

## Addressing skills shortages and supporting economic growth in Australia Permanent pathways for temporary protection visa applicants

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In the midst of the chronic shortage in skilled workers across the country, Australia has an opportunity to boost the supply of workers in key areas of labour demand through providing permanent residency to thousands of temporary migrants who have been in Australia for years. This includes 31,000 who arrived a decade ago to seek asylum and applied for a temporary protection visa. They are currently on a Temporary Protection visa (TPV), Safe Haven Enterprise visa (SHEV) or a Bridging visa E (BVE).

Most TPV, SHEV and BVE holders have years of sought-after work experience in industries such as aged care, hospitality and construction, but have restricted access to employment and business opportunities due to their visa conditions. There are also some BVE holders without the right to work at all, preventing them from being able to fill any labour shortages.

**Providing people on a TPV, SHEV or BVE with permanent residency would enable their access to skilled employment, allow them to settle in Australia, and make lifetime contributions to our society and economy.**

### Who are TPV, SHEV and BVE holders?

TPVs and SHEVs are temporary visas available to people recognised as refugees, most of whom have been living and working in Australia for at least 9 years. TPV and SHEV holders have limited to no pathways to permanent residency. People who apply for a TPV or SHEV are typically granted a BVE while waiting for an outcome of their application, or if their application has been refused. All have been subjected to a flawed and costly protection processing system. While the Labor Government has committed to granting TPV and SHEV holders permanent residency, the detail and timeframe is not yet known and there is no commitment for resolving the cases of BVE holders. As at July 2022, there were 19,491 TPV and SHEV holders, and 11,737 people on a BVE.<sup>1</sup>

### What do we know about TPV, SHEV and BVE holders and their employment?<sup>2</sup>

- Based on the 2016 Census, approximately 90% of TPV, SHEV and BVE holders are at peak earning ages (under 45) where taxable income is highest, and where individuals are least likely to claim government services or payments.
- Many have functional English language skills and years of sought-after work experience in Australia, including in social services (aged and disability care), hospitality (chefs, kitchenhands), and construction and skilled labouring work (eg. carpenters and joiners, builders and plumbers).
- At the 2016 Census, this group had high rates of labour force participation.
- Business ownership rates were higher for this group (12% amongst those over 18 years old) than family migrants and even skilled migrants in 2016. This reflects the determination, resilience and the necessity of self-employment for many temporary humanitarian residents.

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<sup>1</sup> Department of Home Affairs, 'UMA Legacy Caseload Report on Processing Status and Outcomes July 2022'.

<sup>2</sup> Data drawn from the 2019 Australian Census and Temporary Entrants Integrated Dataset (ACTEID) dataset, which links 2016 Census data with temporary visa holder data provided by the Department of Home Affairs. ABS, '3419.0.55.001 - Microdata: Australian Census and Temporary Entrants Integrated Dataset, 2016', Australian Bureau of Statistics, 14 February 2019. See John van Kooy, *Supporting economic growth in uncertain times: Permanent pathways for Temporary Protection visa and Safe Haven Enterprise visa holders*, September 2021, <https://apo.org.au/node/314128>.

- However, temporary visa status prevents TPV, SHEV and BVE holders from buying their own homes, investing in their businesses and settling in Australian communities. They are considered to be international students for access to Australian universities, preventing most from being able to access higher education. They are also ineligible to reunite with their families by bringing them to Australia, which results in visa holders sending significant remittances to their families living overseas – a financial loss to the Australian economy.

### What are the economic benefits of permanent residency and family reunion?<sup>3</sup>

- Evidence from Australia and overseas shows that having secure immigration status improves labour market outcomes for migrants and incentivises their consumption and investment in the domestic economy. Federal Treasury has recognised that permanency for migrants increases overall domestic consumption (by creating a larger pool of consumers for goods and services,), and encourages personal and business investment and capital flows.
- When migrants on a temporary visa transition to permanent residency, they experience a significant improvement in labour market outcomes. Labour force participation increases by a factor of nearly one quarter, while the unemployment rate is slashed by more than half.
- Permanent residency would enable TPV, SHEV and BVE holders to access university and training qualifications at domestic student rates, which will facilitate their employment in skilled positions.
- Permanent residency can prevent much of the occupational downgrading, workplace exploitation and discrimination that is common amongst temporary migrants.
- Permanent residency opens up family reunion options for which TPV, SHEV and BVE holders are currently ineligible. Family reunification is critical for migrants' sense of belonging, wellbeing and settlement success. It also has a downstream benefit to the Australian economy: a reduction in cash transfers sent to family and friends overseas. As migrants settle and acquire loans, mortgages, and other financial products, there is a concurrent reduction in remittances over time.

### What are the cost-savings to the Australian Government through granting permanent residency?

- Prioritising existing onshore migrants for permanent residency will contribute to fiscal savings of more than \$300 million by reducing the cost of reprocessing visa applications.<sup>4</sup>
- Currently both the Courts and the Immigration Assessment Authority have significant backlogs due to the inefficient and unfair 'Fast-track' process implemented by the previous Government. Granting permanency eliminates the need for TPV, SHEV and BVE holders to constantly have to reapply for their visas and frees up department resources.

**Providing a pathway to permanent residency for people on a TPV, SHEV or BVE represents a win-win scenario for people who have sought asylum in Australia, and the Australian community as a whole.**

This can be done by:

- Moving TPV and SHEV holders onto a permanent Resolution of Status visa.
- Allowing BVE holders to apply for a permanent Resolution of Status visa.
- Once permanent visas are granted, prioritise family reunion, particularly partners and children.<sup>5</sup>

<sup>3</sup> John van Kooy, 11-13.

<sup>4</sup> Ibid, 12.

<sup>5</sup> See Mary Anne Kenny, Nicholas Proctor & Carol Grech, *Temporary Protection Visas in Australia: A reform proposal*, Kaldor Centre for International Refugee Law, June 2022, <https://www.kaldorcentre.unsw.edu.au/temporary-protection-australia-reform-proposal>