**Individual Submission to Productivity Commission**

**Inquiry into Migrant Intake Into Australia**

**2015**

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**Submission Focus**

In line with my 2 June 2015 meeting with the Productivity Commission Review Panel, this submission addresses issues of relevance to Australia’s skilled migration program, drawing on DIBP research, and a number of recent empirical studies I have conducted with select colleagues.

**Issue 1:**

**Change in Skilled Migration Flows and Pathways**

First, the scale of skilled migration to Australia has transformed since 1999, with marked impact on the professions and trades. By 2011 62% of residents with engineering degrees were overseas-born, compared to 57% of IT professionals, 53% of accountants, 48% of doctors and 29% of nurses (compared to 26% of the population). Around a third had migrated in the previous five years, including 41,407 engineers, 35,423 accountants, 31,969 IT professionals, 26,348 nurses and 12,696 doctors. (See Table 1.) In 2014-15 a further 128,550 skilled category permanent migrants will be accepted – including 48,250 who are employer-sponsored, 43,990 Independents, and 28,850 state/ territory nominated arrivals.

**Table 1: Growth in Arrivals by Major Professional Field (2006-11 Compared to 2001-05, All Immigration Categories)**

|  |  |  |
| --- | --- | --- |
| **Field** | **January 2001- December 2005 Arrivals** | **January 2006-August 2011 Arrivals** |
| Engineering | 18,790 | 41,407 |
| Accounting | 26,145 | 35,423 |
| Information Technology | 22,630 | 31,968 |
| Education | 15,400 | 29,464 |
| Registered Nursing (Degrees) | 8,584 | 16,154 |
| Registered Nursing (Diplomas) | 5,649 | 10,194 |
| Medicine | 7,241 | 12,696 |
| Pharmacy | 1,798 | 3,005 |
| Dentistry | 1,063 | 2,343 |
| Physiotherapy | 755 | 1,556 |
| Total (All Degrees) | 192,940 | 347,611 |

*Source:* Hawthorne, L (2015 in press), ‘Skilled Migration and Foreign Qualification Recognition Trends in Australia’, *Canadian Public Policy,* based on analysis of unpublished data from the 2011 Census, provided by the Australian Bureau of Statistics.

Despite the dominance of Australia’s skilled migration program, it is important to note migrants with skills are admitted through seven categories associated with highly variable employment outcomes. Only the first three will be considered here, where people are selected on the basis of skills:

1. Temporary sponsored migrants (457 visa)
2. Permanent skilled migrants (General Skilled Migration program)
3. International students (study-migration pathway)
4. Partners of permanent (GSM) and temporary (457 visa) skilled migrants
5. Family migrants
6. Humanitarian migrants
7. New Zealanders entering via the Trans-Tasman Agreement

Migrants admitted as skilled category partners, and as family or humanitarian category migrants, arrive unscreened in advance for human capital attributes – most notably their English ability and likelihood of qualification recognition. In 2014-15 Australia will admit 213,000 permanent migrants overall, including 60,885 family and 13,000 humanitarian entrants, and the partners of skilled migrants. As demonstrated by Table 2 (excluding humanitarian category migrants), highly variable employment outcomes are associated with the different migration pathways at six and 12 months, including subcategories within the General Skilled Migration program. Many family and humanitarian category arrivals face years of occupational displacement.

**Table 2: Percentage Employment Outcomes At 6 and 12 Months for Primary Applicant Permanent Skilled Migrants by Sub-Category (2009-2011)**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Sub-Category @ 6 Months** | **Skilled Job** | **Other Job %** | **Not Working** | **Working Full-time** | **Participation Rate** | **$A Median Full-time Earnings** | **Unemploy.** |
| Employer Sponsored | 90 | 7 | 3 | 92 | 98 | 71,300 | 0.5 |
| Family/ State Sponsored | 60 | 31 | 9 | 72 | 98 | 50,000 | 7 |
| Offshore Independent | 75 | 12 | 12 | 76 | 97 | 74,600 | 10 |
| Onshore Independent | 55 | 37 | 8 | 69 | 98 | 44,400 | 6 |
| Skilled Graduates | 58 | 36 | 5 | 65 | 98 | 40,000 | 3 |
| All Skilled Category | 68 | 24 | 8 | 75 | 96 | 52,000 | 5 |
| All Family Category | 21 | 28 | 18 | 33 | 28 | 43,000 | 67 |
| **Sub-Category @ 12 Months** | **Skilled Job** | **Other Job %** | **Not Working** | **Working Full-time** | **Participation Rate** | **$A Median Full-time Earnings** | **Unemployed** |
| Employer Sponsored | 91 | 7 | 1 | 93 | 99 | 75,000 | 0.5 |
| Family/ State Sponsored | 65 | 28 | 7 | 78 | 97 | 55,000 | 4 |
| Offshore Independent | 83 | 10 | 7 | 85 | 96 | 79,000 | 3 |
| Onshore Independent | 61 | 33 | 6 | 77 | 97 | 47,000 | 3 |
| Skilled Graduates | 62 | 32 | 6 | 74 | 96 | 41,600 | 2 |
| All Skilled Category | 73 | 22 | 6 | 81 | 96 | 56,000 | 2 |
| All Family Category | 23 | 30 | 11 | 35 | 17 | 44,200 | 65 |

*Source*: Adapted from Department of Immigration and Citizenship (2012), ‘The Continuous Survey of Australia’s Migrants: Cohorts 1 to 5 Report 2009-11’, Canberra, Skilled category data adapted from Table 3.1 (p. 13) with Family category data derived from Table 1.1 (p. 8).

**Issue 2:**

**The Current Dominance of Temporary Entry (457 Visa)**

In a dramatic reversal of past patterns the majority of skilled migrants admitted by Australia in recent years have been selected on a temporary rather than a permanent resident basis. (See Table 3 for my analysis of arrivals data by select professional field.)

In 2013-14 108,870 457 visa temporary migrants were directly sponsored to pre-arranged work, in a year when 38,130 permanent skilled migrants were admitted as primary applicants (this number *excluding* partners and children typically counted within ‘the migration unit’).

The 457 visa is of strong interest to Australian employers in multiple fields – allowing them direct choice in selecting migrants’ personal attributes, speed of entry, and capacity to constrain location to work in under-supplied sectors and sites. From the migrant’s perspective the 457 visa has similar benefits – facilitating priority processing, immediate access to work, opportunity to change employers, and scope to category-switch to permanent skilled migration. The 457 visa plays a vital role in assuring workforce supply in select fields, including medicine and nursing.

**Table 3: Australian Employer Demand for Skilled Migrants, Temporary Compared to Permanent Categories, by Major Field and Selection Location (30 June 2008 to 30 June 2014)**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Skilled Migration**  **Category** | **2008-09** | **2009-10** | **2010-11** | **2011-12** | **2012-13** | **2013-14** | **% Selected Onshore 2013-14** |
| **Temporary Stock**  **Resident (457 Visa)** |  |  |  |  |  |  | **% New 2013-14 Approvals Only** |
| Computing/ IT | 7,150 | 7,360 | 9,010 | 10,490 | 11,050 | 10,880 | 22.2% |
| Engineering | 6,670 | 5,620 | 6,210 | 8,280 | 8,070 | 6,160 | 39.8% |
| Accounting | 2,580 | 2,470 | 2,710 | 3,330 | 3,840 | 4,010 | 48.9% |
| Nursing | 4,560 | 3.850 | 3,300 | 4,070 | 4,770 | 3,810 | 61.6% |
| Medicine | 5,060 | 4,600 | 4,990 | 5,030 | 4,590 | 4,160 | 34.7% |
| Education | 1,220 | 1,130 | 1,420 | 2,190 | 2,830 | 2,910 | 50.8% |
| Total (all fields) | 77,300 | 68,400 | 72,030 | 91,050 | 107,970 | 108,870 | 50.9% |
| **Permanent Arrivals**  **(GSM Visa)** |  |  |  |  |  |  | **% + No. Total 2008-14 Approvals** |
| Computing/ IT | 4,774 | 5,205 | 4,468 | 8,538 | 8,389 | 7,975 | 37.2 (39,349) |
| Engineering | 4,319 | 5,907 | 4,112 | 4,891 | 3,898 | 4,160 | 35.2 (27,287) |
| Accounting | 6,642 | 6,783 | 14,949 | 7,303 | 6,022 | 6,880 | 70.1 (48,579) |
| Nursing | 1,357 | 1,700 | 1,374 | 1,174 | 1,404 | 2,761 | 57.5 (9,770) |
| Medicine | 446 | 1,070 | 508 | 1,037 | 1,289 | 1,134 | 28.8% (5,484) |
| Education | 883 | 754 | 467 | 730 | 912 | 961 | 37.5 (4,707) |
| Total (all fields) | 33,604 | 28,042 | 34,913 | 36,893 | 39,147 | 38,130 | 50.0 (210,729) |

*Source:* Hawthorne, L (2015 in press), ‘Skilled Migration and Foreign Qualification Recognition Trends in Australia’, *Canadian Public Policy,* based on analysis of unpublished Department of Immigration and Border Control immigration arrivals data for permanent compared to temporary skilled migration categories, provided August 2014.

**Submission #2:**

Despite this, it should be noted that large numbers of 457 visa migrants arrive unwilling to invest in full qualification recognition – their preferred options being:

* *Limited scope of practice* (restricted to defined functions);
* *Conditional registration* (licensed on a limited or conditional basis to undertake training, for example in pre-registration bridging programs); and
* *Restricted practice time frames* (defined periods of licensure catering for example to international medical graduates, or to transnational corporation employees resident in Australia on a short-stay basis).

In terms of safe and effective practice, this can be problematic (Hawthorne, 2013a, b).

Further, as demonstrated by a range of recent case studies, enhanced oversight of the 457 visa category remains essential to:

* Improve the veracity of labour-market testing, noting the 457 visa to date lacks a cap (a critical issue in potentially oversupplied fields such as engineering, accounting, nursing, pharmacy and dentistry, where there are growing issues about the scale of 457 visa entry).
* Monitor the number of entrants to avoid oversupply (eg Birrell, 2013).
* Impose caps by field where appropriate (for example to control the scale of arrivals in hospitality and aged care nursing, of relevance to the labour market re-entry of domestic workers).
* Increase the transparency of employer selection processes.
* Enhance the integrity of the program (to reduce employer and/or worker fraud, and ensure DIBP conducts mandatory character checks).
* Maintain appropriate human capital standards to ensure safe practice (in relation to caliber of training, registration status and English language standards).

**Issue 3:**

**Employer Preferences – English Ability and Source Country**

In relation to policy and employment outcomes, it is important to be aware Australian employers demonstrate a marked preference for migrants with advanced English language ability, training in OECD countries, and/or qualifications from Australia. As demonstrated by Table 4, showing the top ten source countries for employer-sponsored temporary applicants compared to permanent skilled migrants in the year to 30 June 2014, 56% of the 457 visa engineers were qualified in OECD countries, and 50% were native English speakers from the UK, Ireland, the USA and Canada. The comparable figure for GSM migrants (63% selected by government) was 8%.

**Table 4. Top 10 Source Countries for Skilled Category Temporary Compared to Permanent Migrant Engineer Primary Applicants (30 June 2009-2014)**

|  |  |
| --- | --- |
| **Temporary 457 Visa Stock Resident Year to 30 June 2014 (All Sources = 6,160)** | **Permanent Skilled Category Total Selected Year to 30 June 2014 (All Sources = 4,160)** |
| UK (24%) | India (18%) |
| Ireland (13%) | China (15%) |
| USA (9%) | Iran (9%) |
| India (6%) | Pakistan (7%) |
| Philippines (5%) | Malaysia (6%) |
| Canada (4%) | UK (5%) |
| France (4%) | Sri Lanka (3%) |
| South Africa (2%) | Philippines (3%) |
| China (4%) | South Africa (2%) |
| Malaysia (2%) | Bangladesh (3%) |

Source: Analysis of unpublished visa data provided to L Hawthorne by the Department of Immigration and Border Protection (August 2014).

As shown by multiple studies in recent decades, English ability is the key determinant of registration for migrants in regulated fields, and of migrants’ early employment outcomes (including their likelihood of utilising qualifications in work). Those with low English language ability face years of occupational displacement. From 1993 Australia mandated English language testing for skilled migrants in 112 ‘occupations requiring English’, subsequently extended to all fields. By 2007 International English Language Testing System (IELTS) scores of Band 6 were required to migrate (raised from Band 5), or Grade B on Australia’s health-specific Occupational English Test (OET). From 2009 higher levels were set by the Immigration Department (now DIBP) where regulatory bodies had mandated these. Forty-eight in Australia specified IELTS or OET standards for registration by this time, ranging from IELTS Band 8 in law, to Band 7-7.5 in health, 6 in engineering, but no minimal standard set for accounting.

A recent project commissioned by the Australian Health Practitioner Regulation Agency, spanning all health fields, confirmed the significance of English language ability to skilled migrants’ selection, registration and employment outcomes in medicine, nursing and allied health. Analysis of Occupational English Test outcomes for 30,000 candidates from 2007-11 demonstrated just 17% of nurse applicants passed the test on one or successive sittings in 2011, compared to 32% of physiotherapists, 38% of pharmacists, 52% of doctors and 62% of dentists. These were substantially lower pass rates than in pre-registration exams (Hawthorne & To, 2013). (See Figure 1.)

**Figure 1: Occupational English Pass Rates for Migrant Health Professionals by Select Field, (2005, 2010, 2011)**

*Source*: Hawthorne, L & To, A (2013), *English Language Skills Registration Standards – An Australian and Global Comparative Assessment,* Australian Health Practitioner Regulation Agency, Melbourne

**Submission #3:**

English language ability is a critical determinant of skilled migrants’ employability in multiple fields. It is an attribute highly sought by employers and regulatory bodies. Current requirements should not be watered down, for example should a policy be adopted where visas are made available for ‘purchase’.

**Issue 4:**

**International Students as an Australian Workforce Resource**

Australian employers demonstrate a keen interest in the study-migration pathway, despite level of take-up being highly variable by field. In the year to 30 June 2014, 50% of permanent skilled migrants and 51% of temporary foreign workers were selected *within* Australia – the majority as former international students. (See Table 3.) By definition former international students qualified in Australia face no recognition barriers. They also offer what I term a ‘productivity premium’, in a context where their average age on graduation is 24 years (Arkoudis et al, 2009). In the temporary 457 visa category (where migrants can work up to four years in under-supplied sectors or sites) onshore sponsorship rates to June 2014 included 62% of nursing, 49% of accountancy, 40% of engineering, 35% of medical, and 22% of computing/IT approvals. In the permanent skilled category, onshore selection ranged from 70% of accountancy to 58% of nursing, 37% of computing/IT, 35% of engineering and 29% of medical migrants (noting that mature experience / specialist training in engineering and medicine were clearly valued) (Hawthorne, 2014a, b).

As demonstrated by Australia’s 2005-06 skilled migration review, and affirmed by successive DIBP reports, former international students initially secure inferior employment and wage outcomes relative to skilled migrants selected offshore, despite high labour market participation rates. Most notably, the 2006 review found former international students had ‘Average annual salaries of around $A33,000 (compared to $52,500 for offshore Independents); average weekly earnings of $A641 (compared to $A1,015); lower job satisfaction (with 44 percent liking their work compared to 57 percent); and far less frequent use of formal qualifications in current work (46 percent compared to 63 percent)' (Birrell, Hawthorne & Richardson, 2006: 97). Key contributory factors included poor English ability, inadequate quality control of the rapidly burgeoning private training sector, compromised academic entry and progression standards, and the extraordinary level of cultural and linguistic enclosure experienced by many international students.

It is important to note that international students’ labour market integration rates at this time were influenced by highly skewed enrolments by discipline (a pattern replicated globally). In 2005, 43,036 international students were undertaking Australian business and commerce degrees, compared to 20,681 in information technology, 13,648 in accounting and 10,203 in engineering. This compared to modest or minuscule numbers in other fields. Source countries were similarly skewed, with Chinese (41,812 degree enrolments), Indian (21,111) and Malaysian (13,892) students dominating in the university sector, compared to modest numbers from the UK/ Europe (8,240), and North America (5,014) (Hawthorne, 2010).

From 2007 to 2012, responding to the skilled migration review findings, the Australian government dramatically refined its study-migration pathway. Advanced English ability, higher degree qualifications, employer sponsorship and experience became key criteria for selection, with ‘employability’ considered a critical issue. The government’s aims in this were clear: to ‘deliver the best and brightest skilled migrants through emphasising high level qualifications, better English language levels and extensive skilled work experience’ (Department of Immigration and Citizenship, 2010:1) DIBP’s Continuous Survey on Australia’s Migration (CSAM) data from 2009-11, however, strongly affirmed their employment disadvantage at six and 12 months (noting the CSAM aggregated *all* qualification levels and fields for outcomes analysis). (See previous Table 2.)

Within this context, Australia’s Graduate Destination Survey (GDS) from 2007 to 2011 was examined by Hawthorne & To, to assess former international students’ employment outcomes four months following course completion compared to domestic graduates. This constitutes to date the largest such global quantitative analysis. Respondents included *all* international students still resident and seeking employment in Australia, on a permanent or temporary basis. The GDS allowed comparison of 79,046 former international student responses from 2007 to 2011, compared to 371,951 domestic students (yielding 450,997 responses in all). For our purposes graduates were included if they had completed majors in eleven disciplines of interest at bachelor, masters an doctoral levels:

* **The medical, nursing and allied health fields** in which labour market demand was strong to 2011 (medicine, dentistry, nursing, pharmacy and physiotherapy);
* **The over-supplied fields** in which international students had typically enrolled (business and commerce, accounting, and information technology);
* A field associated with **highly variable labour market demand** (engineering); and
* **Two fields which were rarely studied**, and associated with modest international student flows (education and the law).

Focusing here on bachelor degree graduates, by 2011 former international students qualified in medicine, dentistry and pharmacy had achieved stellar employment outcomes within four months of graduation when remaining in Australia (near identical rates to local students). In medicine 99% had gained fulltime work, along with 96% of dental and pharmacy students and 66% of nursing students. (See Table 5.) By contrast 57% of medical, 32% of dental and 66% of nursing migrants in 2011 secured employment in their field in their first five *years* in Australia, selected across all immigration categories.

Outcomes were far inferior in oversupplied fields, such as business and accounting, and also surprisingly low in engineering (recently associated with variable levels of demand). Overall, analysis of the Graduate Destination Survey revealed that former international students resident in Australia, on a temporary or permanent basis, faced serious barriers if they were non-native speakers of English, were derived from non-Commonwealth countries, and qualified with masters by coursework degrees. Former students most immediately valued by employers had secured permanent resident status, completed doctoral or bachelor degrees, and most critically possessed advanced English language ability. Labour market demand by field could significantly offset disadvantage, favouring immediate integration (Hawthorne & To, 2014).

**Table 5: International Student Employment Outcomes in Australia Relative to Domestic Student Graduates with Bachelor Degrees Four Months After Graduation (2009 to 2011)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Activity** | **Domestic Students** | | | | | | **International Students** | | | | | | **Total** |
| **2009** | **2010** | **2011** | | **Total** | | **2009** | | **2010** | | **2011** | **Total** | **2009-2011** |
| **Medicine** | | | | | | | | | | | | | |
| Working FT (%) | 99.5 | 99.8 | 99.7 | | 99.7 | | 96.9 | | 98.8 | | 100 | 98.8 | 99.6 |
| Available for FT work (N) | 744 | 842 | 1144 | | 2730 | | 98 | | 165 | | 161 | 424 | 3154 |
| **Pharmacy** | | | | | | | | | | | | | |
| Working FT (%) | 97.9 | 97.4 | 97.5 | | 97.6 | | 98.3 | | 96.6 | | 93.1 | 96.1 | 97.3 |
| Available for FT work (N) | 481 | 538 | 484 | | 1503 | | 116 | | 89 | | 102 | 307 | 1810 |
| **Accounting** | | | | | | | | | | | | | |
| Working FT (%) | 86.3 | 80.9 | 81.1 | | 82.7 | | 41.7 | | 32.9 | | 31.6 | 35.2 | 69.6 |
| Available for FT work (N) | 3213 | 3233 | 3373 | | 9819 | | 1193 | | 1211 | | 1340 | 3744 | 13563 |
| **Business / Commerce** | | | | | | | | | | | | | |
| Working FT (%) | 77.2 | 75.6 | 76.4 | | 76.4 | | 39.4 | | 39.4 | | 40.3 | 39.7 | 72.9 |
| Available for FT work (N) | 6282 | 6665 | 7035 | | 19982 | | 672 | | 649 | | 780 | 2101 | 22083 |
| **Information Technology** | | | | | | | | | | | | | |
| Working FT (%) | 79.9 | 74.8 | 79.1 | | 78.0 | | 43.3 | | 43.5 | | 40.1 | 42.3 | 71.2 |
| Available for FT work (N) | 1704 | 1566 | 1592 | | 4862 | | 397 | | 347 | | 394 | 1138 | 6000 |
| **Engineering** | | | | | | | | | | | | | |
| Working FT (%) | 88.3 | 84 | 86.7 | | 86.4 | | 51.1 | | 39.5 | | 40.5 | 43.6 | 80.8 |
| Available for FT work (N) | 2708 | 2455 | 2652 | | 7815 | | 372 | | 334 | | 467 | 1173 | 8988 |
| **All Disciplines** | | | | | | | | | | | | | |
| Working FT (%) | 79.3 | 76.6 | | 76.8 | | 77.5 | | 50.9 | | 46.4 | 43.2 | 46.7 | 46.7 |
| Available for FT work (N) | 39174 | 39448 | | 41506 | | 120128 | | 4194 | | 4268 | 4675 | 13137 | 13137 |

*Source:*Analysis of Australia’s Graduate Destination Survey responses 2009-11, LHawthorne, & A To, A (2014), ‘Employer Response to the Study-Migration Pathway: The Australian Evidence 2007-2011’, *Highly Skilled Migration: Policies, Processes and Politics*, Special Issue, *International Migration*, 52(3).

**Submission #4:**

Averaging 24 years of age on graduation, international students can offer governments and employers decades of productivity if retained. In theory most can sidestep skills discounting (an endemic challenge to the effective transfer of human capital in OECD countries). In terms of ethics, their recruitment can be less problematic than the norm - selection of mature-age migrants trained by countries of origin. Many are immediately attractive to Australian employers, as evidenced by permanent GSM and temporary 457 visa selection. At the same time the research evidence demonstrates that their English ability, level and calibre of training exert a powerful influence on immediate employment outcomes, in addition to Australian labour market demand by field. In my view these remain critical strategic issues in terms of selection.

**Issue 5: Visas for Purchase?**

Finally, in a marked departure from past practice, the Productivity Commission has been asked to consider the potential value of implementing what might be termed a ‘visa for purchase’ strategy in relation to future migration.

**Submission #5:**

Four points are worth noting in relation to this, as follows:

* First, Australia, Canada, the UK and New Zealand have experimented with ‘visa for purchase’ policies in relation to ‘investor’ and/or ‘business’ class migration in the past three decades. In each country management of these programs - including the certainty of securing national benefit - has proven problematic. For example the UK Blair and Cameron governments prioritised the admission of Entrepreneurs/ Graduate Entrepreneurs (who could invest a minimum of GBP 200,000 and create two jobs in the first three years) and Investors (with GBP 1 million minimum to invest, and those with GBP 5-10 million prioritised) for a number of years. This strategy was supported by the establishment of 3-5 day and 24-hour ‘super priority’ visa provision, with ‘faster settlement for those who create 10 jobs or have a £5 million turnover’. By 2013 problems were conceded to exist and a review of this program was signalled by the Home Office (Barrett, 2013).
* Second, the characteristics of migrants selected on a fee-for-visa basis seem certain to be skew intakes in terms of age, source country, caliber of training, qualification by field and English level - in ways at variance with the research evidence. Those selected may well be less aligned to employer demand, or less likely to secure immediate employment outcomes (their reason for seeking the visa-purchase option). The international medical graduates most likely to purchase visas, for instance, would do so on the basis of previous capital accumulation. Yet (as demonstrated by Table 6) older doctors are far less likely to pass the Australian Medical Council Clinical Examination than recently qualified doctors, based on analysis of 28 years of candidate data (noting such trends continue to hold). Further, migrant doctors qualified in non-Commonwealth source countries are significantly less likely to pass the exam - potentially the applicants attracted to visa-purchase.
* Third, while there could be strong take-up from international students for the visa purchase option (unless fees were set exorbitantly high), those selected could have qualified in over-supplied fields. They might have trained in lower caliber courses, and/or achieved less advanced English (factors powerfully influencing their employability and future income level, and curbing their prospects for sponsored or Independent entry). Such students could have strong incentive to take on very burdensome loans, in addition to any secured to cover their earlier Australian studies. What would happen to former students in the case of payment default? Would the government deport them?
* Finally (as long established) the scope for fraud in relation to visa-purchase models is strong. Government strategies to minimize rotating ‘capital’ would be critical (as with Australia’s past experience of the revolving $500,000).

**Table 6: Predicting Which International Medical Graduates Will Pass the Australian Medical Council Clinical Examination After Completion of the MCQ (1978-2005)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  |  | **OR** | ***95%CI*** | |
|  | **Base value** | **Comparator levels** |  | **Lo** | **Hi** |
| Age (years) | 20-29 | 30-39 | 0.79 | 0.66 | 0.94 |
|  |  | 40-49 | 0.35 | 0.27 | 0.45 |
|  |  | 50+ | 0.14 | 0.09 | 0.22 |
|  |  |  |  |  |  |
| English test status | Pre-OET passed | Pre-OET unknown | 0.06 | 0.04 | 0.08 |
|  |  | IELTS/PLAB | 0.23 | 0.20 | 0.27 |
|  |  | NZREX | 0.60 | 0.34 | 1.07 |
|  |  | OET/Prov. OET | 0.38 | 0.34 | 0.44 |
|  |  | USMLE (ECFMG) | 0.67 | 0.47 | 0.96 |
|  |  |  |  |  |  |
| Time since qualification | 0-4 years | 5-9 years | 1.10 | 0.93 | 1.31 |
|  |  | 10-14 years | 0.96 | 0.80 | 1.17 |
|  |  | 15-19 years | 1.22 | 0.94 | 1.59 |
|  |  | 20+ years | 1.43 | 1.02 | 1.98 |
|  |  |  |  |  |  |
| Region of origin | English-speaking background | Europe | 0.60 | 0.47 | 0.78 |
|  |  | N. Africa & M. East | 0.93 | 0.72 | 1.19 |
|  |  | Asia-Commonwealth | 0.73 | 0.58 | 0.93 |
|  |  | Other | 0.51 | 0.40 | 0.65 |
| **Statistics:** |  |  |  |  |  |
| *Logistic regression*: -2LL: 8808.61, % correctly classified: 68%.  *Source*: *The Registration and Training Status of Overseas Trained Doctors in Australia* (2007), L Hawthorne, G Hawthorne and B Crotty, Department of Health and Ageing, Canberra, Chapter 3. | | | | | |

**Conclusion**

I would appreciate the Review Panel’s consideration of the five issues outlined above, which merit careful consideration.

**Research Profile**

Lesleyanne Hawthorne (PhD, MA, BA Hons, Dip Ed, Grad Dip Mig Stud) is Professor (International Workforce) at the University of Melbourne. She is an expert on skilled migration policy, foreign credential recognition, and factors influencing the labour market integration of immigrants across major fields. Since 2008 her studies have included cross-national projects commissioned by the International Labour Organization, World Health Organization, the International Organization of Migration and the European Union, UNESCO, the Australian, Canadian and New Zealand governments, the US Migration Policy Institute, the Pacific Economic Cooperation Council /APEC, and the Global Forum of Federations. This research has included completion of the first detailed comparisons of skilled migration policy and outcomes in Canada and Australia (2004-07, commissioned by the Canadian government), and in New Zealand and Australia (2010-12, commissioned by the New Zealand and Australian governments). Professor Hawthorne’s most recent research spans assessment of the study-migration pathway in major fields; emerging global trends in qualification recognition (for the US Migration Policy Institute); and commissioned reviews of global health workforce migration (for WHO, ILO, Health Workforce Australia, the Department of Health, the Australian Health Practitioner Regulation Agency, the Medical Deans of Australia, and the Australian Physiotherapy Council).

In 2005-06 Professor Hawthorne was appointed to an Expert Panel of Three by the Australian government to undertake the most extensive evaluation of Australia’s skilled migration program in 20 years. Since 2011 she has been designated by the Canadian and Australian governments as the Australian academic collaborating in relation to advancing mutual recognition in key fields; by the IOM as Australian Expert on foreign credential recognition, and appointed International Expert to the Australian Qualifications Framework International Alignment Committee. In 2014 Professor Hawthorne’s invited presentations included to the US National Academies on Science, Engineering and Medicine (at a time when Congress is considering the introduction of a skilled migration policy), to the UK conference on the Drivers and Dynamics of High-Skilled Migration, and to the New Zealand Annual Migration Conference. (A full list of publications is available on request.)

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