



Level 6, 152 Macquarie St  
Hobart, TAS, 7000  
Ph: 61 3 6231 0253  
E: [isana@isana.org.au](mailto:isana@isana.org.au)  
ABN: 42 335 124 078

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### Submission to the “Migration, Pathway to Nation Building” inquiry

Compiled on behalf of ISANA members in Australia.

ISANA International Education Association has represented professionals employed in international student support across the international education sector since 1989.

ISANA has over 400 members in a large range of professional roles, including but not limited to student advisors, student counsellors, admissions and compliance staff, careers staff, teaching and academic staff, accommodation provision, health care, and OSHC representatives, state government and local government international education staff, education agents, from over 50 organisations in Australia.

As the ISANA membership is made up of experienced frontline staff in education providers and ancillary services throughout Australia, we have gathered feedback from our membership consultations in relation to the aforementioned inquiry’s Terms of Reference. Our members operate fully within the intersecting student visa and migration legislative frameworks and programs and in particular feel competent, knowledgeable and skilled to comment on the following Term of Reference for this inquiry: *Policy settings to strengthen skilled migrant pathways to permanent residency*

We are grateful for the opportunity to contribute to this inquiry.

### **International students are an important component of the Australia’s future skilled workforce.**

Following the Covid-19 pandemic, Australia is more reliant than ever on the migration of skilled and unskilled workers into Australia to address the skill shortages being experienced across industries and regions throughout Australia.

International students have the skills and capabilities to support a more diverse workforce with greater innovative and industrial capacity than we have today. However, according to ABS 2021, students that have received permanent residency have on average cycled through three temporary visas compared to those that did not receive permanent residency. With the significant labour market shortages in the healthcare, teaching and emergency services sectors, currently state and federal governments are focusing their attention on local students to fill workforce gaps. Given the proven skills and capabilities of international students, ISANA members are advocating for strengthened policy settings to transition international student graduates from their student visa to permanent residency. Clearly

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articulated policy settings will provide stability to international students in Australia, particularly if either student visas or temporary work visas are able to be transitioned to permanent visas when entering specific sectors. The current system is complex and there needs to be a way of cutting through the red tape for newly graduated students.

### **Past lessons learned**

In 2002, changes to the migration regulation permitted international students graduates to stay in Australia to apply for permanent residency, hence establishing a clear link between international education and skilled migration. That policy change contributed to the next ~8 years of unprecedented growth in the international education sector. However, the challenges and issues international students and the education sector experienced included workplace and education provider exploitation due to poor design, implementation, and inadequate monitoring of the ecosystem. The skilled migration program at that time did not effectively address industry skill shortages, and the international education sector grew in areas of study that provided a direct path to permanent residency. This resulted in a crisis in the international education sector and a population of skilled international student graduates granted permanent residency who were often working in unskilled occupations and not using the qualifications they had obtained in Australia.

Future migration policy and regulation must learn from past lessons, but also be bold in creating a system that reinstates the intentional link between international student graduates and permanent pathways to Australian residency and citizenship. Careful migration program design that ensures Australia can retain skilled talent must also adequately consider the impact of policy settings on the education sector and current education regulations, such as the ESOS Act. Quality assurance mechanisms must be embedded to ensure that visa pathway progression is not exploited and is framed by verifiable skills assessment. Quality assurance mechanisms must include improved protection for international students working in Australia to avoid exploitation, and extend access to housing, housing affordability, and cost of living.

### **Guiding principles and messaging**

The Commonwealth government needs to recognise and promote global citizenship, diversity, and inclusion as principles that guide the migration strategy. With this underpinning the way forward, bold, and innovative changes to migration pathways are possible. The government should openly acknowledge the value of international students to Australia, and the contribution of international students to Australia's education sectors, community, research, workplaces, and the broader economy. Simple messaging should reinforce that international education is a legitimate pathway, rather than a back door, to permanent residency in Australia. We need to ensure quality education prevails; that we attract the students we want



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and need. The meaning and reason Australia has an international education sector, and migration pathways should be clearly articulated and understood consistently by all federal government departments. We need to ensure Australia continues to grow its multicultural communities in a cohesive and inclusive nature for future migrants and current residents. There is a need for the government to show leadership in addressing conscious and unconscious bias and being responsible for dispelling myths and assumptions about international students and migration.

### **Choosing courses in Australia – the influence of migration opportunities**

It is commonly known among ISANA members, recruiters, and education agents that even as early as secondary school, students will often choose courses to fit with migration opportunities - such as when occupations are 'on the list' - and students will choose courses that are directly related to skilled occupations that lead to skilled migration. This is not likely to change with any migration system that lists specific occupations and education systems that provide education and qualifications for the listed occupations.

### **Temporary post-study work visas**

In 2022, temporary postgraduate visas were extended, indicating the need for international students to remain in Australia once they complete their studies, to help address skilled workforce shortages across the country. However, remaining in Australia on temporary visas provides uncertainty and is not a sustainable approach to strengthening skilled migrant pathways that retain skilled talent and build a highly productive workforce that is required to meet future skills and workforce demand in Australia.

Temporary visas do not provide certainty in residency, healthcare, education, and other privileges afforded to permanent residents, such as income and crisis support. This uncertainty is a major contributor to only 28% of international student graduates staying in Australia post-graduation to utilise their post study work rights.<sup>1</sup> With many international students only eligible to remain in Australia on temporary visas, Australia will see not only the skilled talent choosing alternate countries to migrate to, but prospective students will choose to be educated in alternate countries offering streamlined permanent migration pathway opportunities.

Therefore, skilled migration pathway policy settings are critical to not only the economy and workforce of Australia but the international education sector.

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<sup>1</sup> <https://www.afr.com/policy/economy/australia-must-join-global-race-to-settle-international-students-20221216-p5c70u#>.



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## Barriers to graduate employment

Prior to the Covid-19 pandemic, many employers offering graduate employment programs restricted entry to international students, often citing those applicants were required to be either permanent residents or Australian citizens. The visible policies openly discriminating against international student graduates from Australian education providers of many well-known companies have been a major barrier to utilising the talented graduates in Australia.

Employers have also resisted engaging international students citing the complex visa system as a main barrier. International students may choose Australia as a study destination, build networks, and friendships, and desire a migration outcome, but they will not stay in Australia without a job with clear career advancement related to their qualifications, particularly if there are opportunities in their home or other 'competitor' countries. To assist employers to overcome the real and/or perceived challenges in the visa system, in 2022, IEAA published a guide for employers that outlines initially the benefits to businesses and industry in engaging international students.<sup>2</sup> Clearly articulated migration pathway settings will assist employers to retain talent and bridge skills gaps by simplifying the current complexity in and misunderstanding of visa options for international student graduates.

## Current and future skilled workforce shortage solutions

Prior to 2021, a small proportion of international students were able to obtain graduate employment in their field of study in Australia. Graduate employers often won't consider temporary visa holders and the graduate employment cycle is systematically set up to disadvantage student visa holders because they are normally required to secure permanent residency status prior to making graduate program applications.

Since 2021, the shortage of skilled workers and increased workforce demand in Australia has created more opportunities for international students. Over the past 12 months, there has been a reported increase in the number of companies willing to employ students in entry-level roles and train them in their chosen field of study. Companies are reportedly paying for induction and ongoing professional development; this is reported by members to be across many fields and roles. In the recent 2022 summer semester, there was an increase in the number of students opting to work in roles related to their study in preference to previous decisions to undertake additional study during this time, to speed up the completion of their education or use that time to make up for units they may have failed.

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<sup>2</sup> <https://www.ieaa.org.au/research/employability>. The publication name is *Employing international students & graduates: Information and guidelines for employers*.



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However, this situation is dependent on a very tight labour market, offering an opportunity to re-think how the student visa could be structured to provide more stability such that the pathway to migration is determined at the onset of applying for the course of study.

In the initial application to the course, prospective international students could be engaged and begin their migration journey at the commencement of their education course. This might require additional study or work experience components, such as those provided through the 'professional year' programs and integrated into the degree so that the student graduate is 'job and migration ready' to be granted skilled migration and obtain employment in their chosen field. This would require collaboration between education and migration departments – as well as the education sector, however, it might offer Australia the competitive edge to rebuild the international education sector while preparing to meet future workforce skill demands.

### **Qualification recognition**

There are also many international students arriving in Australia with qualifications already completed prior to coming to Australia to study. Many students are postgraduate so have already got work and study experiences. Building qualification recognition into student visa applications and considering eligibility for visas with work rights that address skills shortages would be extremely beneficial to the economy, as it will ensure that the skilled workforce and student population are utilising their qualifications and experience throughout their education journey.