















# The role of displaced talent in Australia's migration framework Submission to the Migration Review: A Migration System for Australia's Future 15 December 2022

## **Executive Summary**

Migration has always played a central role in Australia's economic and cultural prosperity. Australia's economy is turbo-charged by migration, and Australia's creativity, dynamism, interconnectedness and stability are largely a product of its modern migration and multiculturalism policies. In particular, migration has played a critical role in filling skills shortages for decades. However, the fierce competition for talent has escalated to unprecedented levels and is being addressed by a migration system designed decades ago. In this post-pandemic era, Australia must look at diverse sources of talent, including those not previously considered, when designing a migration system for Australia's future.

Skilled refugees and other displaced workers abroad are an untapped source of talent that can help address Australia's skills shortages. Talent Beyond Boundaries (TBB) has developed a global program to enable businesses around the world to connect with this talent. Working together with the Department of Home Affairs, TBB is implementing a world-first Skilled Refugee Labour Agreement Pilot, launched on 1 July 2021, to give Australian employers the opportunity to recruit from this talent pool. Early results of the pilot have shown this model works to enable Australian businesses from a range of sectors and locations to engage skilled workers to meet their workforce needs, whilst also delivering profound humanitarian benefits to those impacted by displacement.

This submission draws on TBB's experience delivering this employer-led, international displaced worker recruitment program for Australia. In response to the terms of reference for this migration review, it sets out how lessons from this pilot should inform future migration settings, to ensure that Australia's economy and businesses can benefit from the talent in refugee communities around the world.

## **About Talent Beyond Boundaries**

TBB is driving a new migration-solution to fill skills gaps and drive economic growth, whilst delivering a profound humanitarian benefit. The solution is a labour mobility pathway for displaced people: based on skills, and enabled by private enterprise, technology and data. This employer-led approach offers great potential to contribute to meeting Australia's labour force needs, including in regional Australia.

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\*This submission is endorsed by participating employers who have hired and/or extended offers to displaced talent through the Skilled Refugee Labour Agreement pilot.

TBB links with employers and governments around the world to facilitate talented refugees being able to fill skills gaps. By doing this, TBB is opening a new pathway for refugees to find self-reliance through international employment and contribute skills to the global workforce. So far we have successfully assisted refugee candidates to move into high skill roles in Australia, Canada, the UK and Germany, and we are currently expanding into the USA, Portugal, Belgium and Ireland.

#### Attracting diverse sources of talent for Australia

Recommendation 1: Australia should put in place skilled migration settings that are inclusive and designed to attract diverse talent from around the world, including from within refugee and displaced communities.

The escalation of the global competition for talent has meant that Australia is competing with countries in Europe, Canada, USA and NZ for the same pools of talent in the same critical sectors. In 2022, 75% of high-income countries globally reported difficulty in filling vacant roles - up from 30% in  $2010^1$ . As a consequence, Australian employers are often vying for talent in countries that are already experiencing skills shortages, and their employers in turn are actively trying to recruit Australian talent.

Australia needs to think innovatively about accessing diverse talent pools internationally, including the millions of skilled refugees who are highly motivated to move to countries where they can rebuild their lives.

#### The untapped potential of displaced talent

There are over 100 million forcibly displaced people in the world today<sup>2</sup> - almost half are working age. Yet refugees and other displaced people in most countries around the world are primarily shut out of the formal economy - denied work rights where they are, and subject to barriers which limit their ability to compete in the international market for jobs. Displaced people are highly motivated to relocate for work and the chance of a safer future - and yet their mobility is largely restricted.

The result is an unacceptable waste of human potential, and perhaps the largest hidden talent pool in the world today. Boston Consulting Group's December 2022 report on *Migration Matters: A Human Cause with a \$20 Trillion Business Case* reports that, "Labour shortages are at an all-time high across the world's 30 largest economies, with an excess cost of over \$1 trillion per year, more than 1% of GDP or 3 trillion per day." <sup>3</sup>Employers in Australia stand to benefit enormously from this talent pool if they can get access to it - and that's what TBB seeks to achieve.

TBB runs an online <u>Talent Catalog</u><sup>4</sup> of skilled refugees around the world, on which more than 50,000 displaced people have registered. Registrants on the Talent Catalog are mainly Syrian,

 $\frac{https://www.unhcr.org/news/press/2022/5/628a389e4/unhcr-ukraine-other-conflicts-push-forcibly-displaced-total-100-million.html}{}$ 

<sup>&</sup>lt;sup>1</sup> Manpower Group Employment Outlook Survey, Q3, 2022, available from: <a href="https://go.manpowergroup.com/hubfs/MEOS/2022\_Q3/Q3%20MEOS%20Global%20Report.pdf">https://go.manpowergroup.com/hubfs/MEOS/2022\_Q3/Q3%20MEOS%20Global%20Report.pdf</a>, p17.

<sup>&</sup>lt;sup>2</sup> UNHCR announced on 23 May 2022 https://www.unhcr.org/news/press/2022/5/628a389e4/unhcr-uk

<sup>&</sup>lt;sup>3</sup> See: <a href="https://www.bcg.com/publications/2022/global-talent-migration-the-business-opportunity">https://www.bcg.com/publications/2022/global-talent-migration-the-business-opportunity</a>

<sup>&</sup>lt;sup>4</sup> Talent Catalog snapshot of breakdown of skills: https://www.talentbeyondboundaries.org/talent-snapshot?

Afghan and Palestinian refugees as well as stateless people and a range of other displaced nationalities. The Talent Catalog is a rare datasource which captures the range of skills currently in refugee communities which are in high demand across the world and in Australia - from healthcare professionals to IT workers, skilled tradespeople and engineers. The data collected through the Talent Catalog indicates both depth and volume of talent amongst refugee and displaced populations. With the right migration settings, Australia has a unique opportunity to unlock this talent pool to strategically fill critical skill shortages immediately and plan for the future.

## The Skilled Refugee Labour Agreement pilot

Recommendation 2: Australia should enhance and extend the Skilled Refugee Labour Agreement Pilot program for another year, while the government considers the design of a more permanent Displaced Talent program.

The Skilled Refugee Labour Agreement pilot program<sup>5</sup> enables Australian employers to recruit and sponsor TBB-endorsed skilled refugees on employer-sponsored visa pathways through the labour agreement stream. The pilot built on the lessons of an earlier successful pilot program initiated in 2017 within the Special Humanitarian Program.<sup>6</sup> The pilot has allocated 200 primary visa places to displaced people who are hired and nominated for a visa by an Australian employer, in addition to their families. The pilot removes many of the documentary barriers that refugees and other forcibly displaced people often face when trying to access employer-sponsored skilled migration pathways and makes it easier for employers in Australia to hire from this often overlooked talent pool of skilled professionals and tradespeople.

Through the Skilled Refugee Pilot, Australian businesses have hired 74 displaced workers to relocate on subclass 186 (Employer nomination scheme) visas with their families to Australia so far. Since 2018 TBB has assisted 50+ employers to hire refugees from abroad and is actively recruiting for another 20+ companies, in addition to re-recruiting for several companies (demonstrating the positive experience they have had with the skilled workers they have already recruited through the pilot). The occupations into which the displaced workers have been hired are all on current occupation shortage lists or subject of an existing industry labour agreement in the current skilled migration program.

The current pilot ends on 30 June 2022 and is currently being evaluated. Early impact results show:

- 115 of the 200 pilot places have been allocated to employers with hiring commitments with several employers committing to hiring multiple candidates
- All recruits who have relocated to Australia through the pilot remain employed and are tax payers and report increased family wellbeing and safety with the average salary offered being \$68,391
- The occupations into which the displaced workers have been hired are all on current occupation shortage lists or subject of an existing industry labour agreement in the

https://www.youtube.com/watch?v=hLOv59A1BFY&t=8s

<sup>&</sup>lt;sup>5</sup> See <u>here</u> summary of the Skilled Refugee Labour Agreement pilot criteria (also included as Attachment to this submission)

<sup>&</sup>lt;sup>6</sup> See evaluation of first pilot conducted by Margaret Piper AM:

 $<sup>\</sup>frac{\text{https://www.talentbeyondboundaries.org/s/TBB-Australia-Evaluation-summary-2019-public.pdf?}}{7} \text{ See TBB video showing impact of the program here:}$ 

<sup>&</sup>lt;sup>8</sup> See Early Impact Results <u>here</u>

- standard skilled migration program, including Software Engineers, Civil and Mechanical Engineers, Chefs, Dairy Cattle Farmers, Environmental Consultants
- Participating employers come from all major sectors and from almost all Australian States and Territories (except Tasmania)
- Refugees involved in the program have reported to TBB that they are less likely to consider irregular migration routes after being informed skilled migration options

TBB proposes the current pilot is extended while the government considers the design of a more permanent program. This will avoid a loss of momentum for companies that are committed and keen to continue sponsoring workers next year.

## Case study: Aligent in Adelaide, SA

Aligent is an e-commerce business consulting firm who like other businesses in the tech sector were facing critical shortages in filling Software Engineer roles. Sarya is a Software Engineer who fled Syria with her husband and three children. They spent 7 years living as refugees in Jordan. She was hired by Aligent and now lives with her family in Adelaide, SA, where she is loving contributing her tech skills and being part of a multicultural team. Now her family is safe and financially secure due to Sarya's work. Aligent is continuing to hire through TBB having already hired 4 candidates.



"We were blown away by the quality of the candidate. Sarya's contribution directly benefits Australian businesses including those achieving success in export markets."

Jonathan Day, Managing Director and Founder, Aligent

"I left my country with a broken heart. Life in Jordan was hard; we couldn't work legally and we had no rights. Now I'm in Australia with my family. This is like a bright hope in the dark and, in simple words - we can start dreaming again. I wish that all refugees can have this opportunity to get their dream job and move to a new better life." - Sarya

## The case for a Displaced Talent program

Recommendation 3: Australia should transition from the Skilled Refugee Labour Agreement Pilot to an employer-led permanent Displaced Talent program by 2024 to increase the attraction of talented and skilled refugees and other forcibly displaced people at scale.

TBB proposes a new mode of migration which empowers employers to recruit skilled and talented people who happen to be displaced and living under constraints. The results of the Skilled Refugee Pilot so far prove that there is a depth of talent in displaced populations globally and Australian businesses are ready and willing to recruit from this talent source if the right migration settings are in place. However, the Skilled Refugee Pilot is not a permanent solution. It rests on a labour agreement which retrofits skilled visas to try to accommodate some of the barriers facing refugees, but cannot address all barriers. The current bifurcation of the skilled migration program from the humanitarian program means that neither on their own are fit for purpose to include displaced talent - and trying to navigate both programs has required high touch case handling which does not scale.

The Skilled Refugee pilot has provided valuable lessons as to the opportunities and challenges facing both displaced workers and the sponsor. These lessons could be applied in establishing a permanent employer-led Displaced Talent visa program within the skilled migration category. In order to scale this solution to its full potential, displaced workers need certainty of an established Displaced talent programme that addresses the barriers they face in accessing skilled pathways. Similarly, employers need the certainty of an established visa program to confidently rely on displaced workers as a talent source workforce planning. A permanent Displaced Talent program could:

- be a permanent program within the skilled migration category given its primary purpose is to fill critical skills gaps
- include flexible policy settings for those eligible to access the program so that emerging talent sources can be accommodated in the future (e.g. those displaced by climate change)
- include flexible documentary requirements to address the typical barriers displaced people face in accessing skilled pathways
- Include criteria that is more aligned to the humanitarian program (e.g. member of family unit, health criteria) ensuring displaced persons are not subject to more stringent than their humanitarian migrant counterparts criteria when migrating on the basis of their skills
- Include a fee structure that is more affordable for displaced workers and employers alike, including concessions for regional businesses
- ensure access to a government-funded settlement model which can be a lighter touch version of the Humanitarian Support Program to ensure equity of access to support for migrants regardless of their visa status

The establishment of a permanent employer-led Displaced Talent Visa scheme needs to be accompanied by proactive and widespread promotion by the Australian government both internationally and domestically. Since the Skilled Refugee Pilot was established in July 2021, business and displaced workers alike were often unaware of the pathway. TBB and other partner organisations engaged in active outreach to inform businesses and displaced workers but were often questioned as to the validity of the pathway given the limited public information about the pilot. TBB recommends that a strategic marketing and communications plan should be implemented which would turbo charge the take up of a permanent pathway.

### Conclusion

Refugees and other displaced workers can be a major asset to Australia. Turning to diverse talent sources such as refugees and other displaced workers is an example of an innovative talent attraction strategy which is an imperative in a time of a global skills crisis. In summary our recommendations to the migration review committee are that:

- Australia should put in place skilled migration settings that are inclusive and designed to attract diverse talent from around the world, including from within refugee and displaced communities.
- 2. Australia should enhance and extend the Skilled Refugee Labour Agreement Pilot program for another year, while the government considers the design of a more permanent Displaced Talent program.
- 3. Australia should transition from the Skilled Refugee Labour Agreement Pilot to an employer-led permanent Displaced Talent program to increase the attraction of talented and skilled refugees and other forcibly displaced people at scale.