

# The Guardian



## Industry brands Australia's 10% migration intake drop 'disappointing'

**Peter Dutton says reduction by more than 20,000 migrants caused by weeding out of 'fraudulent claims'**

**Paul Karp**

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Australia accepted just 162,417 permanent migrants in the past year, a decrease of more than 10% on the previous year and the lowest level in a decade.

The reduction, confirmed by the home affairs minister, Peter Dutton, on Friday, was the result of a departmental crackdown after Dutton and former prime minister Tony Abbott unsuccessfully advocated for a lower migration cap, prompting accusations the government has cut migration by “backdoor means”.

The results were criticised by Migration Council Australia, which warned cabinet should set the migration level, while a reduction in numbers could slow economic growth.

In May a group of peak bodies coordinated a broad alliance including the Australian Council of Trade Unions and the Australian Industry Group that called for the permanent migration intake to remain at 190,000.

The Ai Group chief executive, Innes Willox, said although the migration intake often falls short of the cap, it was “disappointing” that migration levels had dropped “so significantly below the 2017-18 intake”.

In April the Australian Chamber of Commerce and Industry also accused the government of “reducing the permanent migration intake by backdoor means by closing off legitimate access to the skills that business needs through slow processing, reducing eligible occupations and significantly increasing regulation and costs”.

Since 2012 Australia has maintained an annual cap of 190,000 on permanent migration, roughly divided into two-thirds skilled work visas and one-third family reunion visas.

On Friday the Australian reported the home affairs department issued 12,500 fewer skilled work visas and there was a 15% reduction in family visas last financial year. The figures have not been publicly released by the government.

Dutton confirmed the reduction of more than 20,000 migrants and said the intake was the “lowest ... we’ve seen since John Howard was prime minister”.

The reduction was caused by the department “looking more closely at the applications that are made” to weed out “fraudulent claims” such as migrants overstating their qualifications, he told Channel Nine’s Today program.

“We want to make sure particularly that, say, people coming through the spousal program are [in] legitimate relationships,” the minister said.

Labor frontbencher Anthony Albanese said the drop was a “good result”.

“Of course it’s a good result, if there is more integrity in the system,” he told Today.

The chief executive of the Migration Council, Carla Wilshire, told Guardian Australia the level of migration “has traditionally been a cabinet decision because the migration program is a critical economic lever of government”.

“Migration affects workforce capacity and business confidence, and the decision to reduce the flow has implications across portfolios, including for the budget bottom line,” she said.

“Dropping the migration numbers has the potential to slow economic growth and undermine business confidence.”

Willox said “to the government’s credit”, despite the drop in numbers, the proportion of skilled migration was maintained in 2017-18 - slightly higher than the previous year at 68.4% of the intake.

In February the treasurer, Scott Morrison, warned that a reduction of 80,000 migrants - as Abbott proposes - would cost the budget \$1bn a year and amount to “cutting off your nose to spite your face”.

In April Dutton and Malcolm Turnbull were at odds about a report that the home affairs minister had proposed reducing the cap to 170,000, but the idea was quashed by the prime minister and the treasurer.

Turnbull declared the report “false” and “completely untrue”, but Dutton then contradicted the prime minister by essentially confirming that he had discussed the issue with colleagues.

On Friday the finance minister, Mathias Cormann, told Sky News the cap had remained at 190,000 since 2012, but it is a “ceiling ... not a target”.

“It really depends on the quality of the applicants, as to whether or not you can reach that cap or you don’t reach that cap,” he said.

“The number is ultimately what it is after all of the criteria have been properly applied and applicants have been properly scrutinised.”

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