

## Joint Parliamentary inquiry into skilled migration

1 MARCH 2021

The Australian Technology Network of Universities (ATN), in collaboration with The University of Newcastle, welcomes the opportunity to provide a submission to the Joint Standing Committee on Migration's inquiry into Australia's skilled migration program.

ATN is the peak body representing Australia's five most innovative and enterprising universities: Curtin University, Deakin University, RMIT University, University of South Australia, and University of Technology Sydney. The University of Newcastle is an important research-intensive anchor institution in the regional gateways of the Hunter and Central Coast.

Together, we are home to over 300,000 university students and over 23,000 full-time and part-time staff. References to ATN below should be read as representing all six universities.

A number of recent studies including *Shaping a Nation*,<sup>1</sup> *Effects of temporary migration*,<sup>2</sup> *Finding a Place to Call Home*,<sup>3</sup> and *Economic opportunities and outcomes of post-study work rights in Australia*<sup>4</sup> among others have clearly found that migrant workers are contributing to productivity gains across a number of occupations, are assisting in filling skills shortages, contribute positively to the overall experience of Australian workers and positively impact the economy through improvements in population, participation and productivity.

The 2020 publication of the annual *Mapping Social Cohesion*<sup>5</sup> found that 71% of respondents agreed that accepting immigrants makes Australia stronger and 84% agreed that multiculturalism has been good for Australia (an increase on recent years).

It is important to note that migrant workers do not harm the wages or participation rates of local workers.<sup>6</sup> On the contrary, a "one percentage point increase in the shares of migrants within an occupation or industry sector leads to an increase of 2.4 percentage points in the real wages of [Australian-born] workers. This suggests that skilled migrant workers drive positive benefits across Australia's industry sectors through increased productivity, innovation and knowledge spillovers."<sup>7</sup>

CEDA<sup>8</sup> found that temporary migration:

- *Provides significant economic benefits: previous research undertaken for the Migration Council of Australia showed temporary skilled visas provided the second highest boost to the economy of all migration streams.*
- *Makes up a tiny proportion of the Australian workforce: temporary skilled visa holders make up less than one per cent of the Australian workforce.*
- *Boosts government budgets: temporary skilled visa holders are excluded from free or subsidised government services but still contribute to economic activity and tax revenues, resulting in a boost to budget bottom lines.*

<sup>1</sup> Australian Government, the Treasury and the Department of Home Affairs 2018, *Shaping a nation: Population growth and immigration over time*, Australian Government, Canberra.

<sup>2</sup> CEDA 2019, *Effects of temporary migration*, CEDA, Melbourne.

<sup>3</sup> Dockery, AM, Duncan A, Mavisakalyan A, Nguyen T and Seymour R 2019, 'Finding a Place to Call Home: Immigration in Australia', Bankwest Curtin Economics Centre, Bentley, Focus on the States Series, Issue #7, November 2019.

<sup>4</sup> Chew, J 2019, *Economic opportunities and outcomes of post-study work rights in Australia*, International Education Association of Australia (IEAA), Melbourne.

<sup>5</sup> Markus, A 2021, *Mapping Social Cohesion 2020: The Scanlon Foundation Surveys*, Monash University, Caulfield East.

<sup>6</sup> CEDA 2019, *Effects of temporary migration*, CEDA, Melbourne.

<sup>7</sup> Dockery, AM, Duncan A, Mavisakalyan A, Nguyen T and Seymour R 2019, 'Finding a Place to Call Home: Immigration in Australia', Bankwest Curtin Economics Centre, Bentley, Focus on the States Series, Issue #7, November 2019, p. 37.

<sup>8</sup> CEDA 2019, *Effects of temporary migration*, CEDA, Melbourne.

## Skilled migration for graduates

Australia is an enticing destination for international students because they can study at globally recognised universities, gain work experience while they study, live and study in a safe and multicultural society, enjoy a high standard of living, and have the opportunity to work or do further study in Australia after they graduate.

Post-graduation work and study rights are an important features of our current system of temporary migration,<sup>9</sup> as they are in other countries such as Canada and the United Kingdom. International students get an opportunity to practise and develop their skills in the workforce, or contribute through post-graduate research. We should use this as an opportunity for us to diversify, broaden and extend our economy.

International education is Australia's fourth largest export and largest service export (contributing \$37.6 billion in 2018-19),<sup>10</sup> meaning that our economy (and, by extension, all Australians) benefit from it. Educating international students allows our universities to offer a fuller range of world class education to Australian students. International education also has benefits beyond the education sector – tourism, retail, hospitality and accommodation also benefit from these students and their families visiting Australia. This is particularly true for regional areas that have relatively low numbers of immigrants, where international students bring cultural diversity that has deep transformative economic and social impacts.

The possibility of staying in (or returning to) Australia for skilled work is an important factor for international students choosing to study in Australia. Australia must consider its international competitiveness and openness, especially if other countries are perceived to be more welcoming options. Australia's key competitors (such as the United Kingdom and Canada) are currently being perceived to be more welcoming by international students and during the COVID-19 crisis are ahead of Australia in relation to welcoming back international students. During 2021 this will significantly impact Australia's competitive position.

The vast majority of international students return home after studying in Australia<sup>11</sup> – this is an expected and positive outcome. Students returning home multiply the global connections with Australia, benefiting Australian businesses operating internationally, our standing in the international community and our research network. However, a balance is needed to ensure that Australia can retain and grow knowledge and skills in Australia as well.

Having a balanced and measured approach to skilled migration that Australians support will be key to reactivating a sustainable international education market in the medium to long term. While international student arrivals are rightly on hold for now until health and welfare concerns permit their return, we should be planning for the future of skilled migration now.

<sup>9</sup> Degree graduates from an Australian institution can apply for two to four year visa to live, work and study in Australia - Temporary Graduate visa (subclass 485) (Post-Study Work stream).

<sup>10</sup> DFAT 2021, Trade and Investment at a Glance 2020, Australian Government, Canberra.

<sup>11</sup> Only 16 per cent of student migrants move to a permanent visa after 19 years. (CEDA 2019 Effects of temporary migration, CEDA, Melbourne, p.16).

## Skilled migration for researchers and entrepreneurs

Skilled migration allows specialised and highly sought-after people with valuable expertise to come to Australia and enable high level research and innovation.<sup>12</sup> International research collaborations which boost the knowledge, skills and productivity of the Australian economy rely on these people. Without skilled migration Australian researchers may have to migrate themselves for research collaboration, which risks Australia losing the benefits of having them and their research in Australia.

A tangible and realistic pathway from temporary to permanent migration is needed to attract leading academics and researchers and encourage them to setup research centres in Australia.<sup>13</sup> Australia's universities and research institutes are collaborating and competing on a global scale and being able to attract highly skilled people from around the world boosts Australia's research and innovation capacity.

Creating pathways for skilled migration that provide for the possibility of permanent residency encourages researchers to build long-lasting connections with Australia. Those with a pathway to permanent residency are more likely to build their relationships with other researchers and students, set up businesses and invest in Australia.

Australian universities produce world class research in a competitive global environment where the talent pool is highly sought after and mobile. These international researchers are an important, albeit relatively small, part of Australia's research workforce. In recent years, there have been around 2,000 temporary visa holders in the nominated occupation of university lecturer – less than two per cent of the continuing academic workforce.

University Lecturer (ANZSCO 242111) is currently on the Medium and Long-term Strategic Skills List (MLTSSL) and should remain so. This allows universities to employ international academics for up to four years (Temporary Skill Shortage visa – subclass 482) and opens a pathway to an employer sponsored permanent residency (Employer Nomination Scheme visa – subclass 186).

Under the current Employer Nomination Scheme visa (Direct Entry stream), there are exemptions from age and skills requirements for those nominated as an academic (university lecturer or faculty head at Academic Level B, C D or E) by a university in Australia. These exemptions are important as many senior researchers are over 45 years of age and have gained extensive experience internationally. This pathway to permanent residency is also an important consideration for highly experienced and sought-after academics making the decision to relocate themselves and their families overseas.

However, universities are still required to conduct labour market testing prior to application, including running advertisements on the Government's jobactive website for at least four weeks. Given the highly specialised nature of nature of university positions and the rigorous nature of the internal recruitment procedures, this test is unnecessary and can cause difficult delays (especially for Temporary Skill Shortage visas).

The age and skills exemptions do not include those entering Australia to take up senior leadership and executive roles at Australian universities, including vice-chancellors. Given that these individuals would be leaving senior positions at universities and research centres overseas, they should be afforded the certainty of permanent residency. The only immediate permanent residency pathway currently available to such candidates is the Distinguished Talent visa, which is very limited in number, extremely specialised and competitive, and does not guarantee a permanent visa.

<sup>12</sup> See, for example, Cochlear and CSL using temporary migration to boost advanced manufacturing in Australia. (CEDA 2019, Effects of temporary migration, CEDA, Melbourne, p.20).

<sup>13</sup> Such as the Distinguished Talent visa (subclasses 124 and 858).

Universities welcomed the new Global Talent Visa Program, which is a streamlined pathway for highly skilled professionals to take up permanent residency. In particular, the availability of places for PhD graduates and students who can demonstrate their exceptional talent and international recognition is important.

Currently there are seven target sectors for the Global Talent Visa Program: agricultural technology, space and advanced manufacturing, financial technology, energy and mining technology, medical technology, cyber security, and quantum information, advanced digital, data science and information and communications technology. These target sectors should be reviewed regularly to ensure they continue to match Australian science and research priorities and are meeting the needs of Australian businesses, universities and research institutions.

We also support the Supporting Innovation in South Australia (SISA) pilot program and hope to see it rolled out nationally. SISA encourages entrepreneurs to bring startups and innovative ideas to South Australia and ensures that we can attract the best talent and ideas. Universities are important parts of the innovation and startup ecosystem in Australia and we are actively engaged in the commercialisation of our research, so any initiative that supports our work is welcome.

Countries such as the United Kingdom, Canada, the Netherlands, Germany and France have specialised and streamlined visa classes to attract these researchers and offer pathways to permanent residency. Australia must regularly review its skilled migration system to ensure it is meeting our aims and we are able to attract the skilled workers that we need.

In particular, we must be aware of the restrictions that we place on certain visa holders. These restrictions can include mandatory periods with the sponsoring employer, only being able to work for the sponsoring employer, and inability to extend their stay without applying for a new visa. These conditions should be regularly reviewed to ensure they are in line with international standards and the needs of our society and economy.

### **Example: Global Talent visa in the United Kingdom**

The Global Talent visa is an immigration category for talented and promising individuals in specific sectors wishing to work in the UK.

There are four routes for eligible academics and researchers to obtain endorsement for a Global Talent visa: senior appointment, individual fellowships, endorsed funders, and peer review.

The Global Talent visa allows successful applicants to work in the UK for up to five years without a sponsor or entry requirements such as language tests and minimum salary thresholds which apply to other UK immigration categories.

Benefits include being able to change roles and employ organisations without permission from the Home Office, enter self-employment, set up a spin-out company, and earn additional income from consultancy or other sources which may or may not relate to the field of research in which the applicant was endorsed.

There is no cap on the number of visas granted under this visa category and applicants can choose the length of their visa, initially up to five years with the option to renew multiple times.

In addition, the Global Talent visa comes with considerable advantages for individuals, their partners and their dependants wishing to establish a long-term connection to the UK, including a fast-track to settlement after three years for the main applicant.

The visa also allows successful applicants to undertake research overseas without this counting towards the maximum time period allowed for absences in the context of applications for settlement.

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