



IEAA Submission

A Migration System for Australia's Future

December 2022

The International Education Association of Australia (IEAA) is pleased to provide this submission to the review into Australia's migration system which we understand will inform a new national strategy, 'A Migration System for Australia's Future'. Given that our association represents all delivery areas of international education (public universities, ELICOS, public TAFE, independent post secondary education providers, schools and accommodation providers), our submission is primarily focussed on the importance of providing more transparent migration pathways for international students in Australia. As our CEO, the Hon. Phil Honeywood, sits on a number of Federal and State Government sector advisory bodies, he is well placed to provide the Committee with a more detailed analysis of key points contained in this submission if the members of the review panel so requires.

In making this submission, our Association would appreciate the Review noting our sector's key social licence challenge remains perceptions in the wider Australian community that international students take the jobs and university places of domestic students and almost always gain permanent residency status. In fact, a combined Treasury and Home Affairs Department Report published in 2019 concluded that 84% of full fee paying international students return to their home country and do not either obtain or seek to obtain Australian citizenship status. Over recent years, competitor study destination countries, especially Canada and New Zealand, have provided a much more welcoming and pro-migration policy framework than our nation. This situation was exacerbated at the start of the Covid pandemic by then Prime Minister Morrison telling international students to "just go home". For the two years that followed, Australia lost significant market share and reputational good will by choosing to keep our borders closed see student visa data in Table 1 of this Review's Discussion Paper.

Our Association has a strong view that given the considerable financial, academic and personal sacrifices that resilient young people from around the globe make in choosing to study here then they will, more often than not, qualify as excellent candidates for migration outcomes. Quite rightly, the recent Jobs and Skills Summit had a focus on supporting the complementarity of the migration program to Australia's jobs and skills agenda. While our international education community consistently advocates for course related employability outcomes, all too often we find that our overseas student graduates are working in jobs that either do not meet their expectations or their hard won qualifications. There are many reasons for this disconnect. We would argue that a major challenge here is the lack of understanding that Australian employers have as to how easy it is to employ international students. To this end, our Association recently launched a new ['Employability Guide for Australian Employers'](#).

As flagged in the Review's Discussion Paper, we support the contention that a "whole of government" framework is required for the sustainability of our nation's migration system. It should not be left entirely to the Federal Government to do the heavy lifting in supporting migration pathways. For many years, State/Territory Governments and designated regional areas have also been able to sponsor varying numbers of migrants. The challenge here will be to gain bi-partisan support for different levels of government to have a recognised and significant stake in any enhanced migration system.

The most significant barriers for international students progressing to migration outcomes include:

The Migration Points System

All too often international education professionals hear of situations in which overseas students, desperate to gain an additional 5 points required to meet their minimum migration points score, are forced to enrol in courses which they are either not suited to or in locations that result in them becoming geographically distant from their friendship groups and support networks. An example here is the large number of private education providers who have relocated to Tasmania in recent years. The most popular course they were teaching was an \$8,000 per year Diploma of Leadership. The motivation for many students to temporarily relocate to Tasmania was that this course was an inexpensive option to qualify for an additional 5 regional migration points. Given that Australia's National Strategy for International Education 2021-2030 emphasises the importance of regional education, there is definitely a case for regional development to be better linked to locally relevant skills shortages through the migration system.

Recommendation: That a framework be developed which encourages regional based local government (in consultation with their state/territory jurisdictions) to nominate courses that should attract additional migration points rather than generic study programs (e.g. Diploma of Leadership).

Professional Year Programs (PYP)

Given the importance of providing course-related employability outcomes, too few migration points are currently on offer to international students who undertake, post graduation, a high quality Professional Year Program (PYP). Good PYPs are accredited by industry bodies such as CPA Accountants and the Australian Computer Society. They are completely focussed on providing course related employability training and field work placements for their enrolled students. Some PYPs are delivered directly by education providers and others are contracted out to third party providers. It seems illogical that successful completion of a Professional Year Program currently only attracts 5 migration points - the same as the above mentioned Diploma of Leadership (which requires a student to relocate in order to gain 5 migration points).

Recommendation: That serious consideration be given to increasing the number of migration points for successful completion of a bona fide Professional Year Program from 5 to 10 points.

Skills in Demand List

A common complaint from full-tuition-fee-paying international students is that a particular course might be on Australia's Skills in Demand list at the time that they enrol. However, mid-way through completing the course, the Home Affairs Department can suddenly announce that the course has been removed from the list, thereby denying the student a course/skills-related migration outcome. Retrospective changes to the list have significant impacts for students, who have enrolled in courses based on the information provided and career prospects (aligned with the ESOS Act requiring ethical and transparent information for student decision making). Some years ago, a large number of overseas students who were three years into completing their four-year Bachelor of Surveying courses complained about their course suddenly being removed from the Skills in Demand list. Not only was this an expensive course to study but involved a high degree of specialisation that might not provide the students with a transferable skill or a career outcome back in their home country. Such unilateral unflagged announcements by Government Departments only serve to create a bad impression about Australia's willingness to provide clear messaging regarding career pathways to overseas students.

Recommendation: Once a relevant course is placed onto the Skills in Demand List then overseas students who enrol in the course should be provided with the opportunity to complete the course and gain the commensurate migration points even if the course has been removed from the list at some point during their normal academic progression.

Post Study Work Right (subclass 485) Visas

Most of our competitor study destination countries offer an option for overseas students who graduate at their higher education institutions to apply for a visa which permits them to work full time in that country for a set period prior to returning home. At the time when Australia decided to break the nexus between education and onshore migration outcomes, a model based on the UK's post study work right (PSW) visa system was adopted. At that time, Australia only offered two years PSW entitlement for successful completion of a three-year undergraduate degree. Over the years the PSW durations were extended to factor in full completion of study in a regional area (one extra year) or remote area (two extra years). Late last year, the Morrison Government extended PSW durations even further to three years for completion of a Masters by field work and four years for a PHD graduate. As an outcome of the Albanese Government's Jobs and Skills Summit in September, a Working Group was appointed to recommend courses that met Skills in Demand criteria for a possible additional two year PSW entitlement over and above the current periods mentioned above. The Working Group submitted its recommendations to Ministers Jason Clare and Clare O'Neill on 28th October and we are currently waiting on the Government's decisions in this important policy area. If the recommendations are adopted, then an overseas student could potentially spend four or more years studying in Australia full time and then qualify for up to a further six years full time post study work rights entitlement. Given that this extended entitlement would only be based on Skills in Demand courses/professions it seems inequitable for a student to spend significant time building a

career and contributing to the skills needs, without also providing a clearer and more comprehensive pathway to migration. At the same time, the employer has also invested significantly to develop this talent only to face the prospect of losing them when a pathway to residency or migration would retain the person and their skills in an Australian business. This will continue to disincentivise both employers and international students to invest in developing their career and skills in Australia.

Recommendation: That clear migration pathways/preference be provided to any overseas student who qualifies for an extended-duration Post Study Work Right (subclass 485) visa and spends the majority of this period working in a Skills in Demand course/profession.

State, Territory and Regional Sponsored Migration

Some states and territories, such as South Australia, have been more willing than others to promote state sponsored migration places for their international students. Its longstanding “live, learn and stay” marketing campaign has been a key factor in that state attracting far more enrolments proportionate to its population share than most other state jurisdictions.

Recommendation: Rather than the Federal Government having the only responsibility for our nation’s migration numbers, there should be a “whole of nation” policy response to annual migration caps which promotes, and factors in, the importance of skilled migration places for state and territory economies.

Trans National Education (TNE) and Online Learning

Some of our universities have successfully established offshore campuses and partner programs which deliver outstanding Australian accredited courses. During the Covid pandemic, many education providers also transitioned to teaching students offshore online. Again, if Australia is serious about recruiting outstanding talent to build our knowledge economy then there needs to be a migration points system which recognises some component of study that may have been undertaken overseas.

Recommendation: That TNE and offshore online study of an Australian recognised course be eligible for an appropriate number of migration points.

Australia’s Industry Accreditation Bodies

An example here is the Australian Nursing and Midwifery Association (ANMAC). Several years ago this accreditation body announced that there was likely to be a shortage of 30,000 nurses and aged care workers by 2025. However, at the same time, it decided to

increase the English language entry (not exit) minimum requirement to IELTS 7.0 or equivalent at the point of entry to the program. Previously this had been by graduation. To provide context here, Engineers Australia only require IELTS 6.5 or equivalent to graduate (for skills recognition purposes) as an engineer. In contrast, to even contemplate entering the lower level of nursing qualification course in Australia you require a higher English language proficiency than that of a qualified engineer. Overnight, this decision by ANMAC significantly discouraged longstanding student source countries such as Vietnam, Korea, Thailand and Japan from recommending students to study nursing in Australia. Instead, as the student visa data highlights, native English speaking The Philippines became the major source country. In a similar vein, the severe restrictions placed by other accreditation bodies, such as the Australian Psychologists Association, on course required or skills recognition required field work placements severely restricts the number of international students who can qualify in these professions each year. This situation often has unintended consequences. For example, at the meeting of the Council for International Education at Parliament House in November last year, the National President of the Council for International Students in Australia (CISA) explained that there are currently very few interculturally trained mental health counsellors in our nation. He argued that this situation discouraged many overseas students in need of counselling support from seeking professional help when they needed it.

Recommendation: That an urgent review be held into how accreditation bodies could streamline and support key talent attraction into their sectors where there are recognised Skills In Demand courses and providing academic pathways that support Australia's skills needs and supply intercultural communicators in areas of key demand.

Purpose Built Student Accommodation (PBSA)

Clearly any large increase in Australia's migration program needs to factor in the living conditions of those seeking a migration outcome. Compared to other competitive study destination countries, Australia has encouraged a robust Purpose Built Student Accommodation (PBSA) sector to make significant investment in student-focused accommodation options. However, a combination of land and sales tax imposts, and overly-complex planning scheme regulations, is threatening to disincentivise further significant PBSA developments.

Recommendation: That the migration review notes safe, affordable student accommodation as a key input into a sustainable migration system.

For any follow-up clarifications or questions, please contact IEAA CEO Hon. Phil Honeywood at phil.honeywood@ieaa.org.au.