006

Source: ABS population censuses

State/territory	Australia-born (percent)			Overseas-born (percent)			Persons arriving in last 5 years (percent)		
	1996	2001	2006	1996	2001	2006	1996	2001	2006
New South Wales	33.2	32.7	32.1	35.5	35.9	35.2	41.2	40.8	34.1
Victoria	24.0	24.0	24.4	26.6	26.3	26.6	24.4	23.6	26.1
Queensland	20.0	20.4	20.9	14.3	15.0	15.8	15.1	17.3	18.5
South Australia	8.2	8.1	8.0	7.7	7.2	7.0	4.5	4.1	5.7
Western Australia	9.0	9.1	9.1	12.2	12.1	12.0	11.6	11.3	12.5
Tasmania	3.0	2.8	2.8	1.2	1.1	1.1	0.8	0.7	0.9
Northern Territory	1.2	1.2	1.1	0.8	0.7	0.6	0.7	0.7	0.7
Australian Capital Territory	1.7	1.7	1.7	1.7	1.6	1.6	1.6	1.5	1.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Table 2Australian states and territories: percentage distribution of the population by birthplace andoverseas-born arriving in the last 5 years, 1996, 2001, and 2006

Source: ABS 1996, 2001, and 2006 Censuses

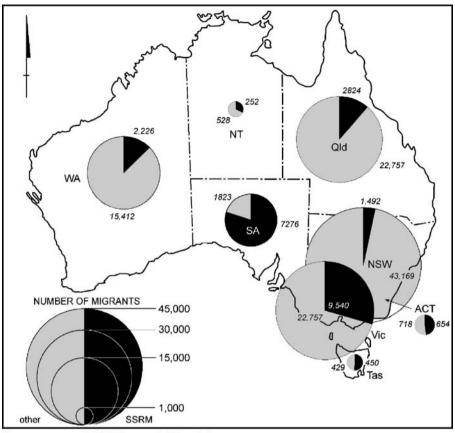
In 1947, the states of New South Wales, Victoria, South Australia and Tasmania accounted for 78.4% of the national population, but by 2001, they had 68.7%. On the other hand, Queensland increased its share from 14.6% to 18.7% and Western Australia from 6.6% to 9.8%. Table 1 shows that in 2006, immigrants were overrepresented in New South Wales, Victoria and Western Australia. It also indicates that between 1971 and 2006, the degree of concentration increased in New South Wales, Queensland, Western Australia and the Australian Capital Territory. However, it will be noted that there has been some change between 2001 and 2006 and international migration has played a role in this.

While much of the shift in interstate population distribution has been caused by interstate population movements, it is also shaped by a propensity for immigrants to settle in particular states. Table 2 indicates that immigrants have settled disproportionately in New South Wales, Victoria, and Western Australia. It will be noted, however, that there has been a striking increase in the proportion of newcomers settling in Queensland in the last 5 years. This may indicate that, after an extended period of getting less than a proportionate share of immigrants, Queensland is becoming a significant attraction to immigrants. For three decades, Queensland has been the dominant destination of interstate migrants within Australia (Bell and Hugo 2000) both because of a booming economy and lifestyle-led migration. However, until recently, it received less than its proportionate share of immigrants (Hugo 1990).

The relative contributions of net international migration and net interstate migration and natural increase to population change in the states and territories are shown in Table 3. In New South Wales, the largest State, there was a net international migration gain of almost one quarter of a million which accounted for 60.8% of the State's population growth between 1996 and 2001. Moreover, NSW experienced a significant net loss due to interstate migration—a longstanding pattern (Hugo 2003). However, it will be noted that there was a decline in the significance of international migration's growth in New South Wales between 2001 and 2006 despite a substantial increase in international migration to Australia over this period. For Victoria, the pattern is somewhat different. International migration increased its significance as a component of growth in 2001–2006 compared with 1996–2001.

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State/territory	Net overse	overseas migration			Net intersta	Net interstate migration			Total population growth	on growth
	1996–2001		2001–06		1996–2001		2001–2006		1996–2001	2001-2006
	No.	Percent of growth	No.	Percent of growth	No.	Percent of growth	No.	Percent of growth	No.	No.
New South Wales	243,869	60.8	192,586	79.6	-86,925	-21.7	-136,330	-56.3	401,358	241,965
Victoria	141,572	45.6	142,892	44.2	2,332	0.8	-2,197	-0.7	310,202	323,584
Queensland	88,129	24.2	129,944	28.1	126,659	34.8	164,362	35.5	364,298	462,600
South Australia	19,621	58.7	27,522	48.7	-25,950	-77.7	-12,639	-22.4	33,416	56,476
Western Australia	79,144	44.8	82,832	52.5	13,361	7.6	-1,399	-0.9	176,612	157,886
Tasmania	1,550	42.1	3,758	21.9	-19,417	-527.2	3,105	18.1	-3,683	17,137
Northern Territory	4,172	21.9	3,475	26.9	-1,773	-9.3	-8,474	-65.7	19,061	12,906
Australian Capital Territory	-453	-5.2	2,412	16.2	-8,287	-94.5	-6,428	-43.1	8,770	14,908
Australia ^a	576,221	44.0	585,421	45.4	I	I			1,308,870	1,288,248
Source: ABS 2002, 2007 ^a Includes other territories										



Source: DIMA unpublished data

Fig. 1 Australia: settler arrivals by state according to whether they are state-specific and regional migration scheme migrants or other migrants, 2005-06

Similarly, in Queensland, the role that international migration has played in that State's rapid growth compared with interstate migration has increased. Queensland has increased its share of Australia's recent migrants¹ from 5.1% in 1996 to 17.3% in 2001 and 18.5% in 2006. Western Australia continues a longstanding pattern of international migration being a major element in its population growth. In South Australia, the significance of international migration in population growth increased substantially in the 2001–2006 period compared with 1996–2001.

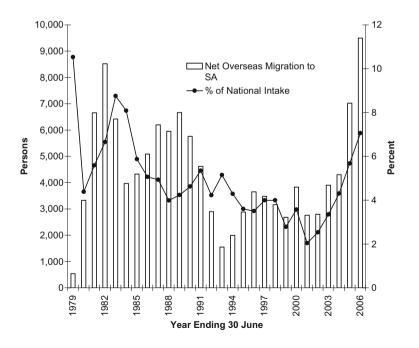
The patterns described above would indicate that there has been a shift in the pattern of settlement of immigrants between Australian states and territories in the most recent intercensal period. Queensland has been the fastest growing State in the nation for most of the last three decades; however, the bulk of the migration growth has been from interstate migration rather than international migration. This

¹ Those who arrived in the 5-year before the census.

pattern appears to be changing with international migration becoming more significant. However, from the perspective of the present paper, there is particular interest in the decline (albeit small) in population growth levels in New South Wales and the increase in Victoria and South Australia. In this context, it is interesting to see in Fig. 1 the difference between the states in the division of their 2005–2006 immigration intake between the SSRM and standard migration programs. It will be noted that New South Wales' participation in the SSRM scheme has been minimal, while South Australia and Victoria have received a large number of SSRM migrants. This is especially the case in South Australia where more than three quarters of settler arrivals had SSRM visas.

The South Australian Context

South Australia experienced economic and population growth above the national average in the quarter century after World War II was fuelled largely by a rapid expansion of manufacturing. However, with economic restructuring and movement of Australian manufacturing offshore in the 1970s, South Australia's economic growth fell well below national averages. Moreover, the collapse of the South Australian State Bank in the early 1990s further compounded the economic malaise. South Australia's economic growth and income levels have long been below national levels, while unemployment has been higher. South Australia's population



Source: ABS Australian Demographic Statistics, various issues

growth fell below national levels, net interstate migration losses increased, and the population was aged more than that of any other State (Hugo 2005b). Moreover, while South Australia received more than its proportionate share of the national immigration intake in the immediate postwar decades, Fig. 2 indicates that it fell away in the 1980s and 1990s.

Both the Olsen State Liberal Government (1996–2001) and the incoming (in 2002) Rann Labour Government identified slow population growth and the net loss of young South Australians as being important constraints on the prosperity of the State. This culminated in South Australia being the first Australian State to promulgate a population policy (Government of South Australia 2004), which included a number of targets with respect to population:

- To increase the State's population from 1.58 million in 2006 to 2 million by 2050 rather than the population decline which was projected by the Australian Bureau of Statistics (Hugo 2005b).
- To reduce the current net interstate migration loss to zero by 2008 and reverse it to a positive net gain from 2009.
- Increase South Australia's share of the national immigration gain to its share of the national population by 2014 (around 7.5 percent).
- · Maintain and develop viable populations for sustainable regional communities.

International migration has been a key element in the Population Policy and in the State's Strategic Plan (South Australian Government 2004). The State government initiated a number of strategies to achieve an increase in international migration.

- It set up a State government agency *Immigration SA* within the Department of Trade and Economic Development to drive the achievement of the immigration objectives.
- It set up an agency *Education Adelaide* to increase the State's share of foreign students.
- It set up offices in key origin countries of immigrants to facilitate the recruitment and emigration of settlers for South Australia.
- It appointed a number of Migration Officers to be affiliated with Regional Development Boards in South Australia to assist local governments and employers to bring in migrants.

However, immigration has been a federal responsibility since Federation and for South Australia to increase its immigration intake it had to work within the structure of Australia's Migration Program.

State-Specific and Regional Migration Schemes

In May 1996, the annual meeting involving Commonwealth, State and Territory Ministers for Immigration and Multicultural Affairs established a working party on regional migration, which heralded a new era in patterns of migrant settlement in Australia. The working party examined ways in which a higher proportion of migrants might settle in regional Australia. Accordingly, a number of initiatives were taken under the SSRM Scheme to attract immigrants to areas which are currently

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receiving small intakes. Over the last decade many, visa categories have been added to the scheme, and a range of modifications have been made. A mechanism has been set up for the states, territories, and the Department of Immigration and Citizenship to regularly assess and modify the scheme.

The essence of this program was to enable employers, state, and local governments and families in designated lagging economic regions to sponsor immigrants without the immigrants having to fully meet the stringent requirements of the Australian Points Assessment Scheme. There is an array of visa categories available under the scheme, and some of their characteristics are summarised below:

- The scheme focused on skill restricting most SSRM visa categories to people who narrowly miss reaching the high pass threshold of the Points Assessment Scheme.
- Some categories require the settler to live in a designated area as a temporary resident for 3 years after which their degree of adjustment is assessed and they are given permanent residence. Thereafter, they are free to settle anywhere in Australia.
- Foreign students who study in an institution in a designated area get five bonus points in the Points Assessment Test.
- In addition a 'Regional 457' (long-term business migrants) was developed whereby concessions were granted which gave regional certifying bodies a greater role in supporting sponsorships in regional Australia. It allows them to grant exceptions from the gazetted minimum skill, and salary requirements for positions nominated under temporary business visas, which are located in regional and low population growth areas and have been certified by a Regional Certifying Body.

This represents an important change, as it makes a fundamental distinction between types of migrants—settlers and provisional settlers. The precedent was established in the Australian government's action in 1999 to introduce a three year temporary protection visa for persons who entered Australia as asylum seekers and were assessed as having a valid claim for refugee status. This, compared to other refugees accepted offshore who were granted full settler status (Hugo 2002). In the

Year Number		Percent of Total Non-Humanitarian Intake	Percent in SA		
1997–1998	1,753	2.3	34.5		
1998-1999	2,804	3.3	36.9		
1999-2000	3,309	3.6	21.2		
2000-2001	3,846	3.6	19.5		
2001-2002	4,136	4.6	17.5		
2002-2003	7,941	8.5	16.7		
2003-2004	12,725	11.4	16.6		
2004-2005	18,700	15.6	26.5		
2005-2006	27,488	19.2	29.8		

Table 4Number of immigrants with visas granted under the state-specific regional migrationmechanisms and their proportion of the total nonhumanitarian intake, 1997–1998 to 2005–2006

Source: DIMA Population Flows: Immigration Aspects, various issues; DIMIA Immigration Update, various issues; DIMA unpublished data

Visa Category	Location
Skill matching	South Australia, Western Australia, Victoria, Tasmania (State sponsor) All areas except Sydney, Newcastle, Wollongong, Melbourne, Perth, Brisbane, Gold Coast (Regional employer)
State/territory nominated independent (STNI)	South Australia, Tasmania, Victoria
Skilled-designated area sponsored (SDAS)	All areas except Sydney, Newcastle, Wollongong, Perth, Brisbane
Skilled-independent regional (SIR)	All areas except Sydney, Newcastle, Wollongong, NSW Central Coast, Melbourne, Perth, Canberra, Brisbane, Gold Coast

Table 5 Locational requirement of selected SSRM visa classes

Source: After Birrell et al. 2006

case of the SSRM, however, a distinction is made between those settlers who can live anywhere in Australia and those that are restricted, in their initial years at least, to live in designated areas.

The success of the SSRM programs is evident in Table 4 which shows that the SSRM Scheme increased its share of the total nonhumanitarian intake from 2.3% in 1997–1998 to nearly a fifth in 2005–2006. Considering that South Australia has only 7.6% of the national population and averaged only 24.6% of the national immigrant intake between 1997 and 2003 the table shows that it has made disproportionate use of the SSRM Scheme especially in most recent years. This undoubtedly has been partly a function of the State government's enthusiastic support of the SSRM Scheme and the investment of resources in making use of it. However, it also partly reflects a particular advantage that South Australia has had in the SSRM. This advantage relates to the particular definition of the parts of Australia that have been designated as being eligible for SSRM visa classes.

Table 5 shows that the locational requirements of the various SSRM visa categories vary but it will be noted that *all* of South Australia has been eligible for *all* SSRM categories. This has meant that the major city of Adelaide (2006 population 1,105,839) has been eligible for settlement of SSRM immigrants, whereas other mainland state capital cities have not. The SSRM Scheme is targeted at "contributing to the economic, demographic, and social development of regional Australia and low population growth areas" (DIAC 2007, p. 41). Accordingly, while there is some variation between visa classes, the areas designated to be eligible for SSRM Schemes are communities with less than 200,000 residents *or* which had experienced a rate of population growth in the most recent intercensal period of less than half the national average. Adelaide is the only major metropolitan centre that has had access to the full suite of SSRM programs, whereas in other mainland states, the ability for SSRM migrants to settle in their capital cities has been very limited. This has undoubtedly given South Australia an advantage in its ability to attract migrants under the SSRM Scheme.

It is important to point out that the bulk of the SSRM Scheme visa categories relate only to skilled migrants,² and those eligible are potential immigrants who have

² Persons with occupations in the top four Australian Standard Classification of Occupations (ASCO) categories— Managers, Professionals, Para Professionals and Skilled Tradesmen.

Year	Onshore	Offshore	Total	Percent of national intake
1997–1997	37	605	642	5.3
1997-1998	30	527	557	4.6
1998-1999	34	733	767	6.8
1999-2000	38	494	532	5.3
2000-2001	28	642	670	4.9
2001-2002	18	558	576	4.7
2002-2003	12	686	698	5.6
2003-2004	23	844	867	6.3
2004-2005	591	1,196	1,787	13.6
2005-2006	447	1,072	1,519	10.7

Table 6South Australia: share of national intake of refugee-humanitarian onshore and offshore settlers,1996–2007

Source: DIAC unpublished data

narrowly failed the stringent Points Assessment Test. However, there has also been SSRM family-based initiatives and initiatives to attract business migrants to designated areas (DIAC 2007, p. 43). Moreover, while the SSRM Scheme only involves the nonhumanitarian part of the Australian Immigration Program, there have been some elements in the Humanitarian part of the program which direct settlers to particular areas. The Department of Immigration and Citizenship directs many refugee-humanitarian settlers to areas where there is availability of support from family, fellow countrymen, NGOs or local and State governments. Table 6 shows that South Australia in recent years has taken a share of the humanitarian intake in excess of its share of the national population. Indeed, even in the late 1990s when the State was receiving only around 4% of the national immigrant intake it took a larger share of the refugee-humanitarian intake. This has been a deliberate strategy of the South Australian government that has been active in providing support for refugee-humanitarian migrants and has lobbied DIAC to take a substantial number of refugee-humanitarian migrants.

The differential impact of different types of migration on the Australian states and territories can be measured using an index of dissimilarity. This can be interpreted as the percentage of one group of immigrants who would have to change their state/ territory of residence to duplicate the relative distribution of another group. It will be noted in Table 7, for example, that there is little difference between settler arrivals and onshore migrants in the way in which they distribute themselves between states

 Table 7
 Australia: indexes of dissimilarity between different types of international migration between states and territories, 2004–2005

Comparison	Index of dissimilarity
SSRM vs regular migration	45.3
Onshore vs offshore migration	8.9
Humanitarian vs nonhumanitarian	12.6

Source: Calculated from data in DIMA (2006)

Location	Migrants arr	iving		Percent			
	1991–1996	1996–2001	2001-2006	1991–1996	1996–2001	2001-2006	
NSW	205,136	236,213	239,876	41.2	40.8	34.1	
Victoria	121,461	136,595	183,437	24.4	23.6	26.1	
Queensland	75,238	100,322	129,959	15.1	17.3	18.5	
South Australia	22,525	23,706	40,219	4.5	4.1	5.7	
Western Australia	57,817	65,282	87,814	11.6	11.3	12.5	
Tasmania	3,861	3,970	6,431	0.8	0.7	0.9	
Northern Territory	3,646	4,172	4,571	0.7	0.7	0.7	
ACT	8,021	8,484	10,391	1.6	1.5	1.5	
	497,703	578,742	702,696	100.0	100.0	100.0	

Table 8 Australia: state by recent arrivals (last 5 years), 1991–1996, 1996–2001, 2001–2006

Source: Australian Population Censuses of 1996, 2001, 2006

and territories. Only 8.9% of onshore migrants would have to change their state of residence to duplicate the distribution of settler arrivals.

There is a slightly greater difference between humanitarian settlers and nonhumanitarian settlers with one in eight humanitarian settlers having to change states to duplicate the distribution of other settlers. However, it will be noted that nearly a half of SSRM migrants would need to change their state of residence to duplicate the distribution of those settling in Australia under the regular migration program. This is, of course, to be expected given the targeting of the SSRM program to lagging parts of Australia.

Impact of the SSRM in South Australia

The first step in assessing the impact of the SSRM Scheme is to establish the extent to which it has influenced population trends. An important dimension of this is to examine whether there has been a shift in where recently arrived migrants settle in Australia.

Year	Natural increase	Net overseas	Net interstate	Annual rate of population growth		
		migration	migration	SA	Australia	
1996–1997	6,951	3,104	-4,628	0.48	1.13	
1997-1998	6,602	3,160	-1,966	0.55	1.05	
1998-1999	6,751	2,682	-1,631	0.55	1.15	
1999-2000	6,306	3,829	-3,531	0.48	1.20	
2000-2001	5,495	2,765	-2,418	0.44	1.36	
2001-2002	5,772	2,798	-1,602	0.63	1.24	
2002-2003	5,198	3,904	-1,497	0.67	1.26	
2003-2004	5,318	4,305	-3,197	0.60	1.19	
2004-2005	5,832	7,020	-3,483	0.79	1.34	
2005-2006	5,925	9,945	-2,860	0.99	1.43	
2006 (calendar)	6,332	11,150	-2,765	1.04	1.43	

Table 9 South Australia: population change: annual rates and components, 1996–2006

Source: ABS 2002, pp. 11-12; ABS 2006, pp. 10, 11; ABS 2007

Migration Program	02/03		03/04		04/05		05/06	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Skilled	1,239	3.7	2,176	4.7	2,871	5.9	5,383	9.7
Business	93	1.7	102	2.0	449	9.3	604	14.3
Humanitarian	686	7.2	844	8.2	1,196	9.0	1,072	8.8
Family	1,243	4.4	1,240	4.2	1,339	4.0	1,502	4.3
Special	21	11.8	11	5.3	19	11.7	10	9.6
Other	375	2.1	400	2.0	490	2.0	528	2.1
Total	3,657	3.9	4,773	4.3	6,364	5.2	9,099	6.9

Table 10 South Australia: settler arrivals, composition, and growth, 2002–03 to 2005–06

Source: DIMA unpublished data

Table 8 shows that in the 1991–1996 period NSW received 41.2% of new settler arrivals while having only 33% of the national population. This share declined marginally between 1996 and 2001, but by the 2006 census, there had been a significant reduction to 34.1%. Clearly, this is still in excess of the state's share of the national population, but a shift has definitely occurred. Some have been diverted to Australia's second largest state, Victoria, which increased its share of new arrivals from 23.6% to 26.1%. However, the largest diversion was to the remainder of the country which received 39.8% of the intake compared with 34.4% in 1991–1996. The SSRM program is not the only element in attracting migrants beyond Sydney which has the highest housing costs in the nation, but the Scheme has been the dominant factor.

The impact of the SSRM on South Australia's population has been considerable. Table 9 shows that the State's annual rate of population growth more than doubled between 2000 and 2001 and 2005 and 2006. Indeed, it exceeded 1% per annum in

Occupation-major group	Settler	Resident permanent	Percent			
	arrival	departure	Settler arrival	Resident permanent departure		
Managers/admin	1,309	1,187	11.1	15.7		
Professionals	4,764	3,505	40.3	46.2		
Associate professionals	1,349	669	11.4	8.8		
Tradespersons and related workers	2,195	485	18.6	6.4		
Advanced clerical and service workers	306	248	2.6	3.3		
Intermediate clerical, sales and service workers	1,072	938	9.1	12.4		
Intermediate production and transport workers	168	94	1.4	1.2		
Elementary clerical, sales and service workers	536	338	4.5	4.5		
Laborers and related workers	127	116	1.1	1.5		
Total	11,826	7,580	100.0	100.0		

Table 11 South Australia: occupation of permanent arrivals and departures, 2001–2006

Source: DIAC unpublished data

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2006 for the first time since 1983. It's growth rate has gone from being less than a third of the national average at the beginning of the decade to being almost three quarters the national rate in 2006. The table indicates that it is the increase in net international migration gains which has been the dominant factor in increasing population growth. Net overseas migration gains have quadrupled since the beginning of the decade.

The composition of the migration gain is of significance in assessing the impact of the SSRM. Table 10 shows clearly that the increases in settler arrivals to the State are largely in the skill and business migration categories which increased by 3.3 and 5.5 times, respectively, between 2002–2003 and 2005–2006. Humanitarian and family migration also increased, but to a lesser degree.

South Australia increased its share of skilled migrant arrivals in Australia from 3.7 to 9.7 percent and business migrants from 1.7% to 14.3%. The only major category in which the State is receiving less than its proportionate share of migrants is in Family Migration due to decades of low levels of immigration which have reduced the pool of potential sponsors for family migration.

In terms of the economic impact of the increase in migration, Table 11 shows the occupational distribution of the permanent arrivals in the State over the period since 2001. They are highly concentrated in the skilled categories. This, of course, is a function of the strong skill-business orientation in the visa categories of settlers. This increased influx of skilled workers has come at a time where there has been an upturn in reports of skill shortage within South Australia. This demand for labor has been fuelled by:

- A general upturn in the Australian economy which has seen annual growth of GDP averaging 3.8% over the period since 2000 and the unemployment rate fall to 4.3%.
- An expansion of defence industries in South Australia, especially the winning of a large destroyer construction project.
- The beginnings of a mining boom associated with the seemingly insatiable demand for energy and minerals from China.

Location	02/03	03/04	04/05	05/06	Percent increase 04/05–05/06
United Kingdom	785	1269	1,725	3,009	74.4
China	113	208	513	879	71.3
India	138	243	404	909	125.0
Sudan	188	363	407	248	-39.1
New Zealand	232	266	327	373	14.1
South Africa	209	317	253	263	4.0
Philippines	134	147	161	285	77.0
Afghanistan	57	98	100	373	273.0
Vietnam	130	110	97	155	59.8
Malaysia	91	132	112	154	27.3
Other	1,580	1,620	2,265	2,451	8.2
Total	3,667	4,773	6,364	9,099	43.0

Table 12 South Australia: settler arrivals, top 10 countries, 2002-2003 to 2005-2006

Source: DIMA unpublished data

- The beginnings of the retirement from the workforce of the baby boom generation who make up more than a quarter of the State's workforce.
- Notwithstanding a severe drought in 2006 and pressure on the State's traditional manufacturing base there has been a tightening of the labor market and this has undoubtedly assisted in the upturn in immigration.

The origins of the settlers are shown in Table 12, and it is especially interesting that almost a third of all settler arrivals are from the UK. The UK has traditionally been the main source of immigrants to SA (Hugo 1989) and UK immigrants disproportionately settled in SA in the postwar economic boom years, but its return to dominance is interesting. Certainly the active presence of South Australian government immigration recruiters in London has been a factor, but the strong links established by earlier generations of UK immigrants to South Australia have played a role in both increasing knowledge about Adelaide generally and through family networks. Nevertheless, the increasing significance of China and India as a source of migrants is apparent in Table 12 and reflects their growing importance in the total Australian skilled immigrant intake.

While the focus in recent immigration efforts in SA has been on skilled migrants, South Australia has been an important destination for refugee-humanitarian migrants even before the recent upturn in immigration. Sudan (1,580 settlers between 2001 and 2006) and Afghanistan (952) have been the two dominant groups, but there also have been inflows from Iraq (447), Iran (344), Liberia (344), the Former Yugoslavia (324), Kenya (245), Burundi (178), Ethiopia (156) and the Democratic Republic of Congo (138). This group is injecting a new element of ethnic diversity into the South Australian population. They also have become important in some areas of demand for unskilled workers in Adelaide and regional areas.

Adjustment of Immigrants in South Australia

There can be no doubt that the State government in South Australia has been successful in substantially increasing the number of immigrants settling in the State. However, a key question relates to how many of them will remain in South Australia after their period of compulsory settlement in the State expires? In this context, it is interesting to look at the patterns of interstate migration of immigrants after their

Table 13Net interstate migration by birthplace, South Australia, 1981–1986, 1986–1991, 1991–1996and 1996–2001

Birthplace	1981–86	1986–91	1991–96	1996–2001		Percent 1986–91	Percent 1991–96	Percent 1996–2001
Australia	-5,100	-2,299	-13,087	-7,243	-59.2	-58.0	-72.9	-69.5
MES countries	-2,119	-1,299	-3,178	-1,347	-24.6	-32.8	-17.7	-12.9
Other countries	-1,399	-366	-1,681	-1,837	-16.2	-9.2	-9.4	-17.6
Total	-8,618	-3,964	-17,946	-10,427	-100.0	-100.0	100.0	100.0

Source: ABS 1996 and 2001 Censuses (unpublished data); Bell 1992 (Table 6.5 and 6.34), 1995 (Table 3.5 and 3.6)

arrival. Earlier, it was indicated that South Australia has experienced a significant net migration loss due to interstate migration, and indeed-reducing this is an important target of the State's population policy (Government of South Australia 2004). The issue of the extent to which the SSRM settlers will subsequently join this internal migration to other states is a crucial one in the assessment of the impact of the SSRM program. Table 13 shows that former immigrants have accounted for a disproportionately large part of the State's interstate net migration loss for each of the four intercensal periods up to 2001. Former immigrants have comprised 40.8%, 42%, 27.1% and 30.5% of the net migration out of the State, while inmigrants have made up less than a quarter of the State's population. This is indicative of a longstanding pattern in South Australia of immigrants settling initially in the State but subsequently moving to another State. The reduction since the 1991-1996 period is partly a function of a decline in the significance of international migration into the State in the 1980s which has reduced the pool of potential interstate migrants. Internal migration data from the 2006 population census was not available at the time of writing, but because it is in the early stages of the SSRM program, it would be unlikely to provide evidence of the degree of retention one way or the other. Nevertheless, the historical pattern of secondary migration of immigrants out of the State must be of concern to policy makers who have been very effective in increasing international migration into the State in the last 5 years.

There have been a number of surveys of SSRM migrants undertaken by or for the Department of Immigration and Citizenship (e.g. DIMIA 2005; DIAC 2007). However, these surveys do not relate specifically to South Australia. To examine the initial adjustment of SSRM settlers in South Australia, some results of a survey of around 500 settlers arriving between 1 January 2004 and 1 July 2006 is drawn upon. This survey was part of a wider study of the SSRM Scheme in South Australia (Woithe, forthcoming). The sample is derived from a sampling frame of SSRM settlers who were sponsored through the South Australian government and hence does not include those obtaining SSRM visas by other means. Nevertheless, it provides an important insight into the initial experiences of SSRM settlers in South Australia. A letter was sent to migrants for whom addresses were available, and they were asked to complete an online questionnaire. The sample has an overrepresentation of settlers from the Asia-Pacific (47.3%), more than a third (38.3%) spoke a language other than English as their native language and virtually all had post-school qualifications.

Table 14 Reasons for consider- ing move to South Australia	Reason	Percent saying very important
(n=501)	Lifestyle	63.2
	Education for children	62.6
	Community safety	60.2
	Employment	50.0
	Health/medical	48.1
	Career and promotion	44.3
	Income	39.2
	Further education	32.5
Source: Survey of SSRM	Community networks	21.4
Migrants in South Australia, 2006	Cultural diversity	21.1

Table 15Proportion of SSRMsettlers satisfied with aspects of	Aspect of life	Percent Satisfied Neutral		Dissatisfied
life in South Australia ($n=504$)				
	Lifestyle	79.8	16.9	3.3
	Education of children	59.0	31.9	9.1
	Employment Opportunities	38.8	27.0	34.9
Source: Survey of SSRM	Current employment	40.8	33.9	19.3
Migrants in South Australia, 2006	Income	35.5	34.5	32.9

The respondents were asked to rank a number of potential reasons for considering moving to South Australia and the proportions ranking those reasons as very important in their decision are shown in Table 14. It is very interesting to note that while employment and work are important, the two most mentioned reasons were lifestyle and education of children, while community safety is also ranked highly. This points to an important element in regional migration which has been explored elsewhere (Hugo et al. 2006). It would seem that while the availability of suitable employment is a *necessary* condition for attracting immigrants to peripheral areas, it alone is often not *sufficient* to attract them. The key elements in them making the move relate to factors such as lifestyle, availability of suitable employment for partners, availability of appropriate schooling for children, and the appropriate the availability of employment is basic, it is often other elements which are crucial in the decision to migrate to peripheral areas.

Given the significance of nonwork-related factors in shaping potential migrants' decisions about migrating to a regional area, it is important to examine the sample's initial perceptions of life in South Australia. Table 15 presents the respondents' degree of satisfaction with a range of elements in their new location. There is a high degree of satisfaction with lifestyle in South Australia, while the level of dissatisfaction in the important area of the education of children is quite low. Hence, in some of the important nonwork-related dimensions, new settlers have high levels of satisfaction.

However, the situation is not as favorable when work-related elements of settlement are considered. Table 15 shows that only a little over a third of respondents are satisfied with the employment opportunities available and their current income. Moreover, 15.8% of the sample were unemployed at the time of the

Table 16Proportion of SSRMsettlers in South Australian	Occupation	Percent			
aspects of employment by occupation category ($n=504$)		In Same Occupation As Pre-Migration	Current Job Meets Expectations		
	Managers	32.0	79.9		
	Professionals	73.0	81.0		
	Associate professionals	21.1	58.8		
	Tradespersons	85.7	59.7		
Source: Survey of SSRM	Advanced clerical	60.0	52.4		
Migrants in South Australia, 2006	Intermediate clerical	40.0	16.7		

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survey. While a higher proportion is satisfied with their current job, it is still less than a half of respondents. Moreover, a third are dissatisfied with job opportunities and income, and a fifth are dissatisfied with their current job. Table 16 shows that in some occupational categories, immigrants were not able to get a job in their area of previous employment before migration. This is especially evident in the managers and associate professionals category. The professional group are most likely to have a job in their area of specialization while they also are most likely to indicate that their current job has met their expectations.

There are policy implications for both the selection and post-arrival support of migrants. Perhaps more care needs to be taken in matching the skills/experience of potential migrants with the opportunities that are available in South Australia. In addition there may be more that can be done after the arrival of regional migrants to enable them to enter, and adjust to, local labor markets.

A really key issue relating to the SSRM program is the extent to which immigrants are retained in the peripheral locations in which they initially settle. In some ways the ultimate success of the SSRM scheme will be assessed in terms of the long-term influence on population distribution. The survey respondents were asked if they intended to move in the next 3 years, and 55% indicated they had plans to move. However, only 11.3% indicated they had an intention to move interstate (8.9%) or to a foreign country (2.4%). The bulk of people who plan to move therefore intend to do so within South Australia. Many of these moves relate to housing adjustment (60% of movers) or to seek alternative job opportunities (19.2%). Hence, the study indicates that there is likely to be a leakage of SSRM migrants out of South Australia, but that it is at a moderate level.

Conclusion

The SSRM scheme has achieved a degree of success in that it has diverted a small but significant part of the Australian immigration intake to cities and areas outside of the main poles of attraction for immigrants. The success of the scheme has undoubtedly been assisted by the favorable economic situation in peripheral areas which has meant job opportunities have been available in those communities. Undoubtedly, too, the introduction of a suite of visa categories designed to cater for immigrants to those areas has been an important factor. However, getting newly arrived immigrants to these areas really only is part of the answer to the labor and skill shortages and low population growth problems which they experience. There are two factors which threaten to compromise the success of the program.

The first threat relates to the whole area of adjustment and retention. There is a real concern that many of the SSRM settlers will leave South Australia, once they have fulfilled the residence obligations to obtain permanent residence. It is important, therefore, that they are able to quickly and effectively enter the labor and housing markets and for them and their families to settle in, and adjust to, their new environments. Hence, there is a strong role for both State and local government in assisting settlers obtain appropriate work, housing, schooling, etc. A second threat relates to South Australia maintaining its current status as a designated area eligible for receiving migrants under all of the SSRM categories. Undoubtedly, the fact that

Adelaide has been the only one million plus city that qualifies has been a significant factor in the State's success in attracting migrants. At the time of writing, it was in danger of losing this status partly because the most recent intercensal growth of the population may have taken Adelaide out of the range of eligible SSRM destinations but mostly because Western Australia and Queensland have been lobbying the federal government to remove Adelaide's advantage. The fact remains, however, that South Australia's level of economic growth is still well below that of those two states and that it has put much greater resources into the SSRM program compared with other states. Moreover, it could point to the fact that the State's economic recovery, assisted by the SSRM program, is only partly achieved. Undoubtedly, in the short term, the extent to which the State can maintain the influx of migrants at the current level will depend on whether it can retain, at least for another intercensal period, the special status of Adelaide as a destination of SSRM migrants.

The changes analyzed in this paper represent a small but significant shift in the initial settlement patterns of immigrants to Australia. It has been demonstrated that it is possible for governments to shape not only who migrates but where they settle. It remains to be seen however whether this will be a sustained and long-lasting change. To an important extent, it will depend on the extent to which peripheral areas are able to continue offering job opportunities to migrants. This is essential, and schemes like SSRM will not succeed unless there are job opportunities of appropriate types in sufficient numbers and with appropriate remuneration available in peripheral areas. However, beyond this, it is clear that there is much that governments (especially State and local governments) can do to facilitate immigrant settlement, provided there is a supportive national immigration policy structure to work within. In a contemporary globalizing economy, undoubtedly large cities, especially global cities, will remain the main poles of attraction of international migrants. However, in post-demographic transition societies, it is often peripheral areas which are feeling the impacts of aging and low fertility greatest because they are exacerbated by significant net internal migration losses of young adults. The economic development of these areas will, in many cases, be constrained unless there is some ability to attract workers, especially skilled workers, and international migration can play a pivotal role in this.

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