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25 March 2020

Senator Raff Ciccone
Chair
Senate Select Committee on Temporary Migration
Parliament House
By email: temporarymigration.sen@aph.gov.au

Dear Senator Ciccone,

Senate Select Committee inquiry into temporary migration

Thank you for the opportunity to make a submission to the inquiry into the impact temporary migration has on the Australian economy, wages and jobs, social cohesion and workplace rights and conditions.

The University of Sydney was founded in 1850 and commenced classes in 1852 with three professors. Each of these foundation professors had moved to Australia to take up their positions at the University: our first principal (and professor of classics) was an English academic and clergyman; our first professor of chemistry and experimental physics a Scottish academic, and our first professor of mathematics and natural philosophy was an English/American academic. Subsequently, the University has - for close to a century - welcomed international students and staff to our community through temporary migration.

The addition of international students, and of foreign academic and professional staff to our campuses has served to strengthen and diversify the University community, which is engaging in world-leading education and research programs. Since our inception, we have made it our mission to make education accessible to the best and brightest, whatever their social or economic backgrounds, and to shape leaders who will improve the lives in Australia and around the world. Today, the University is a microcosm of Australia's multi-cultural society, enriched by students drawn from over 140 countries and who represent more than 30 percent of our student body.

Our international students contribute enormously to the life of the University while studying with us. They also make important economic and social contributions to the local communities in which they live while in Australia. Unfortunately, our data about the destinations of our students following graduation is incomplete. However, we know from our alumni networks in Australia and internationally that our graduates continue to contribute positively to Australia whether they return to home countries, remain in Australia as permanent residents and citizens, or pursue careers and lives elsewhere.

In relation to issues of particular interest to this inquiry, we have in our attached submission provided brief responses to the terms of reference most relevant to universities. The key points we would like to raise for consideration by the Committee are:

- 1. The availability of temporary migration recruitment options is critical for Australian higher education institutions to be able to fill staffing gaps in many fields of national significance.**

.2.

These options need to be as streamlined as possible to maximise our chances of attracting the best and brightest of the academic and research minds to Australian institutions as we need these people to educate future generations of Australians and help us tackle Australia's most pressing challenges.

2. Higher education providers should not be required to pay the Skilling Australians Fund levy.

Universities recruit staff from overseas to educate those in the Australian community seeking a quality higher education or to conduct research for the benefit of Australia or the wider world. The levy is substantial and is not always refundable when recruitment processes are discontinued through no fault of the University. Funds used to pay the levy cannot be invested by the University in public good education and research.

3. Higher education providers would be able to conduct more rigorous analysis of the post-study migration paths of their international students if the Department of Home Affairs could provide de-identified data based on provider, AQF level, field of education and migration histories.

Enhanced access to more comprehensive data about international students' post study destinations would greatly assist policy makers with the design of student visa policy and education providers in tailoring their educational offerings to the needs of international students. In this regard, we strongly support the policy objectives underpinning the Australian Government's Data Sharing and Release Bill currently under development. We also strongly support the work the NSW Government's Innovation and Productivity Council is leading, in partnership with us and other organisations, to gain a better understanding of talent flows to and from NSW.

4. International students are a vital part of our University community and Australian society more broadly.

Any sharing of de-identified Government-held data would assist in ensuring that our universities' and other education providers' international education activities contribute positively to Australia's economy, cultural diversity and social cohesion across the community.

If it would assist the Senate Select Committee, we would be delighted to make some of our experts available to discuss any relevant impacts of temporary migration and the key actions the Australian Government could take to further improve outcomes.

If the Committee requires anything further from the University of Sydney, please do not hesitate to contact Mr Tim Payne, Director, Higher Education Policy and Projects in my office in the first instance (tim.payne@sydney.edu.au, 02 9351 4750).

Yours sincerely,

(signature removed)

Michael Spence

Attachment The University of Sydney submission to the Senate Select Committee inquiry into Temporary Migration, March 2020

The University of Sydney submission to the Senate Select Committee Inquiry into Temporary Migration, March 2020

ToR(a) - government policy settings, including their impact on the employment prospects and social cohesion of Australians

The University of Sydney upholds the Government's current Labour Market Testing (LMT) requirements by having policies in place to ensure that all staff positions are advertised in the local labour market in the first instance. This includes those occupations that are exempt from LMT under the definition of 'select occupation' used in the relevant [Legislative Instrument](#), with certain senior international professions in academia and research being applicable to the University as an employer sponsor. We do this to enhance the employment prospects and consequently, the social cohesion of Australians.

We would suggest that Fellowship and Grant recipients be included in the same cohort as 'select occupation' and 'select position' in the Legislative Instrument. Even though these candidates are quite junior and have therefore not built up their international recognition, they should be exempt from LMT because they would have gone through a lengthy and rigorous recruitment process to qualify for, and be awarded, the Fellowship or Grant.

ToR(b) - the impact of temporary skilled and unskilled migration on Australia's labour market

The current requirements under the Temporary Skill Shortage visa (subclass 482) program and the current arrangement of the skilled occupation lists have been beneficial for the University's ability to fill vacant positions with highly skilled overseas talent. Our most commonly utilised occupation classification is University Lecturer ANZSCO 242111, which is currently on the [Medium and Long-term Strategic Skills List](#) (MLTSSL). This allows the University to sponsor employees for up to four (4) years with a pathway to employer-sponsored permanent residency.

This policy has given Australian universities the flexibility to meet short-term labour demands in education and research areas of national priority by recruiting highly talented international candidates. For example, in 2019, there were over 100 appointments made to holders of temporary visas at the University of Sydney. The biggest users of these temporary skilled visas were our faculties of Science, Engineering and Medicine and Health.

The University of Sydney continues to strengthen our commitment to Australian research and relationships with other reputable universities and research facilities around the world as evidenced by the increased number of international affiliates and visitors in 2019. Many international affiliates and visitors are invited by our faculties and schools to collaborate on Australian research projects, thus contributing to the University's and Australia's research productivity, outputs and outcomes.

In 2019, the University continued to invite international affiliates and visitors, with many of them requiring visa sponsorship or support from the University under either the Temporary Activity (subclass 408) visa – under the Research Activities stream – or the Training (subclass 407) visa. Those who did not require visa sponsorship or support, arranged their own visas to fulfil their visit or obtained another appropriate visa. These can include Working Holiday visas, Visitor visas (for student researchers only) and Temporary Work (Short Stay Specialist) visas. The biggest contributor to the increased invitations was the use of the non-sponsored Temporary Activity (subclass 408) visa for visits of less than 3 months, as our faculties understand that this is a more appropriate visa for our international affiliates and visitors (rather than the Visitor visa).

ToR(c) - policy responses to challenges posed by temporary migration

There are a few challenges to the University's immigration and relocation program posed by the current arrangement of the **Skilling Australians Fund (SAF) levy**, in particular, the refund provisions are too limiting and do not adequately reflect genuine situations where employment does not proceed from the nomination approval through no fault of the employer. For example, currently the employer has no recourse to claim a refund of the SAF levy if the nomination application has been approved but the visa application does not proceed. Under the current refund provisions, the employer would require the overseas worker to submit the visa application and then make a claim for a refund when the employee does not commence employment.

Within the tertiary education sector internationally, it is usual for academics to have a lengthy notice period (e.g. 3 – 6 months). It is also general practice for universities to provide an offer of employment to potential employees 3 – 6 months before their start date and commence their immigration and relocation process. During these months, circumstances may change and the candidate may decide to not take up employment for a variety of reasons. In these cases, the University is liable for up to \$7,200 of non-refundable SAF levy. This is neither reasonable or commercial for any employers, but especially for charitable public not-for profit entities such as the University of Sydney.

Currently the SAF is being managed by state and territory governments to be used on programs which aim to support the growth of apprentices and trainees who will in turn fuel Australia's future productivity and job growth in the relevant sectors. While this is important, if Australia is to remain competitive in the age of accelerating technology and fast-changing industries of the future, we need to grow the number of Australian students taking up higher education, particularly in areas of currently or projected skills shortage. We can do this better by investing strategically in programs to attract and retain students in these areas of national need. We note that this would complement the focus on specific target sectors in the Government's Global Talent Independent Program.

2019 marked the second year since the Temporary Work (Skilled) visa, i.e. the 'subclass 457 visa', was replaced by the Temporary Skill Shortage (subclass 482) visa and also saw the one-year anniversary of the introduction of the SAF levy in August. After these significant legislative changes in 2017 and 2018, the immigration landscape in 2019 was relatively calmer while Australian industries adapted to the new requirements, including our University.

Despite this relative calm, for the University, 2019 saw a fluctuation in the numbers of sponsored and supported visas. The volume of employer sponsored visas decreased whereas the number of visas supported by the University for international affiliates and visitors rose significantly - see ToR(b).

Almost all the employer sponsored visas are nominated under the occupation classification of University Lecturer ANZSCO 242111. This occupation classification is one of the top three (3) occupations nominated for the subclass 482 visa in 2019 and 2018 across Australia. Despite the popular usage of this occupation classification, University Lecturer continues to enjoy a higher level of exemptions than most other occupations, a testament to the Department of Home Affairs' recognition of the importance of this occupation category to Australia.

ToR(d) - whether permanent migration offers better long-term benefits for Australia's economy, Australian workers and social cohesion

The University would support permanent migration options to both enhance our ability to fill vacant academic and professional staff positions with highly skilled overseas talent and to entice our new graduates to remain onshore. The stability of permanent migration, in

particular for recruitment to a globally ranked research and education institution, offers better long-term benefits for Australia's economy, Australian workers and social cohesion. It assists the University community to achieve ground-breaking research, provide world leading education and create a major export industry with many ongoing social and economic benefits for the nation.

It is important then, that age and skills exemptions for the Employer Nomination Scheme (subclass 186) visa under the Direct Entry pathway remain for University Lecturer ANZSCO 242111 as a large component of the University's employees in this position are above 45 years of age, having gained the necessary work experience internationally. Further, many senior level academics prefer to apply for permanent residence directly and this continues to be a key driver for their decision to relocate and take up a position with the University.

Our alumni database does not have the current capacity to record the migration pathways of our international students; we rely on all alumni (domestic and international) to voluntarily advise us what they are doing and if they are relocating. Anecdotally and based on our incomplete data, the motivating factor of a University of Sydney education and qualification is not a permanent migration outcome. The combination of the cost (student fees and cost of living in Sydney), high entry admission requirements and the quality of the education indicates that the greater appeal is the final qualification to enhance career prospects of international students returning home or moving elsewhere in the world. For example, in 2019, we hosted three graduation ceremonies in a single day in Shanghai, which 1,566 people in total attended (this included graduates and their guests).

We note that the Government's records do not indicate a significant increase in the total permanent migration places granted to international students in the past 10 years (13,286 in 2009-10; 14,732 in 2018-19) despite a more than doubling of the 2009-10 places in 2012-13 (30,170). We also note the decrease in points tested visas granted over the same period (7,456 in 2009-10; 5,166 in 2018-19), which is the visa stream where we anticipate our graduates – in particular our higher degree by research graduates - would be aiming.

We would be able to conduct a much more rigorous analysis of both the permanent migration places granted to international students, and the post-study migration paths of our international alumni if the Department of Home Affairs could provide de-identified data based on provider, AQF level, field of education and migration histories. This would assist us in gaining a more nuanced understanding of motivating factors for study at this University and whether our PhD or Masters graduates could be strategically targeted to fill any sector shortages identified by the Government.

ToR(e) - the impact of wage theft, breaches of workplace rights and conditions, modern slavery and human trafficking on temporary migrants

We do not currently hold the empirical data required to be able to comment on student breaches of work rights (if any) nor any impact of wage theft or debt bondage on our international students. We are in the process of making changes to our policies, processes and the way our activities (including supply chains) operate in Australia and overseas, to ensure compliance with the requirements of the Australian Modern Slavery Act 2018. We would be happy provide the Committee with an overview of this work if that would be of interest and assistance.

ToR(f) - any related matters

No.