

Committee Secretary
Senate Education, Employment and Workplace Relations
References Committee
PO Box 6021
Parliament House
CANBERRA ACT 2601
Australia

Sent via email: eewr.sen@aph.gov.au

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Dear Sir/Madam,

SUBMISSION FROM EDUCATIONAL TESTING SERVICE

Thank you for the opportunity to make a submission to the Senate Education, Employment and Workplace Relations References Committee Inquiry into the shortage of engineering and related employment skills.

The most recent data suggests that 51.6 per cent of the engineering workforce in Australia is born overseas.¹ This indicates that the acute shortage of engineers must be addressed at least in the short term through targeted skilled migration programs.

As the largest global non-profit educational assessment and research organisation, ETS is well placed to share insights into skilled migration policy settings for the engineering profession. This submission will restrict its scope to the inquiry's terms of reference concerning "options to address the skill shortage for engineers and related trades, and the effectiveness and efficiency of relevant policies" and specifically the current skilled migration regulations which lists engineers in the Department of Immigration and Citizenship's [Skilled Occupation List](#).

¹ Prof Leslyanne Hawthorne, [Competing for Skills: Migration policies and trends in New Zealand and Australia](#), 2011; p12

ETS's Test of English as a Foreign Language™ (The TOEFL test) is the most widely accepted English-language test in the world, recognised by more than 8,000 colleges, universities and government agencies in more than 130 countries. The TOEFL test offers the following key features:

- **Long history in meeting the needs of health professions**—TOEFL test results are recognised by US professional bodies for doctors, nurses, pharmacists, veterinarians, occupational therapists and physical therapists to ensure practitioners have the necessary proficiency to communicate effectively with patients, families and colleagues;
- **Most widely available** - The TOEFL test is administered at more than 4500 test sites around the world, making it the most prevalent test available;
- **Highest stands of psychometric quality** - The TOEFL test is a highly reliable measure of English-language proficiency and is built to the highest standards of measurement;
- **Test integrity** -Score integrity is of the highest concern to ETS and security is an integral part of the TOEFL test from test development through to the reporting of results;
- **Unparalleled research** - The TOEFL test is based on more than 40 years of world-class, rigorous, scholarly research conducted by both ETS staff and renowned external researchers; and
- **Unmatched standards of scoring** - The TOEFL test has the most objective and reliable scoring methods that combine both human and automated scoring, leading to results of the highest quality.
- **Consistent results** —a research study published in 2008 found that for those who repeat the TOEFL iBT test only small mean score changes were observed between performance on the two tests. The complete report can be found at http://www.ets.org/research/policy_research_reports/rm-08-05

ETS encourages the Committee to consider and investigate how current restrictions on English proficiency testing arrangements for skilled migration purposes are contributing to the shortage of engineering and related employment skills. We would like the opportunity to provide further evidence that demonstrates the case that the introduction of alternative English proficiency testing provides greater competition which is good for employers, the government and visa applicants. To this end we would also welcome any recommendation in the Committee's findings to recognise other tests for the

purposes of extending not only Australia's skilled migration program's global reach, but the depth of reach in regions that represent strong skill stream source countries.

Our key contact in Australia is

if you or your team have any questions regarding the statements made in our submission or for further information.

We wish you well with the Inquiry and look forward to the release of the report.

Yours sincerely,

Eileen Tyson

Executive Director

Global Client Relations

Educational Testing Service

TOEFL Test and Australian English Proficiency Migration Settings

About the TOEFL test

ETS is the largest non-profit educational assessment and research organisation globally. ETS provides quality and equity in education for people worldwide by creating English based assessments that are developed from rigorous research. Founded in 1947, ETS develops, administers and scores more than 50 million tests annually in more than 180 countries and at more than 9,000 locations worldwide.

The Test of English as a Foreign Language™ (the TOEFL test) is the most widely recognised English language test, being accepted by more than 8000 institutions, professional bodies and government agencies in 130 countries, including nearly every college and university in Australia.

The TOEFL test was developed in cooperation with many of the world's leading experts in language testing, including Australian academics. More than 150 research reports and over 40 years of ongoing research support the design and validity of the TOEFL test. The test produces consistent results upon retesting as seen in the research report *Repeater Analyses for TOEFL iBT®*. The full report can be found at http://www.ets.org/research/policy_research_reports/rm-08-05

ETS has various procedures in place to prevent testing and scoring fraud. These can be seen from the test design right through to the score reporting process. ETS Office of Testing Integrity also constantly monitors testing, investigates security issues and strives to ensure score validity worldwide, maintaining its long-standing commitment to reliable and secure test scores.

English proficiency testing for migration to Australia

Under Australian Migration Regulations 1994, applicants seeking to attain a range of student and skilled migration visas are required to take English language proficiency tests. Currently, all skilled migrants have only one test available to them to demonstrate their English language proficiency as part of the

visa application process to study or work in Australia. This is the International English Language Testing System or IELTS test.

It is important to note that as of 5 November 2011, the Government accepted TOEFL as an alternative English proficiency test for student visa purposes. Students from key markets are now allowed to use the TOEFL test to demonstrate their English language proficiency as part of the visa application process to study in Australia. We believe this will advance Australia's reputation as a leading provider of education and training in an increasingly competitive and challenging marketplace.

ETS welcomes the TOEFL test's inclusion for student visa purposes. We see this positive outcome as the culmination of a strong and sustained working relationship between ETS, the Australian Government and the Department. In 2009, DIAC initiated a process seeking to expand the number of English language tests that are accepted as evidence of English language proficiency. DIAC sought submissions from interested test owners on their ability to provide English Language testing for Australian student and skilled migration applications. These submissions were evaluated by the Department against 24 certain benchmarks and criteria. It also shows that the Australian Government has full confidence in the security and rigour of the TOEFL test.

ETS has worked closely with DIAC to finalise administrative arrangements for the TOEFL test to be used for student visa processing for Australia from designated 'high risk' countries. We are very confident that this process has been successful and appreciate DIAC Student Visa Section's consultative approach to ensuring that the transition functions effectively. ETS also believes that effective equivalency scores between TOEFL, IELTS and other English Proficiency tests has been established to ensure DIAC will be able to rely on an effective comparative base to use multiple tests.

The decision by the Government to introduce alternatives to the IELTS test, for student visa application purposes, will introduce competition strengthening the quality and diversity of applicants seeking to study in Australia. The strength of ETS and the rigour and reach of the TOEFL test into key markets

around the world is an opportunity that will be realised in Australia due to the changed visa requirements for English language proficiency.

Through its wide reach around the world, Australia can now benefit from the marketing opportunities ETS offers to promote Australia as a destination for international students. Anecdotal evidence suggests that high quality students utilising the TOEFL test, due to its accessibility and lower cost, will apply to study in the United States and other countries where TOEFL scores are accepted rather than take another test to enter Australia.

It should be noted that the student visa arrangements are currently undergoing further reform as the Government continues to implement recommendations by the Knight Review. A significant reform from the Review will be that the English proficiency ability of all applicants' applying to enter a university will be determined by the higher education provider, not DIAC. Therefore students will continue to need to demonstrate their English proficiency prior to entering formal courses and as such the TOEFL test will remain a part of Australia's student visa program.

Engineers' English Proficiency Requirements for Skilled Migration Visa Applications

In 2011 report "Competing for Skills: Migration policies and trends in New Zealand and Australia" commissioned by the Department of Immigration and Citizenship and the New Zealand Department of Labour shows that 51.6 per cent of the engineering workforce in Australia are those born overseas.² Further, engineering is one of the top five professions for qualified skilled migrants and accounts for 9 per cent, after accounting (32 per cent), computing (23 per cent) and architecture/building (9 per cent). It also accounts for 14 per cent of the trade's arrival.³ This indicates that Australia is addressing its engineering skilled shortage through targeted skilled migration programs.

² Prof Lesleyanne Hawthorne, [Competing for Skills: Migration policies and trends in New Zealand and Australia](#), 2011; p12

³ Prof Lesleyanne Hawthorne, [Competing for Skills: Migration policies and trends in New Zealand and Australia](#), 2011; p xv

We also believe that the recent changes to competition in English proficiency testing for student visa application purposes will bring about a positive impact on the pool of skilled migration applicants with engineering qualifications. According to the “Competing for Skills: Migration Policies and Trends in New Zealand and Australia”, engineering was the fourth highest degree enrolment among international students in Australia⁴:

Table 1: Top fields and sectors of enrolment for international students in Australia – 2002 and 2008

Table 6: Top fields and sectors of enrolment for international students in Australia, 2002 and 2008		
Top five degree enrolments by field	2002	2008
Business/commerce	29,068	48,922
Accounting	4,187	20,210
Information technology	19,061	13,528
Engineering	6,991	11,052
Teaching	2,948	5,796
Top five diploma/advanced certificate 111 & 1V by field⁴⁴	2002	2008
Business/commerce	14,316	62,351
Food/hospitality	12,64	11,551
Hairdressing	272	6,514
Information technology	11,013	5,006
Accounting	988	4,455

Source: Derived from Australian Education International enrolment data (August 2008), prepared by G Hawthorne and L Hawthorne as part of the statistical analysis for S Arkoudis, L Hawthorne, C Baik, G Hawthorne, K O’Loughlin, E Bexley, and D Leach (2009) *The Impact of English Language Proficiency and Workplace Readiness on the Employment Outcomes of Tertiary International Students*. Canberra: Department of Employment, Education and Workplace Relations.

This is further strengthened by the evidence that engineers have one of the highest rates of on-shore application for general skilled migration with 1513 on-shore applications compared with 343 off-shore applications during 2008-09.⁵

⁴ Prof Leslyanne Hawthorne, [Competing for Skills: Migration policies and trends in New Zealand and Australia](#), 2011; p19

⁵ Prof Leslyanne Hawthorne, [Competing for Skills: Migration policies and trends in New Zealand and Australia](#), 2011; p20

Professional accreditation bodies in Australia including Engineers Australia do not recognise the TOEFL test mainly because of DIAC's acceptance of the IELTS test as the only English proficiency assessment for skilled migration purposes. By contrast, the UK Border Agency and Citizenship and Immigration Canada use a number of English Proficiency tests as part of their skilled migration programs.

We draw this matter to the Committee's attention to demonstrate that there are a range of policy options available for Australia to consider in its use of English proficiency testing for temporary skilled migrants while maintaining the necessary security, integrity and rigour. The point must be made that these policy settings are structured in the context of a highly competitive global market for skilled labour. Recent Federal Government reforms such as a new General Skilled Migration Points test and the introduction of a Skilled Migrant Selection Model are designed to match skilled labour supply with demand.⁶ However, Australia is competing with other countries that are seeking to attract workers with similar skills. ETS believes that providing a range of English proficiency testing options (on the basis that they meet DIAC's security requirements) would remove a potential disincentive for skilled migration applicants that the Government is targeting.

ETS contends that the inclusion of alternative English proficiency tests currently benefit Australia's international education sector through greater choice and diversity of test providers. We also argue that the introduction of competition in English testing arrangement will also represent similar benefits to Australia's skilled migration program. The strength of the TOEFL test is in providing a broader range of options to applicants which will support efforts by the Australian education and business sectors to increase and diversify their pool of potential applicants, especially in areas where TOEFL is more widely known or more widely available than IELTS. TOEFL has a strong presence in some of Australia's largest Skill Stream source countries.

⁶ <http://www.minister.immi.gov.au/media/cb/2011/cb168339.htm>: accessed 12/01/2012

Furthermore, according to DIAC’s publication “Population Flows: Immigration Aspects 09-10” outlines that in 2009–10 the Skill Stream outcome was 107,868 places, a decrease of 6,909 (6.0 per cent) on the previous year. Table 1 outlines the source countries of Australia’s General Skilled Migration (GSM) demonstrating that the Top 10 Skill Stream source countries for 2006-07 to 2009-10 remained constant with minor variations.

Table 2: Top 10 Skill Stream Source Countries for 2006-07 to 2009-10⁷

Citizenship	2006-07	2007-08	2008-09	2009-10
UNITED KINGDOM	24 800	23 155	23 178	18 487
INDIA	15 865	19 281	20 105	18 042
PEOPLE'S REPUBLIC OF CHINA	14 688	14 924	13 927	14 505
SOUTH AFRICA	4 293	6 556	10 485	9 855
PHILIPPINES	3 182	3 860	5 789	6 832
MALAYSIA	3 838	4 185	4 089	4 277
SRI LANKA	2 606	3 558	3 531	4 049
REPUBLIC OF KOREA	3 105	4 331	3 807	3 150
IRELAND	1 270	1 389	1 799	2 219
IRAN	453	647	1 711	1 640
OTHER	23 822	26 654	26 356	24 812
TOTAL	97 922	108 540	114 777	107 868

By contrast, Table 3 demonstrates the TOEFL tests largest volume countries in 2010.

⁷ Population Flows: Immigration Aspects 2009-2010 Edition: DIAC; <http://www.immi.gov.au/media/publications/statistics/popflows2009-10/pop-flows.pdf>. Accessed 12/01/2012.

Table 3 TOEFL Largest Volume Countries 2010⁸ –

CHINA, PEOPLE'S REPUBLIC OF
UNITED STATES OF AMERICA
KOREA (ROK)
JAPAN
INDIA
GERMANY
CANADA
TURKEY
TAIWAN
FRANCE
IRAN
UNITED ARAB EMIRATES
SAUDI ARABIA
COLOMBIA
BRAZIL
MEXICO
NIGERIA
THAILAND
SPAIN
HONG KONG
ITALY
INDONESIA
EGYPT
RUSSIA
VIETNAM
PHILIPPINES
JORDAN
CHILE
PAKISTAN
SWEDEN

⁸ Internal ETS data

Comparison of Tables 2 and 3 demonstrate that the TOEFL test is well placed to support the reach of the skilled migration program. India, China, Philippines and the Republic of Korea represent over 35 per cent of Australia's top 10 skill stream source countries. As demonstrated by Table 2 TOEFL maintains a strong presence in these countries that make up the total GSM program. In light of ETS's presence in these countries, we argue that the TOEFL test can benefit Australia's skilled migration program and thus the intake of engineering professionals by extending not only its global reach, but the depth of reach in regions that represent strong skill stream source countries.

Conclusion

ETS believes that DIAC's recommendation and the Minister's subsequent approval of the TOEFL test for student visa purposes is a demonstration that the government has confidence in the TOEFL test. After a period of review of the implementation of alternative English proficiency tests for student visa purposes, it is anticipated that the TOEFL test will also be recognised for the purpose of skilled migration visas. This acceptance will provide competition in English proficiency testing for student visa application purposes and will bring about a positive impact on the pool of skilled migration applicants with engineering qualifications. The test is extensively researched and constantly monitored to ensure quality. The TOEFL Program is committed to conducting standard setting studies with engineering associations to ensure test scores match their level of proficiency needs and stands ready to offer the same service for Australian associations.

ETS believes that the evidence presented in this submission demonstrates that the inclusion and operation of a number of English proficiency tests will yield a number of benefits addressing skills shortages. We accept any change of this nature will play a contributing factor in a broader solution to address this overall problem of attracting skilled migrants. However it is through our extensive experience in this area that we believe the current regulatory settings are penalising the effectiveness of Australia's skilled migration program by unnecessarily limiting its scope and breadth in attracting quality skilled migrant applications.

For this reason ETS encourages this Committee to consider and investigate how current restrictions on English proficiency testing arrangements for skilled migration purposes are contributing to the shortage of engineering and related employment skills. We believe that the introduction of alternative English proficiency testing provides greater competition which is good for employers, the government and visa applicants. To this end we would encourage the Committee to consider recommending the inclusion and use of other tests for the purposes of extending not only Australia's skilled migration program's global reach, but the depth of reach in regions that represent strong skill stream source countries.