



Helping APTC trades graduates to migrate to Australia under the TSS

Richard Curtain and Stephen Howes

SUMMARY

The Australia Pacific Training Coalition (APTC) is intended to promote labour mobility, but few of its graduates have migrated to Australia for work. APTC's labour mobility efforts have recently focused on semi-skilled jobs in Australia under the Pacific Labour Scheme (PLS), so far with little success. What has been overlooked are the opportunities for APTC graduates with trade qualifications, about half of its graduate stock, to obtain skilled work in Australia under the existing Temporary Skill Shortage (TSS) visa (subclass 482). The APTC should be re-oriented to expand Pacific participation, currently almost absent, in the TSS visa category.

KEY POINTS

- Opportunities for skilled trades work in Australia in metropolitan areas under the TSS far outnumber semi- and low-skilled jobs under the PLS.
- Post-COVID-19 migration flows will be greatly reduced due to the continuing spread of the pandemic in many of Australia's traditional migrant source countries for trades workers, such as India and the Philippines. Pacific countries, in marked contrast, all have a low COVID-19 prevalence.
- Making it easier for APTC trades graduates to access a TSS visa will support both Australian and Pacific economic recovery.
- The APTC could increase Pacific access to the TSS by sponsoring employer connections and visits, by facilitating application processes, and by subsidising applicant costs.

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INTRODUCTION

The Temporary Skill Shortage (TSS) visa (subclass 482) is the most common pathway employers use to engage skilled workers from overseas. Roughly half of Australia Pacific Training Coalition (APTC) graduates, numbering some 6,500, have the qualifications and work experience that qualify them for a TSS visa.¹ 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 more Pacific citizens, in particular, APTC graduates, to take up TSS visas should be a quick win for Pacific labour mobility. This brief explains why and how to make the TSS a pathway for Pacific skilled migration.

WHY FOCUS ON THE TSS RATHER THAN THE PLS?

The Pacific Labour Scheme (PLS) includes in its scope jobs at the more-skilled Skill Level 3, as well as the less-skilled Skill Levels 4 and 5.² However, PLS visas are only available to employers located in non-metropolitan areas. Most Skill Level 3 jobs, on the other hand, are only available in metropolitan areas. Over the last five years, only one-in-five of temporary skilled work visas granted were located in geographical areas eligible for the PLS. This is one reason why so few Skill Level 3 jobs have been filled through the PLS to date.³ In addition, from a regulatory perspective, the TSS is a “low-hassle” labour mobility option. No new visa needs to be introduced, no pastoral care, no additional vetting of employers.

1 The estimated number of APTC graduates eligible for TSS entry based on 43 per cent of graduates (573 out of 1,327) in calendar year 2019 with a qualification in a Skill Level 3 TSS approved occupation.

2 The Australian and New Zealand Standard Classification of Occupations (ANZSCO) at the six digit level by skill level can be found in Table 5 of *ABS Cat no. 1220.0 ANZSCO Version 1.3*, 5 November 2019.

3 Data is not available on the occupations of PLS workers but a PLS employer representative at the 6th Australia-Vanuatu Business Forum (28 February 2019) announced that four of the ten PLS workers who had been just been recruited were cooks, a Skill Level 3 occupation. Also, Caleb Jarvis in his blog on the PLS (5 March 2020) mentions that a PLS worker from Kiribati is a cook. A table in Connell and Petrou records only one Skill Level 3 occupation, a chef out of 134 PLS visa holders (John Connell and Kirstie Petrou, 2019, *Pacific Labour Mobility: Towards a future research agenda*, Pacific Labour Facility). We are not aware of other PLS Skill Level 3 occupation examples.

WHY NOW?

The flow of skilled migrant workers will be much lower in 2021 and beyond due to the lingering effects of COVID-19.⁴ It will also most likely depend on the prevalence of COVID-19 in sending countries.⁵ Migrants from countries with high current 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, therefore, a focus on the skilled trades via the TSS visa would support Australian recovery. Regionally, it would support Pacific recovery by giving its unemployed trades workers access to well-paid jobs.

WHY APTC GRADUATES?

APTC graduates have a strong desire to migrate for work, based on their end-of-course surveys. Nine-out-of-ten of the 943 students surveyed in late 2018 and mid 2019 said that they intended to seek work overseas with the skills obtained in their course.⁶ Women were only slightly less likely to say they wanted to migrate overseas for work (90 per cent compared with 92 per cent for men).

Despite this, APTC over its existence has had very few APTC graduates migrate to another country. According to the [APTC 2019 Graduate Tracer Survey \(GTS\)](#), only 3.5 per cent of the 895 graduates surveyed said they had moved to another country.

4 Dusevic, T, 2020, *‘Big Australia: Coronavirus tipped to give us a migrant migraine’* The Australian 25 September.

5 Nathan Grills and Antony Blakely, a public health expert and epidemiologist respectively, in their opinion piece in the Australian Financial Review (28 September 2020) have recommended, for the purposes of travel, dividing countries into three zones: red for high prevalence, orange for middle prevalence, and green for low prevalence countries.

6 APTC end-of-course survey for Semester 2 of 2018 and Semester 1 of 2019.

Moreover, APTC graduates are finding it increasingly difficult to find work at home. Our analysis shows that there has been oversupply of APTC graduates in a range of qualifications, including at Skill Level 3.⁷ About half of APTC graduates do not have an employer to return to after their studies, and so need to find a job. The full-time employment outcomes for trade-based (Skill Level 3) APTC job-seeking graduate outcomes are weak, ranging from only one-in-two in full time work for fitting and machining to seven-out-of-ten for vehicle mechanics.⁸ See Table A1 in the annex for details.

WHAT ABOUT BRAIN DRAIN?

Given that so many APTC graduates are struggling to find work, brain drain is not really an issue. Moreover, any assistance that APTC provided would be to their “away track” students, that is, not those who have an employer to return to.

TSS is a temporary skilled work pathway to Australia for up to four years. Details are in the Annex. For some occupations, there is a pathway to permanent residence. How many would seek and be offered this option by an employer is unclear. A skilled Pacific diaspora would deepen Australia-Pacific relations, and increase incentives for skills acquisition in the Pacific.

WHICH OCCUPATIONS TO TARGET?

Our analysis of the last five years of temporary skilled work visa data shows that the following occupations related to current APTC qualifications have been in demand by Australian employers: cooks, motor mechanics, carpenters and joiners, metal fabricators, metal fitters and machinists, plumbers, painting trades workers, electricians, wall and floor tilers and air-conditioning and refrigeration mechanics.⁹

Which of these occupations to focus on? There are several relevant considerations to drawing

7 Richard Curtain and Stephen Howes, 2021, ‘Worsening employment outcomes for Pacific technical graduate job-seekers’, Devpolicy Discussion Paper 91.

8 Note that these figures apply to the roughly one half of APTC graduates who do not have an employer to return to. They would be the focus of any labour mobility assistance efforts, that is, on the “away track” as discussed in the next paragraph.

9 Department of Home Affairs, ‘Temporary resident (skilled) visas granted pivot table 2020-06-30’, Australian Government.

up a shortlist. First, strong representation from specific source countries and extensive reliance on on-shore hiring may indicate high barriers to Pacific participation. For example, three out of four cooks (76 per cent) were recruited from within Australia. Moreover, cooking is strongly associated with national or regional cuisine. (Also, the future demand for work visas for cooks may be less than in the past due to the exclusion from TSS visa eligibility of positions in ‘limited service restaurants’ – see Annex, footnote 2). On the other hand, motor mechanics are more likely to be recruited from outside Australia (59 per cent).

Second, occupations where the Pacific has already been successful should be prioritised. For example, 54 motor mechanics have been recruited from Fiji in the last five years, with 57 per cent recruited offshore.

Third, priority should be given to the trade-based qualifications with the highest share of APTC graduates who are not in full-time work. Based on Table A1, which analyses APTC tracer survey data for graduates who do not have an employer to return to, this would mean focusing on the following categories of graduates: fitters and machinists; cooks; electricians; and carpenters.

Fourth, qualitative intelligence gathering is needed, by talking with migration brokers, labour hire companies, employer associations, and employers.

While more analysis would be helpful, experimentation would also be needed with different occupations and employers to see what works, as has been required with the PLS.

WHY AREN'T APTC GRADUATES BEING HIRED UNDER THE TSS?

Official visa statistics show that most temporary skilled work migrants are hired while resident in Australia.¹⁰ They get into Australia as a student or working holiday maker.¹¹ Hiring onshore reduces costs for the employer, and gives them an

10 An average of two-thirds (68 per cent) of temporary skilled work migrants in Skill Level 3 occupations related to APTC qualifications were hired in Australia over the five years to end June 2020. This proportion is close to the 66 per cent of all Skill Level 3 migrants over the same period.

11 Nearly nine out of ten migrants (87 per cent) with a Skill Level 3 occupation from Ireland applied for their temporary skill work visa from within Australia as did three out of four migrants (76 per cent) from the UK at this skill level. India and Nepal also had a similar recruitment pattern, with 75 and 69 per cent respectively applying for a temporary skill work visa from within Australia. Irish and UK citizens have access to the working holiday visa, while many Indian and Nepalese students study in Australia.

opportunity to try out the worker before incurring the costs of a TSS visa. Few Pacific islanders study in Australia and the Pacific has not had access to the working holiday visa.

The other one-third to 40 per cent of TSS hires are off-shore. Filipinos account for 37 per cent of all applicants from outside Australia for Skill Level 3 occupations, three times greater than the second largest country. The Philippines does not have access to a working holiday visa. More generally, employers 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.

HOW TO CREATE PACIFIC PATHWAYS FOR SKILLED LABOUR MOBILITY?

Following from the above analysis, 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 opportunities and subsidies to study in Australia. (For example, they could be charged the same rates as Australian students.) These would be beneficial moves, but might take some time, and would require Cabinet-level decisions. This approach would not deliver quick results.

If the second option was chosen, employers would need to be incentivised to recruit from the Pacific. They would need to be confident that APTC graduates are of good quality. 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.¹² APTC could also subsidise visa expenses, at least initially, and prepare graduates for the language test as

required, and with individual visa submissions by employees.

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

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

CONCLUSION

The above analysis shows the considerable potential that APTC graduates have to work in Australia through the TSS. The APTC does not seem to have an important role in relation to the PLS – one may emerge in relation to aged care, but there appears to be little demand so far. If the APTC is to fulfill its labour mobility mandate, it needs to create a Pacific pathway for its graduates to skilled trades work in Australia via the TSS visa.

ABOUT THE AUTHORS

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The views expressed in this publication are those of the authors alone.

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¹² Visa applicants without Australian qualifications require a skills assessment; those with an Australian qualification require a skills interview. See the Annex.

Annex: Temporary Skill Shortage (TSS) visa background information

Key eligibility criteria (apart from health and character) relate to:

- Employer nomination
- Skills assessment: Qualification and work experience requirements are set out [here](#) by Department of Home Affairs. They typically start at Skill Level 3 with occupations that require a trade-level qualification and matching work experience. These trade-based occupations match the top-up Australian recognised qualifications awarded by ATPC based on a 22-week course, provided the graduate also has a domestic trade qualification (usually based on a three or four-year apprenticeship) and relevant work experience (as APTC graduates would). No practical skills test is needed for Australian recognised qualifications to meet the assessment requirements for immigration purposes; however, a technical interview is still required. See [here](#).
- Work experience: At least three years with relevant formal training (e.g. [carpenter and joiner](#) or [motor mechanic](#)).¹ APTC graduates would meet this requirement.
- English language: [Details at the Home Affairs website](#). APTC students are tested for their English, but for visa purposes external tests are required.

Note there are no age limits.

There are two streams for the TSS: the short-term and the medium-term stream.

- An applicant with an occupation on the list of [eligible short-term skilled occupations](#) is granted a visa of two years, which can be extended once to a maximum of four years.
- An applicant with an occupation on the list of [eligible medium and long-term strategic skills occupations](#) is granted a four-year visa.

¹ According to VETASSESS, the largest occupation assessor for immigration purposes, the evidence requirements for the 32 trade-based occupations [state](#) that non-licensed Trades must have three (3) years' employment experience (with relevant formal training).

The following occupations related to APTC qualifications are eligible under the short-term stream ([Short term Skilled Occupation List](#)): pastrycook (ANZSCO 351112), and cook (351411).²

The following occupations related to APTC qualifications are eligible under the medium-term stream ([Medium and Long-term Strategic Skills List](#)): motor mechanic (general); (ANZSCO 321211); diesel motor mechanic (321212); sheetmetal trades worker (322211); metal fabricator (322311); fitter (general) (323211); carpenter (331212); painting trades worker (332211); wall and floor tiler (333411); plumber (general) (33411); electrician (general) (341111); and air-conditioning and refrigeration mechanic (342111).

Under the TSS visa, family members can join the migrating employee. The migrants must hold health insurance.

Applicants for the TSS visa are required to submit their application online, along with supporting documentation. The employer also sends their nomination online. 75 per cent of visa applications are processed within three months (for both streams).

² Both occupations have caveats or restrictions which limit TSS visa eligibility based on the type of work they can perform. In relation to pastrycooks, positions are excluded that relate to mass or standardised production (as opposed to specialist production), including any of the below positions which: are based in a franchise or factory; involve full or partial production of food product for distribution to another location; predominantly involve the use of pre-prepared food product from another location. In relation to cooks, excluded are positions in a 'limited service' restaurant which includes fast food or takeaway food services, fast casual restaurants, drinking establishments that offer only a limited food service, limited service cafes including, but not limited to, coffee shops or mall cafes, limited service pizza restaurants.

Table A1: Employment outcomes of APTC job-seekers with qualifications related to Skill Level 3 occupations, 2017-19, ranked by proportion not in full-time work, per cent

APTC qualifications	Full time work	Part time work	Not in paid work	Total	N
Certificate III in Engineering - Mechanical Trade (Fitting and Machining)	48.8	2.4	48.8	100	41
Certificate III in Commercial Cookery	59.0	7.7	33.3	100	117
Certificate III in Electrotechnology Electrician	60.0	14.3	25.7	100	35
Certificate III in Carpentry	60.5	20.2	19.4	100	129
Certificate III in Engineering - Fabrication Trade	67.2	9.8	23.0	100	61
Certificate III in Engineering - Mechanical Trade (Diesel Fitting)	67.9	5.7	26.4	100	53
Certificate III in Plumbing	68.8	12.5	18.8	100	32
Certificate III in Light Vehicle Mechanical Technology	73.0	2.7	24.3	100	74

Note: Graduates who return to the same employer are excluded from this table. All Skill Level 3 qualifications with N>30 are shown.

Source: APTC Graduate Tracer Surveys as discussed in Richard Curtain and Stephen Howes, 2021, 'Worsening employment outcomes for Pacific technical graduate job-seekers', Devpolicy Discussion Paper 91.