

Settlement Council of Australia (SCOA) Submission: A migration system for Australia's future

December 2022

Introduction

The Settlement Council of Australia (SCOA)¹ is grateful for the opportunity to make a submission in response to Migration Program Review as we represent a community of members whose core work is helping people make Australia home. Australia is a migrant nation and has relied on migration for population growth and labour productivity for decades. However, there are key issues with Australia's migration program which need addressing and the government's migration review is timely and needed.

Australia welcomes people through a range of visa pathways. Acknowledging that all people who permanently move to Australia undergo a process of settlement, this submission includes consideration of the factors affecting people across the full spectrum of migrants and refugees living permanently in Australia. However, we include a particular focus on the issues affecting humanitarian entrants and those arriving through the family stream and dependants of skilled migrants. Those who come through the family stream and dependants of skilled migrants are often ineligible for settlement support, and we believe targeted supports would maximise their potential. Australia has a massive migration program but there is a huge disconnect between visa category and eligibility for services.

This submission primarily addresses question 3 and 4 of the 'Key questions for review', although our contributions also relate to many other key questions/sub-questions.

Responses to Key Questions for the Review

Question 3: Labour market participation

Question 3.5

What are the barriers to the participation of migrants in the labour market, including those entering through the family and humanitarian streams and secondary migrants?

Many migrants and refugees, irrespective of skill level and visa category, arrive in Australia with skills and aspirations for their careers, but often begin their journey struggling to find employment, or working in a job that does not match their skillset or goal.² Despite welcoming thousands of migrants and refugees each year,

¹The Settlement Council of Australia (SCOA) is the peak body representing the vast majority of settlement agencies across Australia providing direct services and support to people of migrant and refugee backgrounds. Our members include organisations large and small, who are committed to the successful settlement of migrants and refugees across the country. Their services range from greeting new arrivals at the airport, through to assisting them to secure housing, learn English, make social connections, access services and find their first job. Australia's settlement services are recognised as being among the best in the world. SCOA acknowledges the traditional custodians of the land on which we operate, the Ngunnawal people. We also acknowledge the traditional custodians on the various lands on which migrants and refugees settle across Australia, and on which our sector operates. We pay our respects to Elders past, present and emerging and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to our lands and waters. We wish to thank Nikita Sharma for her assistance in preparing this submission.

² SCOA. (2022). *Employment White Paper Submission*. Available online at: <https://scoa.org.au/submission-employment-white-paper>

Australia is facing widespread skill shortages, with unemployment falling below four per cent in 2022 and job vacancies exceeding the pool of available workers.^{3;4}

Over the past decade, various stakeholders have identified several barriers to the participation of migrants and refugees in the Australian labour market through consultation and research. Supported by latest evidence base, these barriers include:

- English language proficiency;⁵
- Qualifications recognition and licensing;⁶
- Lack of settlement support;⁷
- Lack of local work experience;⁸
- Childcare;⁹
- Lack of affordable housing close to employment;¹⁰
- Limited access to transport;¹¹ and
- Racism and discrimination, among others.¹²

We know the Department and the three eminent persons guiding the migration review are well aware of the above issues. We will not delve into them, however, SCOA has covered these in depth in previous submissions:

- (i) Employment White Paper;¹³
- (ii) Next steps to improve Australia's settlement and integration of refugees;¹⁴
- (iii) Recognising Overseas Skills and Qualifications;¹⁵ and
- (iv) Senate Inquiry into Australia's engagement in Afghanistan.¹⁶

Question 4: The future of work

Question 4:3

How do we further strengthen and maintain Australians' public confidence in the migration program?

First and foremost, trust in public institutions and governments is crucial to garner and strengthen public confidence in Australia's migration program. Trust is key in ensuring confidence in and compliance with the tax system, public health system and government regulations, including the migration program. According to the Organisation for Economic Co-operation and Development (OECD), openness and integrity are key

³ Australian Bureau of Statistics [ABS]. (2022). *Employment and unemployment*. Available online at:

<https://www.abs.gov.au/statistics/labour/employment-and-unemployment#:~:text=In%20trend%20terms%2C%20in%20October,employment%20increased%20to%2013%2C623%2C700>.

⁴ Committee for Economic Development Australia [CEDA]. (2022). *Employment White Paper Submission*. Available online at:

<https://www.ceda.com.au/ResearchAndPolicies/Research/Workforce-Skills/Employment-white-paper-submission>

⁵ Department of Home Affairs (2022). *Settlement Data Report January 2021 – December 2022*. Available online at:

<https://www.data.gov.au/dataset/ds-dga-8d1b90a9-a4d7-4b10-ad6a-8273722c8628/details>

⁶ Productivity Commission. (2006). *Economic Impacts of Migration and Population Growth*. Productivity Commission Research Report. Available online at: <http://www.pc.gov.au/projects/study/migrationandpopulation/docs/finalreport>

⁷ Settlement Services International [SSI]. (2017). *Submission: Joint Standing Committee on Migration Inquiry into settlement outcomes*. Available online at: <https://www.aph.gov.au/DocumentStore.ashx?id=2589135a-be24-47e0-92a8-d544c19ef207&subId=462987>

⁸ Refugee Council of Australia [RCOA]. (2010). *What works: Employment strategies for refugee and humanitarian entrants*. Available online at:

<https://www.refugeecouncil.org.au/what-works-report/>

⁹ Australian Bureau of Statistics [ABS]. (2022). *Barriers and Incentives to Labour Force Participation, Australia*. Available online at:

<https://www.abs.gov.au/statistics/labour/employment-and-unemployment/barriers-and-incentives-labour-force-participation-australia/latest-release>

¹⁰ Refugee Council of Australia [RCOA]. (2010). *What works: Employment strategies for refugee and humanitarian entrants*. Available online at:

<https://www.refugeecouncil.org.au/what-works-report/>

¹¹ Ibid

¹² Federation of Ethnic Communities' Councils of Australia [FECCA]. (2022). *A Secure and Successful Multicultural Workforce FECCA's Jobs and Skills Summit Issues Paper*. Available online at: <https://fecca.org.au/wp-content/uploads/2022/08/FECCA-Jobs-andSkills-Issues-Paper-August-2022.pdf>

¹³ SCOA. (2022). *Submission: Employment White Paper*. Available online at: <https://scoa.org.au/submission-employment-white-paper>

¹⁴ SCOA. (2022). *Next steps to improve Australia's settlement and integration of refugees*. Available online at: <https://scoa.org.au/wp-content/uploads/2022/06/SCOASU1.pdf>

¹⁵ SCOA. (2019). *Recognising Overseas Skills and Qualifications*. Available online at: http://scoa.org.au/wp-content/uploads/2019/05/Recognising-Overseas-Skills-and-Qualifications_Maximising-Human-Capital-in-Newly-Arrived-Australians-1.pdf

¹⁶ SCOA. (2022). *Senate Inquiry into Australia's engagement in Afghanistan* Available online at: <https://scoa.org.au/wp-content/uploads/2022/02/Submission-to-Senate-Inquiry-into-Australias-engagement-in-Afghanistan-SCOA-January-2022-FINAL.pdf>

drivers of trust and confidence in government.¹⁷ Based on evidence-based research, the OECD suggests that frequent delivery of easy to understand and inclusive information; engaging citizens in consultations along with responsiveness to public feedback are a few ways to garnering public confidence in government initiatives.

Second, social and civic networks that migrants build and their participation in social and public life also strengthen Australians' confidence in the migration program. According to the OECD, public confidence in migration programs is lower if there is a perceived lack of social cohesion as it triggers disputes for social, economic and political resources between migrants and native-born population. In addition, the civic inclusion of migrants through gaining Australian citizenship is also critical. This means it is important to streamline citizenship processes ensuring migrants can become citizens as early as possible, which includes ensuring temporary visas are not used for prolonged periods thereby lengthening the process towards citizenship.

Third, research-based evidence shows that sharing of information on size as well as characteristics of migrant groups garners more support for immigration policies.¹⁸ For example, the Canadian government runs the *#ImmigrationMatters* campaign that combines facts and lived experiences to inform the public about the benefits of immigration at the local level. Similarly, *Let's Talk Together (about Migration)* is an effort by the Czech Republic to raise awareness on migration and integration issues and facilitate integration at the local level. Efforts to communicate information through similar campaigns are likely to boost public confidence in Australia's migration program.

Lastly, there is a growing need to acknowledge that diversity is "not detrimental to, but part of, processes of social inclusion."¹⁹ Often, public attitudes towards a migrant group (by visa or origin) could be a reflection of the underlying change in culture, ethnic and religious composition of our societies. Specifically, public understanding of issues around forced migration could be lacking. Confidence building around migration policies pertains to acknowledgement of all categories of migrants in the society such as those who migrate for economic, familial or humanitarian reasons while promoting the acceptance of diversity and building inter-cultural competencies.

Recommendation 1: The government should implement campaigns or initiatives aimed at engaging and educating different sections of the population to shape public attitudes towards migration.

Question 4:4

What principles should underpin our future migration system, including to address migrant worker exploitation?

SCOA endorses and supports the principles outlined by the Federation of Ethnic Communities Councils of Australia (FECCA) as underpinning our future migration system, namely that the system should be: Fair; Timely; Transparent and accountable; Simple; Informed; and Safe and supportive.

Specifically in relation to transparency, this requires a more evidence-based approach to migrant selection and integration. An intermediate step that is fundamental to the operation of a more transparent system is investment in relevant, high-quality data that can help design, implement and evaluate selection and integration policies. Analysis of large-scale surveys such as the Household, Income and Labour Dynamics in Australia (HILDA) Survey underrepresents migrants and are likely to be biased towards more settled population instead of recent arrivals. On the other hand, data from the Building New Life in Australia (BNLA) Survey reflects experiences of those who arrive as humanitarian migrants and refugees. As a result, there is a dearth of data that investigates the issues of those who arrive as international students, skilled workers or family migrants. Therefore, policymakers should be aware of the limitations posed by current survey data sources in Australia. On a similar note, a 2018 joint report by the International Organization for Migration

¹⁷ OECD. (2022). *Building Trust to Reinforce Democracy: Main Findings from the 2021 OECD Survey on Drivers of Trust in Public Institutions*. Available online at https://www.oecd-ilibrary.org/governance/building-trust-to-reinforce-democracy_b407f99c-en

¹⁸ Grigorieff, A., Roth, C., & Ubfal, D. (2020). *Does information change attitudes toward immigrants? Demography*, 57(3), 1117-1143. Available online at: <http://wrap.warwick.ac.uk/130186/1/WRAP-does-change-attitudes-immigrants-Roth-2019.pdf>

¹⁹ OECD. (2003). *Social Integration of Migrants and Ethnic Minorities: Policies to combat discrimination*. Available online at: <https://www.oecd.org/els/mig/15516956.pdf>

(IOM) and McKinsey explained that countries need “tailored migration-data strategy focusing on the specific objectives of that country.”²⁰

Recommendation 2: The migration program should be underpinned by the following principles as outlined by FECCA: Fair; Timely; Transparent and accountable; Simple; Informed; and Safe and supportive.

Recommendation 3: Government should invest in relevant, high-quality data that can help design, implement and evaluate selection and integration policies.

Question 4:5

Are there other ways our migration system can support Australia’s future prosperity and well-being?

Although Australia has been a pioneer in migrant selection policies, the lack of comprehensive integration policies could see it compete with other destination countries for top talent. Australia has world class settlement services that facilitate positive settlement outcomes and help people reach their full potential. With the government planning for a broader intake of migrants, we need to have mechanisms in place to support these migrants so they are connected, they are not exploited, and they can thrive in Australia. If we can support migrants when they arrive in Australia, this will enable Australia to keep migrants longer term. In order to maintain our strong and cohesive multicultural society, we need to ensure everyone who arrives in Australia has access to settlement support if they need it. Migrants may contribute economically, but Australia also owes them social obligations. One simple way to address this is getting rid of the 5-year eligibility timeframe for settlement support as it is arbitrary and inhibits providers being able to work with those who still need settlement support. Settlement is a non-linear process and can take much longer than five years. Further, certain life events can warrant accessing settlement services, such as acquiring a disability, losing a job, family separation, and other events.

In recent years the majority of federal funding for settlement services has been for refugees and humanitarian entrants, however settlement is a process that all people who migrate to Australia go through. Therefore, we recommend the government expand settlement services to ensure all migrants who come to Australia are eligible for at least a basic level of support. Settlement services are, in effect, “precluded from providing support to the majority of the migrant intake, even where settlement support may be warranted, due to eligibility criteria.”²¹ This is in contrast to other countries competing for international talent. In Canada for example, settlement services are referred to as ‘newcomer services’ and are often available to refugees, permanent residents, temporary residents and even naturalised citizens on an ongoing basis.²² In 2018-19, 55% of Economic Class (skilled migrants) to Canada accessed employment-related services, 38% accessed language training and 42% accessed information/orientation services.²³ The Canadian government argues, “Through high-quality settlement programming, immigrant success in Canada will continue to advance. The successful settlement and integration of newcomers is critical to ensuring public support for immigration.”²⁴

New Zealand is currently [reviewing](#) its NZ Migrant Settlement Integration Strategy (NZMSIS) and NZ Refugee Resettlement Strategy (NZRRS). The review of the Migrant Strategy includes exploring recommendations to improve settlement support for migrants under the Samoa Quota and Pacific Access Category. To remain competitive on the global stage, and retain talent, Australia must provide appropriate social supports to help all new migrants to Australia to succeed. Migration is only increasing globally, and the delivery of settlement services will continue to be a significant policy issue in host countries into the future.

²⁰ International Organization for Migration [IOM] and McKinsey & Company. (2018). *More than numbers: How migration data can deliver real-life benefits for migrants and governments*. Available online at <https://www.mckinsey.com/-/media/mckinsey/industries/public%20and%20social%20sector/our%20insights/how%20migration%20data%20can%20deliver%20real%20life%20benefits%20for%20migrants%20and%20governments/more-than-numbers.pdf>

²¹ Settlement Services International [SSI]. (2017). *Submission: Joint Standing Committee on Migration Inquiry into settlement outcomes*. Available online at: <https://www.aph.gov.au/DocumentStore.ashx?id=2589135a-be24-47e0-92a8-d544c19ef207&subid=462987>

²² Immigration, Refugees and Citizenship Canada [IRCC]. (2022). *Newcomer services*. Available online at: <https://www.canada.ca/en/immigration-refugees-citizenship/campaigns/newcomers.html>; Welcome BC. (2022). *Settlement Services*. Available online at: <https://www.welcomebc.ca/Start-Your-Life-in-B-C/Settlement-Services>; Government of Canada. (2019). *IRCC Minister Transition Binder 2019: Settlement and Integration*. Available online at: <https://www.canada.ca/en/immigration-refugees-citizenship/corporate/transparency/transition-binders/minister-2019/settlement.html>.

²³ Ibid

²⁴ Government of Canada. (2019). *IRCC Minister Transition Binder 2019: Settlement and Integration*. Available online at: <https://www.canada.ca/en/immigration-refugees-citizenship/corporate/transparency/transition-binders/minister-2019/settlement.html>

Lastly, SCOA has also previously advocated against the newly arrived resident's waiting period (NARWP) in which residents may have to wait up to 4 years before accessing government payments.²⁵ The pre-COVID success of Australia's economy is by no means an accident, instead, it is built on one of the key pillars of sustained economic growth: a well-executed and supported migration program. This program has financially supported Australians since the last major global crisis, the Second World War, and is crucial to our recovery from the COVID-19 pandemic. In addition, the notion that permanent residents are to be taxed the same rate as citizens whilst receiving no social support from the government taxing them contravenes the notions of fairness Australia is built on, with substantial impacts on Australia's social cohesion as a result. Providing income support to migrants as they begin their life in Australia is essential to their economic participation and supporting this economic growth. By providing migrants with support, we are providing them with an opportunity to effectively settle in Australia, including finding appropriate skilled employment.

Recommendation 4: The government should expand settlement services to ensure all migrants who come to Australia are eligible for at least a basic level of support.

Recommendation 5: The Newly Arrived Residents Waiting Period should be removed or reduced to ensure migrants experience a more equitable and just system during their settlement in Australia.

Qualifications recognition and licensing

Not being able to have one's overseas qualifications recognised inhibits many migrants and refugees from gaining meaningful employment with career progression, severely impacting Australia's future prosperity. A 2021 CEDA study found approximately 23% of permanent skilled migrants in Australia were working in a job beneath their skill level costing \$1.25 billion in foregone wages between 2013-2018.²⁶ If Australia reduced stringent licensing guidelines, CEDA argues Australia could gain up to \$5 billion each year from reform to occupational licensing.²⁷ Qualifications recognition and licensing is especially important for occupations and trades that require specialised knowledge and skills.²⁸ However, it remains one of the biggest barriers to migrant and refugee participation in the labour market due to challenges relating to coordination and oversight, fairness of processes, system navigation, English language requirements, and costs.

Firstly, we recommend putting in place national legislation on recognition to allow for coordination, regular monitoring of implementation, improved fairness, transparency, consistency and accountability in the recognition process. National legislation on recognition will lead to improved accessibility to regulated professions and skilled trades by migrants and refugees. Such legislative reform would also be consistent with the OECD approach notably in Germany and Denmark.²⁹

Migrants and refugees can face a range of unique challenges depending on their circumstances. These can include cultural and language differences, digital literacy and access, and lack of documentation – all challenges that make the process of navigating qualification recognition and licensing more difficult. As such, we recommend funding of programs that provide individualised support to migrants and refugees in navigating the skills recognition process. This approach was trialled in Australia through the Career Pathways Pilot for Humanitarian Entrants (October 2016 and June 2019). The pilot helped newly arrived humanitarian entrants to pursue relevant and satisfying career pathways utilising professional skills, education and experience acquired prior to arrival. The evaluation report of the program found that there is demonstrable need for individual support. 11-17% of participants found employment in the same job as their pre-employment arrival, and a third of the participants had their qualifications recognised. Despite the indicators of success, the Career Pathways Pilot was not rolled out nationally.

²⁵ SCOA. (2021). *Submission: Inquiry into the Consistent Waiting Periods for New Migrants Bill 2021*. Available online at: <https://scoa.org.au/wp-content/uploads/2021/07/SCoA-Submission-Newly-Arrived-Residents-Waiting-Period.pdf>

²⁶ Committee for Economic Development of Australia [CEDA]. (2021). *A good match: Optimising Australia's permanent skilled migration*. Available online at: <https://cedakenticomedia.blob.core.windows.net/cedamediacontainer/kentico/media/researchcataloguedocuments/recent%20research/pdfs/ceda-migration-report-26-march-2021-final.pdf>

²⁷ CEDA. (2022). *Employment White Paper Submission*. Available online at: <https://www.ceda.com.au/ResearchAndPolicies/Research/Workforce-Skills/Employment-white-paper-submission>

²⁸ Department of Education, Skills and Employment website: <https://internationaleducation.gov.au/services-and-resources/Pages/qualifications-recognition.aspx> (Accessed on 12 December 2022).

²⁹ German Recognition Act established a legal right to the evaluation of regulated professions and skilled trades under the auspices of the federal government. Similarly, Denmark has put in place a comprehensive legal framework which establishes a central recognition agency with an oversight of assessment of skill recognition of all holders of foreign qualifications. OECD. (2017). *Making Integration Work: Assessment and Recognition of Foreign Qualifications*. Available online at: https://www.oecd-ilibrary.org/social-issues-migration-health/making-integration-work-assessment-and-recognition-of-foreign-qualifications_9789264278271-en

SCOA commends the federal government for introducing three pilots which offer skilled migrants and refugees a pathway to improving employment outcomes and support for optimal skill utilisation. The pilots address challenges relating to long processing times and the costs of skills recognition. However, several concerns remain. Firstly, the duration of Pilot 1 was very short – 16 weeks. SCOA consultations with members and industry stakeholders revealed that most migrants and refugees were not aware of this pilot. Secondly, the eligibility for Pilot 1 was restricted to migrants and refugees with priority occupations.³⁰

The eligibility criteria for Pilot 2 are restricted to migrants and refugees who have never undergone a skills assessment and who have skills, qualifications and/or experience directly relevant to a priority occupation. SCOA notes with concern that the eligible occupation list for Pilot 2 is not aligned with the Priority Migration Skilled Occupation List (PMSOL). For example, occupations such as Registered Nurse (Aged Care), Registered Nurse (Critical Care and Emergency), Registered Nurse (Medical), Registered Nurse (Perioperative) and Midwife were excluded from Pilot 2, yet there is a national shortage of nurses.³¹ Further, Pilot 2 only applies to applicants on an eligible family, partner, refugee or humanitarian visa that was granted on or after 1 January 2016. This excludes refugees, humanitarian entrants and other eligible visa holders whose visa was granted before the stipulated timeline. Pilot 2 also excludes dependents of skilled migrants.

Recommendation 6: Review and implement legislative and policy changes to qualification and skills recognition processes, drawing on international best-practice examples such as frameworks used in Germany and Denmark.

Conclusion

With both the migration and humanitarian intakes increasing, Australia is set to welcome approximately 1 million people over the next five years. The benefits of Australia's migration program are substantial. Overall, Australians are better off, more financially stable, and more resilient to global economic shock as a result of population increases driven by migration. Making new groups feel connected and part of the community is part of what makes Australia such a successful multicultural nation. For migrants to actively participate and engage in their community, they need to feel safe, supported, and settled. Australia has the opportunity with this migration review to showcase to the world it is ready and willing to welcome migrants and refugees and promote the benefits of doing so to the wider community.

List of recommendations

Recommendation 1: The government should implement campaigns or initiatives aimed at engaging and educating different sections of the population to shape public attitudes towards migration.

Recommendation 2: The migration program should be underpinned by the following principles as outlined by FECCA: Fair; Timely; Transparent and accountable; Simple; Informed; and Safe and supportive.

Recommendation 3: Government should invest in relevant, high-quality data that can help design, implement and evaluate selection and integration policies.

Recommendation 4: The government should expand settlement services to ensure all migrants who come to Australia are eligible for at least a basic level of support.

³⁰ The Priority Migration Skilled Occupation List (PMSOL) contains 44 occupations and aimed to support Australia's economic recovery from COVID-19 by allowing small numbers of sponsored skilled workers to return to Australia to fill urgent skills needs in critical sectors.

³¹ The University of Melbourne. (2021). *The future of Australia's nursing workforce: COVID-19 and burnout among nurses*. Available online at: https://www.unimelb.edu.au/data/assets/pdf_file/0004/4085194/katelyn_mannix_report.pdf

Recommendation 5: The Newly Arrived Residents Waiting Period should be removed or reduced to ensure migrants experience a more equitable and just system during their settlement in Australia.

Recommendation 6: Review and implement legislative and policy changes to qualification and skills recognition processes, drawing on international best-practice examples such as frameworks used in Germany and Denmark.