Despite the fact that the Australia Pacific Training Coalition (APTC) is meant to promote labour mobility, and despite the desire of most of its students to migrate, few of its graduates have actually moved to Australia for work. APTC’s most recent efforts to promote labour mobility have focused on semi-skilled jobs in Australia under the Pacific Labour Scheme (PLS).

What has been overlooked are the opportunities for APTC graduates with trade qualifications, about half of its graduates, to obtain skilled work in Australia under the Temporary Skill Shortage (TSS) visa (subclass 482). In a new policy brief, we propose that APTC should redirect its labour mobility efforts and focus on the TSS and those graduates who are eligible to migrate to Australia as skilled workers.

Many will object that this will lead to “brain drain” and exacerbate skill shortages, but in our recent Devpolicy Discussion Paper (summarised in this blog) we show that in fact APTC graduates are increasingly struggling to find work, so this should not be a concern.

Employers looking for workers at Australian and New Zealand Standard Classification of Occupations (ANZSCO) Skill Levels 1 to 3 are eligible to sponsor a TSS visa (Level 1 is the highest). APTC provides 22-week top-up courses for Skill Level 3 occupations to give Australian qualifications to workers who already have a trade qualification based on up to four years’ relevant work experience. Skill Level 3 APTC graduates in occupations in demand should be well-placed to migrate to Australia under the TSS. Yet, over the last five years, only 235 out of a total of 31,127 TSS visas at Skill Level 3 have gone to migrants from the Pacific.

Getting TSS, not PLS, numbers up should be the focus for APTC. Most PLS workers don’t need APTC qualifications. Conversely, most Skill Level 3 jobs are only available in metropolitan areas, and thus fall outside the purview of the PLS which is restricted to
regional Australia.

Why aren’t employers meeting their TSS needs from the Pacific? Most temporary skilled work migrants are hired while resident in Australia. They get into Australia as a student or a working holiday maker. This reduces costs for the employer and gives them an opportunity to try out the worker before incurring the costs of a TSS visa.

Few from the Pacific study in Australia, and the Pacific has not had access to the working holiday visa. When employers hire offshore, they will return to places where they have been successful in finding good workers. They will also try places where there is a large concentration of workers, where there are agents, and where the required testing is undertaken. These factors direct them away from the Pacific.

It follows therefore that to increase Pacific TSS numbers either we need to get Pacific graduates into Australia to look for work; or we need to get Australian employers to look to the Pacific to fill some of their skilled labour needs.

The first option would involve giving working holiday visas to the Pacific, and/or giving Pacific students subsidies and opportunities to study in Australia. (For example, they could be charged the same rates as Australian students.) These would be beneficial moves but they would require Cabinet-level decisions and might take some time to get off the ground. This approach would not deliver quick results.

If the second option is chosen, employers would need to be incentivised to recruit from the Pacific. The fact that APTC graduates have Australian qualifications is a big head start. But employers would still need to be reassured in person that they have good work habits and are well-trained.

As part of this second option, visa applicants could be given assistance to undertake the technical assessment interviews they need to obtain a visa. APTC could also subsidise visa expenses, prepare graduates for the language test as required, and help with individual visa submissions by employees.

This second option is fully under DFAT and APTC control. Indeed, it could be argued that it a requirement for APTC to implement this option, given its labour mobility mandate.

The flow of skilled migrant workers will be much lower in 2021 and beyond due to the lingering effects of COVID-19, and will also depend on the prevalence of COVID-19 in the migrants’ sending country. This means that migrants from countries with high numbers of positive cases per head of population will find it much harder to travel and gain entry. Conversely, skilled migrants from countries with low COVID-19 prevalence will have much
easier access.

As most Pacific countries are virtually COVID-free, this creates a huge opportunity for skilled migrants from the Pacific to enter Australia, an opportunity the numbers show has been previously denied to them.

Domestically, a focus on the skilled trades via the TSS visa would support Australian recovery. Regionally, it would support Pacific recovery by giving its unemployed trade workers access to well-paid jobs.

The current closure of international borders should be used to undertake preliminary work, and gauge initial interests from Australian employers. It might even be possible to initiate virtual employer visits and interactions with graduates, and to support virtual interviews.

The time to reorient APTC’s labour mobility efforts towards Pacific participation in the TSS is now.

Read the Policy Brief and the research behind it in the Discussion Paper “Worsening employment outcomes for Pacific technical graduate job-seekers”.

Disclosure

This research was supported by the Pacific Research Program, with funding from the Department of Foreign Affairs and Trade. The views represent those of the authors only.

About the author/s

Richard Curtain
Dr Richard Curtain is a Research Fellow with the Development Policy Centre.

Stephen Howes
Stephen Howes is the Director of the Development Policy Centre and a Professor of Economics at the Crawford School.

Date downloaded: 1 June 2022