Aussies may curb migrants

PM makes it clear the intake will be influenced by financial conditions

SYDNEY: Australia has signalled it may allow fewer foreigners to move to the country in the face of the global financial crisis, as a new survey shows growing opposition to immigration.

While the yearly intake of migrants is decided in the run-up to the May budget, Prime Minister Kevin Rudd has already made it clear that the figure will be influenced by financial conditions.

"It's been this way since time immemorial and will be this way into the future as well," he said in response to a journalist's question about whether it might be time to cut the immigration rate, which is at its highest for many years.

"We adjust it according to economic circumstances," he added. The Prime Minister remained tight-lipped about his intentions, but one thing is certain.

The mood of the nation - where nearly one in four of the 21 million population was born overseas - is changing.

More Australians favour a reduction in migration than at any time since 1993, a study by Swinburne University of Technology has found.

Forty-six per cent now favour a cut, compared with 34 per cent in 2004. Among the most concerned were tradesmen, labourers and clerks, traditionally the sort of jobs targeted by migrants.

And the true level of opposition to immigration is probably much higher as the study, published yesterday, was carried out at the end of last year, when economic conditions were much rosier.

Dr Katherine Betts, who coordinated the survey, admitted that the figures would likely be much higher if the study was conducted now. "Normally these swings on how people feel about migration are tied to the state of the economy and whether they are having to compete for scarce jobs," she told The Straits Times.

"It's the fear that migrants might take jobs or drive down wages."

While Australia's unemployment total is relatively small, there are signs it is rising. Last month's jobless figure was up by nearly 22,000, rising from 4.1 per cent to 4.3 per cent in seasonally adjusted terms.

And this in a year when the government has ordered a massive boost to its migration programme.

An additional 31,000 skilled migrants are being allowed in, bringing the annual total to 150,000, more than three times the level of a decade ago.

When relatives are taken into account, the real total is expected to nudge 200,000, while the separate temporary skilled migration programme is likely to bring in another 100,000 by next year.

The government's boost to the number of migrants allowed into Australia was originally designed to meet growing employment demands and skills shortages sparked by Australia's booming, resources-based economy.

But if there is a downturn in the economy, the intake may have to be slashed.

Both the unions and employer bodies admit that action might have to be taken if conditions worsen. Australian Council of Trade Unions president Sharan Burrow said there had to be certainty that immigration was not fuelling unemployment. The Australian Chamber of Commerce and Industry agreed that immigration should be cut if the economy slows and unemployment rises.

And with Australia unlikely to remain unscathed by the international financial turmoil, the government may face increasing pressure to reduce the flow of immigrants.