



ENGINEERS
AUSTRALIA

6 June 2014

The Secretariat
Joint Standing Committee on Treaties
PO Box 6021
Parliament House
CANBERRA ACT 2601

jsct@aph.gov.au

– BY EMAIL –

Dear Sir/Madam

Re: Submission – Inquiry into the Korea-Australia Free Trade Agreement

Thank you for the opportunity to comment on the proposed Korea-Australia Free Trade Agreement ('the Korea FTA').

Engineers Australia is the peak representative body for the engineering profession in Australia. With over 100,000 members across Australia, we represent all disciplines and branches of engineering. Engineers Australia is constituted by Royal Charter to advance the science and practice of engineering for the benefit of the community.

Over the last decade, Australia's engineering workforce has been strongly reliant on skilled migration to augment the supply of graduates from our domestic universities and TAFE colleges. Domestic supply of engineers has averaged approximately 9,500 graduates per annum. In contrast, chronic skills shortages over the last decade have seen demand range from 15,000 to 22,000 engineers per annum.

The *ad hoc* and cyclical nature of investment in engineering construction and infrastructure in Australia has created a situation where engineering employment has been subject to boom/bust cycles, most recently apparent in widespread engineering skills shortages (the subject of a 2012 Senate Inquiry). While domestic demand for engineers has fallen drastically over the last 24 months, the historical peaks and troughs in the engineering profession suggest that this situation is only temporary. In light of recently announced infrastructure investment outlined in the federal budget, it is reasonable to expect that demand for engineering services will soon rebound strongly.

It is a simple fact that during the recent engineering skills shortage, Australia could not meet demand for engineers through domestic supply alone. Accordingly, levels of permanent skilled migration and temporary, employer-sponsored migration are at record levels – over 50 percent of Australia's engineering workforce is now overseas-born.

In order to build a sustainable and skilled engineering workforce, it is critical that Australia has adequate access to suitably qualified and experienced engineers.

Through participation in international accords, Engineers Australia has assured that appropriate linkages and recognition agreements are in place with our overseas counterpart professional bodies. Through these accords (the Washington, Dublin and Sydney Accords), global engineering qualifications are assessed to agreed international standards to ensure that cross-border transfer of professionals is as seamless as possible.

As the Korea FTA contains a mutual recognition agreement with our Korean counterpart, the Korean Professional Engineers Association, Engineers Australia sees the Korea FTA as invaluable in facilitating the international cooperation and labour mobility that our profession relies upon so heavily. While our domestic skills situation necessitates a focus on skilled *immigration*, we must openly recognise that the *emigration* of Australian engineers is also aided greatly by such international agreements. In the true spirit of free trade agreements, the benefits flow both ways.

Engineers Australia remains strongly supportive of the Australian Government's efforts in negotiating the Korea FTA, and we congratulate the Government on achieving this important milestone.

Should you have any questions about this submission, or Engineers Australia's position more broadly, please do not hesitate to contact me directly, either by telephone on 02 6270 6544, or by email on BJackson@engineersaustralia.org.au.

Yours faithfully

Dr Brent Jackson
Executive General Manager
Public Affairs and Marketing