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Jane Hayden
Assistant Secretary
Migration Skills Assessments Branch
Department of Employment and
Workplace Relations
GPO Box 9828
CANBERRA ACT 2601

via DEWR consultation platform

CPA Australia Ltd

ABN 64 008 392 452

Level 20, 28 Freshwater Place Southbank VIC 3006 Australia

GPO Box 2820 Melbourne VIC 3001 Australia

P 1300 737 373 Outside Aust +613 9606 9677

cpaaustralia.com.au

Dear Jane

Draft Best Practice Principles and Standards for Skilled Migration Assessing Authorities

CPA Australia represents the diverse interests of more than 172,000 members working in over 100 countries and regions around the world. We provide this submission in response to the <u>Draft Best Practice Principles and Standards for Skilled Migration Assessing Authorities</u> (the discussion paper) as an assessing authority, and on behalf of our members, the accounting profession and in the broader public interest.

We believe the proposed principles and standards for assessing authorities plus the enhanced assurance model, will raise the integrity, quality and timeliness of skills assessments. They will also improve outcomes for migrants, employers, industry and government.

CPA Australia's other main observations are:

- increased engagement by skills assessing authorities with industry and employers is key to improving employment outcomes for migrants. It also ensures that assessing authorities keep up with changing industry requirements.
- evidence-based occupational assessment standards help to ensure that migrants possess the required skills and qualifications employers need.
- we support further actions to improve employment outcomes for migrants. There will be variations in the support assessing authorities may provide.
- Before finalising these principles and standards, the government needs to consider the resourcing implications
 on assessing authorities. The desired outcomes should be achievable by all.

We recommend maintaining the current three assessing authorities for accounting. This will ensure the continuance of the close connection between the assessing of accounting qualifications and the profession. It also means the availability of sufficient resources to manage demand for assessments. This issue is discussed in detail in a separate joint submission from the three accounting assessing authorities.

Section 1 of the Attachment outlines our response to the draft principles and standards. Section 2 addresses the questions about the delivery of skills assessments.



If you have any queries, please contact Karen Koh, Migrations Operations Manager on karen.koh@cpaaustralia.com.au.

Yours sincerely,

Elinor Kasapidis Head of Policy & Advocacy _{Encl.}



SECTION 1: DRAFT PRINCIPLES AND STANDARDS

Principle 1 - User-friendly and migrant-centric experience

Will this improve outcomes? Yes

As an assessing authority, we strive to make our skills assessment process a user-friendly and migrant-centric experience. We therefore believe this principle should improve outcomes for migrants and the quality of skills assessments.

Achieving a user-friendly and migrant-centric experience can be achieved in several ways. From our experience, simplifying the language in the application (such as avoiding jargon) and being clear on process timelines, document requirements and fees, aids applicants.

Is this achievable? Maybe

For CPA Australia, we provide a variety of communication channels for applicants or their representative to engage with us. We have also begun providing applicants the ability to monitor the status of their application online. We cannot comment on whether other assessing authorities can implement such changes quickly.

We think that alternative skills recognition is a good concept but difficult to implement. Alternative pathways to skills recognition should reduce barriers to entry for applicants with non-traditional education backgrounds or those who have not pursued formal qualifications. However, it may be challenging to establish a standardised benchmark for recognising wide ranging alternative skills and informal learning. Further, some of the services offered by accountants in practice (such as tax, insolvency, large company audits and financial advice) are regulated by separate registration bodies and they do not recognise non-traditional education pathways.

What's been missed?

To assist assessing authorities comply with this principle, we recommend the following be added to the example for this Principle:

 clear and concise information about the skills assessment process, including process timelines, document requirements and fees.

We also note that the Department of Employment and Workplace Relations (DEWR) and the Department of Home Affairs (DoHA) have a role to better explain the end-to-end migration journey. The skills assessment process is only one step in the process.

Principle 2 - Reasonable and justified fee structures

Will this improve outcomes? Maybe

A reasonable fee structure ensures that skills assessments are accessible to a broad range of applicants. This encourages a more diverse applicant pool that better meets the needs of employers. In applying this principle, DEWR will need to strike a balance between the needs of applicants and the ability of assessing authorities to offer a sustainable service.

We believe that this principle is unlikely to have a significant impact on the outcome of skills assessments. Skills assessments are generally a means to an end i.e., it is part of the process toward a successful visa outcome.

Is this achievable? Yes

For CPA Australia, our fees (including refund policy) are clearly outlined on our website, and do not contain any hidden inclusions. These fees are subject to regular review.



What's been missed?

Standard 2.2 should include examples of the innovation DEWR is seeking to help assessing authorities better meet this standard. For example, CPA Australia recently used market insights to inform a review of our assessment services. This led to the development of new products and services to meet the needs of the market.

Principle 3 – Evidence based occupational assessment standards

Will this improve outcomes? Yes

Migrants and employers will benefit from greater evidence-based occupational assessment standards developed through consultation and regular reviews. Such standards should improve the employability of migrants as they are more likely to have the professional and technical skills required to meet the demands of the market as it changes.

Close and regular consultation with employers and unions allows for the identification of specific skills and competencies that are in high demand, and the education and training required. For example, accounting roles are continually evolving, with new areas of work emerging (e.g., sustainability accounting and data analytics) to meet the changing needs of employers. Such stakeholders can also provide valuable feedback on the performance and preparedness of migrants, including the level of English language proficiency required for roles.

Using this information, assessments can be tailored to increase the probability that migrants have the skills required by employers. This increases the likelihood of more migrants finding employment in their specialisation.

Engaging employers and unions in reviewing assessment standards fosters trust and collaboration between assessing authorities and industry stakeholders. This collaborative approach can lead to more robust and respected assessments. It may also reduce the perception that skills assessments are primarily for visa purposes.

Evidence-based occupational assessment standards should also help to keep Australia as a preferred destination for skilled migrants in a globally competitive market for skills.

Is this achievable? Yes

Principle 4 - Fair and equitable assessments

Will this improve outcomes? Yes

Seeking to ensure that all candidates are assessed accurately on the same criteria benefits both the applicant and the employer. It means that all applicants are given a fair opportunity to demonstrate their skills and knowledge, regardless of their background or characteristics. Feedback to candidates regarding the outcome can help them to identify their strengths and development opportunities.

Is this achievable? Maybe

There are a few potential challenges to implementing fair and equitable skills assessments. To provide assessing authorities more guidance on how to comply with this principle, we recommend the following be added to the example for this Principle:

- Create a panel of experts from a variety of backgrounds to inform the assessment criteria. Part of their terms of reference could include providing feedback to assessing authorities on how they can better support applicants with disabilities, refugees, or victims of exploitative employment arrangements.
- Assessing authorities could publicise that they have quality assurance processes. This may include having assessments administered and scored by multiple assessors (although this adds to assessment costs).
- Assessing authorities can publicise their appeals process on their website.
- Assessing authorities can provide explanations of assessment outcomes.



What's been missed?

Practical-based assessment and alternative based pathways would come at additional cost, potentially making such assessments less accessible.

Principle 5 - Timely and efficient skills assessment delivery

Will this improve outcomes? Maybe

Timely and efficient skills assessment delivery could reduce time and cost for applicants and improve their satisfaction. It allows applicants to proceed quickly to immigration procedures and employment opportunities.

CPA Australia is continually looking to make our process more efficient and applicant-centric, while maintaining its integrity. For example, we recently added an online functionality allowing applicants to view the status of their application.

Is this achievable? Maybe

There are several internal and external challenges to implementing timely and efficient skills assessment delivery. One key internal challenge is the potential cost of building technology solutions envisaged in standard 5.2 (CPA Australia already uses such technology).

The key external challenge is government policy. For example, sudden and unexpected changes in government policy can lead to a surge in applications. Whilst it is possible to hire resources to manage such demand spikes, it takes time to source and train such people, potentially leading to long processing delays.

Another external challenge is the inefficiencies created by the government's visa requirements, such as the skills assessment criteria for sponsored visas.

What's been missed?

The government's role. The government can assist assessing authorities be timelier and more efficient by:

- providing assessing authorities early notification of any policy changes that may impact application volumes, timelines or processes. Such changes can cause significant fluctuations in demand. Early notification would give assessing authorities time to prepare, such as recruiting and training temporary staff.
- streamlining its visa requirements, for example the skills assessment criteria for sponsored visas.

To provide assessing authorities more guidance on how to comply with this principle, we recommend the following be added to the example for this Principle:

- Implementing an online functionality so that applicants and their authorised representatives can check on the status of their application at any time.
- Implement caseload management systems to better allocate resources in response to fluctuating demand.

Principle 6 - Meaningful employment outcomes are enabled

Will this improve outcomes? Yes

Assessment authorities can make use of post-assessment outcome analysis to reveal areas where candidates may have skills gaps or deficiencies. This information can be used to develop targeted training programs or additional support to address these gaps. It can also highlight areas where candidates may require additional support, such as job placement services, career counselling or language training. It may also uncover areas where the assessment process may not align with the expectations of employers. This information helps authorities offer more comprehensive support.

Likewise, data on employment outcomes can be shared with employers and associations to solicit feedback and ensure that assessment standards align with industry needs.



Understanding the employment outcomes of skilled migrants' post-assessment can demonstrate the value they bring to the Australian workforce, which can support policies promoting skilled migration.

Analysis of long-term employment outcomes can help authorities plan for future workforce needs, ensuring that skills assessments remain relevant and useful.

Is this achievable? Maybe

Building an understanding of applicants' visa and employment outcomes post-assessment is feasible through data collection and analysis. It is however dependant on assessing authorities entering data-sharing agreements with relevant government agencies to track employment outcomes of assessed candidates. Feedback from employers and applicants will also help. This information can be used to refine assessment processes and standards, making them more responsive to real-world employment needs and immigration requirements. Some of this is already addressed with the Skills Assessment Pilot 3.

It should however be noted that providing post-assessment care for migrants to support their migration and employment journey is potentially costly and time-consuming to build and operate. The support also needs to be relatively consistent with what is offered to existing Australian residents.

We also note that privacy considerations may impact the ability to collect and use data. Our experience is response rates to surveys are low and falling.

Principle 7 - Integrity and transparency in operations

Will this improve outcomes? Yes

Integrity and transparency increase confidence and trust in the skills assessment system. It also helps to reduce bias in the process, as applicants will be assessed on the same criteria and it is open to scrutiny.

Is this achievable? Maybe

Increasing transparency in operations may unintentionally increase fraud risk. Assessing authorities will need to be alert to this.

What's been missed?

Improving integrity requires government to be more open and collaborative with the assessing authorities. We recommend that DoHA and DEWR implement information sharing agreements with the assessing authorities to allow them to share confidential information that is important to the integrity of the system. For example, informing assessing authorities of fraudulent or high-risk migration agents.

The process for sharing information between assessing authorities and the departments needs to be more secure. We recommend that DEWR and DoHA invest into developing a secure portal for assessing authorities to share sensitive information such as assessment outcomes and documents with them.

As an assessing authority, we regularly encounter fraudulent documents. We share this intelligence with the other accounting assessing authorities and DoHA. It would be helpful if DoHA and DEWR could share more intelligence on emerging trends in fraud with the assessing authorities. It would also be helpful if they could provide the assessing authorities more guidance verifying documents.



SECTION 2: DELIVERY OF SKILLS ASSESSMENTS

4) What changes are needed to improve skills assessment processes to make them simpler and more migrant centric?

From our experience, we believe the following changes may improve the skills assessment processes:

- Assessing authorities and the government offering resources, webinars and guidance to help potential
 migrants navigate the assessment process.
- Assessment authorities providing clear and easily accessible guidelines outlining the assessment process, requirements and expectations.
- Assessing authorities ensuring their assessment and eligibility criterion are straightforward and easy to understand e.g., terminology should be inclusive and generic and avoid Australian-specific terms where possible.
- Assessing authorities reviewing their documentation requirements to ensure they are not requesting more information than required.
- Assessing authorities should be able to accept digital copies of documents. This allows for easier submission and verification, particularly for overseas applicants.

5) Are skills assessments appropriately aligned with domestic employment, visa, and licensing/registration requirements? Why/why not?

Skills assessments in Australia have generally been designed to align with domestic employment, visa and licensing/registration requirements. However, there are challenges regarding their effectiveness and alignment.

For accounting, we make the following observations:

- The skills assessment process is aligned with industry and professional membership requirements. These
 processes are in turn aligned to the obligations established by the International Federation of Accountants,
 which are informed by engagement with employers and educators.
- The accounting assessing authorities have jointly developed <u>accreditation standards</u> against which the quality of higher education accounting programs and their providers are assessed.
- Each accounting assessing authority will assess an applicant's technical competency to determine coverage of the core competency areas required for entry to their respective professional program or for migration purposes.
- The accreditation standards assess qualifications only and not work experience or prior learning.

The alignment of skills assessments with domestic employment, visa and membership requirements could be improved through better integration of skilled migration assessments and skilled employment assessments or combining the two assessments. This would create more consistency between the way accounting assessing authorities measure migration skills and employment skills. Migration skills assessments focus on assessing formal qualifications, subjects and syllabus details. Skilled employment assessments include assessment of prior work experience, duties and responsibilities.

Recognising professional work experience and prior learning provides an opportunity to consider the value that may be contributed to the profession from skills and knowledge obtained outside of formal qualifications including experience gained from working in other industries, such as IT, or overseas.

However, recognition of prior learning and experience from overseas can be complex. The primary challenge is verification. Other challenges include ensuring objectivity, integrity and consistency in how work experience and prior learning are measured.



We also make the following general observations:

- Keeping assessment criteria up to date with evolving employer needs can be a challenge. Rapid changes in certain industries/occupations may lead to skills assessments that lag employment requirements / industry standards.
- Assessments involve subjective judgment, which may lead to inconsistencies or biases.
- Skills assessments may not always accurately reflect an individual's ability to perform in an Australian workplace, especially if the assessments are not up to date with industry standards or if applicants lack Australian-specific experience.
- Visa requirements are often not reviewed and updated frequently, leading to potential misalignment between visa requirements and labour market needs.
- Challenges can arise when overseas qualifications and experience do not directly match Australian licensing or registration requirements. In such cases, additional training or examinations may be necessary.
- Skills assessments may not always accurately reflect an individual's level of experience, potentially leading to over-qualification or under-qualification.

It is essential for policymakers, assessing authorities and industry stakeholders to collaborate and continually review and update assessment processes to ensure they meet their intended purposes.

6) How could skills assessment processes be streamlined with occupational licensing and registration schemes?

Licensing and registration requirements are required for some roles in accounting but not all. Where registration is required, a government agency such as the Australian Securities and Investments Commission (ASIC) or the Tax Practitioners Board is responsible. These bodies have different pathways to registration, including membership of the professional accounting organisations.

Speaking generally, below are some suggestions for streamlining the skills assessment process with occupational licensing and registration:

- Ensure that the criteria used in skills assessments align with the licensing or registration requirements for specific occupations.
- Explore the possibility of designing a single assessment that serves both skills assessment for migration purposes and licensing/registration requirements. Alternatively, develop a process that allow applicants to apply for both skills assessments and licensing or registration concurrently.
- Implement digital platforms that allow for the secure and efficient transfer of assessment results and qualifications between relevant authorities.
- Establish agreements between skills assessment authorities and licensing/registration bodies to recognise each other's assessments.
- Create clear pathways for migrants to meet licensing or registration requirements.
- Encourage ongoing collaboration between assessing authorities and licensing/registration bodies to ensure that assessment criteria and licensing requirements remain relevant and aligned.

7) What other functions could assessing authorities deliver to support employment and migration outcomes?

The support assessing authorities could deliver to support employment and migration outcomes will vary. For example, the accounting assessing authorities, as professional accounting organisations may be able to provide different support than authorities that specialise in assessments.

One of the ways the accounting assessing authorities are supporting employment and migration outcomes is through the <u>Accounting Professional Year Program</u> (PYP). The PYP provides international students that have recently graduated from Australian university degrees in accounting, IT and engineering a pathway to gain relevant

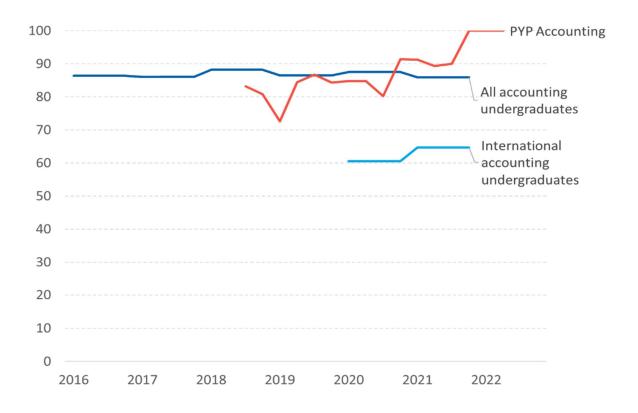


job-ready skills and work experience in their chosen occupation in Australia. By completing the PYP, participants gain five points toward a Skilled Visa application.

The PYP is delivered over 44 to 52 weeks and is comprised of two core components. The first component is delivered in class for 32 weeks with participants generally attending class one day per week. The second component is a 12-week internship with an approved employer. In the IT stream, a third component is delivered online.

As Figure 1 below shows, the PYP has delivered superior employment outcomes.

Figure 1: Accounting PYP candidates enjoy superior employment outcomes Share in employment, per cent



Below are examples of potential support that could improve employment and migration outcomes. As noted previously, assessing authorities have different responsibilities, hence there will be variations in the support they can and should provide.

- Providing international graduates and migrants with pre-employment services to help them find work matched to their skills in areas aligned to workforce needs.
- Encourage candidates in a field not in shortage to upskill to a related role that is in shortage by directing them to relevant courses.
- Expand the rollout of the Skills Assessment Pilots (SAP), particularly SAP 3. Under this pilot, assessing
 authorities identify migration applicants who are working in jobs not commensurate with their educational levels
 and refer them for upskilling and training.



- Offer guidance on potential pathways for career development and upskilling to meet licensing, registration or employment requirements.
- Offer insights and information about the demand for specific occupations and skills in different regions of Australia.
- · Organise dedicated networking events or forums to help skilled migrants build professional networks.
- Develop professional development programs or recommend existing programs that assist migrants maintain and enhance their skills, especially in rapidly evolving fields.
- Facilitate mentorship programs that connect skilled migrants with experienced professionals in their field.
- Collect and analyse data on the performance and experiences of skilled migrants in the Australian workforce to inform the design and targeting of post-migration support services.
- Establish channels for migrants to provide feedback on the services offered, enabling continuous improvement.

8) Should there be more than one assessing authority appointed to assess an occupation? Why/why not?

See our joint submission with CAANZ and IPA

9) Should English language testing be a skills assessment requirement? Noting English levels are tested as part of the visa application stage.

Yes, English language testing should be considered a skills assessment requirement, especially when English proficiency is crucial to an occupation proficiency tests. Whilst English language proficiency is assessed as part of the visa application stage, requiring it as part of the skills assessment process has several advantages:

Occupation relevance

Some professions and occupations in Australia require a high level of English proficiency for safety reasons, effective communication with colleagues and clients, or adherence to industry standards. For these occupations, assessing English proficiency as part of the skills assessment helps guarantee that applicants can communicate effectively in workplace environments.

Client and stakeholder interaction

Many occupations, including accounting, involve interactions with clients, customers or other stakeholders. English language skills are crucial for delivering quality services and maintaining a positive professional reputation.

Industry regulations

Some industries or professional bodies mandate a minimum level of English proficiency as part of their licensing or registration requirements. Aligning skills assessment with these regulations ensures that applicants meet the necessary standards.

Clarity for applicants

Clearly stating English language requirements at the skills assessment stage helps applicants understand what is expected of them. This allows them to prepare for both the skills assessment, the subsequent visa application and finding employment relevant to their skills.

It's important to note that the specific English language requirements should be tailored to the demands of the occupation. Different occupations may have varying levels of required proficiency. For accounting, engagement with our members indicates English language proficiency is important to securing employment. Assessing authorities should use recognised English language tests.



Other recommendations

- English language proficiency requirements for skills assessments should be aligned with DoHA requirements
 where applicants from certain English-speaking countries are exempt from English language proficiency
 testing.
- Abolishing any requirement for prospective migrants based onshore to resit English language proficiency tests.

10) Is there anything else you want to tell us about skills assessments?

Continuous improvement

Skills assessment processes should be subject to ongoing review and improvement. Labour markets, industries, technologies and regulatory requirements change over time. Assessments must evolve to remain relevant and effective.

Balancing objectivity and subjectivity

Striking the right balance between objective evaluation criteria and subjective judgment, where applicable, is challenging. Assessing authorities should aim for fairness and consistency in their decisions.

Flexibility

While maintaining high standards is essential, assessing authorities should also be flexible enough to acknowledge diverse pathways to skill acquisition. Applicants may have gained skills and experience through non-traditional routes, which should be considered.

Collaboration

Collaboration among assessing authorities, government agencies, industry bodies and other stakeholders is essential. It ensures that assessments are relevant, accurate and aligned with labour market needs.

Equity and inclusion

Ensure that skills assessment processes are inclusive and do not discriminate against applicants based on factors like race, gender or nationality. Diversity benefits both applicants and the Australian workforce.

Feedback mechanisms

Establish mechanisms for applicants to provide feedback on the skills assessment process. This can help identify areas for improvement and enhance the overall experience.

