

Planning Australia's 2022-23 Migration Program

December 2021

The Australian Technology Network of Universities (ATN), in collaboration with The University of Newcastle, welcomes the opportunity to contribute to the Department of Home Affairs' consultation on [Australia's 2022-23 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 (UniSA), and University of Technology Sydney (UTS). 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 students and 23,000 full and part-time staff.

Our submission addresses the following three questions posed by the Department:

1. How can Australia remain attractive to prospective migrants to support our recovery from the impacts of COVID-19 in the short term and support a future Australia for 2030 and beyond?
2. How can the Skill stream of the Migration Program effectively address workforce shortages while boosting efforts to upskill and reskill Australians?
3. How can migration policy settings better support social cohesion outcomes in Australia?

Key messages

The Genuine Temporary Entrant (GTE) requirement for student visas is no longer fit-for-purpose or compatible with the aims of Australia's visa system and international education system

We need clear and realistic pathways from student and graduate visas to permanent residency through the Skill stream. This is recognised in the Government's Australian Strategy for International Education 2021-2030:

Targeted career initiatives may also help incentivise uptake in areas of skills needs among interested temporary graduate visa holders entering Australia and to returning and new international students. The Australian Government's Services Exports Action Plan underlines that Australia's international competitiveness is contingent on the skills and qualifications of the Australian workforce. International education can help to bridge these gaps. With strong English language skills and Australian qualifications, international graduates are well-positioned to fill skills gaps and apply for residential and employment pathways, including through the Skilled Migration Program.

...

Ongoing flexibility in Australia's migration policies will be an important part of enhancing Australia's competitive position overseas. There is a need to better target international enrolments towards Australia's future skills needs to grow businesses, create more local jobs and aid our economic recovery.

While the focus has usually been on temporary visas, the opportunities that permanent residency offers can be used to provide a strong incentive and competitive edge to help Australia address skill shortages in the short and medium term.

The Department of Home Affairs acknowledges that:

The Genuine Temporary Entrant (GTE) requirement is not intended to exclude students who, after studying in Australia, develop skills Australia needs and who then go on to apply for permanent residence.

However, as it currently stands the GTE requirement is doing exactly that. The Government's strategy makes it clear that we need an increase in the 16 per cent of students that move to a permanent visa.¹

Permanent migration should be linked to the Post-Study Work stream and, through that, to relevant work experience while studying

While studying in Australia, international students get an opportunity to practise and develop their skills in the workforce. We should encourage these students to blend part-time study and part-time employment (in a relevant occupation or industry) as a way of filling skills and labour shortages and helping students build a career and life in Australia.

Relevant part-time work should be linked to greater access to the Post-Study Work stream, which should then be linked with permanent visas through the Skill stream.

There are several advantages to strengthening the links between student and graduate visas and permanent migration. Graduates have:

- A qualification from a recognised and quality assured Australian provider that can be designed with Australia's skills needs in mind
- Developed primary, secondary and tertiary foundations and support networks which will aid their transition to permanent residency (e.g. links with their university, fellow graduates, alumni groups, internship employers)
- Deeper cultural understanding of Australia.

Graduates with a history of part-time work in a relevant occupation or industry are even more valuable to Australia.

Graduates have a track record of education, employment and engagement with Australia and a strong understanding of the society and culture they are committing to when applying for permanent residency. This benefits both the graduate and Australia as the experience is more likely to be a productive and successful one.

¹ Only 16 per cent of student migrants move to a permanent visa after 20 years. (CEDA 2019, Effects of temporary migration, CEDA, Melbourne, p. 16).

Removing barriers for employers to sponsor employees

An effective system that combines part-time work while studying, post-study work rights and permanent migration – as outlined above – also relies on the participation of employers. We should alleviate the administrative and cost barriers for employers and simplify the sponsorship process.

Creating an effective, tangible and realistic pathway from student visa, to graduate visa and then to permanent visa will help attract, build and retain talent. This will require a three-way partnership between universities, industry and government.

This three-way partnership is a crucial part of the integration of international education, and delivering better outcomes for industry, students and the economy.

Universities and industry are ready to work in partnership with the Government to ensure the skilled migration pathways for students, graduates, and expert researchers are sustainable, adaptable and attuned to the needs of Australia's economy and society.

This partnership can use existing and ready-made support structures that exist between universities and their students and graduates, and between employers and their staff. Together with the Government, we can balance the needs of Australian workers, migrants, businesses, regions and the workforce and create a system that is responsible, targeted, measured and responsive

Attracting the next generation of skills and knowledge

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,¹ 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.

Before the pandemic, international education was Australia's fourth largest export and largest service export (contributing \$37.6 billion in 2018-19),² meaning that our economy (and, by extension, all Australians) benefits 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.

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 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 2022 this will significantly impact Australia's competitive position.

¹ 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).

² DFAT 2021, Trade and Investment at a Glance 2020, Australian Government, Canberra.

The vast majority of international students return home after studying in Australia¹ – 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.

We need clear and realistic pathways from student and graduate visas to permanent residency through the Skill stream. This is recognised in the Government’s Australian Strategy for International Education 2021-2030:

Targeted career initiatives may also help incentivise uptake in areas of skills needs among interested temporary graduate visa holders entering Australia and to returning and new international students. The Australian Government’s Services Exports Action Plan underlines that Australia’s international competitiveness is contingent on the skills and qualifications of the Australian workforce. International education can help to bridge these gaps. With strong English language skills and Australian qualifications, international graduates are well-positioned to fill skills gaps and apply for residential and employment pathways, including through the Skilled Migration Program.

...

Ongoing flexibility in Australia’s migration policies will be an important part of enhancing Australia’s competitive position overseas. There is a need to better target international enrolments towards Australia’s future skills needs to grow businesses, create more local jobs and aid our economic recovery.

While the focus has usually been on temporary visas, the opportunities that permanent residency offers can be used to provide a strong incentive and competitive edge to help Australia address skill shortages in the short and medium term.

There are several advantages to strengthening the links between student and graduate visas and permanent migration. Graduates have:

- A qualification from a recognised and quality assured Australian provider that can be designed with Australia’s skills needs in mind
- Developed primary, secondary and tertiary foundations and support networks which will aid their transition to permanent residency (e.g. links with their university, fellow graduates, alumni groups, internship employers)
- Deeper cultural understanding of Australia.

Graduates have a track record of education, employment and engagement with Australia and a strong understanding of the society and culture they are committing to when applying for permanent residency. This benefits both the graduate and Australia as the experience is more likely to be a productive and successful one.

¹ Only 16 per cent of student migrants move to a permanent visa after 20 years. (CEDA 2019, Effects of temporary migration, CEDA, Melbourne, p. 16).

Attracting established skills and knowledge

Skilled migration allows specialised and highly sought-after people with valuable expertise to come to Australia and enable high level research and innovation.¹ International research collaborations which boost the knowledge, skills and productivity of the Australian economy rely on these people.

Attracting and retaining research expertise and activity in Australia creates the right ecosystems for our industries to collaborate with researchers and commercialise that research. A high concentration of research talent is needed to maintain a critical mass of research and commercialisation activity.

A tangible and realistic pathway from temporary to permanent migration is needed to attract leading academics and researchers and encourage them to setup research institutes and centres in Australia.² 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.

Bringing these experts to Australia and encouraging them to build up their investment in Australia creates multiplicative economic and social effects. They will generate more research activity, attract more global funding and investment, and produce more commercialisable products and innovations – this in turn leads to more local economic activity and employment and more global connections.

Achieving this through a 'triple helix' partnership

ATN Chair, Professor Iain Martin, recently advocated for the need for a new partnership to help rebuild Australia's economy and ensuring our businesses have a strong supply of skilled workers, supplementing the strong pipeline of Australians getting the skills they need for the post-pandemic economy:

A three-way partnership between universities, industry and government is a crucial part of the integration of international education, and delivering better outcomes for industry, students and the economy. Using this 'triple helix' approach, the focus on student outcomes would be sharpened to include opportunities for work integrated learning, part-time work and ultimately improved graduate outcomes.

This three-way partnership is absolutely vital for this approach to succeed – importantly we are suggesting that this strategic approach to international student pathways would unashamedly give preference to agreed areas that are in the nation's wider interest. Pathways to permanent residency in priority areas need to be re-cast and Australia should embrace longer periods for post-study work rights for international students who as skilled graduates will contribute to the workforce that Australia so deeply needs.

Universities and industry are ready to work in partnership with the Government to ensure the skilled migration pathways for students, graduates, and expert researchers are sustainable, adaptable and attuned to the needs of Australia's economy and society.

¹ 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).

² Such as the Distinguished Talent visa (subclasses 124 and 858).

This partnership can use existing and ready-made support structures that exist between universities and their students and graduates, and between employers and their staff. Together with the Government, we can balance the needs of Australian workers, migrants, businesses, regions and the workforce and create a system that is responsible, targeted, measured and responsive.

Recommendations from ATN's international education roundtable

ATN recently hosted an international education roundtable, bringing together thought leaders, experts from within the sector, leaders in industry and well-respected commentators to focus on what the 'new normal' in international education will be post-pandemic.

Our aim was simple: what attributes will our future international education sector have and what role will it play in supporting Australia's future.

Several recommendations were made during the course of the roundtable that apply to Australia's migration program:

- Make an explicit offer to international higher education students to 'study, work and stay' in Australia by extending the period of post-study work rights for all higher education graduates
- Provide an additional extension to post-study work rights for students in courses linked to occupations experiencing shortages (e.g. STEM)
- Continue work underway through the National Skills Commission and the Skilled Migration Officials Group to amalgamate existing skills shortage lists into a single national list
- Ensure emerging occupations (outside the ANZSCO classification) are included on the new national skills list
- Establish formal feedback mechanisms between universities, government and employers in critical occupations experiencing shortages (e.g. advanced manufacturing, health care and information technology).

Social cohesion

A number of recent studies including *Shaping a Nation*,¹ *Effects of temporary migration*,² *Finding a Place to Call Home*,³ and *Economic opportunities and outcomes of post-study work rights in Australia*⁴ 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.

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

2 CEDA 2019, *Effects of temporary migration*, CEDA, Melbourne.

3 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.

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

The 2020 publication of the annual *Mapping Social Cohesion*¹ 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.² 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.”³

Conclusion

Australia needs a cohesive and connected migration system with flexible pathways between temporary visas and permanent migration. The strengths and quality of our international education system provide an ideal foundation on which to build our permanent migration and meet the needs and aspirations of Australians, local industry, students and migrants.

This is already recognised in the Government’s Australian Strategy for International Education 2021-2030:

Ongoing flexibility in Australia’s migration policies will be an important part of enhancing Australia’s competitive position overseas. There is a need to better target international enrolments towards Australia’s future skills needs to grow businesses, create more local jobs and aid our economic recovery.

Our international education system, combined with a flexible and streamlined migration system, is ideally placed to fill urgent and persistent skills gaps in the Australian economy.

Further enquiries should be addressed to:

Executive Director

Australian Technology Network of Universities
info@atn.edu.au

¹ Markus, A 2021, *Mapping Social Cohesion 2020: The Scanlon Foundation Surveys*, Monash University, Caulfield East.

² CEDA 2019, *Effects of temporary migration*, CEDA, Melbourne.

³ 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.