



ENGINEERS
AUSTRALIA

Skilled Migration Position Statement

2016

Australia is over reliant on skilled migration for its engineering workforce

Australia has taken advantage of migrant engineers throughout most of its history to alleviate skill shortages and build national engineering capability. But dependence on migration has become unbalanced: 70% of new supply is from overseas and only 30% is from Australian graduates.

There are serious and unnecessary risks associated with this situation. In particular, demand for engineers in source countries will increase when their economic development gets into stride and this will reduce the pool of potential migrant engineers from which we can recruit.

Australia must do more to produce engineers, especially if it is to meet national ambitions to become a more productive and innovative nation. The annual number of engineers produced by Australian educational institutions has slowly increased over the

past decade, but this trend is about to reverse. There has been a substantial fall in the number of school students accepting places in university engineering courses in each of the past two years and this will soon be seen in an alarming drop in course completions and lead to a broken pipeline of future engineers.

Recommendations for governments:

- Recognise and acknowledge the risks of over-dependence on skilled migration to Australia's future engineering capacity.
- Implement policies that encourage more Australians to undertake and complete engineering courses.
- Implement policies and programs to retain competent experienced engineers in the profession.

Long term workforce needs and permanent migration

Over the past few decades, Australian educational institutions have not produced sufficient engineers to





meet long term national needs. The recent trend in rising domestic engineering course completions is likely to be short lived but must be recaptured to lessen reliance on skilled migration.

Permanent migration policies aim to supplement the long term output of our educational institutions to meet future workforce requirements, and it is acknowledged that skilled migration may continue to be required as an adjunct to domestic supply. It ensures that there are sufficient engineers to meet long term requirements.

However, present policies assess the qualifications of migrants but do not take into account the professional formation necessary to be recognised as fully competent practicing engineers.

The migration selection points test awards additional points for work experience in Australia and overseas, but the criteria used fall far short of those that Engineers Australia applies to accredited competent practicing engineers.

Also, skilled migrants receive insufficient assistance to enable adjustment to local working conditions. The result is only half of migrant engineers stay in engineering compared to over 70% for Australian-born engineers. Present permanent migration policies are therefore effective in raising the educational standard of the workforce in general, but far less effective in building Australia's engineering capability specifically.

Permanent migration also fails to account for future engineering requirements.

Australian institutions produce many graduates in civil, mechanical and electrical engineering, but are less successful in emerging areas of engineering such as mechatronics, robotics and nanotechnology.

Most permanent migrant engineers have qualifications in the traditional disciplines. The chance to boost skills in emerging fields and those most affected by employment cycles is being missed.

Recommendations for the federal government:

- The objective and selection methodologies for permanent migration of engineers should be reconfigured to focus more closely on building future engineering capability.
- The migration points test for migrant engineers should be aligned with Engineers Australia's criteria for qualified, competent practicing engineers instead of relying on entry level qualifications and vaguely stated work experience.
- Permanent migration selection policies for engineers should be changed to focus on skills requirements in areas of emerging technology.
- Permanent visas granted to migrant engineers should be accompanied by assistance packages to help adjustment to Australian labour market conditions.

Short term migration policies to reinforce long term objectives

The *Temporary Work (Skilled) visa (subclass 457)* is for employers to quickly source skills in shortage on a temporary basis. When periodic shortages end, employers are to recruit locally and the numbers working on a 457 visa should fall. This system has practical flaws.

Applicants for a 457 visa are not subject to a skills assessment because acceptance by employers is deemed a sufficient test. In contrast, Engineers Australia believes that internationally aligned assessment of qualifications and competence is essential for all temporary migrant engineers.

Since late 2012, demand for engineers in Australia has fallen and there is no longer a widespread skills shortage. Yet, despite a small fall in the number of 457 visa holders, both the number of engineers employed on temporary visas and new 457 visa approvals are too high for current labour market conditions.

Recommendations for the federal government:

- Review inconsistencies between the objective and practice of temporary migration policies, especially with regard to the large number of engineers employed on 457 visas despite the absence of a widespread skills shortage.
- Include mandatory skills assessments for temporary work visas.