



Inquiry into Australia's Skilled Migration System

Australian Parliament's Joint Standing Committee on Migration

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About us



Consult Australia is the industry association representing consulting businesses in design, advisory and engineering. Our industry comprises some 48,000 businesses across Australia, ranging from sole practitioners through to some of Australia's top 500 companies, providing solutions for individual consumers through to major companies in the private sector and across all tiers of government. Our industry is a job creator for the Australian economy, directly employing 240,000 people. The services we provide unlock many more jobs across the construction industry and the broader community.

Some of our members include:



Introduction

Consult Australia's initial submission

We separately made an [initial submission](#) on parts 1 and 2 of the inquiry, which focused on the purpose of the broader skilled migration system, adjustments required to support Australia's COVID-19 recovery and the future of work, and Australia's international competitiveness in attracting talent. Our initial submission made the below key points and recommendations that are not captured in this additional submission.

- The age threshold of 45 years old for most categories under the skills stream of the migration program has a negative impact on many of our member businesses. Skill shortages are greatest in our industry at mid to senior levels, which requires years of professional experience and training, and the current age threshold is a significant barrier when recruiting for these roles and seeking to utilise the skilled migration system. We recommend reverting the age threshold back to 50 years old, particularly for higher income roles.
- Many of our member businesses have difficulties navigating visa types to fill short-term roles which range from visits to Australia for a few weeks at a time or positions required for 3-12 months. These types of positions are common in project work environments, particularly due to the global nature of many of our member businesses. We recommend refinements to the subclass 400 (short stay specialist) visa to be more relevant to industry needs, particularly project-based sectors, by increasing the period of stay to up to six months (with a 12-month validity), allowing for multi-entry, and reducing processing times to 48 hours through a risk-tiering approach.
- The global talent employer sponsored (GTES) program provides an opportunity for many of our member businesses to access highly skilled and specialised talent. To improve the effectiveness of the GTES program, we recommend a lower salary threshold, the removal of the Skilling Australia Fund levy from costs associated with this visa, and the cap on large employers to be removed in industries with demonstrated skill shortages.

We believe many of these key points and recommendations are also relevant for Parts 3 to 7 of the inquiry.

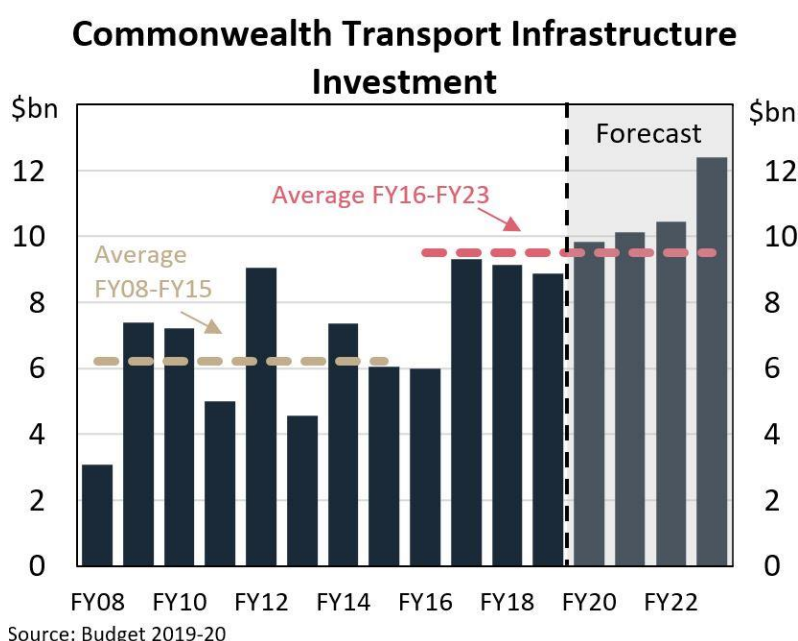
Part 3) Skills lists and the extent to which they are meeting the needs of industries and businesses

Improving how demand pressures on industries are factored into skills lists

We support the existing approach to developing a Skills Priority List through the National Skills Commission, and how this approach is used to inform policy responses to shortages such as skilled migration and training or employer incentive programs. However, we do believe this approach could be refined further to better understand demand pressures on industries and businesses, and how demand pressures exacerbate challenges relating to the supply of skills.

The infrastructure and built environment professional services sector is subject to ongoing skills demand pressures, often created by government investments in projects. Graph 1 below shows the Commonwealth's transport infrastructure investments. The Australian Government acknowledged the pressure this pipeline of work places on industry to deliver against these investments in the 2020-21 Federal Budget. As a result, the Australian Government has committed to undertaking annual assessments of infrastructure market capacity to deliver these critical infrastructure projects, informed by a comprehensive analysis of demand from the forward pipeline of projects. This work will be conducted by Infrastructure Australia.

It is critical that findings from Infrastructure Australia's annual assessments of infrastructure market capacity are considered and incorporated into the National Skills Commission's Skills Priority List and skilled migration programs.



Graph 1: Increase in Commonwealth transport infrastructure expenditure (FY08 to FY22)¹

It is important to note that the chart above does not account for the additional and considerable investment in infrastructure being made by state and territory governments, particularly in Victoria and NSW. Whilst this investment is both welcome and needed, it does place significant pressure on industry's capacity to deliver and our ability to utilise the skilled migration system is an important way in which to alleviate some of that pressure. Australia also benefits from the knowledge transfer that occurs through the diverse group of skills coming into the country.

For our membership, the impact on skills and capacity can be demonstrated by comparing the considerable and sustained upswing in infrastructure investments with the growth in appropriately qualified engineering graduates in key disciplines.

¹ Department of Infrastructure, Transport, Regional Development and Communications; [Perspectives on Australian transport infrastructure \(2019\)](#)

Infrastructure Partnership Australia's analysis of infrastructure investments by the Australian Government and state and territory governments highlights a funding increase from \$206.5 billion in 2019-20 to \$271.9 billion in 2020-21,² totalling a 31.67 per cent increase.

In comparison, Engineers Australia's statistics on the additional supply of 'professional engineers' from domestic university course completions in engineering highlights a 6 per cent increase in the most recent years available (2017 and 2018). While on the face of it 6 per cent growth is positive, when compared to the level of demand for these skills in the market, we can see that there is a significant gap.

The reasons for the systemic skills shortages in our industry are complex, however, this comparison does highlight that any increase in supply through the education system is far slower than the increase in demand.

Consult Australia's own annual skills survey of members consistently reveals that it is the experienced engineering professional (and related professionals) that are particularly in short supply, so even if we had more graduates, they are not able to meet the skills gap because it is not possible to fast track their experience to the level of a 10-15 year practicing professional.

Consult Australia has published a discussion paper on Australia's STEM education challenge, which is available for your interest [here](#).

Establishing a process for regular ANZSCO updates

The Australian New Zealand Standard Classification of Occupations (ANZSCO) is overdue for a review and update. We understand that since its initiation in 2006, ANZSCO has only been reviewed by the ABS twice. With technology improving and changing rapidly, and the future of work creating many new job types, we believe ANZSCO needs to be regularly reviewed and monitored to ensure that emerging occupations are appropriately captured.

It is crucial that the National Skills Commission work with the Australian Bureau of Statistics to review and update the categories under ANZSCO on an ongoing basis to avoid the omission of occupations from the Australian occupation market. Regular industry consultation, similar to those undertaken through the Skills Priority List, is needed to ensure occupations are not excluded and businesses are not required to supplement occupations to meet recruitment shortfalls.

Our members have identified the following occupations that are not currently recognised on ANZSCO.

Digital Engineer/BIM Manager

Typical duties: implementing BIM standards on projects, providing input into company-wide BIM systems development, quality assurance checks on designs/documentation prepared to BIM standards to meet client expectations, implementing project documentation plans and any project BIM management or execution plans, participating in day-to-day modelling tasks.

² Infrastructure Partnerships Australia, [Australian Infrastructure Budget Monitor 2020-21](#)

Skills and qualifications: knowledge of engineering software solutions (i.e. AutoCAD, Revit, Bentley) across different disciplines, including an ability to advise on best practice, interoperability and workflows, experience developing and implementing digital design engineering strategies, and a degree in civil engineering or equivalent industry qualification.

Fire Engineer

Typical duties: performance solutions, fire hazard analysis, evacuation analysis, structural fire engineering, and probabilistic risk assessment.

Skills and qualifications: experience in fire engineering design, project management and implementation, experience in building code consultancy, strategic advice, fire prevention through specialised fire safety design, smoke and egress modelling, construction supervision, inspection and risk assessment, knowledge of relevant legislation, regulations, codes of practice and guidelines, and relevant tertiary qualifications in fire and life safety, structural engineering, or similar.

Bushfire Consultant

Typical duties: preparing technical reports, management plans and strategies, making technical decisions, and contributing to the preparation of related proposals.

Skills and qualifications: experience in natural resource management and/or bushfire management, qualifications in science or forestry/land management related disciplines, post-graduate qualifications in bushfire planning and design, and ability to deliver high quality and technically robust project outcomes.

Human Factors Consultant

Typical duties: developing relevant human factors management plans and procedures for complex projects, from both a technical and commercial perspective, identifying human factors issues and carrying out assessment for a range of projects (for example, a rail or road infrastructure project), carrying out human factors analysis techniques by using anthropometric data (for example, hierarchical task analysis, human error and reliability analysis, human factors analysis, workload analysis, and structured interviews with subject matter experts), preparing human factors requirements as part of inputs for a design, facilitating human factors workshops and participating in risk workshops, and supporting bid and proposal activities that identify human factors engineering solutions.

Skills and qualifications: experience in undertaking formal human factors analysis as applied to engineering programs, knowledge of systems engineering and an understanding on how to integrate human factors into this approach, and relevant degree and/or post graduate qualification in occupational psychology or ergonomics (or three years equivalent experience).

The ABS could seek to adapt current categories to include the occupations we have identified above. For example, the category 'architects, designers, planners and surveyors' could include BIM. Similarly, the category 'transport engineers' could be updated to include rail engineers.

We understand that the ABS intends to complete a review of the ANZSCO and we welcome this initiative. However, we wish to emphasise the need for ongoing regular reviews to ensure the occupational list keeps up to date with emerging expertise and supports Australia's recruitment from the global talent market.

Part 3 Recommendations

- The National Skills Commission's Skills Priority List and skilled migration programs to incorporate findings in Infrastructure Australia's annual assessment of infrastructure market capacity and industry demands from the forward pipeline of infrastructure projects.
- The National Skills Commission and the Australian Bureau of Statistics undertake a review of ANZSCO and commit to a process to make regularly updates in the future to ensure emerging job types are incorporated.

Part 4) Administrative requirements for Australian businesses seeking to sponsor skilled migrants

Moving away from a 'one size fits all' labour market testing approach

Current labour market testing arrangements create a burden for many of our member businesses because requirements result in unnecessary red tape and provide little impact on desired outcomes. Recruitment practices are highly diverse across occupations and industry. We believe designing labour market testing arrangements around step-by-step requirements are often costly for sponsors and are subject to manipulation by those that have not made a serious effort to find a local worker.

Our other concern around labour market testing arrangements is the number of changes to requirements that have taken place over recent years. In order to avoid unnecessary impacts on businesses, labour market testing arrangements need to be properly considered and consistent from the outset, rather than hastily developed and tweaked as industry impacts become evident. Regular changes to labour market testing arrangements have a downstream impact on businesses such as re-training recruitment team on migration processes.

We commend the focus of the proposed recommendation in the initial report to streamline existing labour market testing, however we do not believe this should be limited to certain business sizes. We do not see how the burden, or the intent of original requirements, changes for different business sizes. The Australian Government should instead apply requirements to job types, employers, or sectors, where there are consistent breaches.

Part 4 Recommendation

- The Department of Home Affairs should move away from a 'one size fits all' approach to labour market testing arrangements by making the following changes:
 - A targeted approach that only focuses on job types, employers or sectors where there are consistent breaches,
 - Providing exemptions for intercompany transfers, particularly in professional sectors such as the design, advisory and engineering industry, and
 - Reducing the timeframe in which labour market testing must be undertaken.

Part 5) The cost of sponsorship to businesses seeking to sponsor skilled migrants

Further refinements to the application of the SAF levy

We are concerned about the National Training Contribution Charge under the Skilling Australia Fund (the SAF levy) and believe its application has a significant effect on the overall effectiveness of the migration program. The logic is unclear as to why employers experiencing systemic or cyclical skills shortages, and needing to explore options under skilled migration systems, are required to contribute? We believe this is particularly the case for sectors such as ours that are significantly dependent on the flow of skills from the education system driven by the investment decisions of governments. We therefore do not see how the SAF levy assists our industry to address any skill shortages – both in the short-term as part of COVID-19 recovery efforts, and in the long-term beyond the COVID-19 recovery.

We also have concerns about how refunds for the SAF levy are applied, and the requirement to have the fee paid upfront when lodging visa applications. At present, this charge is only refundable if an employee ceases employment with the sponsor within the first year. So if an employee changes sponsor one or more times after that, then each sponsor is required to pay the charge with every application. It seems industry is penalised through paying the SAF levy upfront, and it is not clear what deters the employee changing sponsors.

Furthermore, as highlighted in our [2020 skills shortages survey results report](#), skill shortages in our industry are highest in key mid-level and senior staff roles where years of professional experience and training is required to supplement qualifications. Expanding these capabilities within the domestic market, particularly when the development of these skills is also heavily influenced by cyclical investment periods, requires a long-term approach which cannot be addressed in the short-term by increasing apprenticeships and traineeships under the SAF.

As such, we commend the proposed recommendation in the initial inquiry report to remove the requirement for employers to pay a SAF levy as part of the visa sponsorship. However, we recommend that the removal should be indefinitely retained for key growth industries or sectors dependent on the flow of skills from the education system.

Reducing visa costs on businesses supporting the COVID-19 economic recovery

The skills gap facing many of our member businesses is a prevalent and growing issue. A significant increase in infrastructure investments by governments across the Australia has created significant demand for professional skills in our industry. An inability to keep pace with increases in demand on the sector is part of what we see as a systemic challenge. We see a key role for governments to support industry in addressing this systemic challenge by improving access to skills through the skilled migration system.

We believe there is a strong case for the Department of Home Affairs, in partnership with the National Skills Commission and relevant infrastructure delivery departments and agencies at a federal, state and territory level, to work together with industry to develop a labour agreement or a specific visa type focused on addressing the skills gap in professionals facing the infrastructure and built environment sectors.

A labour agreement or a specific visa type could look at opportunities to reduce costs for visa sponsorships and/or visa applications related to professionals in the infrastructure and built environment sectors, or further streamline the application and processing requirements and timings.

One challenge with the current labour agreement approach is that it is too focused on specific disciplines – rather than a range of professions across a sector – and the process for establishing a labour agreement needs to be significantly driven by industry, rather than proactively developed by the Australian Government. We therefore believe the Department of Home Affairs and the National Skills Commission needs to establish a process that identifies key sectors or industries experiencing chronic or systemic skill shortages and proactively assesses if additional arrangements, such as labour agreements, could help provide a solution.

Case study from a medium-sized member business

A member business of Consult Australia reported a specific example of the difficulties in using Australia's employer sponsored migration system.

This business advertised a position of a senior geotechnical engineer in a regional office for two months and did not manage to get any local applicants, despite a proactive search across LinkedIn and through a 'headhunter' recruiter.

An overseas applicant applied, and it was clear their skills, qualifications and experience were appropriate for the role – and this was further confirmed by previous employer references.

The business then worked with their internal legal team to undertake the skilled migration process. Despite additional COVID-19 impacts, this process was very time consuming and took over eight months from when the position was first advertised and when the successful candidate started in their position – further to this, the timeframe between the original offer and the start date was close to six months. The costs on the business were over \$15,000 in addition to \$10,000 in relocation costs.

Part 5 Recommendations

- Over the short-term, the Department of Home Affairs should adopt the proposed recommendation in the initial inquiry report of removing the requirement for employers to pay the SAF levy as part of the visa sponsorship process.
- Over the long-term, the Department of Home Affairs should adopt a more refined approach to the application of the SAF levy by including the following exemptions:
 - Occupations that do not link to the intent of the SAF (i.e. when the skill shortage is not due to an insufficient number apprenticeships or traineeships),
 - Skills of strategic interest to the Australian Government (such as those to support infrastructure priorities), or
 - Strategic visa types such as the Global Talent Employer Sponsored (GTES) visa.

- The Department of Home Affairs, in partnership with the National Skills Commission and relevant infrastructure delivery departments and agencies at a federal, state and territory level, to work together with industry to develop a labour agreement or a specific visa type focused on addressing the skills gap facing the infrastructure and built environment sectors. A labour agreement or a specific visa type could look at opportunities to reduce costs for visa sponsorships and/or visa applications related to the infrastructure and built environment sectors, or further streamline application and processing requirements and timings.

Part 6) The complexity of Australia's skilled migration program

Industry outreach officer initiative

Many of our member businesses find current skilled migration arrangements complex, costly, and confusing. This can serve as a deterrent for businesses (particularly small and medium-sized businesses) which ultimately leads to a negative outcome on the economy by limiting growth opportunities when skills are not readily available in the domestic market.

We believe there is an important role for the Department of Home Affairs to provide additional assistance to industry to help navigate processes in the skilled visa system when experiencing skill shortages.

A support program previously existed when significant skill shortages were experienced during the mining boom, the Industry Outreach Officer initiative, and we see a strong case to reinstate this program to help address the skills gap in our sector from the current infrastructure boom.

We believe the reintroduction of the Industry Outreach Officer initiative should focus on sectors that contribute substantially to the broader productivity of the economy, and where additional support to address systemic skill shortages are in the national interest. This more tailored approach to the previous initiative recognises the need to apply fiscal discipline.

Part 6 Recommendation

- The Department of Home Affairs should reintroduce the Industry Outreach Officer initiative focusing on sectors that contribute substantially to the broader productivity of the economy and Australia's COVID-19 economic recovery efforts.

Contact

We would welcome any opportunity to further discuss the issues raised in this submission. To do so, please contact:

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