INDIAN students, some of them victims of assault in 2009, have been further penalised by rule changes that robbing them of migration hopes, according to a report.

The report from the Australia India Institute calls for Indian students on temporary visas to be given more time to weigh their options.

Writer Christopher Kremmer, one of the report's authors, said a thaw in Indian attitudes to Australia after the student attacks of 2009 created the opportunity for a gesture of goodwill.

"Is it any skin off our noses just to extend (Indian students' visas) for another year?" he asked.

The report also quotes an unidentified Indian diplomat as saying he had seen reports of "attempted suicides and overstaying of visas by young Indians stranded by the visa changes".

"Young Indians who overstay their visas and disappear into the community are easy prey for criminal mafias and others who can exploit their vulnerable legal status."

In February 2010, the government axed the occupation list that had allowed many Indians to parlay cookery qualifications into permanent residence. Under grandfathering arrangements, however, many former students have until December 31 to apply for a visa under the old, more liberal rules.

The institute report notes the Indian student boom of 2004-09, saying "the expectation was that a good degree or diploma would lead to a work permit, facilitating migration and citizenship".

"(But) the risk of a resurgence of negative perceptions (of Australia) has been increased by changes to immigration criteria introduced retrospectively, which have created a less favourable migration outlook for thousands of Indian students who came to Australia under a more liberal regime," said the report.

A spokesman for Immigration and Citizenship Minister Chris Bowen said the 2010 reforms were not retrospective and that affected students had been offered "generous transitional arrangements".

"These arrangements, in place until December 31, 2012, apply to more than 456,000 people, and provide students with the time and opportunity to explore their options."
"Those who can demonstrate that they meet Australia's skills needs, as articulated in the requirements for a permanent skilled visa, will still have the opportunity to achieve permanent residence."

Monash University researcher Bob Birrell said changes to the skilled migration program were designed to prevent a repeat of the overseas student debacle, but generous grandfathering arrangements had left the government with a huge backlog of visa aspirants. "So the legacy of this fiasco is that thousands of these Indians will get permanent residency under the skilled migration program -- more than this report acknowledges," Dr Birrell said.

Under the new skilled migration system, students and education businesses are less able to target certain courses and occupations as an easy path to permanent residency.

Former students must await an invitation to apply formally for skilled migration, meaning the government will not have a backlog of cases out of synch with the skill needs of the economy.

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