Australian Government
Department of Home Affairs

Australia's Migration Trends 2016–17 Highlights

Australia's Migration Trends was prepared by:

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Overview

In the 2016–17 financial year, 207,245 permanent places, and more than 8.4 million temporary visas, were granted (Table 1). This was a 1.1 per cent fall and 8.6 per cent increase respectively, on the previous financial year.

Table 1: Key statistics for 2016–17

Migration	Grants
Permanent migrants	**207,245**
Migration Program outcome	180,208
Skill stream places	*123,567*
Family stream places	*56,220*
Special Eligibility stream places	*421*
Child Program outcome	3,400
New Zealand citizen visas granted	1,669
Humanitarian Program visas granted	21,968
Temporary visas granted	**8,411,187**
Visitor visas granted	5,345,684
Student visas granted	343,035
Working Holiday Maker visas granted	211,011
Temporary Work (Skilled) visa (subclass 457) visas granted	87,580
New Zealand citizen Special Category visas granted	1,921,561
Other temporary visas granted	502,316
Citizenship	Conferrals
Conferrals of Australian citizenship	**137,750**

Source data: Department of Home Affairs

Permanent Migration

Permanent migration outcome

The Migration Program outcome for 2016–17 was 180,208 places—down 3.2 per cent on the previous financial year due mainly to a fall in points tested skilled visa places. The 2016–17 Migration Program comprised 123,567 places in the Skill stream, 56,220 in the Family stream and 421 Special Eligibility places. The Child Program, which sits outside the managed Migration Program from 2015–16, was 3400 places.

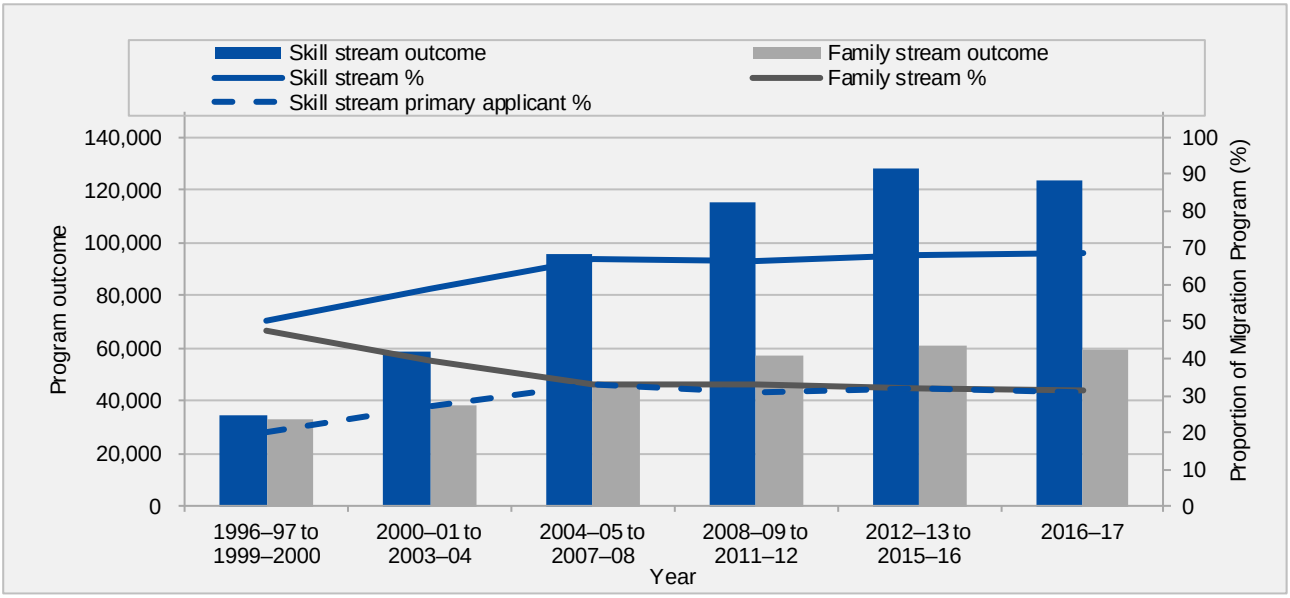
In 2016–17, the top three countries of citizenship granted a Migration Program place were India (38,442 places), the People's Republic of China (27,822 places) and the United Kingdom (16,883 places), all with slightly fewer places than in 2015–16.

Just under half of the migrants granted a visa under the 2016–17 Migration Program were new arrivals to Australia, with the remaining 50.9 per cent of visas going to people already in Australia on a temporary visa.[1] Of these former temporary visa holders, three-quarters were granted a Skill stream visa—the majority of these (63.2 per cent) moving directly from a Temporary Work (Skilled) visa (subclass 457).

Skill stream

The Skill stream is the main component of the Migration Program, increasing from a 47.1 per cent share in 1996–97, to a 67.3 per cent share in 2016–17, with the number of places of Skill stream primary applicants making up less than half (46.0 per cent) of the Skill stream and less than one-third (31.5 per cent) of the Migration Program in 2016–17 (Figure 1).

Figure 1: Migration Program by stream[1]



Source data: Department of Home Affairs

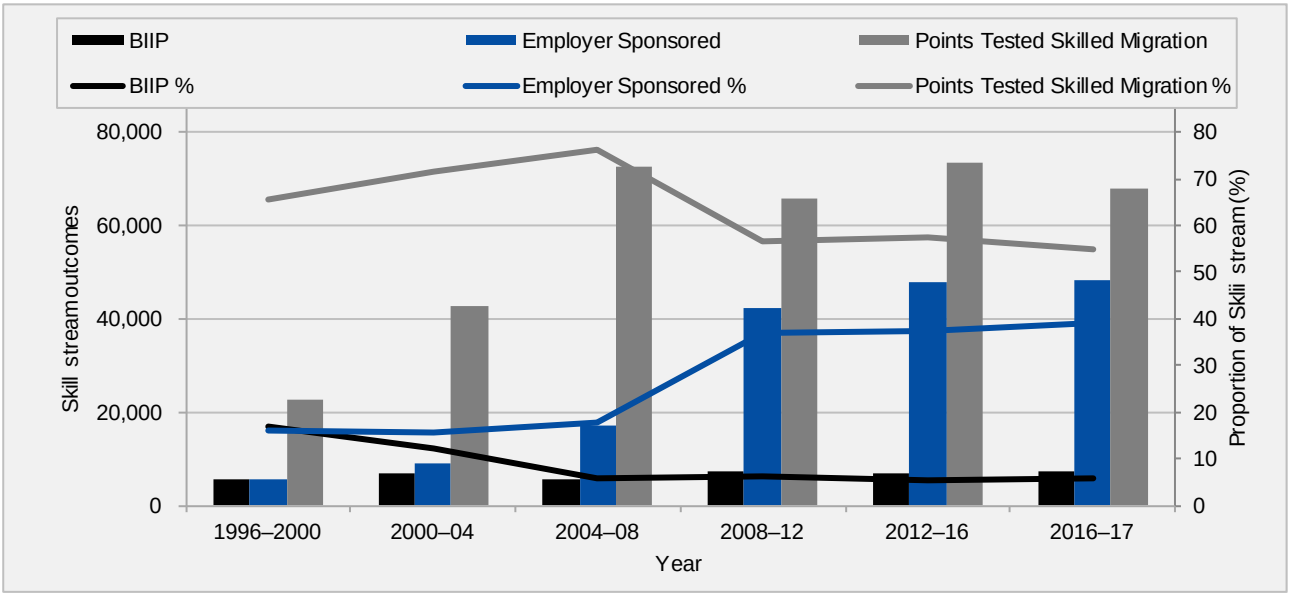
Note: Excludes Special Eligibility; includes Child visas under Family stream for comparison purposes (Child visas were removed from the managed Migration Program from 2015–16); for multiple year periods the yearly average of that period is shown.

[1] This is commensurate with the last five years—50 per cent of the 2012–13 to 2016–17 Migration Program places went to people already in Australia. When analysing migration data, care needs to be taken to not double count these migrants into Australia's annual intake of immigrants.

In 2016–17, the top three countries of citizenship granted a Skill stream place were India (32,884 places), the People's Republic of China (17,621 places) and the United Kingdom (12,362 places).

The Skill stream can be categorised into three main visa types; Employer Sponsored, Points Tested Skilled Migration and Business Innovation and Investment Program (BIIP) (Figure 2). Between 1996–97 and 2016–17, Employer Sponsored visas increased from a 15.9 per cent share of the Skill stream, to a 39.0 per cent share. By contrast, the share of BIIP visas fell from 16.7 per cent to 5.9 per cent, as it did for Points Tested Skilled Migration from 64.2 per cent to 54.9 per cent.

Figure 2: Skill stream by main visa type



Source data: Department of Home Affairs

Family stream

In 2016–17, the top three countries of citizenship granted a place within the Family stream were the People's Republic of China (10,178 places), India (5531 places) and the United Kingdom (4458 places).

Within the Family stream, the main visa category is Partner visa. In 2016–17, 47,825 Partner places (85.1 per cent) were granted, with nationals of the United Kingdom the main recipients up to 2008–09. Since then (with the exception of Indian nationals in 2012–13) nationals from the People's Republic of China have been the main recipients, and accounted for 11.8 per cent of this visa category in 2016–17.

Parent visas are the next largest category of the Family stream, with 7563 places granted in 2016–17 (13.5 per cent). Nationals of the People's Republic of China were also the main recipients since 2008–09, and accounted for 58.9 per cent of this visa category in 2016–17.

Humanitarian Program

In 2016–17, 21,968 visas were granted under the Humanitarian Program. This included 20,257 visas granted under the offshore (resettlement) component of the program to people affected by humanitarian crises around the world, and 1711 visas granted under the onshore (protection) component of the program.

In September 2015, Australia committed to resettling an additional 12,000 people displaced by conflicts in Syria and Iraq, with a focus on vulnerable people and persecuted minorities. As of 21 March 2017, all of the 12,000 additional places were granted (8208[2] in 2016–17).

In 2016–17, the offshore Humanitarian Program, which included visas granted towards the additional 12,000 places, was the largest intake since 1980–81.

In 2016–17, offshore humanitarian visas granted represented 92.2 per cent of all places, comprising:

- 9653 Refugee visas (47.7 per cent)—includes 1607 Woman at Risk visas
- 10,604 Special Humanitarian visas (52.3 per cent).

The top two countries of birth for people granted offshore visas in 2016–17, were Iraq (7478) and Syria (6261), up from 4358 and 4249 respectively in the previous year.

In addition to the 1711 Permanent Protection visas granted under the onshore component in 2016–17, there were:

- 2922 Temporary Protection visas granted—a three year temporary visa
- 3635 Safe Haven Enterprise visas granted—a five year temporary visa.

Temporary entry

In 2016–17, more than 8.4 million temporary visas were granted, an increase of 8.6 per cent on the 7.7 million visas granted the previous year. Of these, 63.6 per cent were to people granted a Visitor visa, followed by 22.8 per cent to New Zealand citizens granted a Special Category visa.

Visitor visa

In 2016–17, more than 5.3 million Visitor visas were granted, an 11.4 per cent increase on the almost 4.8 million visas granted in 2015–16. Tourists accounted for 90.9 per cent of Visitor visas, and business visitors 9.1 per cent. The top three nationalities granted a Visitor visa in 2016–17 were, the People's Republic of China (888,581), the United Kingdom (622,869) and the United States of America (526,605).

[2] Information provided has been drawn from dynamic system environments; it may differ from previous or future reporting.

The growth in Visitor visas in 2016–17, was predominantly driven by nationals of:

- the People's Republic of China—up 86,820 grants
- the United States of America—up 60,575 grants
- Japan—up 42,954 grants
- the United Kingdom—up 36,695 grants
- the Republic of Korea—up 35,820 grants
- India—up 31,731 grants
- Malaysia—up 28,627 grants.

New Zealand citizens

In 2016–17, 1,921,561 Special Category visas were granted to New Zealand citizens—up 71,253 (3.9 per cent) on the previous year. Although approximately twice as many New Zealand citizens are granted a visa to enter Australia each year, when compared to any other single nationality, not all remain permanently in Australia. For example, in 2016–17, 1669 New Zealand citizens were granted a permanent visa, and of the almost 2 million who arrived on a Special Category visa, 12,378 indicated on their travel card an intention to settle permanently.

Working Holiday Maker

In 2016–17, 211,011 Working Holiday Maker visas were granted, 1.7 per cent down on the previous year. The number of visas granted for the program has been in decline since its peak in 2012–13, when 258,248 visas were granted. The program is comprised of two visas, the Working Holiday visa (subclass 417) and the Work and Holiday visa (subclass 462). In 2016–17:

- 191,955 Working Holiday visas were granted, a fall of 1.9 per cent on the previous year.
- 19,056 Work and Holiday visa were granted. Although this was commensurate with 2015–16, it was 59.0 per cent higher than in 2014–15, due to new agreements coming into effect—in particular the establishment of an agreement with the People's Republic of China, which accounts for 5000 grants each year.

Students

A record 343,035 Student visas were granted in 2016–17, an increase of more than 10.4 per cent on 2015–16, and up 7.3 per cent on the previous peak (319,632) in 2008–09.

The main source countries of Student visa grants in 2016–17 were the People's Republic of China (80,423 grants), followed by India (34,490 grants), Brazil (20,428 grants) and Nepal (18,507 grants).

During the last 10 years, there has been solid growth in visa grants for most educational sectors, particularly in Higher Education, which was up 35.0 per cent on 2007–08. English Language Intensive Courses for Overseas Students (ELICOS) was up 31.3 per cent and Vocational Education and Training (VET) was up 11.7 per cent. In contrast to this growth, the Schools sector fell 23.6 per cent over this period.

Student visa transitions

Whilst Student visa numbers increased over the last few years, in 2016–17, the number of permanent visas granted to former international students fell by 6.3 per cent relative to 2015–16. Conversely, a record 41,387 Temporary Graduate visas were granted in 2016–17, up 27.6 per cent on the previous year.[3]

[3] A temporary visa (only available to recently graduated international students) that includes work rights.

Visa non-compliance

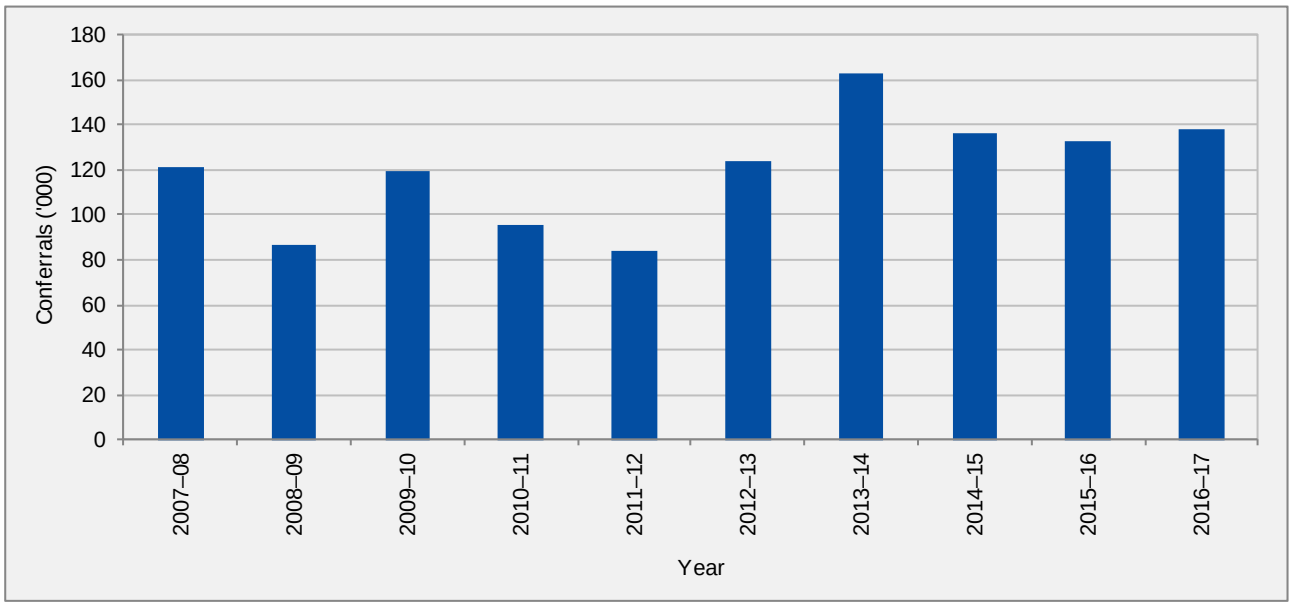
Australia's Unlawful Non-Citizen (UNC) population was approximately 62,900 people at 30 June 2017—an accumulated estimate of almost 70 years of regulated migration.[4]

In 2016–17, there were 57,161 visa cancellations, a decrease of 7.9 per cent on the previous year.[5] Non-citizens who do not hold a valid visa and do not make arrangements to depart Australia are subject to removal. There were 14,593 departures (returns and removals) from Australia in 2016–17—commensurate with the previous two years.[6]

Australian Citizenship

In 2016–17, 137,750 people were conferred Australian citizenship—up 3.5 per cent on 2015–16 but down 15.5 per cent on the record 163,017 recorded in 2013–14, which coincided with the 65th Anniversary of Australian Citizenship (Figure 3).

Figure 3: Conferrals of Australian citizenship, 2007–08 to 2016–17



Source data: Department of Home Affairs

[4] Most UNCs—people at a given point in time who remain in Australia after their visa has expired or been cancelled—only overstay their visa for a short period before departing voluntarily. There is constant movement into and out of the UNC pool as people overstay their visas and as peoples' status is resolved, for example through departure or removal.

[5] A large proportion of visa cancelations are voluntary, with non-citizens requesting cancellation of their temporary visa. Examples include, when a person holding a Temporary Work visa has departed Australia at the end of their contract and no longer requires their visa, or is seeking to access their superannuation entitlements accrued while working in Australia.

[6] Figures may differ from those previously published as they are revised at the commencement of the program year.

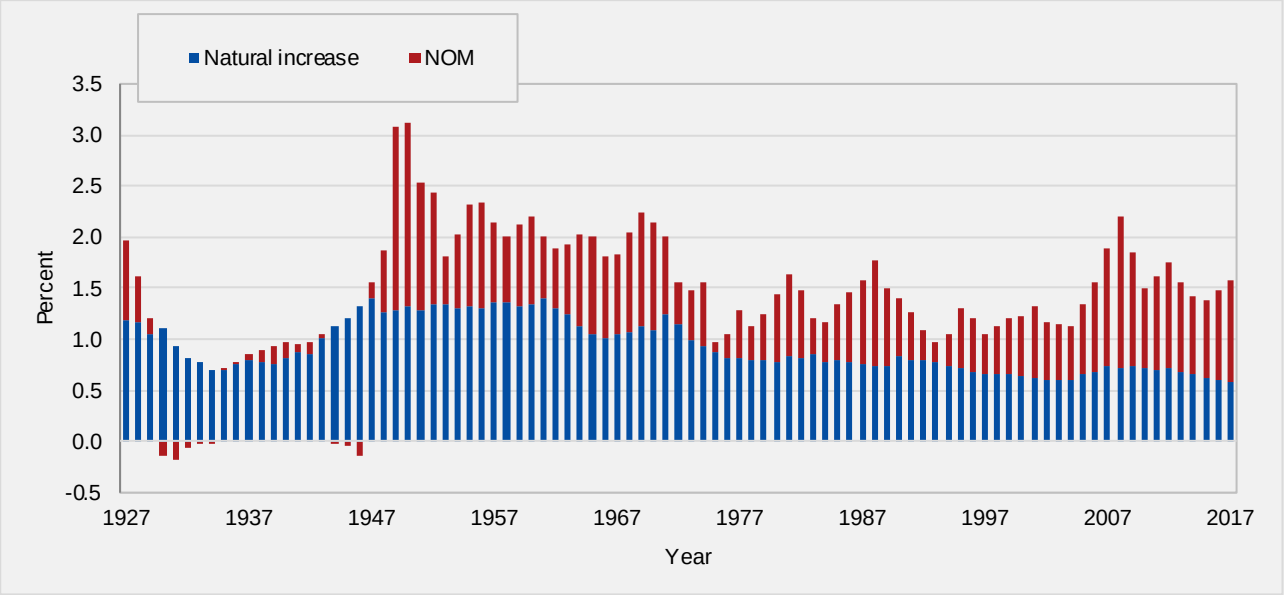
Net Overseas Migration (NOM) and Population Growth

Migration contributes strongly to population growth in Australia. Population growth is driven by two components: natural increase and net overseas migration (NOM). Natural increase measures the excess of births over deaths. NOM is the difference between the annual intake of immigrants into Australia that are counted towards the population and those that leave the population—the outflow of emigrants departing Australia[7]. NOM is primarily determined by Australia's migration programs for permanent residence together with the annual changes in arrivals and departures of migrants on temporary visas.

Since 2001–02, NOM accounted for more than half the increase in population each year (Figure 4). In 2016–17, NOM rose 27.2 per cent on the previous year, to 245,400 people, accounting for 63.3 per cent of the increase in the population that year. In the decade to June 2017, NOM accounted for 58.4 per cent of the 3.8 million increase to 24.6 million people. Consequently, the share of overseas-born people rose from 25.1 per cent to 28.5 per cent over the period.

Since 2012–13, with the level of the permanent migration program almost unchanged, the increase in NOM has been driven by the rapid increase in international student numbers—the education of international students is Australia's third largest export. The net annual changes in other temporary visa classes has, after an initial drop, either been, close to zero in the case of New Zealanders, or declining in the case of temporary skilled workers and working holiday makers.

Figure 4: Components of Australia's population growth



Source data: Australian Bureau of Statistics (ABS), 2014, Australian Historical Population Statistics, cat. no. 3105.0.65.001 and ABS, 2017, Australian Demographic Statistics, cat. no. 3101.0

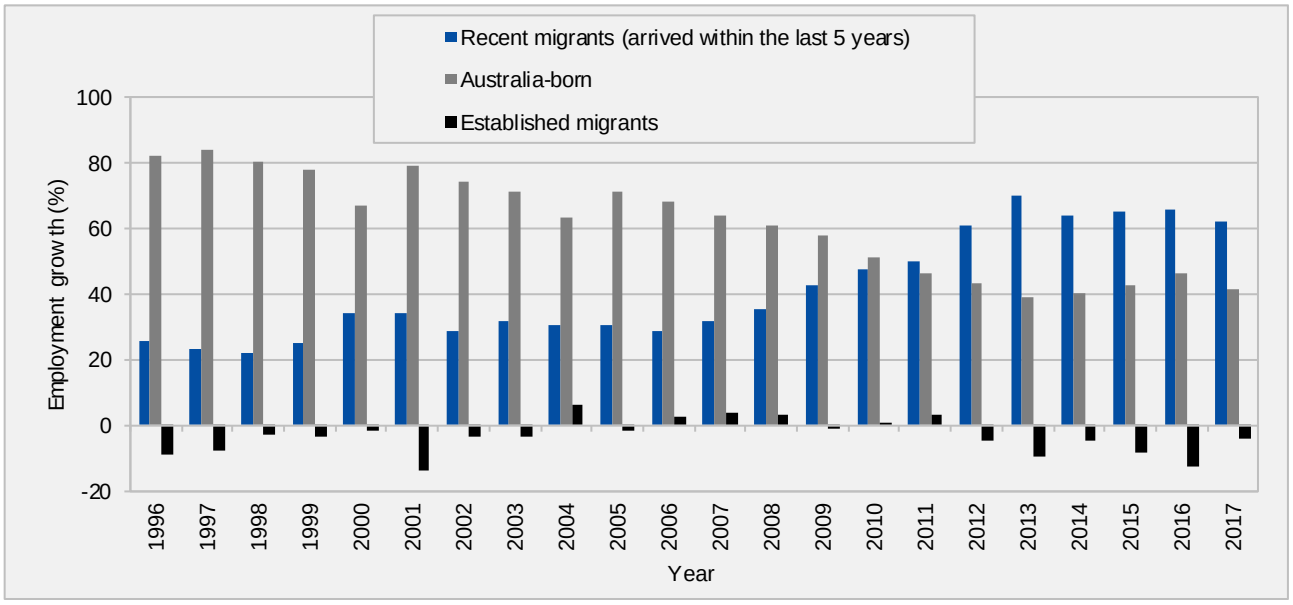
[7] NOM is based on an international traveller's duration of stay (this includes Australian citizens, permanent residents and long-term visitors). Specifically, those international travellers who have been in Australia for at least 12 months out of the past 16 months. The requirement for migrants counted under NOM to have resided in (or been absent from) Australia for a certain length of time enables NOM to form part of annual estimates of population—officially measured as the 'estimated resident population' by the Australian Bureau of Statistics.

Labour market outcomes

Labour market conditions in Australia over the five years to June 2017 have experienced intermittent periods of both weakness and, more recently, considerable strength.[8] Employment increased by 844,750 or 7.5 per cent over the period at a compound annual growth rate of 1.5 per cent per annum, which is the same as the rate of growth over the last decade.[9]

In the year to June 2017, employment growth has been strong, increasing by 248,384 (or 2.1 per cent) to stand at 12,210,600, with migration underpinning this growth. In the five years leading up to June 1996, new migrants (that arrived in those five years) accounted for 26.0 per cent of total growth in jobs, whereas Australia-born accounted for 82.6 per cent and the remaining migrants accounted for -8.7 per cent (that is, their exiting the Australian workforce pulled employment growth down) (Figure 5). Comparing this to jobs growth in the five years to June 2017, the changing profile of migrants has resulted in migrants, who arrived in the preceding five years, accounting for 62.4 per cent of growth in jobs, compared to Australia-born 41.5 per cent and the remaining migrants -3.8 per cent.

Figure 5: Contribution to employment growth over five years



Source data: ABS, 2017, Labour Force, cat no. 6291.0.55.001, LM7 cube

The changing profile of migrants is influenced by an increased focus on skilled migration. In conjunction with this, new migrants are on average younger than the general population. Between the 1996–97 and 2016–17 migration programs, the proportion aged between 25 and 44 years (a stage in life when labour market participation is at its peak) increased from 50.6 per cent to 62.7 per cent. Among the general Australian population, only 28.3 per cent of the population are between these ages (as at March 2017).[10]

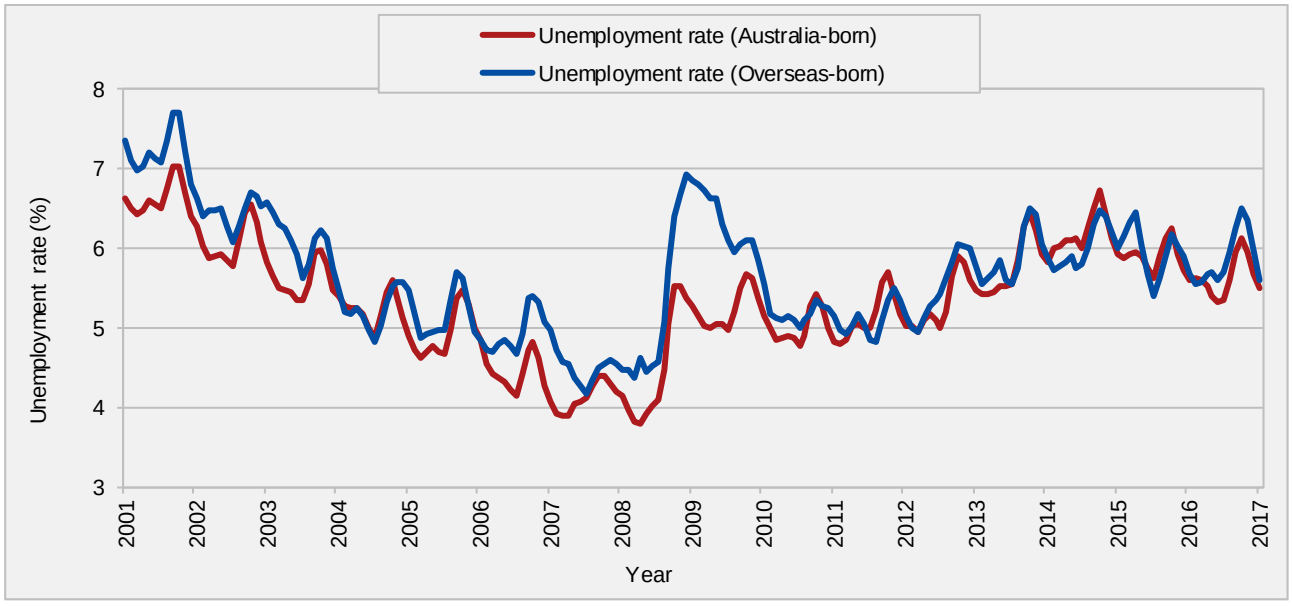
[8] Australian Department of Employment, November 2017, Employment Outlook to May 2022.
[9] ABS, Oct 2017, Labour Force, Australia, cat no. 6202.0.
[10] ABS, Mar 2017, Australian Demographic Statistics, cat. no 3101.0.

These factors result in higher labour force participation through greater propensity to work and reducing the effect of Australia's ageing population. Today, the labour outcomes of Australia's migrant population are largely similar to those born in Australia. On average for 2016–17, the migrant unemployment rate (5.9 per cent) was slightly higher than that of Australia-born (5.6 per cent). This difference has consistently been the case since mid-2012 (Figure 6). While the labour-force participation rate of Australia-born is higher than that of overseas-born, the gap is narrowing. This is a result of the participation rate decreasing for those born in Australia, and increasing for migrants—due largely to new migrants being on average younger than the existing Australian population. In addition, there has been an overall increase in the inclination to work, especially amongst females (migrant and Australia-born). For example, between 2000 and 2016, Australia's labour force participation rate increased by 1.4 percentage points as a result of a combination of the following:

- Female Australia-born **added** 0.2 points—2.4 points deducted due to an increase in average age and 2.6 points added due to an increase in inclination to work.
- Male Australia-born **deducted** 2.3 points—2.6 points deducted due to an increase in average age and 0.3 points added due to an increase in inclination to work.
- Female migrants **added** 2.1 points—0.8 points added due to a decrease in average age and 1.3 points added due to an increase in inclination to work.
- Male migrants **added** 1.5 points—0.8 points added due to a decrease in average age and 0.7 points added due to an increase in inclination to work.

It can therefore be seen that migration bolstered Australia's labour force participation rate by 3.6 percentage points, with new migrants quickly attaining rates well in excess of the resident population. Conversely, the effect of ageing on the Australia-born population (partially offset by an overall increased desire to work) pulled the nation's participation rate down by 2.1 percentage points.

Figure 6: Unemployment rate Australia-born and migrants



Source data: ABS, July 2017, Labour Force, Australia, cat no. 6291.0.55.001, LM7 cube (three-month averages)

The Continuous Survey of Australia's Migrants (CSAM) is a series of longitudinal surveys of recent migrants, designed to produce timely labour market information on migrants, at the early stages of their settlement into Australia.[11] The survey shows strong improvement in labour market outcomes soon after settling in Australia. Based on the CSAM conducted in October–December of 2016, the unemployment rate and participation rates for Skill stream migrants predominantly improved between their six- and 18-month settlement periods, as follows:

- Skill stream primary applicant migrants—unemployment rate decreased by 4.2 percentage points (to 3.5 per cent) and labour force participation rate remained steady (at 96.8 per cent).
- Skill stream secondary applicants—unemployment rate decreased by (7.5 percentage points (to 15.0 per cent) and labour force participation rate increased by 1.0 percentage points (to 74.6 per cent)
- Skill stream migrants overall—unemployment rate decreased by 5.2 percentage points (to 6.9 per cent) and labour force participation rate increased by 0.4 percentage points (to 89.0 per cent).

As a comparison, over the same 12 month period, the unemployment rate for the Australia's general population decreased by 0.4 percentage points (to 5.6 per cent), and the labour force participation rate decreased by 0.6 percentage points (to 64.5 per cent).[12]

[11] CSAM reports on outcomes at the six- and 18-month settlement period—after entering Australia or after being granted a visa if already in Australia on a temporary visa.

[12] General population employment outcome figures are for Australian civilian population aged 15 years and over sourced from ABS 6202.0 November 2016 (Trended).