Enhancing the employability of international graduates in Australia
Overview

• Employment outcomes of international graduates derived from 3 most recent reports
  LSIA3, GCA, IDP International Graduates

• Impact of changes in migration and student visa policy on career aspirations – i.e. student choice of discipline and level of study using India and China case studies

• Key findings and recommendations to enhance graduate outcomes

GCA Report: Universities & Beyond 2007

• Demographics
  4036 international students out of 31,913 university students
  44.3% p.g and 55.3% u.g
  China – 16.2%  India – 10.6%
  Disciplines – Business, Science, Engineering, Health, Arts

• Residency Status
  6.8% had PR
  65% had plans to apply for PR

• Insights based on expectations and perceptions of university students including international students
Motivations for study
Course seen as improving employment prospects
Likely to continue further study to develop specialised skills & knowledge

Factors relating to employment
“Successful Career is the most important goal of my life” - 68.7%
“Opportunities for advancement are important to me” – 92.1%
“Willing to work additional unpaid hours to progress my career” – 68.2%

Salary is the primary driver of employment decision making process but ongoing training and development is more important.

But confidence in finding a job (any job, relevant job, preferred job) at end of study is lower than domestic counterparts

International students constitute 25% of graduate intake of Australian employers.

Employment levels of international students who returned home higher than those who remained in Australia.

In 2007, 67% of all international graduates were in full time employment yet for those who were employed outside of Australia the figure was 77%
The Australian International Education Conference 2008
www.aiec.idp.com

DIAC: Longitudinal Survey of Immigrants to Australia

- Primary Applicants including those granted visa onshore between December 2004 and March 2005
- Wave 1 – August 2005 – 9800 records  Wave 2 – August 2006 -5183 records
- Onshore component – 30% of total – Skill and Family Stream

- 95% of Former Overseas Students had Bachelor or higher degree. Perhaps completed course in Dec 2003.
- Undergraduates – may have commenced in Feb 2000 or 2001
- Postgraduates – may have commenced in Feb/ June 2002 or Feb 2003
- Disciplines – Accounting 24% , IT 30% (including all related professions)

- From April 2004, international students lodging PR onshore required 2 year study. From July 2001 to March 2004, even one year was acceptable.

Despite being younger with limited or no work experience, the unemployment levels of former overseas student onshore, are lower than those who from many of the offshore skilled migration categories.
However, many overseas students found it challenging to secure employment in their relevant field of study.

After 6 months, only 57% of former overseas students were working in preferred occupation compared to 75% of offshore independent category. Improves to 75% and 85% respectively after 18 months.

DIAC: Longitudinal Survey of Immigrants to Australia

Main problem in finding job

Former Overseas Student: insufficient experience
31% unemployed within the first 6 months
18% unemployed within the next 12 months

Offshore Independent: insufficient local experience
53% unemployed within first 6 months
18% unemployed within the next 12 months

Other Visa Categories: English Language difficulties
Mean IELTS Score
Former Overseas Student: 6.7  Offshore Independent: 6.6  Others: 6.4

Employability, Earnings, Likelihood of working in preferred job – directly proportional to the IELTS score of the candidate

Median Gross Annual Salary: $35,000 – 40,000 (FOS)  $48,000 - 55,000 (OI)

Objective: To quantify the actual outcomes for a group of international graduates from select Australian Universities (ATN network)

1940 valid responses – including India 101 & China 65 – small sample size

71.3% of Indians studied in Australia for less than 2 years and mostly Masters degrees by coursework.
63.1% of Chinese studied for more than 3 years and mostly Bachelor degrees and ELICOS packaged with the degree.

Most Indians had studied in Business, IT, Engineering courses whereas Chinese studied Accounting and Business courses.

Consequently, 48.5% of Indians were older (27-30 years) than the majority of Chinese (40%) who were less than 26 years old.

44.6% Indians and 60% Chinese are more likely to have Permanent Residency Status
21% Indians and 31% Chinese wanted to return home after graduation while the others mainly wanted to live and/or work in Australia.

Most Indians 74.3% (39.6% immediately) and Chinese 75.4% (30.8% immediately) got their first full time position within 6 months of graduation.

But 48.5% of Indians and 53.8% of Chinese had jobs relevant to their qualifications.

48.5% Indians reported that they currently work in a multinational company while 60% of graduates from China stated that their employer was ‘local in Australia’.

Very High Earning Potential was a key influencing factor when choosing a career.

While 12.8% Indians said that their degree was not recognised by their employer, only 4.6% Chinese faced this issue.

More than half the Indians and Chinese had their first job in Australia with only 35% Indians and 43% Chinese who gained their first job in their home country. Third country destinations included US, UK, Singapore, Malaysia, Hong Kong, China.
GSM policy influence on student’s career choice?

Higher Education Commencements - China

May 2001 - 26 ICT occupations listed on MODL, work experience waiver for recent Australian graduates. July 2003 – 10 points extra for Master degree

Aug 2004 - Accountants reinstated on MODL, limited number of ICT specialisations which required 12 months relevant work experience

July 2005 - Pass mark for GSM raised to 120

Sep 2007 - MODL points only if one year relevant work experience

Oct 2003 - post qualification work experience for Chef, Hairdresser not included on MODL list

Dec 2003 - student visa changes favourable to VET sector announced

Sep 2007 - increase in IELTS threshold, bonus point for IELTS 7.0

May 2008 - 49 Trade Occupations listed on MODL

www.idp.com
Approx. 61% of students commencing cookery courses in 2005-06 got PR in 2007-08. Of this about 53% commenced study on a subclass 572 visa.

Main source countries: India, China, Bangladesh, Thailand, Korea.

Accountants, Cooks alone constitute about 52% of total onshore migrants who were former overseas students.

Onshore GSM constitutes about half the total GSM program.

6.8% growth in offshore independent category

17.5% decline in onshore student category
Current trend: GSM applicants offshore, onshore

GSM applicants from top two source markets both in decline.
India dips by 6.8% and China by 22.8%

Current Trend: 485 visa applicants onshore

Of the 12,184 Graduate Skilled Visas Applicants (Sep 07-June 08), 50% were Chinese and Indian Students.
Top occupations nominated were Accountants (2849) Cooks, Pastry Cooks and Chefs (2421) and Computing Professionals (1261) – 46% of all applicants. But more diversification into 50 point occupations on SOL.
**Key Findings**

- A successful career is the most important graduate outcome for international students.
- Changes to General Skilled Migration and Student Visa Policy does influence ‘career’ choice of some students.
- But Migrant Status is critical to employability – “No PR No Job”.
- So migrant graduates are not as successful in finding related jobs in Australia, despite skills shortage.
- International students returning to home country or work in a third country seem more successful in finding suitable jobs compared to those who decide to stay and live in Australia.
- Many students postpone job hunt and continue further studies to improve their likelihood of finding their dream job.
- Though skilled immigration seems to deliver migration program outcomes to some extent, their employability in their nominated occupations needs to improve.

**Recommendations to enhance employability of graduates**

**Government**

- Integrated policy planning, strategy development, stakeholder communication – DEEWR, DIAC, DFAT, State and Territory Governments.
- Active, extended Employer Outreach program clarifying various work visas (457, 485, 880, Bridge A etc) options for international graduate recruitment, employer sponsorship and obligations.
- Fast track all work visa processing through specialised centre dedicated to international graduates.
- Policy facilitating change of status from subclass 880 to subclass 176 if international graduate finds job in home or third country after applying for GSM onshore.
- Promote Business Skills visas through Chambers of Commerce and Industry to encourage international graduates and their families to invest in and have trade links with Australia.
- Lead by example - accept placements of International Graduates in Graduate and Professional Year Programs in public sector enterprises.
Recommendations to enhance employability of graduates

Industry & Professional Bodies

- Predictive data to educate students about Australian labour market trends - job watch newsletters, fact sheets for various occupations
- Certification of “conversion” double and dual degree programs only if it meets requirements of industry, employers
- Reciprocal recognition of professional qualifications in other countries to enhance portability of Australian awards and global mobility of graduates
- Guidelines for employers offering paid or unpaid internships, cadetships, real projects, vacation work in Australia
- Insurance and work cover schemes for international students engaging in any form of work in Australia or offshore
- Website to host international graduate CVs for access by employers
- Promote student memberships in professional bodies, upgrade to professional status upon graduation
- Networking opportunities for international graduates to access potential employers

Employers

- International Graduates need a fair go! Tap into their energy, enthusiasm, talent to grow your business in Australia and internationally
- Work closely with Education Institutions through curriculum development, live projects and industry certifications to ensure graduates are job ready
- Develop Work Integrated Learning, Professional Year, Co-operative Year type of programs in conjunction with education institutions to fulfill existing skills shortages and set up employee feeders in niche/ emerging areas
- Ensure work placements meet skills assessment requirements of authorised professional bodies as well
- MNC can introduce leadership programs to directly attract top notch graduates for locations in Australia and overseas.
- SMEs can work through NAGCAS, AAGE to promote themselves to the international student community and attract the right talent – quicker and cheaper than overseas recruitment.

www.idp.com
### Recommendations to enhance employability of graduates

**Education Providers**
- Review entry criteria to attract students with the potential to succeed – esp. English Language competency, Work Experience.
- Introduce Career Coaching at the beginning of the course with a focus on the professional registration, licensing requirements.
- Organise International student career fairs on campus for students to understand what employers are looking for.
- Facilitate relevant or closely related part-time jobs on or off campus that can provide employable skills.
- Enhance communication skills through additional language skills support, capstone modules, peer monitoring, exit language testing.
- Create multicultural study environments, facilitate integration with local communities.
- Through ongoing Job Preparedness Programs assist students develop and demonstrate their job readiness, workplace aptitude and skills.
- Facilitate job matching and placement through employer and alumni groups.

### Recommendations to enhance employability of graduates

**Education Agents**
- Resources such as [www.immi.gov.au/asri](http://www.immi.gov.au/asri), [www.myfuture.gov.au](http://www.myfuture.gov.au) are good tools to provide the right information to prospective students.
- Career counselling is essential in helping students make the right choice based on their background, interests, career goals and not purely migration outcomes.
- Graduate Outcomes booklets (published by GCA, APESMA, Education Institutions) can be well utilised as indicators of expected return on investment.
- Ensure all staff providing advice to students are well trained, monitored and are compliant with National Code – not providing false and misleading information on migration and employment outcomes of a course.
Recommendations to enhance employability of graduates

International Students

• Make well informed career choices – don’t choose a course purely for migration outcomes in Australia. The world is your oyster!
• Utilise study period to improve communication and other soft skills. Remember you are in an English speaking study environment. Make the best use of it.
• Avoid ‘hanging out’ with fellow countrymen all the time! Network with locals and other nationals. Sports, Music, Dance clubs are great avenues.
• Develop your emotional intelligence. EQ is as important as IQ to be successful in the job market.
• Get serious about your career - Start your job hunt early and not when you graduate.
• Take the IELTS test in your final semester of study and not after you get your final results. Remember its valid for 2 years and can be used anywhere in the world!

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