



THE UNIVERSITY OF  
MELBOURNE



## **Response to Consultation on draft proposed occupation lists**

**December 1, 2017**

## University of Melbourne observations

The Government has recognised the role of Australia's skilled migration framework to enhance the higher education sector's ability to compete in a global market place for talent, much of it highly specialised.

In June this year, Minister Peter Dutton announced the transfer of 'University Lecturer', 'Faculty Head' and 'Biotechnologist' from the Short Term Skilled Occupation List (STSOL) to the Medium and Long-term Strategic Skills List (MLTSSL). The decision to recognise PhD holders as satisfying the work experience eligibility requirement is a welcome recognition of the value that university-trained researchers add to Australia's knowledge economy.

We are further encouraged by the proposed inclusion of 'University Tutor' on STSOL. The university sector has consistently emphasised the importance of access to international talent for university teaching. Early career academics – including those from abroad – have a key place in the teaching and research ecosystem at Australia's universities. There remains a question of whether placing University Tutor on the STSOL rather than the MLTSSL is still too restrictive, resulting in missed opportunities to attract world-class academics to Australia. Nonetheless, the addition of this occupation to the overall list is a step in the right direction.

### **Senior professional staff**

One area where the Skilled Migration framework continues to inhibit the performance of the university sector concerns the recruitment of senior professional staff.

The Australian higher education sector is in a period of transition. A range of structural challenges call for an innovative approach to both teaching and research activity. International experience is of critical importance to the university sector as it works to meet these challenges. Practitioners with international experience are one source of expertise that can diversify the local knowledge base.

In our response to the Department of Immigration and Border Protection's Consultation on Visa Simplification, we identified 'Policy and Planning Manager' as one such example of an occupation where international experience and highly specialised skills are important to the sector, but which has recently been removed from the list.

The capacity of Australia's universities to adapt to a rapidly changing operating environment will be seriously tested in the coming decade. Enhanced competition from overseas providers, the impact of disruptive technologies on program design and delivery, and the demand for greater industry collaboration across teaching research activities, will each drive a strategic re-alignment in the coming decade. Access to the best talent is critical as the sector navigates this rapidly changing external operating environment.

Australia's universities have historically competed on a global market for senior leaders in higher education. This applies to professional as well as academic staff, and has underpinned the performance of Australian universities, for example, across the international rankings. There is a serious risk that future performance will deteriorate where the visa settings prevent the sector from recruiting the best available management professionals.

The University of Melbourne recommends that 'Policy and Planning Manager' be reinstated to the Short-term Skilled Occupation List.

## **Research and Development Manager**

An occupation category with clear relevance to Australia's innovation performance is 'Research and Development Manager'. Research and Development Manager is currently on the short-term list; the draft traffic Bulletin does not propose to change this.

The placement of Research and Development Manager on the short-term rather than the medium to long-term list is problematic for a number of reasons:

- Most collaborative research is medium to long-term in duration; the visa category should reflect this.
- Many university-industry research partnerships involve multinational companies, foreign governments and non-government organisations. Dealing with these complex multi-sectoral and multilateral sectors requires expertise in foreign funding processes and associated financial and legal compliance issues.
- Over 70% of ARC research projects involve an international research partner.
- Almost half of Australian peer-reviewed science publications are published with an international partner.
- Australian universities are seeking to increase the amount of funding they receive from international funding agencies, contractors and philanthropic organisations.

The current arrangements limit the capacity of universities to recruit professionals with the expertise needed to drive desired improvements in industry engagement and R&D.

The University of Melbourne recommends that the 'Research and Development Manager' be moved from the Short-term Skilled Occupation List to the Medium and Long-term Strategic Skills List.

## **Skilled migration and the innovation agenda**

More generally, the relationship between the Government's science and innovation agenda and the Skilled Migration framework appears to have been overlooked. The Department of Employment's consultation paper on the methodology for review of Skilled Migration Occupation Lists stated that "the traffic light system will also identify occupations [...] which have been identified as supporting Australia's science and innovation agenda". It is disappointing that the draft occupation list does not identify relevant occupations in the way suggested. Internationalisation and innovation go hand-in-hand. It is important that the enabling role played by skilled migration in Australia's innovation agenda is recognised, and that this informs decisions around which occupations are included.

Beyond the question of which occupations are to be included on the skilled migration lists, there are further changes to the framework that would support Australian research, thus enabling ongoing improvement in Australia's innovation performance. Under the new temporary visa arrangements, employers with an annual turnover of more than \$10 million will be required to pay \$1,800 per year per visa holder. In addition, employers of applicants for Permanent Residency are subject to a one-off \$5,000 levy. In both cases, the levy will be paid into the 'Skilling Australians Fund'.

While the University of Melbourne acknowledges the merit of a fund that supports skills development in Australia, there is a clear case for universities and other research institutes to be exempt from the levies. The cost burden thereby imposed on universities will be significant, ultimately undermining their role in skills provision. Relatedly, as major players in Australia's skills

system, universities are candidate recipients of the fund. Positioning universities both as payers and recipients creates administrative costs without any obvious benefit.

The University of Melbourne recommends that higher education institutions and research institutes be exempt from the Skilling Australians Fund levies.

A further issue is the eligibility requirements pertaining to age for visas in 'Subclass 186'. Under these requirements, applicants must be under the age of 50 (for the Temporary Residence stream) or under the age of 45 (for the Direct Entry stream). These eligibility settings are likely to limit the ability of universities to recruit professional staff. Universities hire specialist professionals based on their many years of relevant work experience. In many cases, these persons are aged between 45 and 60. The prospects of attracting such persons to Australia is diminished if a pathway to permanent residency is not available to them. Exempting universities and research institutes from the age requirement is unlikely to have a major impact in the overall immigration intake, but will positively contribute to the operating context for Australia's innovation eco-system.

The University of Melbourne recommends that higher education institutions and research institutes be exempt from the age requirements for Subclass 186 visas.

## Summary of Recommendations

The University of Melbourne recommends that:

1. 'Policy and Planning Manager' (132411) be reinstated to the Short-term Skilled Occupation List.
2. 'Research and Development Manager' (132511) be moved from the Short-term Skilled Occupation List to the Medium and Long-term Strategic Skills List.
3. Higher education institutions and research institutes be exempt from the Skilling Australians Fund levies.
4. Higher education institutions and research institutes be exempt from the age eligibility requirements for Subclass 186 Visas.

For further information, or to discuss this submission, please contact Dr Julie Wells, Vice-Principal Policy and Projects at [julie.wells@unimelb.edu.au](mailto:julie.wells@unimelb.edu.au) or on (03) 8344 2639.