



# GROUP OF EIGHT

## Go8 Position Paper

### Response to the DIAC discussion paper: *Review of the General Skilled Migration Points Test*, 15 February 2010

This paper provides the Go8's response to specific questions raised by the Department of Immigration and Citizenship (DIAC) in its 15 February paper. We ask the department to keep in mind that our views on some issues are provisional given the timing of this review, and the lack of relevant data on which to base our analysis of the issues raised. We therefore ask that stakeholders be given an opportunity to revisit the points test after

- publication of the new Skilled Occupations List;
- the department has publicised the framework for its comprehensive reform of the skilled migration program; and
- the government's Research Workforce Strategy is finalised.

We also recommend that the government consider the creation of a national independent body that has the expertise and capacity to conduct and commission high level research on immigration issues and how they affect and interact with virtually every sector of Australian public and private life. Such a body could provide data, analysis and advice for immigration policy development and planning at the national as well as state and territory levels, as well as being a resource for business, industry, the education sector, and public policy groups more broadly. The Go8 believes that Australia must develop its capacity to better understand immigration issues if we are to prosper in an increasingly internationalised world.

#### **INTRODUCTION**

The Group of Eight (Go8) applauds the government's intention to comprehensively reform the skilled migration program, and we welcome the opportunity to submit this response to the General Skilled Migration (GSM) Points Test Discussion Paper.

The Go8 has argued for some time that it is inappropriate to link international education to the skilled migration program. Educational decisions should not be driven by the availability of extra points for studying in Australia nor for undertaking courses with narrowly defined occupational ends. Rather, the level and quality of educational qualifications should underpin the new skilled migration program so that the government, in consultation with relevant stakeholders, can better meet Australia's short, medium and long term human capital needs.

To be blunt, migration policy should be driven by Australia's economic and social needs as well as its international responsibilities and while education capacity and the sustainability of the international education industry should not be ignored, neither should it have a disproportionate influence on the shape of the migration program.



# GROUP OF EIGHT

The Go8, however, urges caution and recommends a phased implementation period for any major changes to the points test. Higher Education providers and other parts of the education sector have responded directly to government policies on migration and study in Australia and the interaction of these policies has led to the development of complex, long standing links between skilled migration and international education such as the change in the relative value of obtaining an Australian qualification. These links cannot be untangled in one fell swoop. Any sudden radical revision of the points test or the skilled migration program overall will only result in catastrophic losses to those institutions and, in some cases, those regions with a large investment in and dependence on international students.

Those students already studying in Australia, furthermore, must be given some special consideration and an opportunity to meet the revised points test requirements.

## SKILLED OCCUPATIONS LIST

The Government's recent decision to eliminate the bloated Migration Occupations Demand List in favour of an as yet to be determined narrowly targeted Skilled Occupations List (SOL) is a welcome development. If carefully aligned with the announced individual state and territory migration plans, the national SOL will allow the Department of Immigration and Citizenship (DIAC) to better identify and manage skills shortages in specific occupations in a much more targeted and efficient manner and will allow for a greater differentiation between short, medium and long term migration requirements.

The Go8 recommends that

- the national SOL be limited to a very few genuinely critical occupations that are demonstrably experiencing a shortage of human capital across the country;
- that each state and territory migration plan include its own continuously revised SOL to supplement the national list by focusing on those critical occupations that are difficult to staff regionally or locally; and
- state and territory sponsorship be based on their individual SOLs;

Our view is that both the commonwealth and state/territory SOLs must be continuously evaluated and revised to focus on critical skills shortages in a very limited number of targeted occupations, and primarily address short term skills shortages.

## POINTS FOR OCCUPATION

The majority of each year's GSM visas, however, ought to be awarded so as to build Australia's medium and long term human capital infrastructure. To facilitate this goal, the revised points test should be based on educational qualifications and other high level skill attributes across a number of areas rather than based on specific narrowly defined occupations.

The Go8 argues, therefore, that no points be awarded for specific occupations under the revised points test. Instead, a certain number of applicants who meet points test threshold requirements based on educational attainment and other criteria **and** receive state/territory



# GROUP OF EIGHT

or commonwealth sponsorship under the various SOLs should receive priority processing ahead of those applicants not in occupations listed on the SOLs. This system will require DIAC to set aside a certain number of GSM visas from each year's total for allocation under the SOL scheme. From year to year, the number of visas allocated in reference to the SOLs can be adjusted as necessary to fulfil the government's short, medium and long term human capital development goals within the context of changing regional, national and global labour market flows and within the larger context of Australia's overall migration programs.

If, ultimately, DIAC decides to award points for occupations in the revised points test, the Go8 strongly believes that points for occupation should constitute only a small percentage of the total number of points possible and, further, that there should be no differentiation in points awarded for specific occupations per se. All occupations included on the commonwealth or state/territory SOLs should receive the same number of points.

## **POINTS FOR OVERSEAS & AUSTRALIAN QUALIFICATIONS**

The Go8 believes that Australia's best interests will be served by investing in knowledge-based economic development. This will require higher levels of human capital input into our economy and for cutting edge innovation in research, technology, industry and social advancement. The government has already acknowledged the importance of post-secondary education and training in achieving these goals as evidenced by the policies outlined in its response to the Bradley Review, *Transforming Australia's Higher Education System*. It therefore seems counterintuitive that Australia's General Skilled Migration scheme should be based on occupations rather than post-secondary educational and training qualifications and skills.

Additionally, the Go8 suggests that if Australia is to attract the best and brightest from around the world, applicants with overseas qualifications should not be penalised for having completed their studies at home or in a country other than Australia.

We therefore recommend that

- the threshold for the revised GSM points test be set at completion of a post-secondary qualification requiring a minimum of two years of study or training;
- additional points be given for each additional recognised qualification completed so long as it requires a minimum of one year of additional study or training;
- education and training qualification points be awarded regardless of where qualifications are earned subject to verification that the granting institution and qualification meet minimum standards of quality (see below).

Naturally, recognition of non-Australian qualifications and validation of overseas institutional and course of study quality are areas that will require serious consideration and agreed upon frameworks of assessment and monitoring as well as consultation with

Australian skills assessing authorities and/or professional bodies. A variety of world ranking systems for institutions of higher education do exist, and may be used in some cases to provide baseline information. Because existing rankings are based primarily on research



# GROUP OF EIGHT

quality rather than teaching and learning outcomes, however, and do not necessarily reflect course level quality, the Go8 urges DIAC to work closely with the Higher Education sector, the Australian Qualifications Framework, Australian Education International, the National Office of Overseas Skills Recognition, Trades Recognition Australia, and other relevant Australian and international bodies before determining how overseas qualifications will be evaluated and recognised.

While we believe that Australian and properly validated overseas qualifications should receive the same number of points based on equivalence of study and training, the Go8 also recognises that students who complete post-secondary qualifications in Australia have already begun the process of acculturation, have demonstrated that their English language ability is of a standard high enough to have successfully completed a course of study, and are better placed to more rapidly join the workforce.

In recognition of these factors, as well as the fact that the Australian tertiary education and training sector is generally of high quality, the Go8 recommends that

- applicants for general skilled migration who have successfully completed an approved Australian post-secondary qualification receive an additional 5 to 10 points depending on the level and duration of their study in Australia.

The vast majority of points for validated education and training qualifications, however, ought to be awarded regardless of where they are earned.

## **ENGLISH LANGUAGE ABILITY**

High level English language ability should be recognised by the revised points test, while threshold competency should be mandatory for all successful GSM applicants. The Go8 holds, therefore, that no points should be awarded for threshold competency, but test scores above the threshold should attract points. It is also our view, that DIAC recognise additional methods of certifying English language ability; the International English Language Testing System (IELTS) is only one of several internationally recognised language tests and the Go8 believes that one testing provider should not be given a monopoly.

## **AGE FACTOR/WORK EXPERIENCE POINTS**

The Go8 does not believe it is necessary to change the way points are awarded for the age factor if the weighting is adjusted and the focus of the revised points test shifts away from occupation points and toward educational/training qualification points. GSM applicants with higher level qualifications may indeed lose some points due to a higher age bracket, but if the qualification points are weighted correctly, any points lost on age should be more than made up for in educational/training attainment points.

However, adequate data is not available at this time to fully address the age factor in migration and we urge DIAC to commission a study which will explore the issue within the context of current and projected demographic trends, health issues, workforce practices, and an increasingly more educated population in Australia and abroad.

The Go8 does not support the idea of awarding applicants points based on work experience as the quality of the work performed cannot be assessed easily



# GROUP OF EIGHT

## HIGHER DEGREE QUALIFICATIONS POINTS

The system of allocating points for each successive educational/training qualification described above should result in an increased number of higher degree holders being admitted under the GSM program. The Go8 believes this is a desirable outcome as applicants with these kinds of qualifications are better prepared to work across a range of jobs/professions and are able to adapt more quickly to changes in the labour market.

The points test discussion paper notes a potential disadvantage to trade qualified applicants, but we believe that any disadvantage can be addressed through the SOLs. Additionally, DIAC may reserve a certain number of GSM visas specifically for trades qualified individuals who would then be in competition with one another rather than with those who possess higher education qualifications. From year to year, the number of visa allocated to trades/vocational qualified applicants and those allocated to higher education degree qualified applicants could be adjusted to meet labour and demographic demands. Used in conjunction with state and territory migration plans, the numbers could be further adjusted according to local needs.

One area of particular concern for the Go8 and the higher education and innovation sector overall is the worldwide shortage of higher degree by research trained individuals. The Department of Innovation, Industry, Science and Research (DIISR) has convened a Research Workforce Strategy (RWS) group to evaluate Australia's future research workforce needs and higher degree by research training. It is unfortunate that the GSM Points Test review, as well as the national SOL, is being conducted before the final report of the RWS is completed in mid 2010. In light of that fact, the Go8 strongly encourages DIAC to revisit the general skilled migration program and revise it as necessary to take into account the findings of the RWS.

Ahead of the RWS recommendations, it is possible to assert that Australia will face a shortage of researchers in the academic, industry, government and wider professional workforces. Given current levels of domestic student enrolment in higher degree by research training, migration of PhD and research Masters qualified individuals in large numbers will be required if we are to adequately supply demand.

It is vital that Australia find ways to build the highest levels of human capital possible given the increasing global competition for top talent, particularly in those disciplines which underpin capacity for scientific, medical and technological development, those which develop the quantitative skills for the social and environmental sciences where data needs to be collected and analysed rigorously, and those which create the knowledge required for Australia to prosper in an increasingly complex globally interdependent political, economic and cultural context.

Once the RWS has completed its work, we expect that "higher degree qualified researcher" will be one of the broad occupations added to the national SOL. If our expectations are fulfilled, overseas GSM applicants who have earned PhD or research Masters qualifications at overseas institutions will not only benefit from the revised points test emphasis on educational qualifications, but will also receive preferential processing of their applications.



# GROUP OF EIGHT

The Go8 argues, however, that the projected shortage of research qualified workers could be more effectively addressed by removing the barriers that currently exist to retaining international higher degree by research (HDR) students graduating from Australian universities that can demonstrate an internationally competitive quality of research in the relevant fields. The government's Excellence in Research for Australia initiative may well provide data for this purpose, as well as providing a mechanism for ensuring that the quality of HDR training in Australia is in no way diminished and that all HDR students are admitted for supervision only in areas of institutional research strength.

The Go8 recommends that DIAC consider a new research higher degree (RHD) visa category which includes three years of automatic post-degree residency and clear pathways for permanent residency for international students who have

- successfully completed a PhD at an Australian university according to the terms of the student visa;
- secured a post-doctoral position in the public or private sectors which makes use of either their disciplinary research training or the high level transferable skills developed as a result of that training (e.g. with academic, corporate, research and development, small and medium enterprises (SMEs), health agencies, environmental agencies, public policy bodies, etc);

This new RHD visa type is intended to complement existing higher degree student visas so that universities, in consultation with DIISR, DIAC and the wider research sector, may more effectively recruit and retain high calibre students from around the world while fulfilling our international obligation to provide high level research training for qualified students who want or are required by sponsoring government's to return home after completing their degrees.

If indicated by the findings of the RWS report, the Go8 also recommends that DIAC consider creating a similarly structured RHD visa for international Masters by Research students with a reduced period of guaranteed residency but the retention of clear pathways to permanent residency.

## **POINTS FOR A WELL QUALIFIED PARTNER**

The Go8 agrees with the discussion paper's assertion that "A well-qualified partner would further increase Australia's stock of human capital" (page 12). We believe that the benefits involved outweigh any potential perverse incentives in that procedural checks can be put in place to prevent "marriages of convenience". Each applicant, furthermore, should be required to meet the threshold criteria in all of the other categories included on the points test before any "well qualified partner" points are awarded.

## **POINTS FOR FAMILY SPONSORSHIP**

A small number of points for family sponsorship should be awarded in recognition of the value of family settlement support. However, family sponsorship should not be used to enable applicants with reduced employment prospects to migrate. The Go8 recommends that all applicants granted visas under the revised GSM system ought to meet the threshold criteria for skilled migration.



# GROUP OF EIGHT

## **POINTS FOR REGIONAL STUDY**

Until it is possible to demonstrate that international students who undertake regional study actually contribute to increased post-study regional settlement, the Go8 does not support the allocation of points for regional study. As noted above, changes to the points test likely to effect regional education providers in significant ways need to be phased in over time.

The new state and territory migration plans and SOLs may well provide a more effective way to promote regional settlement.

## **POINTS FOR COMMUNITY LANGUAGES**

The Go8 supports the continued allocation of a small number of points for proficiency in designated community languages.

## **POINTS FOR STATE/TERRITORY SPONSORSHIP**

If state/territory migration plans are implemented effectively, specialised SOLs are developed to reflect jurisdictional skills needs, and applicants who receive this type of sponsorship are given priority processing, there should be no further need to allocate points for state/territory sponsorship.

## **PROFESSIONAL YEAR POINTS**

The Go8 supports the continued allocation of Professional Year points.