

SUBMISSION

Department of Home Affairs

A migration system for Australia's future

December 2022

About TAFE Directors Australia (TDA)

TDA is the national peak body that represents Australia's network of State and Territory publicly owned Technical and Further Education (TAFE) institutes and dual sector universities. All Australian TAFE institutes and TAFE divisions of dual sector universities are [members of TDA](#). The primary business of TDA members is vocational education and training focusing on nationally accredited qualifications and skill sets for domestic students, international students, and offshore delivery. All TDA members partner with schools and universities and over half of TDA members also deliver higher education.

1. What challenges and opportunities does Australia face in the coming decades?

The November 2022 discussion paper that supports this consultation on a *Migration system for Australia's future*, presents a range of challenges and opportunities that Australia is confronting and will continue to be challenged by during future decades. These include critical skill shortages, limited innovation, a narrow industrial base, the importance of sovereign capability, and a changing geostrategic environment. Additionally, business requirements for digital transformation, movement to a clean energy economy and society, and gender biased industries (including both trades and care industries) are factors of the Australian economy that provide challenges and opportunities.

2. How can migration contribute to these challenges and opportunities?

As the peak body for TAFEs and dual sector universities with vocational education and training (VET) divisions, TAFE Directors Australia (TDA) suggests these challenges will persist for the next decade. Of first importance in this debate is the question is there adequate funding to develop the skills of Australians? That requires conscious decisions as to whether the vocational education and training (VET) system needs strengthening. There are numerous reviews underway currently that are exploring both VET and the higher education systems to ensure they can meet future knowledge and skills demands.

Within this context the responsibility of employers to contribute to skilling their current and future workforce is important. Migration should not be used to fill skills solutions where longer-term planning could have alleviated some of those issues by educating Australians. Employers from all industries, from hospitality to technology, should view migration as supplementing their workforce needs and actively engage in long term workforce planning. The newly formed Jobs and Skills Australia is a welcome body helping to coordinate this approach.

However, that does not diminish the importance of migration as one factor to solving these challenges. Migration has and will always be part of Australia's population mix. Australia has created one of the most successful multi-cultural countries in the world and that is to be celebrated. However, the current migration system needs both a long-term and short-term view. The plethora of visas and arrangements is currently being considered and that is a good thing.

Therefore, it is timely to have the debate about the intersect between international students and skilled migrants. International student higher education and vocational education visas should be seen as a critical part of Australia's migration system. It is also important to identify what role government supported offshore TAFE delivery could play in future planning for potential skilled migrants.

TDA's position is that there has been inadequate attention to the role TAFE might contribute to skilling international students for working in Australia and possible future migration as well as delivering offshore programs that will better support potential skilled migrants.

3. What are the current and potential barriers in allowing migration to play these roles?

Australia has been a leading international student destination for over 20 years for both higher education and VET. Australian TAFEs also deliver offshore in many countries.

Some overseas vocational systems do not offer the same quality of practical, hands-on training experienced in Australia. Perceptions of VET impact student choices, so promotion of the advantages of the Australian vocational system will encourage suitable future migrants to study in Australia to the industry standard required, with a natural progression to permanent migration. Australia needs to promote "Come, study, stay".

The international education sector has also contributed significantly to the Australian economy. Short term benefits include tuition fees and financial revenue through the multiplier economic effects of international students living in Australia. Long-term benefits are derived from improved social and cultural engagement with students through the linkages built between Australia and other countries.

Offshore partnerships have also provided enduring benefits and they continue to provide new opportunities for developing the skills needed for potential migration. As micro-credentials develop as common education products they are particularly attractive in offshore delivery.

Barriers to migrants can be cultural and language related. Extensions to the Australian Migration English Program and the role of TAFE in these areas is important. This can be applied in both offshore skills programs prior to entry and onshore international students.

In recent decades the nexus between education and migration was broken to ensure education providers were implementing business models based on genuine students. The focus was study including commitment to return to their home countries. This shift recognised the exploitation that had occurred in the past where non-genuine students were using VET for quick and cheap conduits to permanent residency. These lessons are important, but the opportunities to realign the relationship between international students and migration, with greater controls, must now be the driver.

International students can be an integral part of the solutions to the skills shortage review. Selected programs of study are added to the skills list. Jobs and Skills Australia's (JSA) role will be important in this context to support analysis of industry needs and influence the skills list.

The skills list is an important influencer as a destination of study for potential students. Ensuring the list is relatively stable during a student's time in Australia will support their decision making. Work rights for students in those industries on the skills list is one avenue for assisting with immediate skills shortages.

Eligibility for work rights and employment provide attractive options for many students considering study in Australia. TAFE diploma and trade graduates have access to post study work rights through the Graduate Work Stream program whilst Bachelor, Masters and PhD students can use the Post Study Work Rights program. The Graduate Work Stream program, has longer visa processing times and the length of stay is shorter, offering - 18 – 24 months of further stay versus 24 – 48 months for higher education graduates in the Post Study Work stream.

The JSA's (National Skills Commission) - 2022 Skills Priority List Key Findings Report (<https://www.nationalskillscommission.gov.au/reports/2022-skills-priority-list-key-findings-report>) found occupation shortages were most acute in Professional occupations, requiring higher level qualifications and experience, and Skill Level 3 occupations among Technicians and Trades Workers yet recent changes to post study work rights which extended the length of the visa apply only to higher education graduates in the Post Study Work Rights program.

There is much to be gained by recent VET graduates remaining within Australia for longer periods of time and working in the areas they have qualified.

Recommendation 1

Simplify work rights options to provide equal post study work visa eligibility, duration, and conditions to both higher education and VET graduates in areas of occupational shortages.

Recommendation 2

Provide fast-tracked processes to grant longer term work rights for those VET graduates who have met the course requirements and have been assessed by the Department of Home Affairs as suitable.

Intervention programs that link students with employers should be supported. Industry will then have a view on talent. Fast tracking that talent then to permanent residency can be enabled. Risk management in this context will be essential. Controls on the quality of the provider must be introduced. Significant investment in regulation exists in VET and ASQA will need to 'recommend' providers that are eligible if such a recommendation is adopted.

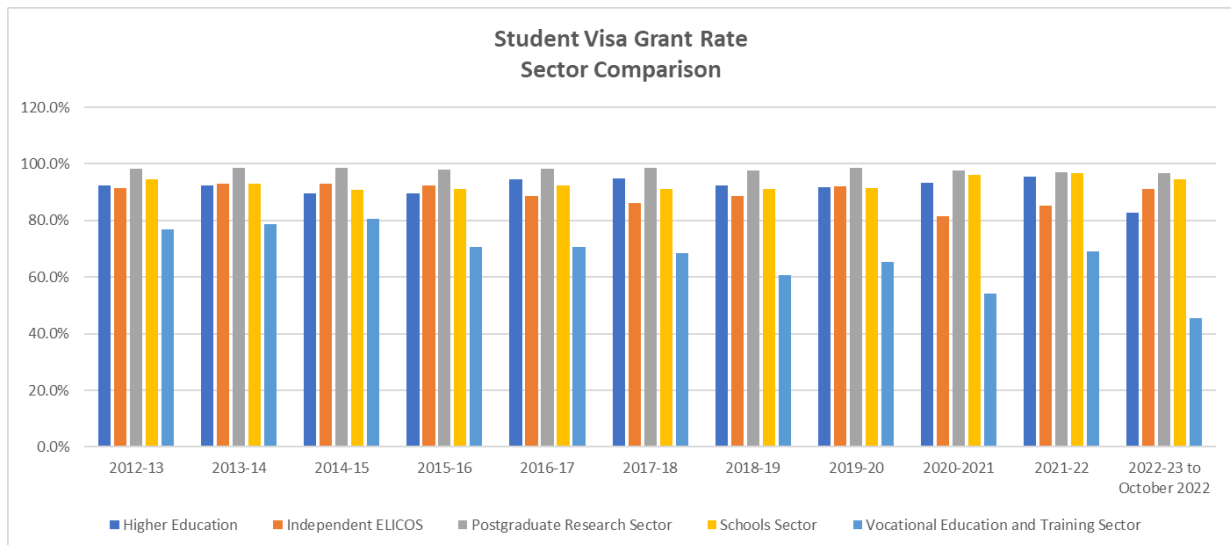
Recommendation 3

Provide targeted VET international students from selected providers with an accelerated pathway to permanent residency.

Vocational education and training visas do not appear to be a priority, although it is in these occupations where there are significant skills shortages. It is acknowledged that the Department of Home Affairs has attempted to redress the backlog. However, there has at the same time been a significant rise in visa application rejections. The Times Higher Education recently reported that in South Asia, for example, grant rates for vocational education visa applicants from India and Pakistan are currently 50 per cent and for Nepal, applicants for visas in VET in September were 15 per cent.

(<https://www.timeshighereducation.com/news/australian-visa-grants-indian-subcontinent-students-plummet>).

The following chart shows a times series comparison of visa grant rates for the higher education, ELICOS, Post Graduate Research, Schools and VET. Grant rates for VET is the lowest level in 10 years. State and Territory data indicates that international students studying at TAFEs is around 5% of the total number of students studying VET.



Department of Home Affairs 2022-23 to 31 October comparison with previous years Commonwealth of Australia 2022

TAFEs are government owned and operated institutions on par with universities. In TAFEs international students are integrated into existing learning contexts with domestic students, whilst in many for-profit registered training organisations international students are the primary source of both students and income. There is an opportunity to realise the government ownership and quality commitment of TAFEs for new visa processing arrangements.

TAFEs have been at the heart of global engagement in both onshore and offshore delivery since the early 1990s when internationalisation of the curriculum was an aspirational goal. For TAFEs, ongoing engagement in international education is a long game, based on a quality educational experience for both domestic and international students. The Department of Home Affairs has the option to apply a risk regime that recognises TAFEs' genuine commitment to providing a quality experience for international students.

Recommendation 4

Prioritise and differentiate VET visa applications for international students who choose to study at TAFE.

Recommendation 5

Disaggregate VET immigration data so that TAFE applications are reported separately and provide regular updates on agreed key performance indications for processing.

TAFEs do a lot to educate international students on their rights in the workplace to prevent exploitation. TAFEs also consult with industry when offering trade qualifications to international students (i.e. availability of work placement, acceptance of their skills – CRICOS delivery vs Apprenticeship/Traineeship delivery, post study employment opportunities).

Additionally higher education international students who once in Australia review the skills priority needs and wish to undertake VET study in one of those priority areas should be encouraged to do so.

There should also be continuing support for international students to study in regional areas creating strong ties to the local community and studying skills that match regional industry need and potential jobs.

Recommendation 6

Review the linear nature of the VET and higher education pathway to encourage international higher education students to also study VET skills shortage programs and in regions.

The Genuine Temporary Entrant (GTE) process and protocols have provided lack of clarity for international students. The GTE requirement is currently the cornerstone of assessment of applicants for an Australian student visa and contradicts the linking education, employment, and post study work rights. The GTE requirement for student visas discourages migration and seems disingenuous in view of commonwealth and state/territory migration policies and rhetoric. There is a need to review the GTE, and this work is underway.

Linking international education and employment raises the question of how it interacts with the Genuine Temporary Entrant (GTE) requirement. If uncoordinated with the immigration policies, there is a risk of high levels of student visa rejections and a dichotomy between Australia's messaging to prospective students and the reality. Any decision in this area should be taken in a coordinated way by the Department of Education, Department of Foreign Affairs and Trade, and the Department of Home Affairs. ASQA should also be closely involved in ensuring the quality and integrity of delivery in these migration pathway courses and avoid past, well-documented, issues faced by the sector.

Recommendation 7

Review the genuine temporary entrant requirements and coordinate the government policy settings to make it clear what is the relationship between a student visa, employment, and post study options.

New opportunities exist for migration to be linked to Australian tertiary education delivery offshore. TAFE Queensland has been a long-term partner of the APTC, which is an Australian Government initiative in partnership with the Pacific and Timor-Leste. Other TAFEs and dual sector universities also have extensive offshore delivery. TDA supports new coordinated approaches that have the public provider partnering with government in priority skills areas and with countries where these arrangements are favourable. There is the potential for programs such as these to have both offshore and onshore aspects and to create possible migration outcomes at the outset.

Recommendation 8

Collaborate in the offshore environment to determine countries and skills development programs for priority industries where TAFE initial education programs could be delivered offshore prior to opening opportunities for migration from those countries.

4. What reforms are needed to ensure the migration system can meet the challenges and opportunities that lie ahead?

Reviews of existing international student arrangements and new approaches to migration planning are needed in the context of both onshore VET international students and offshore TAFE delivery. TDA suggests that TAFE, as part of government, can be more deliberately used as part of migration planning.