

11. Qualifications

Migrants in Cohort 2 have remarkably high levels of post-school educational qualifications, even higher than the already well-educated migrants in Cohort 1. Here we examine the level of qualifications, by visa and other categories. We also report on the extent to which migrants actually use these qualifications in their job. We compare the extent to which they use their qualifications before and after arrival in Australia, and compare Cohorts 1 and 2. We do not present information for the Humanitarian group, since very few had qualifications or indeed were employed.

11.1 Levels of Qualifications

11.1.1 Total Migrating Group

The remarkably high levels of formal education possessed by Cohort 2 are immediately apparent from Table 11.1. There, the levels of qualifications of the Primary Applicants and the spouses who migrated with them are presented for each cohort, and are compared with the qualifications of the Australian population. Cohort 2 has high levels of formal education and a remarkably small proportion who had less than 12 years of formal schooling. Cohort 1 was already highly educated compared with the Australian population, but Cohort 2 is much more so. It does appear that Australia has recently been very successful on the positive side of the international brain drain (or circulation) ledger. Note that the migrants in question are only those who have obtained their visa offshore; they do not include people who have studied in Australia and then subsequently have been granted permission to stay.

Only four per cent of Australians had a higher degree or post-graduate qualification. In contrast, three times as many Cohort 1 migrants had this level of qualification, as did fully 19 per cent of Cohort 2 migrants. Thus, on a pro rata basis, for every one Australian with a higher degree, there were almost five migrants who were similarly qualified in Cohort 2. To reinforce the highly educated character of Cohort 2 migrants, their probability of having a bachelor's degree was twice that of the Australian population.

Table 11.1 Qualifications of Primary Applicants and Migrating Unit Spouses, Cohorts 1 and 2 (per cent)

Level of highest qualification	Cohort 1	Cohort 2	Australia: 2000 ¹
Higher degree, post-graduate diploma	12	19	4
Bachelor degree	20	24	12
Diploma, certificate, trade	27	27	28
Year 12	17	16	19
Less than Year 12	23	14	32

Notes: (1) The data for Australia refer to people aged 15-64: 5 per cent are still at school. They are for the year 2000. Source: ABS, 2000, Transition from Education to Work, catalogue number 6227.0

Looked at from the opposite end of the educational ladder, migrants in both cohorts had fewer people with low levels of education. For Cohort 2, only 14 per cent of migrants had less than Year 12 whereas for the Australian population one-third did not complete high school. Note that this one-third does not include the many (mainly boys) who successfully did an apprenticeship without going on to Year 12. This group is included in the 28 per cent who had a diploma, certificate or trade.

In summary, Cohort 1 migrants have substantially more formal education than does the Australian population. Cohort 2 in turn has substantially higher levels of formal education than does Cohort 1. Of particular importance to their prospects of employment is the fact that very few Cohort 2 migrants have low levels of education.

So who were these highly educated migrants? In the next four sections we look briefly at their visa category, age, sex and Primary Applicant/spouse status.

11.1.2 Qualifications and Visa Category

As Table 11.2 shows, by Cohort 2 the most highly educated group was clearly the Independent migrants. A remarkable two-thirds of this group were educated to the level of Bachelor degree or higher, with about half of graduates having post-graduate qualifications. Only ten per cent of Independent migrants had no post-school qualification. This extremely high level of qualifications is even more remarkable when we note that the base is not just the Primary Applicants, but also the migrating unit spouses. These spouses, of course, do not need to meet the same visa requirements as do the Primary Applicants.

The next most highly educated group was the Concessional family/ skilled-Australian-linked migrants. While they did not have quite such a high proportion with post-graduate qualifications as did the Business skills/ENS group, they had substantially more who had post-school qualifications. It should be noted that even the Humanitarian migrants were reasonably well educated: two-thirds had completed Year 12 schooling or higher. Indeed, Humanitarian migrants have levels of formal education that are not much below that of the Australian population. The higher levels of qualifications for Cohort 2 are large enough to be statistically significant at the 99 per cent level.

In each of the visa categories other than Business skills/ENS and Humanitarian, the level of qualifications of Cohort 2 migrants exceeds that of Cohort 1 migrants. Cohort 2 Business skills/ENS migrants had a relatively high proportion (25%) who had 12 years of schooling but no post-school qualifications.

11.1.3 Qualifications and Gender (Primary Applicant and Spouse)

We might expect systematic difference between men and women and between Primary Applicants and migrating unit spouses, in their levels of qualifications. Specifically, men traditionally have received more education than women, especially in some of the countries, such as Africa and the Middle East, from where today's migrants are coming. We expect Primary Applicants to have more education than migrating unit spouses, because for some visa categories education of the Primary Applicant is a selection criterion. It is not, however, for their spouses. It is an interesting question whether, by selecting well-educated Primary Applicants, Australia also benefits from their well-educated spouses. Table 11.3 enables us to see to what extent these expectations are correct.

Table 11.2 Highest Qualifications of Primary Applicants and Spouses, Cohorts 1 and 2, by Visa Category (per cent)

	Cohort	Concessional family/skilled Australian-linked	Independent	Preferential family/family stream	Business skills/employer nomination scheme	Humanitarian	Total
Higher degree, post-grad dip	1	15	27	6	29	5	12
	2	20	36	9	21	4	19
Bachelor degree	1	28	30	17	20	15	20
	2	31	30	21	24	8	24
Diploma, certificate, trade	1	38	32	26	21	22	27
	2	39	24	27	23	29	28
Year 12	1	11	7	20	18	24	17
	2	5	9	21	25	24	16
Less than Year 12/Other	1	9	5	31	12	35	23
	2	6	1	22	7	35	14
Significance ¹		***	***	***	**	**	***

Notes: (1) Pearson Chi-Square test: * = probability < 0.05, ** = probability < 0.01, *** = probability < 0.001, n.v. = test not valid, n.s. = not significant

(2) Number of observations very small (used n < 5 in weighted table)

(3) Total number: Cohort 1: 6961, Cohort 2: 4181

Table 11.3 Highest Qualifications of Primary Applicants and Spouses, Cohorts 1 and 2, by Sex (per cent)

	Cohort	Male PA	Female PA	Male MU	Female MU	Total
Higher degree, post-grad dip	1	15	8	20	11	12
	2	23	6	27	12	19
Bachelor degree	1	21	21	26	16	20
	2	23	25	22	26	24
Diploma, certificate, trade	1	34	23	22	23	27
	2	30	24	35	26	28
Year 12	1	13	20	16	22	17
	2	13	18	9	22	16
Less than Year 12/Other	1	17	29	16	28	23
	2	11	18	6	14	14
Significance ¹		***	***	***	***	***

Notes: (1) Pearson Chi-Square test: * = probability < 0.05, ** = probability < 0.01, *** = probability < 0.001, n.v. = test not valid, n.s. = not significant

Table 11.3 does show a tendency for men to have higher qualifications than women, although it is not very pronounced. Among Cohort 1 migrants, there were far fewer men with less than Year 12 schooling than there were women. By Cohort 2, however, this difference was less pronounced. Men are also more likely to have post-graduate qualifications than women, but are not more likely to hold a bachelor's degree.

Among the men, it is surprising to find that the migrating unit spouses are more likely to be graduates, and to hold post-graduate qualifications, than are the Primary Applicants. This does strongly suggest that by admitting well-educated (female) Primary Applicants, Australia receives a bonus in the form of a well-educated spouse (husband). This is suggested, but not conclusively demonstrated by the data in Table 11.3. We can only presume, without further investigation, that the well-educated male spouses come with well educated wives. Overall, the male spouses have the highest levels of education of any of the groups displayed in the table.

Amongst the women, the spouses are as well educated as the Primary Applicants—indeed are more likely to hold post-graduate qualifications.

11.2 Use of Qualifications

Formal education can have many benefits. One of them is that levels of education are systematically and positively related to the probability of having a job and to the wage level. Furthermore, unemployment is disproportionately concentrated among people with relatively low levels of education. There are good reasons in theory to explain this observed connection between levels of education and labour force outcomes. Formal education increases peoples' general capacities to be productive workers (for example, their capacity to learn new things, and to communicate and be focused). Some forms also provide specific skills and knowledge that are pertinent only to particular occupations (such as architecture or welding). There is a well-known issue for migrants that many find that the best jobs they are able to get do not take advantage of their qualifications. This may be because the qualifications are not recognised in Australia, or because use of the qualifications requires fluency in the local language, or because of prejudice amongst employers towards migrants. Clearly, the high level of qualifications that migrants bring with them will be of greatest benefit if migrants are able to obtain jobs that are appropriate to their level of skills, and make use of those skills.

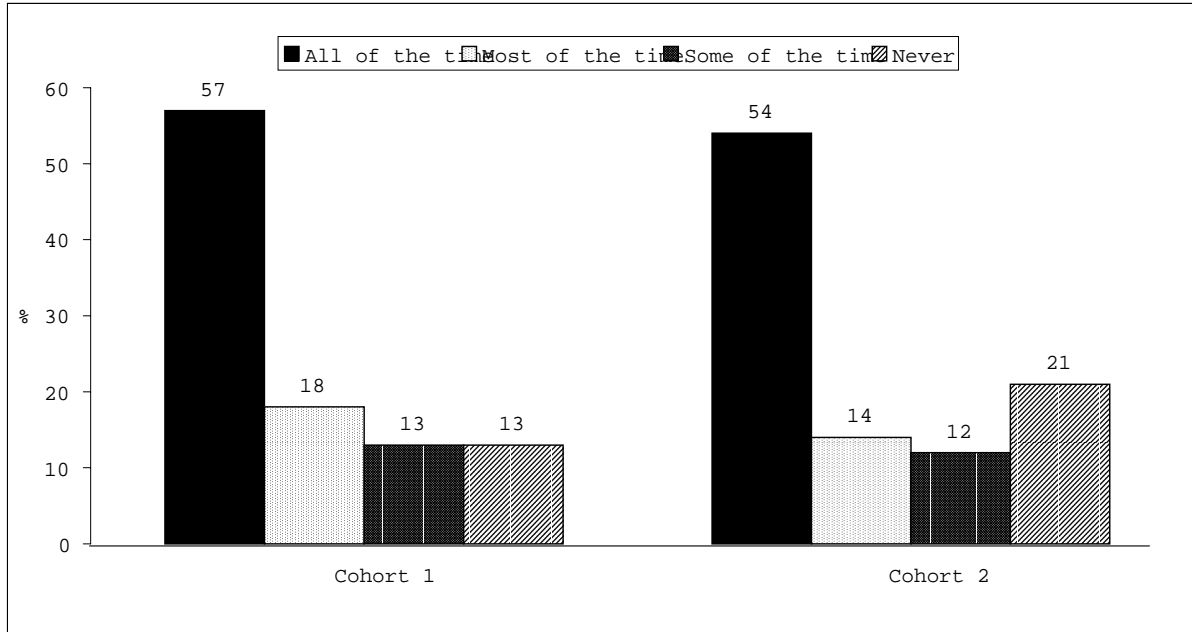
Figure 11.1 shows people's assessments of the extent to which they use their qualifications in their job. Only people who had both a post-school qualification and a job at the time of interview (or had one prior to migration) are included. The figure reports responses for each cohort before immigration, and disaggregates responses into visa categories for responses post-immigration.

The use of qualifications prior to migration was quite high—over half saying that they used their qualifications all the time. It is interesting to note that, in aggregate, slightly fewer of (the more highly qualified) Cohort 2 made use of their qualifications than did Cohort 1.

The use of qualifications varied quite substantially between the different visa categories. Business skills/ENS and Independent migrants were the ones most likely to make extensive use of their qualifications. Forty-two per cent of Independent and 58 per cent of Business skills/ENS in Cohort 1 said they used their qualifications all the time, while 24 per cent and 14 per cent respectively said they used them rarely or not at all. By Cohort 2, the use of

Figure 11.1 Use of Qualifications in Employment Before and After Migration, Cohorts 1 and 2, by Visa Category (per cent)

(a) Pre-immigration



(b) Post-immigration

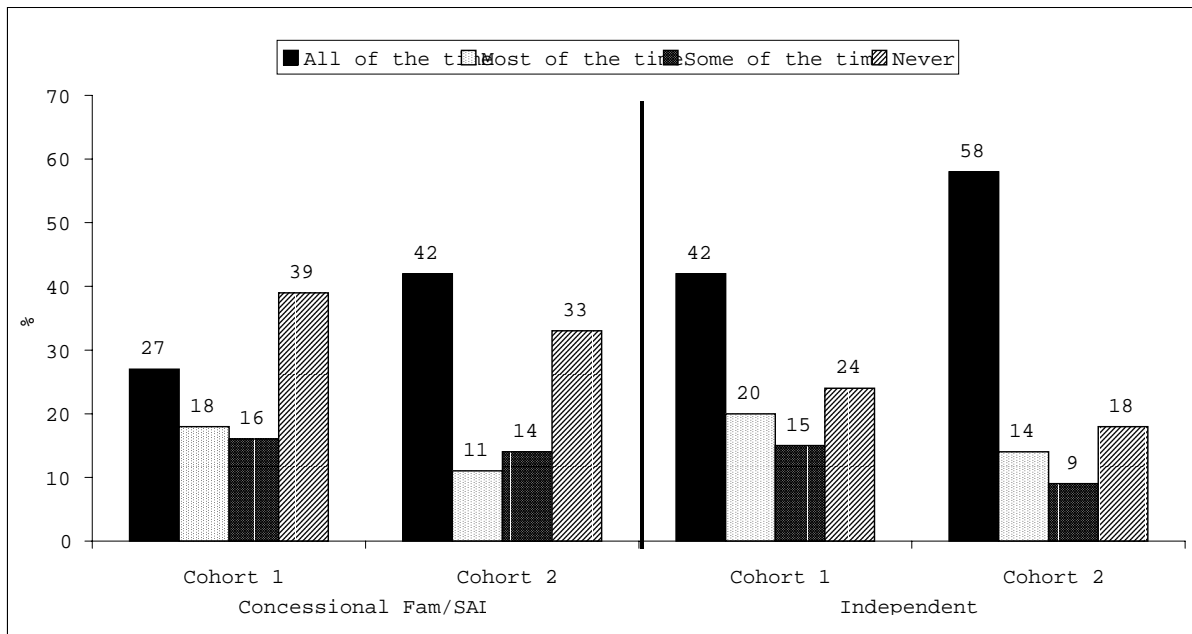
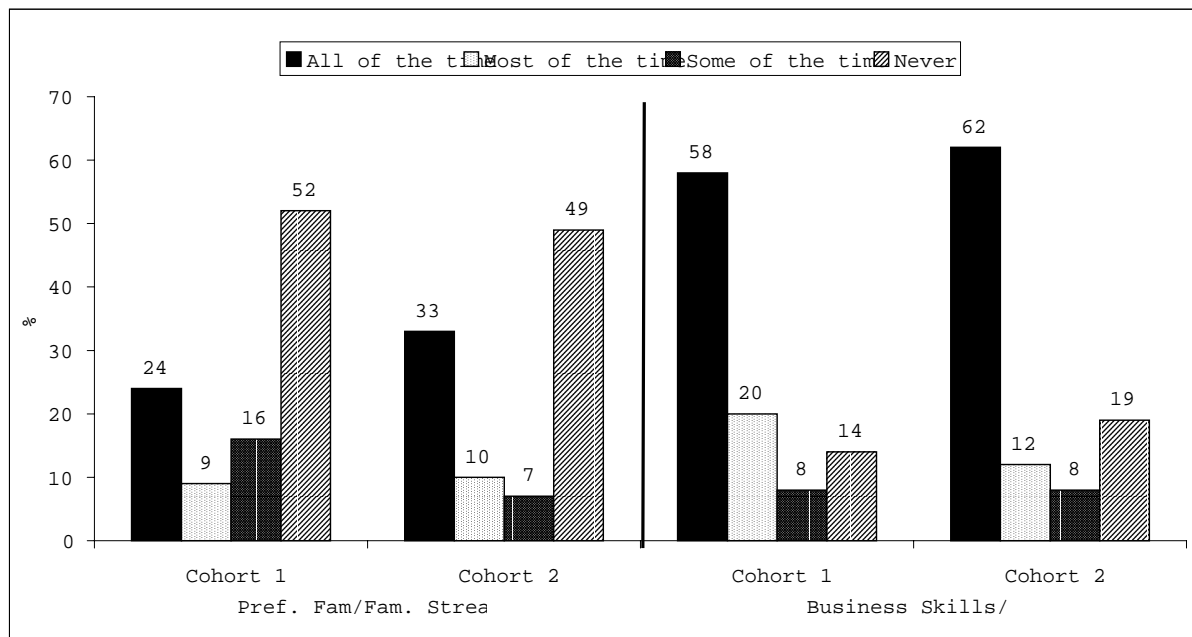


Figure 11.1 (b) cont:



qualifications of these two visa groups was almost the same, and higher, at around 60 per cent.

Preferential family/family stream migrants were the ones least likely to use their qualifications, with about half saying that they rarely or never used them—in both cohorts. However, Cohort 2 was more likely to use them very often. There was a sizeable increase between the cohorts in the proportion of the Concessional family/skilled Australian-linked group who made extensive use of their qualifications.

It is interesting that overall, Cohort 2 migrants were *less* likely than Cohort 1 migrants to have made extensive use of their qualifications prior to migration. Despite this, when looked at by visa group, Cohort 2 migrants made more extensive use of their qualifications on arrival in Australia than did Cohort 1 migrants.

The important conclusion to be drawn from Figure 11.1 is that Australia, and the migrants themselves, are better off in two ways in terms of the human capital that has been acquired with the migrants of Cohort 2. The first is that the total level of human capital is very high. The second is that greater use is being made of that human capital in the workplace.

11.3 Assessment of Qualifications

In many cases, such as the professions and the trades, qualifications obtained overseas need to be subject to formal assessment for their comparability with Australian qualifications before they can provide access to relevant jobs. Australia has an extensive and effective structure for the recognition of overseas qualifications—superior to that in most other countries (see Cully and Skladzien, 2001).

Primary Applicants who had experienced some unemployment were asked to identify, from a list, the major obstacles they had met in trying to find a job. In their responses, failure to have their qualifications recognised (and discrimination by employers) ranked very low in the reasons given. For both cohorts, only five to six per cent gave this as a reason (2-4% for discrimination). These results give strong support for the efficacy of the Australian system of recognition of overseas qualifications.

In Table 11.4 we report how migrants approached obtaining recognition of their qualifications. Of course, this is an issue only for those who have qualifications. Thirty per cent of Cohort 2 and 40 per cent of Cohort 1 did not have qualifications that were relevant to the recognition process. Given this difference, there is little to distinguish the cohorts in terms of how they approached the issue of having their qualifications recognised. Thirty-six per cent of Cohort 1 migrants and 40 per cent of Cohort 2 migrants did not seek recognition of their qualifications. For each cohort twice as many sought recognition prior to immigration compared with post-immigration. The Concessional family/skilled Australian-linked and Independent migrants were much more likely than the Preferential family/family stream migrants to have qualifications and to seek to have them recognised. Thirty-eight per cent of the former group sought recognition of their qualifications prior to migrating, compared with three per cent of the Preferential family/family stream.

Table 11.4: Assessment of Highest Qualifications of Primary Applicants and Spouses, Cohorts 1 and 2 (per cent)

	Cohort 1	Cohort 2
Sought pre-immigration	14	18
Sought post-immigration	8	7
Not sought	36	40
Australian qualifications	3	5
No post-school qualifications	41	30

11.4 Field of Qualifications

While the field in which post-school qualifications have been obtained does not have a strong impact on employment prospects or earnings (as we show subsequently), there is still some interest in the types of skills that migrants are bringing into Australia. Table 11.5 shows the fields in which people's highest educational qualifications have been obtained, separately for each cohort. An examination of field by the major visa groups shows that the story for each is similar to the story for the whole cohort. And the story is a simple one. First, as we have seen in Table 11.1, the proportion of migrants with formal qualifications is substantially higher for Cohort 2 than for Cohort 1. Second, the most common fields for these qualifications are engineering, management, sales, marketing and administration, and social sciences. This was true for both cohorts, although the management group saw the largest rise between cohorts.

Table 11.5: Field of Highest Qualification obtained Prior to Migration, Primary Applicants and Spouses, Cohorts 1 and 2 (per cent)

	Cohort 1	Cohort 2
Management, sales, marketing,	11	17
Health	6	6
Education	3	4
Social Sciences	11	13
Science	7	10
Engineering	15	15
Other	7	6
No post-school qualifications	41	30

11.5 Country of Highest Qualification

Table 11.6 shows where migrants' qualifications were obtained. Not surprisingly, the picture looks much like the origins of the migrants themselves, except for the few per cent (rising to 5% for Cohort 2) who obtained their qualifications in Australia. This percentage can be expected to increase with the change in migration selection criteria to facilitate migration among graduates of Australian educational institutions. Apart from that change, there have been modest increases in the proportions obtaining their qualifications from Asian countries and some reduction in the proportion obtained from "other Europe". Migrants who come with qualifications from the Middle East and North Africa, from SE Asia and NE Asia have increased a little between Cohorts 1 and 2.

Table 11.6: Country in which Highest Qualification was obtained by Primary Applicants and Spouses, Cohorts 1 and 2 (per cent)

	Cohort 1	Cohort 2
Australia	3	5
UK, Ireland	12	14
Other Europe	12	10
Middle East/Africa	7	10
South East Asia	6	7
North East Asia	7	10
South, Central Asia	7	9
North America	4	3
Other	2	2
No post-school qualifications	40	30