

RECEIVED
36 NOV 2005
BY: MIG

Submission No. 100
Date Received 30-11-05

**Victorian Government Submission to the
Joint Standing Committee on Migration's**

Inquiry into skills recognition, upgrading and licensing

October 2005

TABLE OF CONTENTS

INTRODUCTION	3
Recommendations.....	7
Terms of Reference	8
TERM OF REFERENCE ONE	9
TERM OF REFERENCE TWO	14
Consider how Australia's arrangements compare with those of other major immigration countries	14
TERM OF REFERENCE THREE.....	15
GLOSSARY OF ACRONYMS AND TERMS	21
REFERENCES	22

Introduction

Background

Introduction

In the context of a strong national economy, Victoria is experiencing impressive levels of sustained economic performance.

This strong performance, which has positively influenced levels of demand within the Victorian economy in general and in the labour market in particular, has also highlighted the emerging and pressing issue of labour market failures to address skills shortages across a wide range of traditional and non-traditional industry sectors.

Set against the context of an ageing population, where projections indicate that by 2031 the proportion of Victorians aged over 65 will reach 22.8% (in 2001 the proportion was 13.0%)¹, these factors will impact upon levels of workforce participation and consequently, if left unattended, exacerbate the skills shortage.

In response the Department of Immigration, Multicultural and Indigenous Affairs (DIMIA) has taken positive steps to increase the intake of skilled migration in addition to facilitating greater involvement of the states in the Commonwealth's migration program through recent initiatives such as the Skilled Independent Regional visa (SIR), complementing existing state specific and regional mechanisms.

The Victorian government has demonstrated national leadership on this issue with the introduction of the Victorian Skilled Migration Strategy (VSMS) in 2004. The VSMS aims to offset the effects of the ageing population and the declining rate of natural population increase through the attraction of skilled migrants to Victoria, thereby addressing the emerging skills shortage and the changing skills needs of the Victorian economy.

Migration plays a key role in assisting Victoria meet its labour market needs. It also addresses broader population, regional development and skills needs, and creates opportunities for linkages with international business, industry, employers and governments. Migration also increases cultural diversity and provides Victoria with opportunities to reap the associated economic and social benefits.

Victoria's skills needs

It is the rapidly changing skill needs and immediate and long-term constraints on the supply of labour in Victoria and Australia that lend urgency and importance to this Inquiry into Skills Recognition.

¹ Department of Premier & Cabinet (Vic.), *Beyond Five Million. The Victorian Government's Population Policy*, December 2004.

The role that migration can play in addressing labour and skill gaps is recognised by national and state governments, regional communities and industry bodies and employer groups. This is evidenced by:

- the Commonwealth Government's recent announcement of an additional 20,000 places under the skilled migration stream,
- views conveyed by the Australian Industry Group², Australian Chamber of Commerce and Industry³, and a range of other industry and employer bodies;
- the decisions of many states and territories to develop skilled migration attraction strategies to better promote their jurisdictions to migrants with required skills. Australian jurisdictions are also starting to recognise that migrants who arrive here under the full range of visa categories, not just skilled visas, may have skills that could be utilised in Australia.

To maximise the benefits of migration to individuals, States and Australia as a whole, migration policies and processes need to support the three critical elements of economic growth – population, participation and productivity⁴. Population must grow at a sustainable rate; people should be able to participate fully in the labour market; and that their skills must be utilised as productively as possible to ensure continued economic growth.

It is therefore essential that the systems for recognising qualifications, upgrading skills where necessary, and licensing professionals or tradespeople are expeditious, effective and comprehensive so that the skills of migrants can be used productively. The recognition of skills and qualifications of migrants makes a clear and direct contribution to workforce participation and the response to skill shortages, especially in regional areas, and is integral to ensuring migrants are in sustainable and meaningful employment.

Victorian Government Policies and Strategies

The over-arching policy directions of the Victorian Government are outlined in *Growing Victoria Together (GVT): A Vision for Victoria to 2010 and Beyond*. GVT outlines ten goals for Victoria's future, including "more quality jobs and thriving, innovative industries across Victoria" and "growing and linking all of Victoria" (with a focus on regional and State population growth). Within this context, and with factors such as demographic change and skills shortages, the Government is strongly committed to ensuring our skilled migrants can contribute to our economy, increase Victoria's population, promote economic growth, and meet current and future skills needs. Migration is viewed as a key strategy to complement employment and other initiatives. There are two policy documents, in addition to *Growing Victoria Together*, that are particularly relevant to these aims:

Victoria's Skilled Migration Strategy

The VSMS recognises that attracting skilled migrants in a highly mobile world is becoming increasingly competitive. It also recognises that Victoria, with its vibrant economy, excellent health and education systems, cultural diversity and established

² Australian Industry Group, *Growth for construction, but profits under pressure*, <http://www.aigroup.asn.au/scripts/cgiip.exe/WService=aigroup/ccms.r?PageID=1479>

³ Australian Chamber of Commerce and Industry, *The Future of Skills Development is in Industry's Hands*, http://www.acci.asn.au/text_files/issues_papers/Employ_Educ/April%2005%20-%20Future%20of%20Skills%20Development.pdf

⁴ Productivity Commission, *Economic Implications of an Ageing Australia*, Commonwealth of Australia, 2005

migrant communities, is well placed to attract more of these highly mobile, highly skilled workers.

Key elements of the Strategy are:

- The *Live in Victoria* website (www.liveinvictoria.vic.gov.au).
- The *Regional Migration Incentive Fund*, which assists 11 targeted regions to attract, settle and retain skilled migrants and helps meet identified skill shortages by matching skilled migrants with regional job opportunities.
- Targeted programs to attract and support migrants to Victoria, including services of the Skilled Migration, Business Migration and Overseas Qualifications Units.

Beyond Five Million: Victoria's Population Policy

The Population Policy articulates the Victorian government's population vision and provides a rationale and context for the population and migration-related targets announced in October 2002.

Six components provide a balanced approach to growing and managing Victoria's population. The significant emphasis placed by the Policy on overseas migration, especially skilled migration, reflects the growing importance of migration as a source of population growth. In particular, Chapter 4, Overseas Migration, Highlights the key role of *Victoria's Skilled Migration Strategy* in delivering increased skilled migration to Victoria, especially regional Victoria (also identified in Chapter 6 on Regional Population).

In addition, the Victorian Government initiated and jointly led the Commonwealth-Victoria Migration Implementation Committee, which is responsible for implementing recommendations from the Final Report of the Commonwealth-Victoria Working Party on Migration.⁵ The Final Report focuses on better coordination between the Commonwealth and Victorian Governments on migration-related matters, including the settlement of humanitarian entrants. A number of recommendations refer to skills attraction and recognition, including the coordination and promotion of information on skills recognition to potential and newly arrived migrants. In particular, Recommendations 17 to 20 are relevant to this inquiry and are currently being addressed by the Committee. Recommendations are:

- 17. The Working Party supports ongoing efforts to enhance the understanding and operation of the process of assessment and recognition of overseas qualifications.*
- 18. The Working Party recommends that awareness of the Skills Matching Database be promoted among regional employers and migration agents.*
- 19. The Working Party supports the development of a pilot program in regional Victoria to link the Skills Matching Database with the Job Network to assist regional employers to have increased access to overseas skilled employees where skills are demonstrably not available locally.*

⁵ Commonwealth of Australia & Department of Premier and Cabinet, *Final Report: Commonwealth-Victoria Working Party on Migration*, Department of Premier and Cabinet, 2004

20. The Working Party recommends further work be undertaken to develop a consistent framework for assessing regional skill shortages.

Regional Development Victoria and Employment Programs, Department for Victorian Communities, are working cooperatively on an ongoing basis to increase regional migration, both from existing Melbourne-based residents and from the pool of new migrants to Victoria. The circulation of a monthly joint newsletter, Campaign News, highlights initiatives of the two agencies.

The Victorian government also targets local employers through the Regional Migration Incentive Fund (RMIF). Local Regional Migration Strategies, developed under the RMIF, are tailored to each region and aim to address the employment needs of local employers.

However, the success of much of this work is dependent on a qualifications recognition system that is effective and efficient. The adverse effects on migrants of an inefficient system include:

- Under-utilisation of prior learning and previous skills, leading to skills atrophy and loss of currency of practice;
- Limited employment opportunities while qualifications are being recognised or assessed, leading to frustration, de-motivation, and loss of skills;
- The potential for skills to become out of date or obsolete, which is particularly inappropriate if migrants have come to Victoria as 'skilled migrants' whose skills we have acknowledged are needed in the state; and
- Financial disadvantage, which can lead to welfare dependence.

The effects of the inefficiencies for Victoria and Australia include:

- Limited access to the full skill-sets of the migrants;
- Increased fiscal pressure associated with loss of taxation revenue and increased public expenditure on housing, health services and welfare assistance; and
- The prospect that potential migrants may choose not to come to Australia if our systems are difficult to negotiate and do not help them into work. This affects our ability to meet our population and skills targets, and has a negative impact on economic growth, in particular in regional areas.

This submission highlights current activities of the Victorian Government in the process of skills recognition and licensing, and makes recommendations on how systems might be improved. It has been prepared in consultation with the Departments of Premier & Cabinet, Education and Training; and Innovation, Industry and Regional Development; and the Department for Victorian Communities.

Recommendations

The Victorian Government makes seven specific recommendations as a part of its submission to the Inquiry on Skills recognition, upgrading and licensing.

Recommendation 1: That the Commonwealth, State and Territory Governments support the National Skills Recognition portal and that the Commonwealth consult with the State and Territory government as to the implementation of the project.

Recommendation 2: That Australian jurisdictions, industry bodies, professional associations and employer groups work collaboratively to clarify processes around recognition and registration for different professions and trades and consider ways to streamline processes and reduce costs and timeframes.

Recommendation 3: That DIMIA incorporate in the Welcome Kits for new migrants improved and more detailed information on education, training, skills assessments, qualifications recognition and employment pathways, to be developed in conjunction with DEWR, DEST and relevant States/Territories.

Recommendation 4: That independent research be carried out into best practice migration arrangements for streamlining skills assessments in key competitor countries, including Ireland, Singapore, Canada, the United Kingdom and New Zealand.

Recommendation 5: That the Commonwealth Government, in consultation with State and Territory governments, considers how to fully integrate the skills assessment processes with licensing and registration requirements, which are currently undertaken after arrival.

Recommendation 6: That strategies are developed by government, industry and employer bodies to provide industry-specific employment and workplace orientation programs and links to industry networks for newly arrived migrants.

Terms of Reference

On 19 April 2005, the Commonwealth Minister for Immigration and Multicultural and Indigenous Affairs asked the Joint Standing Committee on Migration to inquire into the overseas skills recognition, upgrading and licensing in Australia.

The terms of reference for the Committee's inquiry are:

Term of Reference One

Investigate and report on current arrangements for overseas skills recognition and associated issues of licensing for:

- Skills stream migrants who obtain assessment prior to migrating
- Families of skill stream migrants, family stream migrants and humanitarian entrants who seek assessment/registration/upgrading after arrival
- Temporary residents who need skills assessment/recognition
- Australian citizens returning after significant time overseas, with overseas qualifications

Term of Reference Two

Consider how Australia's arrangements compare with those of other major immigration countries

Term of Reference Three

Identify areas where Australia's procedures can be improved including in terms of:

- Communication of processes to users
- Efficiency of processes and elimination of barriers
- Early identification and response to persons needing skills upgrading (eg bridging courses)
- Awareness and acceptance of recognised overseas qualifications by Australian employers
- Achieving greater consistency in recognition of qualifications for occupational licensing by state and territory regulators
- Alternative approaches to skills assessment and recognition of overseas qualifications

The Victorian Government submission responds to each of the Terms of Reference and includes seven specific recommendations, which are listed throughout the submission.

Term of Reference One

Investigate and report on current arrangements for overseas skills recognition and associated issues of licensing for:

- **Skills stream migrants who obtain assessment prior to migrating**
- **Families of skill stream migrants, family stream migrants and humanitarian entrants who seek assessment/registration/upgrading after arrival**
- **Temporary residents who need skills assessment/recognition**
- **Australian citizens returning after significant time overseas, with overseas qualifications**

Current arrangements for overseas skills recognition and associated issues of licensing for various migrant groups can be complex, time-consuming and costly. Additionally, it is often the case that migrants, who have had their qualifications recognised for the purposes of migration, are not successful when applying for recognition of their qualifications after arrival.

The Victorian government has had contact with many migrants who have faced this problem. Areas of particular prominence include trades such as electrical workers, para-professional occupations such as child-care and professional occupations such as teaching and nursing.

Victorian Government Services

The Government gives high priority to skills recognition to ensure migrants to Victoria are able to quickly find work at their level of skill and in their fields. The efficient deployment of migrants' skills contributes to fostering a highly skilled workforce and is therefore conducive to economic growth.

Overseas Qualification Unit (OQU)

In line with a number of initiatives to assist migrants, the Victorian government has introduced two features that assist migrants after their arrival in Victoria.

The OQU is a service set up by the Victorian government that provides a range of free services to overseas qualified professionals, including the assessment of post-secondary qualifications through comparison of a migrant's education levels with those of Australian qualifications. This assessment is based on guidelines produced by the Australian Education International's National Office of Overseas Skills Recognition (AEI-NOOSR), auspiced by the Commonwealth Department of Education, Science and Technology (DEST). OQU also assists in referrals to relevant employer and industry bodies and advice on various assessment procedures.

It should be noted also that pre-migration assessment procedures differ between trades and professions. Depending on visa category, potential migrants are required to gain general skills assessments before visas are granted. A positive skills assessment pre-migration does not automatically imply a migrant's skills will be recognised on arrival, or that he or she will easily obtain registration with the relevant state-based industry body.

It should be noted that an OQU assessment is primarily for further study: it assesses the academic level of a qualification, but does not identify the field or the level of skill or qualification in the field (i.e. OQU might find that a migrant holds a Bachelor degree, but does not identify what field that degree is in – for example, engineering, medicine, humanities). In addition, OQU services are for professionals, and not

people with trade qualifications. Tradespeople are not directly assisted by the Victorian Government to become job ready in relation to skills assessment, and must contact Trades Recognition Australia, auspiced by the Department of Employment and Workplace Relations (DEWR).

OQU also provides assistance to new migrants with:

- exploring potential career options,
- referral to relevant professional bodies,
- advice on available bridging programs,
- advice on other education and training options to suit client and market need.

In addition, OQU also holds industry-based forums to link overseas qualified professionals with industry bodies and employers, primarily to provide orientation to industry, but also to assist in the development of professional networks. More than 600 unemployed or under-employed overseas qualified migrants in fields including IT, teaching, medicine, child care and accounting have participated in these forums.

Overseas Qualified Professionals Program

The OQU is also responsible for running the Overseas Qualified Professionals Program (OQPP). The OQPP provides work experience and workplace orientation for new migrants, and is one of a few programs of its kind in Australia. The OQPP recognises the need for local experience and networks, and seeks to link new migrants into professional networks that will assist in future employment.

From January to June 2005, the OQPP will have assisted at least 150 overseas-qualified professionals, including a minimum four-week work experience placement. By June 2007, 500 participants will have been assisted through the OQPP. The Northern Melbourne Institute of TAFE (NMIT) has been awarded the contract to provide training and employment support services for the OQPP.

Links with other bodies

The OQU acts as a one-stop referral and advocacy agency between the migrant, professional bodies and other services to enable migrants to be linked effectively to other recognition, registration and licensing services.

OQU has close links with AEI-NOOSR, Trades Recognition Australia (TRA), the Victorian Institute of Teaching, and other national bodies that are responsible for, or involved in, the recognition and licensing of overseas qualified professionals. OQU refers clients to these bodies, and also has strong links with employer bodies and trade associations. These links allow OQU to provide up to date information to clients and also to maintain an understanding of the latest developments in recognition processes.

OQU has close links with Commonwealth Government departments, including DEST, DEWR and the Department of Immigration and Multicultural and Indigenous Affairs (DIMIA), and also works closely with other Victorian Government agencies.

The Commonwealth AEI-NOOSR makes academic assessments for the purposes of migration, and provides the Country Education Profile Guidelines utilised by State Overseas Qualifications Unit offices and universities.

Trades Recognition Australia is the nominated assessing authority for a range of trade and associate professional occupations for the Department of Immigration and Multicultural and Indigenous Affairs for skilled migration purposes. VETASSESS assesses specific qualifications that TRA does not assess.

Given the manifold relationships that exist between the Commonwealth and Australia's licensing bodies, it is sensible that the Commonwealth government (through the Department of Immigration, Multicultural and Indigenous Affairs) lead the development of the National Skills Recognition Portal in collaboration with State and Territory governments. The Commonwealth's development of the portal would be greatly assisted were it able to leverage its existing relationships in order to collect data and synthesise that information into the Portal.

The Commonwealth's recent announcement therefore to provide \$1 million over four years for a National Skills Recognition Portal is a challenging but promising initiative. It will require strong collaboration with professional and trade bodies to be effective, in addition to consultation with States and Territories as to the implementation of the project.

<p>Recommendation 1: That the Commonwealth, State and Territory Governments support the National Skills Recognition portal and that the Commonwealth consult with the State and Territory government as to the implementation of the project.</p>
--

Target groups

All overseas qualified professionals with work permission for Australia can access OQU services for free. The Victorian Government particularly focuses on assisting recently arrived migrants and families of skilled migrants, family stream migrants, and humanitarian entrants who have overseas qualifications requiring assessment. The Victorian Government is not involved in pre-migration assessment, which is the responsibility of AEI-NOOSR, VETASSESS, and other Commonwealth Government agencies.

Issues faced by clients of OQU

OQU clients report that they face a range of barriers to employment on arrival in Victoria, which can be divided into two categories:

- Some employers' reluctance to hire migrants
- Process issues

Reluctance on the part of some employers

For explanation of these issues, please see Term of Reference #3.

Process issues

The processes of qualifications and skills assessment can be cumbersome and slow, leading to unemployment, frustration and associated social disadvantages.

- Delays: the delays that can occur in obtaining skills or qualifications assessments can lead to migrants being unemployed or underemployed, creating limited (current and future) employment opportunities, de-motivation, and financial disadvantage, which can lead to welfare dependency. Importantly, the benefits to Australia and Victoria are reduced when migrants fail to gain employment in jobs that make optimum use of their skills, knowledge, experience and international networks. Potential reasons for delays include migrants having to access the services of a range of agencies to have qualifications recognised and to become job ready; and a lack of clarity around processes, creating confusion and possibly incomplete or erroneous applications by migrants.
- Lack of clarity/transparency: migrants report that recognition and licensing processes are difficult to navigate, and that step-by-step information is not easily accessible.
- Cost: application costs for gaining skills assessments or qualifications recognition are high and can be prohibitive for some migrants. For example, The NOOSR assessment for teachers' skills (pre arrival) is \$300, and Victorian Institute of Teaching (VIT) registration fees are \$115 (for those with overseas qualifications). This is a total cost of \$415 before securing employment. These costs are prohibitive to some migrants. Humanitarian migrants often arrive here with very limited personal resources, and family and skilled migrants are not eligible for Commonwealth Government support for a period of two years after arrival, which means that these costs detract from a finite and often limited resource base.

Recommendation 2: that Australian jurisdictions, industry bodies, professional associations and employer groups work collaboratively to clarify processes around recognition and registration for different professions and trades and consider ways to streamline processes and reduce costs and timeframes.

Particular issues facing humanitarian entrants

People arriving through humanitarian programs face particular difficulties in having skills and/or qualifications recognised and in obtaining employment. Often humanitarian entrants will arrive without relevant documentation outlining their qualifications, and obtaining these documents from the home country can be difficult and time consuming. It is difficult for migrants to prove any previous study or training without such documentation, particularly when a number of Australian agencies are involved with skills and qualifications recognition and assessment.

Humanitarian entrants are also particularly disadvantaged by this process due to other, broader settlement issues they may be facing. Some of these may include:

- Resolving trauma and torture issues faced before leaving their home countries;
- Health complications associated with the transitional nature of their lives before arrival in Australia; and
- Disrupted education and employment experiences due to unrest in their home countries.

Humanitarian entrants are also more likely to mistrust authority and to be less comfortable negotiating formal systems (such as the qualifications recognition systems in Australia), which can complicate any settlement systems and processes they try to navigate.

Recommendation 3: That DIMIA incorporate in the Welcome Kits for new migrants improved and more detailed information on education, training, skills assessments, qualifications recognition and employment pathways, to be developed in conjunction with DEWR, DEST and relevant States/Territories.

Term of Reference Two

Consider how Australia's arrangements compare with those of other major immigration countries

The market for skilled migrants is highly competitive. Migrants are attracted to countries for various reasons, including lifestyle, family connections and employment opportunities. Victoria has a strong and growing economy, and is in a strong position to offer benefits to potential migrants such as:

- Our cultural diversity
- Job opportunities
- Investment opportunities
- Our lifestyle and relatively low cost of living

We must however recognise that migrants have a choice about where to migrate. If Australia's settlement practices, including skills recognition, are complex, not transparent or difficult to navigate, migrants may choose to migrate elsewhere. In cases where skilled migrants are bringing family members with them, they may choose to migrate to a country where the family members' skills are able to be utilised. Despite being frequently noted as having easily accessible and comprehensive visa mechanisms, Australia must recognise that to retain our competitive advantage in migration, our complementary practices, including skills and qualifications recognition systems, must support potential and new migrants, and assist them as efficiently as possible with their transition into the workforce.

The competition for talent is global, and the global skilled workforce is highly mobile. A number of overseas jurisdictions have put in place fast tracked processes and incentives to attract workers with skills in areas such as science and technology. Australia and Victoria must compete with these changes to migration processes to be able to attract the best and brightest to Australia.

Victoria considers that this Term of Reference will be best addressed by independent research by the Joint Standing Committee on Migration, or by the Commonwealth Department of Immigration and Multicultural and Indigenous Affairs.

Recommendation 4: That independent research be carried out into best practice migration arrangements for streamlining skills assessments in key competitor countries, including Ireland, Singapore, Canada, the United Kingdom and New Zealand.

Term of Reference Three

Identify areas where Australia's procedures can be improved including in terms of:

- **Communication of processes to users**
- **Efficiency of processes and elimination of barriers**
- **Early identification and response to persons needing skills upgrading (eg bridging courses)**
- **Awareness and acceptance of recognised overseas qualifications by Australian employers**
- **Achieving greater consistency in recognition of qualifications for occupational licensing by state and territory regulators**
- **Alternative approaches to skills assessment and recognition of overseas qualifications**

There is scope for significant improvement and clarification of procedures for skills recognition. All improvements require the close cooperation of State and Commonwealth governments, assessing authorities, industry bodies and employers. Victoria welcomes the Commonwealth initiative to create a skills recognition portal to assist new migrants to become job ready through improved information flow between all relevant agencies.

Communication of processes to users

An obstacle to navigating the skills and qualifications recognition system is access to streamlined information, particularly in cases where the involvement of a range of Commonwealth, State and independent agencies is required.

Case studies have been provided in this document at Term of Reference #1 to highlight difficulties faced by different occupational groups in having qualifications and skills recognised, being registered as eligible to work, and eventually being able to access employment.

The various websites relevant to skills and qualifications recognition are not well linked, nor are they designed for easy navigation. For example, the Trades Recognition Australia (TRA) website does not identify the trades for which TRA is responsible. The Victorian site, www.liveinvictoria.vic.gov.au, seeks to provide easy access to information on skills and qualification recognition, and provides links to other relevant sites (including DIMIA, TRA and VETASSESS), but the process requires the destination sites to be easily accessible for these links to be effective information sources.

Victoria considers that a number of communications activities, mainly web-based, should be undertaken to improve communication of information to users of recognition processes, including:

- Closer links between relevant websites, particularly DIMIA, VETASSESS, TRA, AEI-NOOSR and State and Territory websites, and including the Department of Employment and Workplace Relations, and Department of Education, Science and Technology;
- Clearer information, including flowcharts and 'plain English' information on various websites;
- Provision of hard-copy information to organisations that interact with migrants during the settlement process, for example, migrant resource centres;

- Provision of information and training to Job Network members' staff on qualifications and skills recognition processes to assist them in providing better client support; and
- Inclusion of qualification and skills recognition information in DIMIA's 'Welcome to Victoria' kits provided to new migrants.

Efficiency and elimination of barriers

Given the complexity of qualifications and skills recognition processes, there are a number of points at which delays or complications can occur. In addition, there are a number of barriers to recognition that can either delay or stop the process.

Efficiency

Lack of efficiency in processes can lead to:

- Inefficient use of migrants' skills;
- Loss of productivity for Victoria; and
- Unemployment of migrants, leading to financial and social disadvantage.

The complexity of processes means that there are several points at which recognition can be delayed, and also several points where information can be misunderstood or misinterpreted. If communication systems were improved, and users of the processes were more able to understand the entire recognition process at the outset, the chance for these efficiency delays would be minimised.

Barriers

Other than lack of clear, concise and accessible information, three major barriers to qualification and skills recognition exist:

- English proficiency
- Cost
- Lack of documentation, especially for humanitarian entrants.

While skilled migrants are required to pass English proficiency tests prior to visa applications being approved, migrants arriving under different visa categories may not have to pass such tests. In this case, low levels of English proficiency and lack of access (for some migrants) to English language classes can impede or stop qualifications or skills assessment processes.

Costs for recognition can be prohibitive for some new migrants, particularly humanitarian entrants who often arrive with very few personal resources. For skilled and family migrants, there is a two year waiting period for any Commonwealth Centrelink or Job Network assistance, and costs associated with recognition can cut into already limited and finite resources.

Early identification and response to people needing upgrading

Efficient assessment systems that are transparent and as expeditious as possible are required for identification of any skills upgrading requirements. Without the capacity to quickly assess existing qualifications, any assessment of additional requirements cannot be undertaken, leading to the problems identified above, such as under-utilisation of skills, loss of productivity and potential unemployment.

Opportunities exist for improving the process for upgrading skills where required. Job Network members, the Commonwealth Departments of Employment and Workplace Relations, and Education, Science and Technology and Centrelink (where

appropriate) should be able to provide information to migrants on options for skills upgrading on application, and to fund pre-employment orientation and bridging courses where appropriate.

The responsibility for ensuring migrants' skills are appropriately utilised and improved where required lies with the migrant, industry bodies, professional associations and the government. The migrants should ensure that their qualifications are appropriate to the work they are seeking, but the government (State and Commonwealth) should seek to ensure, as far as possible, that migrants are not left without employment and/or training options on arrival. This requires the Commonwealth and States to be pro-active in engaging with migrants on arrival, and ensuring that processes for recognition are efficient and comprehensive. While various governments can attract migrants and create mechanisms for their migration, industry bodies have a role to play in providing orientation and training for migrants seeking to enter their industries. Industry involvement in such activities would ensure orientation and training were appropriately targeted to the needs of employers, and would expedite the process of migrants being able to enter the workforce.

Recommendation 5: That the Commonwealth Government, in consultation with State and Territory governments, considers how to fully integrate the skills assessment processes with licensing and registration requirements, which are currently undertaken after arrival.

Awareness and acceptance of recognised overseas qualifications by Australian employers

There is apparent reluctance on the part of some employers to hire migrants with overseas qualifications. Employers seek 'soft' skills (including the ability to 'fit in' to a workplace), and this can be a significant barrier to migrants who have not worked in Australia or Victoria previously.

The lack of these 'soft skills' can also be a barrier to expatriate Australians seeking to re-enter the Australian workforce after some absence as some employers consider their lack of local (recent) work experience and current networks to be problematic.

In addition to the perceived lack of 'soft' skills, the lack of understanding of qualifications gained overseas can cause reluctance in some employers to hire migrants. This is likely to be especially the case where migrants' English language skills require improvement.

Clients of the Overseas Qualifications Unit report, and other anecdotal evidence suggests, that some employers are reluctant to hire migrants for a range of reasons:

- **'Soft' skills:** such as attitude, language and literacy, communication ability and team work, are in high demand from employers.⁶ Migrants are disadvantaged when applying for jobs due to the differences in work culture and the real or perceived lack of these 'soft' skills.
- **Networks:** employers understand the inherent value of local networks, and seek access to these networks in their new employees. Migrants are less likely than local employees to have these networks, and are therefore at a disadvantage.

⁶ Ridoutt, L. et al, ~~What value do employers give to qualifications?~~, National Centre for Vocational Education Research and Australian National Training Authority, Adelaide, 2005, p.7

- **Local work experience:** employers value knowledge of local industry and work environments and are reluctant to employ workers who have not had exposure to local conditions despite many having extensive international experience. Recent migrants have generally not had the opportunity to work locally, and therefore often cannot meet criteria associated with working locally. In addition, a lack of some employers' understanding of qualifications gained overseas can work against migrants seeking employment.

Industry bodies and employer groups have a strong role to play in this educative process. In particular, strategies could be developed by industry and employer bodies, with support from government, that provide pre-employment orientation for migrants, and information to employers on different qualifications migrants are likely to hold. In addition, these strategies could seek to promote the benefits of skilled migration to employers, including the opportunity to create links with similar industries overseas and to understand and learn alternative work practices, and to benefit from overseas experience.

Recommendation 6: That strategies are developed by government, industry and employer bodies to provide industry-specific employment and workplace orientation programs and links to industry networks for newly arrived migrants.

An example of successful pre-employment orientation is Victoria's Overseas Qualified Professionals Program (OQPP). The OQPP aims to increase the employability of job-ready overseas-qualified professionals living in Victoria by providing orientation to the Victorian workplace and labour market and local work experience in fields directly or closely related to their qualifications. This ensures Victoria makes best use of skilled migrants who arrive here, and that they are not underutilising these skills. Similar programs could be created at the individual industry level to tailor the orientation to specific requirements of industries.

Achieving greater consistency in recognition of qualifications for occupational licensing by state and territory regulators

Consistency in qualifications recognition would require significant work by all sectors, including Government, industry, professional associations, employers, assessing bodies and information providers. The Commonwealth has commenced this process through the endorsement of a portal for skills recognition information, and Victoria strongly supports this initiative.

This work is consistent with the recommendations of the paper on Recognition of Overseas Qualifications submitted to the September 2005 meeting of the COAG Senior Officials Working Group on *Addressing Skills Shortages through a National Approach to Apprenticeships, Training and Skills Recognition*. Recommendations to the COAG working group included changing procedures to align skills assessments for migration, employment and industrial purposes, that the assessments, where possible, be conducted prior to a migrant's arrival and that the assessments were driven by the labour market.

In addition, the Victorian Premier's recent paper – *A Third Wave of National Reform. A New National Reform Initiative for COAG*, identified opportunities to change regulation so as to "...encourag(e) all people to make the best use of their talents and capabilities".⁷

⁷ Department of Premier & Cabinet (Vic.), 2005, *A Third Wave of National Reform. A New National Reform Initiative for COAG*, Department of Premier & Cabinet (Vic.), August 2005, p. 22

There are existing groups which could assist in this process, including the Ministerial Councils on Immigration and Multicultural Affairs, and Education, Employment, Training and Youth Affairs; and the Commonwealth-Victoria Migration Implementation Committee and its various taskforces.

Victoria considers that critical groups to include in this process are:

- Commonwealth Government agencies – DEWR, DIMIA, Job Network, Centrelink, TRA, VETASSESS, NOOSR
- Victorian Government agencies – the Department for Victorian Communities (including the Skilled Migration Program); Departments of Human Services, Innovation, Industry and Regional Development, and Education and Training
- Australian Chamber of Commerce and Industry
- Australian Industry Group
- Victorian Employers' Chamber of Commerce and Industry
- Business Council of Australia
- Other employer bodies
- Relevant professional associations
- Relevant Trade Unions
- Industry representatives, particularly where skills shortages exist
- Assessing bodies not listed above

This activity has significant implications for the whole Australian workforce, and for regulations and requirements in different jurisdictions. Consistency of qualifications recognition would require that all jurisdictions agree to the same standards for different professions and trades. Victoria supports activity in this area, particularly to ensure that Australia retains its competitive advantage in attracting skilled migrants, and encourages the Commonwealth to utilise existing mechanisms to achieve a common approach to skills and qualification recognition.

Alternative approaches to skills assessment and recognition of overseas qualifications

There are significant issues with current skills and qualifications arrangements in Victoria and Australia. Difficulties are outlined at Terms of Reference #1 and 3, and fall into two main groups:

- *Process issues, pre- and post-migration:* including delays, lack of clarity and transparency around processes, and cost of recognition or skills upgrading.
- *Reluctance of some employers to hire migrants* due to perceived lack of 'soft' skills, local work experience and lack of understanding of overseas qualifications.

Recommendations throughout this document provide ideas on how these processes could be improved. In particular, Victoria considers that greater liaison between all relevant parties – including State, Territory and Commonwealth Governments, employers, industry bodies, professional associations, and migrants themselves – is the key to improving skills and qualifications recognition processes. Specifically:

- Greater coordination between jurisdictions on requirements for recognition and licensing, and greater assistance provided to migrants on arrival to access employment; and
- Greater involvement and assistance from industry bodies, employers and professional associations in assisting migrants with workplace orientation.

Victoria considers that this Term of Reference will be best addressed by independent research by the Joint Standing Committee on Migration, or by the Commonwealth

Department of Immigration and Multicultural and Indigenous Affairs on activities of international jurisdictions on skills and qualifications recognition.

Glossary of Acronyms and Terms

DIMIA	Department of Immigration and Multicultural and Indigenous Affairs
DEWR	Department of Employment and Workplace Relations
DEST	Department of Education, Science and Technology
TRA	Trades Recognition Australia
AEI-NOOSR	Australian Education International, National Office of Overseas Skills Recognition
VETASSESS	Body responsible for some trades skills assessment
DVC	Department for Victorian Communities
RMIF	Regional Migration Incentive Fund
OQU	Overseas Qualifications Unit
OQPP	Overseas Qualified Professionals Program

References

Australian Chamber of Commerce and Industry, *The Future of Skills Development is in Industry's Hands*,

http://www.acci.asn.au/text_files/issues_papers/Employ_Educ/April%2005%20-%20Future%20of%20Skills%20Development.pdf

Australian Industry Group, *Growth for construction, but profits under pressure*,

<http://www.aigroup.asn.au/scripts/cgiip.exe/WService=aigroup/ccms.r?PageID=1479>

Commonwealth of Australia & Department of Premier and Cabinet, *Final Report: Commonwealth-Victoria Working Party on Migration*, Department of Premier and Cabinet, 2004

Department of Premier and Cabinet, *Beyond Five Million: The Victorian Government's Population Policy*, State of Victoria, 2004

Department of Premier and Cabinet, *Governments Working Together: A New Approach to Workforce Skills for a More Prosperous Australia*, Department of Premier and Cabinet, 2005

Productivity Commission, *Economic Implications of an Ageing Australia*, Commonwealth of Australia, 2005

Ridoutt, L. et al, *What value do employers give to qualifications?*, National Centre for Vocational Education Research and Australian National Training Authority, Adelaide, 2005