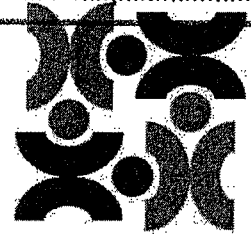


28 JUN 2005
L. Mig. RCD'A

Submission No.	28
Date Received	28/6/05

Ref. M05088/ks



SERVICESKILLS

24 June 2005

The Committee Secretary
Joint Standing Committee on Migration
Parliament House
Canberra ACT 2600

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Inquiry into skills recognition, licensing and upgrading

The Service Industries Skills Council and Service Skills Victoria are pleased to respond to the Joint Standing Committee on Migration.

The Service Industries Skills Council is the recognised national Industry Skills Council for the Sport, Recreation, Tourism, Hospitality, Wholesale, Retail and Personal Services Industries. Service Skills Victoria is the Victorian industry advisory body for the service industries, which include Tourism, Hospitality, Wholesale, Retail and Personal Services.

Both organisations work with industry to support appropriate training products and services for the industry, including national Training Packages. As part of our role, we consult widely with industry on issues relating to skill needs and the vocational education and training system.

Industry's main concern is that arrangements for skills recognition must strike an appropriate balance between facilitating the migration of workers with much-needed skills and maintaining ensuring that Australian skill requirements are met.

Industry Training Packages provide a nationally recognised specification of the skills required to work in Australian industry, and Training Package qualifications should form the benchmark for assessment. In line with this, assessment should be directed to verifying a candidate's competence. This may include paper-based evidence, but should include skills tests to ensure the candidate actually holds the required skills.

Existing processes

Service Skills Victoria has been an industry panel member with the Skilled Migration Program for many years. The existing assessment process for the Skilled Migration program is based primarily on the examination of written applications, which do not provide an adequate basis for determination of the candidate's skills. In some cases, this desktop assessment is supplemented by a practical skills assessment conducted by a Registered Training Organisation.

Written applications are received identifying the work experience of the applicant and their qualifications if applicable. The disparity in paperwork regularly makes it difficult to make an informed decision, especially when there is no equivalent benchmark for many countries. It is not unusual to receive an application that states that the applicant holds an Associate Diploma, attained through the completion of 30 hours of training. It is extremely difficult to ascertain a person's skill level on paper when there is no country to country equivalent.

Skills testing

Except for the states that have licensing arrangements, applicants are assessed primarily on their desktop application and in some situations referred to a Registered Training Organisation for a practical skills assessment.

The formal occupational licensing or registration arrangements which exist in some states do provide a limited 'safety net' in terms of ensuring that a more rigorous and accurate assessment is conducted. However, where states do not have such arrangements in place, there is no second level of assessment, and the risk of unskilled operators being employed increases.

Given our concerns with the limitations of a paper-based approach to assessment of applications, it is our view that a practical skills assessment is vitally important to ensure that a valid determination is made. Through this process the candidate could be given an opportunity to receive an Australian qualification, and skills update training or supplementary training to cover skill gaps could be accessed as necessary. This would improve employment outcomes and provide candidates with an opportunity to increase their understanding of the local conditions and practices.

It is interesting to note in this debate that Australia will accept the qualifications of a hairdresser from anywhere in the world, but in practice, mutual recognition of Australian-issued qualifications between states and territories is not yet a reality. An individual who has gained a nationally-recognised qualification in Victoria through a private Registered Training Organisation on a full-time basis (as opposed to a New Apprenticeship pathway) is frequently ineligible for employment in NSW and WA. They are generally required to complete additional time - in some cases up to 2 years - on an apprenticeship rate of pay before they can be employed.

International mapping of qualifications

The mapping of Australian and international qualifications will provide one means of facilitating the assessment of the skills of overseas migrants, particularly in vocational/trade areas. It provides a mechanism for ascertaining the equivalence of Australian and overseas qualifications, and of identifying the candidate's base skill level.

The Service Industries Skills Council and Service Skills Victoria have participated in a number of International Qualification mapping projects. These projects identify the relationship between the relevant overseas qualification and the Australian qualification, thereby providing a means of ascertaining to what extent an applicant's credential meets the requirements of the Australian qualification.

Mapping projects have been conducted with the City & Guilds in the UK, (Hairdressing & Beauty), International Therapy Council of Education UK (Beauty) and the Services Sector Education and Training Authority South Africa (Hairdressing & Beauty).

The process for gaining formal recognition of these mappings to make them available to the system is, however, problematic. Facilitating these arrangements will be a worthwhile step in improving and streamlining the processes for skills recognition.

Training delivered to overseas students within Australia

It is clear that certain vocational courses are appealing to overseas students because they provide an Australian qualification in MODL occupations, thereby bypassing recognition of overseas qualifications altogether, and facilitating migration under the Skilled Migration program.

This is clearly a valuable market for training organisations. Unfortunately, there are anecdotal reports that some training organisations are not meeting their responsibilities in terms of providing appropriate training and assessment, and are issuing qualifications to students who do not hold the required level of skill. Issues include providers who lack appropriate resources (eg using domestic kitchens for Commercial Cookery training, classrooms for hairdressing training), providing little or no opportunity for development of practical skills, and issuing the qualification based upon inappropriate or non-existent assessment.

Where a student genuinely seeks employment in the relevant industry after migration, this is clearly doing them a disservice. Unethical training providers are setting students up for failure in terms of future employment by failing to develop their skills to the required level. Industry also has a significant concern about an influx of qualified operators who do not hold the skills stated in their qualification.

There is also the suggestion that some overseas students are undertaking Australian courses solely to gain permanent residency status, with no intention of gaining permanent employment in the industry. Such students are unlikely to be concerned about the inadequacy of their training, but this is a clear subversion of the objectives of the Skilled Migration Program, and there is concern that it will impact on the state and national funding arrangements for new entr

This is also a significant issue for the credibility of the Australian vocational education system, both internationally and at home, and is of particular concern to industry. Employers need to be able to have confidence in the nationally-recognised Australian credentials; practices which undermine this confidence will do long-term damage to the system.

It is critical that quality standards and monitoring practices are improved to ensure that unethical providers are unable to operate in this manner.

Paid employment requirement

It is understood that 900 hours of paid employment is to be introduced from July 1 2005 for all overseas students to gain permanent residency. There is a question mark as to whether this training will be completed following their initial training or concurrently whilst the student is in training. If the training is completed concurrently, a number of issues arise:

1. Students will be paid a lower rate of pay because they are not qualified.
2. Employers are more likely to employ students because of the lower rate of pay and the opportunity to have them complete menial tasks.

3. Completing employment during initial training doesn't give a true indication as to the full skills of the applicant and their ability to obtain gainful employment.
4. There would be the opportunity for the applicant to complete the required hours before completing the training and never work in the industry as a qualified operator or in fact not complete the course of training.

Completing 900 hours of training post-qualification would place the onus on the Registered Training Organisation to assist the applicant to gain employment, therefore ensuring that the applicant actually has employable skills.

Australia could be faced with an industry of "qualified but not skilled" unless more stringent measures are implemented to ensure that RTOs are accountable for the actual skills of the students they issue qualifications to.

If you require any further information or clarification on any aspect of this submission please don't hesitate to contact either Jeanette Allen, CEO, Service Industries Skills Council on (02) 8243-1200 or Barbara Hawkins, Executive Officer, Service Skills Victoria (03) 8610 0555.

Yours Sincerely

A handwritten signature in black ink that reads "Jeanette Allen". The signature is written in a cursive style with a horizontal line above the first name.

Jeanette Alen
Chief Executive Officer
Service Industries Skills Council