

30 January 2017

Committee Secretary  
Standing Committee on Employment, Education and Training  
Parliament House  
Canberra ACT 2600

Submitted online: [www.ahp.gov.au](http://www.ahp.gov.au)

### **Inquiry into innovation and creativity: workforce for the new economy**

The Federation of Ethnic Communities' Councils of Australia (FECCA) is the national peak body representing Australia's culturally and linguistically diverse (CALD) communities and their organisations. FECCA provides advocacy, develops policy and promotes issues on behalf of its constituency to Government and the broader community. FECCA supports multiculturalism, community harmony, social justice and the rejection of all forms of discrimination and racism so as to build a productive and culturally rich Australian society. FECCA's policies are developed around the concepts of empowerment and inclusion and are formulated with the common good of all Australians in mind.

FECCA welcomes the opportunity to make a submission to the House of Representatives Standing Committee on Employment, Education and Training.

### **Students graduating with the skills needed for the jobs of today and of the future**

According to a research conducted by Department of Employment, Australia's fastest growing industries include health care and social assistance, professional, scientific and technical services and education, training and research.<sup>1</sup> These industries will continue to grow in the future, thus, employment strategies should identify opportunities and avenues to invest in a workforce that possess necessary skills and expertise in these areas.

Some of the most common areas of study among international students are management and commerce, information technology, engineering and related technologies and health.<sup>2</sup> These are in-line with the aforementioned fastest growing industries in Australia. The majority of these international students graduate with skills and qualifications needed for the jobs of today and the future, and bring additional linguistic and cultural perspectives that will give Australia an economic advantage in the long run.

<sup>1</sup> Department of Employment, *Industry Employment Projection: 2016 Report*, March 2016, p.1.

<sup>2</sup> Hanover Research, *Popular Programs for International Students*, June 2014, p. 7.

A large percentage of international students remain in Australia after completing education.<sup>3</sup> However, concerns have been raised around the 'long-term temporary migrants (including international students) who wish to become permanent residents, but fail to make progress towards that goal, and instead move around in circles, jumping precariously from one temporary visa to another'.<sup>4</sup>

Currently, the 485 temporary graduate visa enables international students to remain in Australia to pursue further studies or find post-study work. A number of states and territories offer a fast tracked system to permanent residency based on the courses and areas of study.<sup>5</sup> FECCA recommends provision of nationally consistent additional supports for international students who are following courses in future economic and labour growth areas, to remain and work in Australia with a clear pathway to permanent residency.

A recent report revealed that a third of Australian university students will not graduate within six years.<sup>6</sup> The delay in graduating university can hinder their capacity to enter the workforce at a level that reflects their educational qualifications. Thus, it is important to provide necessary supports including financial support, affordable accommodation, child care related supports and access to health and mental health services to university students irrespective of their visa status. Introducing more scholarship schemes and education subsidies in sectors with a growing demand for workforce will ease the financial burden on students and increase the qualification completion rate.

Australia has a growing multicultural population with diverse needs. As per the Australian Bureau of Statistics, almost a quarter of Australia's population was born overseas and 43 per cent of people have at least one overseas-born parent.<sup>7</sup> A workforce that reflects the ethnic diversity and responds to the diverse needs of its community will help to ensure productive and relevant service provision that can help to drive the Australian economy.<sup>8</sup> Therefore, the future workforce must have the necessary linguistic skills and cultural competency to tailor services to meet the needs of the growing population of people from CALD backgrounds. The education institutions must ensure that cultural competency is made part of the curriculum, especially in sectors that require direct interactions with community members such as health care and medical assistance, retail, education and training and other community services. Similar skills are also essential to further develop and expand Australia's overseas trade relationships. Particular focus should be placed upon developing intrinsic language and cultural competency skills among many in Australia's existing CALD communities especially young CALD Australians and senior CALD Australians looking to reskill or change career in their older age.

### **Barriers for education providers to offer qualifications that meet the needs of the new economy**

Some State and Territories provide much needed opportunities for eligible primary visa holders and/or their dependents to access subsidised training (certificate and diploma level

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<sup>3</sup> For instance 52,000 moved onto a 485 post study work visa, nearly 34,000 moved on to a 457 temporary skilled visa and about 5,700 moved onto working holiday visas. 56,000 international students shifted from one type of study visa to another. Department of Immigration and Border Protection, Student Visa Program Quarterly Report, June 2014.

<sup>4</sup> Peter Mares, *Not Quite Australian: How Temporary Migration is Changing the Nation*, 2016, p.60.

<sup>5</sup> See further: Canberra Create Your Future, accessible at;  
<http://www.canberrayourfuture.com.au/portal/learning/>

<sup>6</sup> Department of Education and Training, *Completion rates of higher education students: Cohort analysis, 2005-2014*, 2017.

<sup>7</sup> Australian Bureau of Statistics, 2011 Census reveals one in four Australians is born overseas, 2012, accessed at <http://abs.gov.au/websitedbs/censushome.nsf/home/CO-59>

<sup>8</sup> See further: Jerry V. Deller, *Cultural Diversity, A Primer for the Human Services*, 2015.

qualifications).<sup>9</sup> FECCA's community consultations have revealed that migrants, especially those in rural and regional areas, lack knowledge of the job market and, as a result, sometimes choose courses that do not open any career pathways. This may result from lack of information, poor advice, or occasionally, misinformation or pressure from a training or educational recruiter. Upon the initial registration for a course, if the course proves unsuitable, or if after completing the course no employment is available, the training and education organisations are unable to offer subsidised alternative courses at the same level for a more relevant qualification.<sup>10</sup> Training and education institutions must be held responsible for providing accurate information on employment prospects in chosen sectors. Data on completion and employment rates for migrants taking subsidised certificate and diploma level training should also be collected and monitored.

Under the current legal and policy framework, people seeking asylum and refugees on temporary visas in Australia are treated as international students. This is a barrier that limits the capacity of people seeking asylum and refugees on temporary visas to pursue higher studies, irrespective of the fact that they have been living in Australia for a number of years and have the capacity to contribute to Australian economy.

Some universities and higher education institutions offer scholarships to people seeking asylum and refugees on temporary visas in Australia.<sup>11</sup> A number of State and Territory governments also provide scholarships and fee subsidies.<sup>12</sup> Similar programmes can be adopted nationally to encourage these individuals to pursue careers in the future growth sectors.

## General Comments

In the 2015- 2016 financial year, information, media and telecommunications, professional, scientific and technical, financial and insurance services and health care and social assistance were the highest visa sponsor industries under 457 visa programme.<sup>13</sup> Instead of relying on waves of temporary migrant employees, creating more permanent pathways to retain temporary migrant workers and international students in Australia will benefit Australia's growing industries.

Issues in relation to exploitation of temporary and permanent migrant workers have risen over the years. The contingent nature of the temporary work visas and heavy reliance on the sponsor can significantly reduce a migrant worker's bargaining power and expose them to exploitation.<sup>14</sup> Any new workforce strategies must endeavour to remove existing barriers for migrant workers in Australia who want to change employer and must implement appropriate and adequate legal protections to prevent exploitation of employees.

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<sup>9</sup> See further: Work Ready, *Participant eligibility for government subsidised training courses*, accessible at: <http://www.skills.sa.gov.au/for-training-providers/about-workready-contracts/participant-eligibility-for-government-subsidised-training-courses#visa>

<sup>10</sup> See further: FECCA, *Multicultural Access and Equity: Building a cohesive society through responsive services*, 2015, Accessible at: <http://fecca.org.au/wp-content/uploads/2015/08/Multicultural-Access-and-Equity-Report-2014-2015.pdf>

<sup>11</sup> See further: Refugee Council of Australia, *Scholarships for people seeking asylum and refugees on temporary visas*, accessible at: <http://www.refugeecouncil.org.au/ourwork/scholarships-people-seeking-asylum-refugees/>

<sup>12</sup> Ibid

<sup>13</sup> DIBP, *Subclass 457 quarterly report quarter ending at 30 June 2016*, p. 4.

<sup>14</sup> See further: Peter Mares, *Not Quite Australian: How Temporary Migration is Changing the Nation*, 2016.

FECCA supports adopting measures to implement the Government's Protecting Vulnerable Workers Policy, and urges the Government to implement specific measures to protect migrant workers, and provide broader powers to the Commonwealth Fair Work Ombudsman to investigate and resolve employment related matters.

Learnings from previous inquiries into the intersectionality of workforce issues such as Migrant Workers Taskforce, Inquiry into Inhibitors to Employment for Small Business and Disincentives to Working for Individuals, Australian Human Rights Commissions' 'Willing to Work inquiry' and the like should also be considered in developing new workforce strategies.

### ***Reskilling and upskilling programmes***

As per 2011 census, almost a third of skilled stream migrants and 23 per cent of family stream migrants had completed a Bachelor degree.<sup>15</sup> Despite the level of education, experience and skills, a large number of migrants are in low skilled employment that does not reflect their level of education, skills or work experience. 'Qualifications brought to Australia are often not recognised, or require the individual to undergo a long period of supervision or skills assessment before they can work in a job function equal to that they held overseas.'<sup>16</sup> These barriers coupled with lack of Australian work experience, poor English language, limited familiarity with Australian employment laws and regulations, discrimination and prejudice, lack of support networks hinder the ability of migrants to obtain meaningful and sustainable employment.

The Queensland Government offers free qualification assessments for those who hold a completed post-secondary school qualification from overseas and currently live in Queensland.<sup>17</sup> The Queensland Government Overseas Qualification Unit also organise seminars to educate people from migrant backgrounds about qualification and skills recognition. A similar model can be adopted nationally to assist people with overseas qualifications to fill gaps now and into the future.

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<sup>15</sup> Australian Bureau of Statistics, 3417.0 - Understanding Migrant Outcomes - Enhancing the Value of Census Data, Australia, 2011, <http://www.abs.gov.au/ausstats/abs@.nsf/Latestproducts/3417.0Main%20Features22011?opendocument&tabname=Summary&prodno=3417.0&issue=2011&num=&view=>

<sup>16</sup> HAYS, *The Balancing Act Creating a Diverse Workforce: Research and insights that impact your world of work*, 2014, p. 10.

<sup>17</sup> See further: Queensland Government, <https://training.qld.gov.au/training/osgrecognition>

## Recommendations

- Incorporate mechanisms to encourage proportionate participation of people from CALD backgrounds, enabling them to use their cultural and linguistic abilities to advance Australia's economic prospects when developing new workforce strategies.
- Create nationally consistent, additional pathways for permanent residency to attract temporary migrant workers and international students who possess skills in Australia's fastest growing industries.
- Adopt measures to facilitate and expedite overseas skills and qualification recognition of migrant workers.
- Ensure that there are adequate legal protections to prevent abuse and exploitation of the employees including provision of broader powers to Commonwealth Fair Work Ombudsman to safeguard the rights of the workforce.
- Identify gaps in the current workforce in growing industries with a high demand for labour force through research, and provide incentives to attract individuals to engage in those identified areas to build a sustainable workforce.