# PUTTING LANGUAGE IN PLACE

DISCUSSION PAPER

*Improving the Adult Migrant English Program*

## Cpd

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## Acknowledgments

## About CPD

The Centre for Policy Development (CPD) is an independent, values-driven, and evidence-based policy institute. Our motivation is an Australia that embraces the long term now. CPD's policy development is geared towards an Australia that is equitable, aspirational, and truly prosperous – and enlivened by the challenge of shaping a better future. CPD's core model is three-fold. We create viable ideas from rigorous, cross-disciplinary research at home and abroad. We connect experts and stakeholders to develop these ideas into practical policy proposals. We then work to convince government, businesses, and communities to implement these proposals. CPD has offices in Sydney and Melbourne and a network of experts across Australia. We are not for profit: donations to our Research Fund are tax deductible. More information about CPD is available at https://cpd.org.au/.

## About the Cities and Settlement Initiative

CPD's Cities and Settlement Initiative (CSI) aims to improve economic participation for refugees in Australia by helping refugees to find jobs or start businesses more effectively. Our analysis tells us this would deliver a triple dividend: benefiting vulnerable Australians; boosting the budget; and improving community cohesion. CSI is supported by the Myer Foundation, the Vincent Fairfax Family Foundation, the Lord Mayors Charitable Foundation, the Cameron Foundation, the A & R Kaldor Family Foundation and a small team of volunteers from the Boston Consulting Group (BCG). It follows CPD's 2017 report, *Settling Better: Reforming refugee employment and settlement services,* released with BCG's support. More information about CSI is available here: https://cpd.org.au/2018/12/cities-settlement-initiative/.

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# EXECUTIVE SUMMARY

For new migrants to Australia, speaking English is more important than ever before. Participation in social and economic life rests on the ability to communicate with others. Without English proficiency, the pathway to work is much more limited than it was for previous generations. Many great success stories of post-war migration were built on migrants working their way up from a labouring job or a position on an assembly line, where a lack of English was not a major barrier to employment. But in an increasingly sophisticated service-based economy, such opportunities have diminished.

The economic catastrophe in the wake of COVID-19 will heighten these existing trends. **Whether recently arrived or resident for years, people with poor English will face additional barriers to full engagement in the economy and struggle to find work in an unforgiving post-COVID labour market.** Just as important, participation in Australian social life and active involvement in community recovery will be impossible without English. Economic and social participation are the building blocks of a cohesive society. A lack of English threatens this by fostering isolation.

Fortunately, Australia has a proud history of supporting English tuition for those who need it. For 70 years, this has been done largely through the Federal Government's Australian Migrant English Program (AMEP). The AMEP is enshrined in legislation and embedded in tradition. It is the focus of this report. **The AMEP of the future needs to tailor foundational English learning to the goals, opportunities and timeframes of the people enrolled, in the places they live and work.**

This report provides important context for the changes to the AMEP announced by the Federal Government this month, which include expanding eligibility to accessing the AMEP and relaxing the timeframe in which people can access this support. It builds on conversations with senior officials, experts and communities over many months about how better English language support can boost economic and social participation for migrants. The recent reforms are positive steps for migrants who will benefit from additional English language support well into the future, unlocking untold benefits for their families and for Australia. **Thirteen recommendations are made to ensure a new and improved AMEP can deliver on this aspiration.**

In 2020, public policy decisions are being made in an environment of unparalleled uncertainty. Given the health and economic impacts of COVID-19, no one knows how many new migrants will come to Australia over the next decade. No one knows what the labour market will look like. **Yet the crisis also opens a window where change is possible.** We can seize this opportunity to make decisions that will have lasting benefits into the future.

In education, the capacity to deliver learning online had to be built on the fly — not just in schools, universities and vocational colleges, but also in the AMEP. **Prior to COVID-19 just 2.6 per cent of all hours taught to students were delivered outside a traditional classroom environment. The AMEP was behind the curve when it came to offering the most flexible and appropriate support to people trying to establish their lives in Australia.** The forced adaptation to remote learning over the past five months means that flexible digital delivery that works for people with employment and caring responsibilities is now in place and can be improved in future programming.

The AMEP is now administered by the Department of Home Affairs (Home Affairs), which means that English teaching sits alongside immigration, settlement, and citizenship policy, to create a centre of gravity for supporting migrants. **In December 2019, a Commonwealth Coordinator-General for Migrant Services was appointed within Home Affairs to provide national leadership on migrant services and drive better results around labour market outcomes and English language acquisition.** This integrated migrant services system created an opportunity to set a new direction for English language support in general, and to address some of the issues with the AMEP in particular. For example, there are already too few enrolments in the AMEP. There is evidence the structure of the program is not well aligned with students' goals, nor their other priorities. Technical definitions around what constitutes proficiency result in a perception of failure, even when migrants thrive in the classroom. Eligibility criteria have a disproportionately negative impact on female migrants, potentially compounding disadvantage.

Instead of a top-down siloed approach, place-based approaches and decentralised decision making can transform service delivery. Locally tailored and coordinated solutions generate more robust outcomes.

**The Federal Government knows the time for change is now.** The effective settlement of migrants from non-English speaking backgrounds is one of the most important public policy tasks to get right for social cohesion in Australia. As Minister Alan Tudge said when announcing foundational changes to the AMEP in August 2020, "without English language skills, migrants are less likely to get a job, less likely to integrate, and less likely to participate in our democracy."[1] Expanding access to the AMEP to any permanent resident or citizen requiring English language support and relaxing the timeframe in which people can receive support are welcome changes.

It is hard to be precise about Australia's immigration outlook once the pandemic is brought under control. However, global demographics and recent history suggest that the pre-crisis trends will continue. That is, whatever the overall numbers, a greater share of migrants will come from non-English speaking countries, including a significant number of refugees.

Now is the chance to make the AMEP fit for the future. This report sets out how to build on this newfound flexibility to create a more tailored and outcomes-driven AMEP, which supports people on their full settlement journey, and allows them to adapt their English learning to their needs, and the places they live and work. The commitment to reform the AMEP provides an opportunity to better integrate English language learning with other settlement priorities like finding work in local employment markets and furthering study, and to create provider arrangements that encourage specialised, sustained high-quality services.

The recommendations in this report include test driving new approaches, service reform, long-term goals and funding mechanisms. Part One outlines the history of English language provision in Australia and explores the current state of play of the AMEP to explain why change is paramount. Part Two details 13 recommendations, demonstrating how to update the AMEP to make it an even more effective resource to help ensure Australia's migrants thrive. The significant social and economic dividend on offer to both new migrants and Australian society cannot be ignored.

## Recommendations

**Test drive new approaches to learning English**
   1) Trial the recruitment of existing migrants, who are currently ineligible to join, into AMEP courses
   2) Promote "localism" of service delivery, as suggested in the *Shergold Review*, by funding local coordinators to facilitate place-based approaches to language learning
   3) Expand the number of students eligible for SLPET (Settlement Language Pathways to Employment and Training)
   4) Pilot the delivery of on-site language training for large construction projects in major urban areas
   5) Expand the delivery of conversational, entry-level English language support in flexible environments to accommodate co-located child-care and other needs of migrants

**Service reform for the next AMEP contract**
   6) Fold in relevant trial activities to the next AMEP contract
   7) Reorient the AMEP to a settlement-first approach, with reference to key performance indicators, fee schedule, and key contractual terms
   8) Consider the introduction of licencing or accreditation arrangements that encourage specialist and flexible service provision
   9) Subsidise or provide free access to existing online resources via the procurement process
   10) Revise the Immigration (Education) Regulations 2018 to include a "family and caring commitment" to extend tuition beyond five years
   11) Reintroduce AMEP counsellors as a mandatory requirement and consider the appropriateness of cross-settlement programming

**Long-term goals for language policy in Australia**
   12) Remove the current eligibility conditions on the AMEP and replace with needs-based eligibility

**Funding**
   13) Consider alternative funding mechanisms to offset any additional expenditure

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[1] Minister Alan Tudge, A united Australia: Safeguarding our social cohesion and keeping Australians together in a time of COVID, 28 August 2020

# PART ONE – HOW DID WE GET HERE

## Call to action

Australia has a proud history of teaching English to new migrants. From the beginning of the Displaced Persons Program after World War II and into the 21st century, every federal government has supported and promoted language acquisition. As Shirley Martin notes in her history of the AMEP, "the Australian plan emphasised language rather than direct teaching or compulsion for naturalisation". From the very beginning, language was central.

In 21st century Australia, the ability of recent migrants to speak, understand, and write English is more important than ever. With non-English speaking migrants arriving in larger numbers, particularly through an expanded humanitarian program, Australia urgently needs a more effective policy framework and better services to support migrants learning English.

Economic and social participation, as well as acceptance by community members, are built on a bedrock of language ability. For example, humanitarian migrants with low English proficiency are half as likely to participate in the workforce and 1.3 times more likely to be unemployed than those who assess their English skills more highly.[2] For previous generations of migrants, entry level jobs without the need for English were often readily available. Today such positions are rare. Undertaking the settlement journey without English is harder today than at any point in the past. Even if new migrants do not have immediate aspirations to join the workforce immediately, perhaps due to caring responsibilities or age, a basic level of English is integral to participating in Australian society. Socially, people are much more likely to be isolated if they cannot speak English. A basic understanding of English is required to access government services such as healthcare and education, as well as welfare support through interfaces such as MyGov.

Perhaps most importantly, English proficiency is the crucial factor in generating broad social acceptance of migration. Australian National University polling from 2015 suggests 92 per cent of Australians see the ability to speak English as important in being "Australian"; more than double the number who see being born in Australia as important (44 per cent).[3] In an era of increasing ethno-nationalism, ensuring the newest Australians get every chance to be active members of the community through English is the best protection against toxic attitudes undermining social cohesion.[4] Whilst learning English is critical for generating social acceptance, migration has also provided Australia with more multi-lingual citizens, with 21 per cent of Australians speaking a language other than English at home or having learnt a second language for work. This has provided an opportunity for Australians to connect more with people and cultures around the world.[5]

Unfortunately, the Australian Government's primary program to teach new migrants English falls short of the high expectations from government, the broader public, and new migrants. The AMEP has a proud tradition going back 70 years. Yet the status quo is unacceptable, and a more effective set of policy and service reforms is needed to better help new migrants learn English.

In 1984-85, there were about 120,000 people enrolled in the AMEP.[6] In the same year, there were 54,000 skilled and family permanent visas granted and about 14,000 humanitarian visas granted. Skip ahead to today and there were only about 54,000 people enrolled in the most recent year available, with 160,000 skilled and family permanent visas and 18,750 humanitarian visas planned for 2019-20.[7] Clearly, over the past 35 years, there has been a significant change in the proportion and profile of migrants engaged in the AMEP, evidenced by the jarring change in the ratio of new permanent migrants to AMEP enrolments from about 2:1 to about 1:3.

[2] Centre for Policy Development, Settling Better: Reforming refugee employment and settlement services, February 2017
[3] Jill Shepard, Australian attitudes towards national identity: Citizenship, immigration and tradition, ANU Poll, Report No. 18, October 2015
[4] Edward Luce, The global advance of ethno-nationalism, Financial Times, May 2019
[5] Deakin University, Why Learn a Language, 2018
[6] Department of Immigration and Ethnic Affairs, Review 1985, Parliamentary Papers, p. 120
[7] Harriet Spinks and Henry Sherrell, Immigration, Parliament of Australia, April 2019

Current government contracts for English language provision are set to expire in June 2022. This creates a window for change. The Morrison Government has already smoothed the path to improving the administration of English language support by bringing together settlement and migrant services policy and implementation within Home Affairs.

# Recent history of English language policy and service delivery

There is a long tradition of English language support for new migrants to Australia, supported across governments and the political spectrum. The Immigration (Education) Act 1971 creates an entitlement to 510 hours of English tuition for new migrants. Eligibility rules in the Act mean family and humanitarian migrants make up the majority of participants. New adult migrants must sign up within six months, and children not in the school system within twelve months. Migrants have five years to use their entitlement of hours.

Although the Act does not mandate that the 510 hours be provided through any specific program, at the federal level, the AMEP dominates. With a 70-year history, the AMEP is open to a large proportion of Australia's new migrants each year to improve their English.

The most recent Portfolio Budget Statements show the AMEP is expected to have a budget of over $1 billion for the Budget Estimates period.[8] Outside of welfare support, this is the single largest use of government expenditure to support new migrants to Australia. As of mid-2020, due to the effects of COVID-19 and the Australian border being closed, it is unlikely this anticipated level of expenditure will be met.

Teaching of the AMEP is delivered through contracted service providers, who predominantly deliver face to face, classroom-based lessons. There is a distance learning option available, however few people use this service. The core AMEP coursework caters for a wide range of English abilities, including those who have no English when they begin. Humanitarian migrants are entitled to access an additional course called the Special Preparatory Program (SPP). This provides additional hours as an introduction to the AMEP. Recent additions include the provision for additional hours in the form of AMEP Extend, for those students who have finished their 510 hours but have not reached the definition of "functional" English.

One national program worth noting is the Skills for Education and Employment (SEE) program, administered by the Australian Department of Education, Skills and Employment, alongside the AMEP. The program provides language, literacy and numeracy training of up to 650 hours to eligible job seekers, to help them participate more effectively in training or the workforce. It is delivered across Australia, including in metropolitan, regional and remote areas and caters for job seeker groups with literacy and/or numeracy training needs including those from culturally and linguistically diverse backgrounds. Currently, a person is not eligible for the SEE program if they are enrolled in the AMEP. Further thought to how the AMEP and SEE programs could complement each other is needed.

It is important to note the AMEP is not the only program delivering English language support to migrants in Australia. Other federal settlement programs, such as the Settlement Engagement and Transition Support (SETS) program and National Community Hubs, provide migrants with the opportunity to practice English skills in various environments. In addition, state governments and local councils deliver a raft of courses, both formal and informal, through organisations like learning centres, neighbourhood houses, and community centres, as well as TAFEs and other formal education providers.

These English language programs differ widely in their scope and scale. Some use similar curricula and learning frameworks to the AMEP and some vary greatly in focus and delivery. Some deliberately cater for different groups of English language students. Many complement formal programs like the AMEP. It is difficult to give a reliable estimate of how many people access these types of programs, as they are often small, informal, free or of nominal cost, and open to anyone wanting to attend. In addition, there is a strong private sector delivering language lessons on a commercial basis to people on overseas student visas and others.

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[8] Commonwealth of Australia, Budget 2019-20 – Portfolio Budget Statements 2019-20, Budget Related Paper No.15, Education and Training Portfolio, 2019

These non-federal government programs have proliferated in recent years, likely in a direct response to increasing demand. Councils with growing populations of non-English speakers view these courses as essential service delivery for their constituents. Often these programs have more flexible eligibility rules, are less formal, and serve multiple purposes including social engagement. It is unclear how effective these programs are at increasing English, yet it does mean that if new migrants see the AMEP as too inflexible or difficult to access, alternative options are readily available. Yet while these community settings can be attractive, they are often run exclusively by volunteers and are not sufficiently funded to deliver high-level teaching.



## Situating language policy in current immigration trends

From the earliest post-war "populate or perish" days, governments have made it a priority to resource migrants' opportunities to learn English. While each migrant and their journey to Australia is unique, there are two big factors shaping recent settlement trends and the associated English proficiency.

The first factor is the real increase in Australian migrants who have difficulty with spoken English. Census data helps to illustrate this trend. At the 2006 Census, 17 per cent of people who had arrived in the previous decade spoke English "not well" or "not at all". While this proportion remained roughly the same at the 2016 Census (16 per cent), the total number of migrants had grown steeply over the decade.[9] As a result, there were 244,000 migrants from a non-English speaking background who spoke English "not well" or "not at all" in 2016, compared to 118,000 such migrants ten years earlier.

A large majority of these new arrivals over the past decade have a language background that can make it more challenging to learn English. The major language groups include Mandarin, Arabic, Hindi, Punjabi, Dari, Urdu, and Tamil. Each of these languages uses a different script and shares few linguistic traits with Latin-based like English.[10] Chiswick and Miller show how understanding this "linguistic distance" is critical in implementing the right support for immigrants trying to learn English.[11] The diversity of non-European languages spoken by migrants in Australia is an order of magnitude larger than it was in the past, with important consequences for policy makers.

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[9] Australian Bureau of Statistics, Migrants English Proficiency: Information available from the Migrant Data Matrices, 25 February 2008

[10] While earlier generations of migrants included a large Vietnamese cohort, as a result of French colonial policies, written Vietnamese is based on a Latin alphabet similar to English, which reduces one barrier to learning.

[11] Barry Chiswick and Paul Miller, Linguistic Distance: A Quantitative Measure of the Distance Between English and Other Languages, 2005

The second major factor is an increase in humanitarian migrants. In 2012-13, the Gillard Government accepted 20,000 humanitarian migrants, an increase of almost 50 per cent on the previous annual intake, which had not changed in more than a decade. After the 2013 election, the Abbott Government cut the number back to its previous level (13,750), but not for long. In the 2015-16 Budget, in response to the Syrian civil war and the associated increase in global refugee numbers, Immigration Minister Peter Dutton announced that the number of places in the humanitarian program would increase to 18,750 over four years. Four months later, Prime Minister Abbott committed to another one-off increase of 12,000 extra humanitarian visas for Syrian and Iraqi refugees.[12]

As a result, almost 22,000 humanitarian visas were granted in 2016-17, the highest number on record since the introduction of a dedicated humanitarian category.[13] A target of 18,750 humanitarian visas was set for 2018-19 and every year into the future, this increase has major implications for language support. Existing English language proficiency is lower on average for refugees than other migrants. In addition, humanitarian migrants have, on average, lower levels of literacy in their own languages, which creates additional barriers to learning English.[14]

This means the level of investment in new humanitarian migrants to Australia will need to increase. A higher share of humanitarian migrants in federal government programs like the AMEP will see an overall increase in the number of hours taught and resources required.

## What does the AMEP look like today?

Between 2013 and 2020, administrative arrangements around the AMEP harmed the Australian government's capacity to deliver high quality English language teaching to recent migrants.

In 2013, the AMEP was removed from the then Department of Immigration and Citizenship and transferred to the Department of Industry. A short time later, the program was moved again, to the Department of Education and Training. This splintered the administration and oversight of the AMEP away from other migrant settlement services, such as the Humanitarian Settlement Program, undermining the ability to weave services together and making it difficult for migrants to effectively manage their interactions with government funded services.

Spreading the provision of migrant settlement services across different parts of the bureaucracy also generated silos of policy development and implementation. The Morrison Government's decision to bring the services back under one umbrella within the Department of Home Affairs returns the administrative arrangements to pre-2013 settings and re-establishes a centre of gravity for governance of these programs, including the AMEP. This creates a unique opportunity to foster integration across programs and support services.

In 2018-19, 52,430 people were enrolled in the AMEP, almost the same number as the previous year (52,968 enrolments). Both years were substantially below the 2017-18 target of 63,671 people.[15] In part, the target was based on an anticipation of higher migrant numbers, as the department only filled 85 per cent of the 190,000 permanent migration places available in the 2017-18 budget.[16] More broadly, these enrolments are among the lowest on record, despite the increasing number of people in Australia who need English language support.

In terms of student time spent in the program, more than 50 per cent of people enrolled have been with the program for less than 12 months, and about 10 per cent have been enrolled for three years or longer.

There are two streams of the core AMEP course: pre-employment and social. 86 per cent are currently enrolled in pre-employment, with the remaining 14 per cent in social. Given the diversity of learning goals, this lop-sidedness in stream

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[12] Elibritt Karlsen and Janet Phillips, Developments in Australian refugee law and policy: the Abbott and Turnbull coalition governments (2013-2016), 18 September 2017

[13] See Refugee Council, Refugee and Humanitarian Program reports, 2016-17

[14] Building a New Life Australia, Longitudinal Study of humanitarian migrants, Wave 1 and 2 interview responses, 2016

[15] Commonwealth of Australia, Budget 2019-20 – Portfolio Budget Statements 2019-20, Budget Related Paper No.15, Education and Training Portfolio, 2019, p.64

[16] Department of Home Affairs, 2017-18 Migration Program Report: Program Year to 30 June 2018, 2018

enrolment may represent a missed opportunity to better align migrants with their desired language outcome. About 2,800 students, or about 5 per cent of enrolments, have mutual obligation requirements linked to their receipt of government payments.[17] Enrolling in the pre-employment stream of the AMEP satisfies those requirements.

Two out of every three students are women. If the AMEP is not up to scratch, the impact is more keenly felt in holding back the economic and social participation of recently arrived migrant women. This has the potential to exacerbate existing gender-based social and economic inequalities.

One in two students are family migrants, one in three are humanitarian migrants, and the residual are skilled migrants. The biggest age group in the AMEP is 25-34 year olds, who make up three out of every ten people. But nearly one in five students are aged over 55, demonstrating the variety of age backgrounds. Again, this implies a diversity of language goals for different students.



The top ten countries of students' birth are: China, Iraq, Syria, Afghanistan, Vietnam, Myanmar, Thailand, Iran, India and the Democratic Republic of the Congo. The diversity of language and country backgrounds is one of the AMEP's great strengths. Migrants often reflect that a diversity of learners in their classrooms makes learning English easier.

It is hard to evaluate the educational backgrounds of people in the AMEP, as this information is not specified in administrative systems. Of those who have disclosed this information, about one in six have a degree or post-graduate diploma, while another one in ten have some form of post-school certificate.

When it comes to learning English, the most important factor influencing progress is the level at which people begin. Age is also a factor. Among students without any English, those who are young and already literate in their own language will, on average, learn faster than those who are older and illiterate.

Students entering the AMEP are assessed for their English abilities using four levels of the Australian Core Skills Framework (ACSF):

- Pre-beginner: Unable to communicate in English language

- Level 1: "Works alongside an expert/mentor where prompting and advice can be provided"

- Level 2: "May work with an expert/mentor where support is available if requested"

- Level 3: "Functional" English — "works independently and uses own familiar support resources"

At each level students are assessed according to four components: learning, reading, writing, and oral communication.

Over half of entrants are classified as either pre-level A or B at "pre-beginner" level under all four components. These pre-levels are subcomponents of the pre-beginner classification above. About one in three people enter the AMEP at Level 1 while

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[17] Mutual obligation requirements are required activities, commitments or meetings people partake in to receive benefits.

another one in five enter at Level 2. Level 3 is the exit point of the AMEP and about one per cent of people enter the AMEP with at least one of the four components equal to Level 3 English under the ACSF.

With the majority of people who enter the AMEP doing so at the lowest ACSF levels (pre-level A or B), exiting the AMEP at Level 3 proficiency is an inappropriate universal policy goal. It takes anywhere between 1200-1500 hours (or more) using general assumptions to move from having no English at pre-level A, to Level 3 under the ACSF. This estimate also assumes a basic level of literacy in students' original language, which some students do not have, as well as a strong motivation and opportunity to learn English. For some students, making this journey will require well in excess of 1500 hours.

> Any assessment of the AMEP in promoting a level of English competency must be judged in this context. Clearly, the formal exit point of the AMEP—functional English, or ACSF Level 3—is not a realistic goal for the majority of students.

Given that 510 hours is insufficient for many students to achieve ACSF Level 3, why do people leave the AMEP before using up their available allocation? Work and familial commitments are obvious factors, although as it is a voluntary program, it is difficult to assess with certainty the magnitude of any particular consideration.

Another factor is a legislative limitation. The legislation governing the program means that people are unable to participate beyond the five-year limit. This may be extended to 10 years if a formal request is made and the person meets established criteria.

Of the 2,727 people who formally exited the program in 2018-19, 82 per cent did so because they had reached either the five-year participation limit or the 10-year extension. Only 17 per cent exited after they used up the full 510 hours. One in a hundred students exited because they met the English language threshold (each ACSF indicator at Level 3), however as the program is voluntary, other students who achieved Level 3 English may have left the program early, without formal notification. One in five students had achieved ACSF Level 2 on exit.[18]

It is worth pausing to consider these figures. Given their backgrounds, the vast majority of students are never going to meet the policy goal of ACSF Level 3 English. While keeping the threshold high ensures more people can be accepted into the program, setting a benchmark that can rarely be met also sets the program up for perceptions of failure and inadequacy.

If the Australian government is serious about promoting a fundamental shift in supporting recent migrants reach higher levels of English proficiency, then clearly additional resources and programs will be required to meet the current definition of functional English. A step-change in language outcomes is unlikely to occur via iterative policy and implementation tweaks.

Unfortunately, there is little data on the total number of people who left the AMEP due to work commitments, which weakens the ability to assess the intersection of the AMEP with the labour market. However, the Building a New Life in Australia survey of recently arrived humanitarian migrants does ask people why they left the AMEP and 26 per cent of respondents in wave three of the survey said they were unable to continue with English courses after finding paid work.[19]

There were 7.8 million hours of AMEP lessons taught to people in 2018-19; the vast majority under the core curriculum. Only 2.6 per cent of hours were delivered by distance learning, a low figure in the context of modern life. Given the potential benefits of distance learning to create flexible study arrangements in line with work commitments, this figure must increase over time.

The Settlement Language Pathways to Employment and Training (SLPET) course is a relatively new addition within the AMEP and considered by students, service providers, and government alike as a strong success. It provides 200 hours of employment- and training-based course material, including up to 80 hours of work experience. SLPET is a relatively advanced course, however, and is designed to help participants build labour market skills after gaining a strong grounding in English.

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[18] Data provided by the Department of Home Affairs.
[19] Wave 3 data set consists of 1,894 face to face interview, conducted between October 2015-February 2016. More information can be found here: https://academic.oup.com/ije/article/47/1/20/4582318

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Previously, students could only undertake SLPET once they reach a standard of English at Level 2 ACSF. This is a high standard given a majority of students begin the AMEP at pre-level A or B. A recent policy change now allows service providers a greater level of discretion to enrol students in SLPET. This may increase participation in SLPET from the current low level of about four per cent of all AMEP students (there were 1,945 SLET enrolments in 2018-19).

An interesting quirk to the legislative framework of the Immigration (Education) Act 1971 is the ability to provide extensions to the eligibility criteria for the AMEP. There are two forms of extension. The first extends the enrolment window for newly arrived migrants beyond the six or twelve month cut-off date after arrival. In 2018-19, 7,172 requests for this type of enrolment extension were granted, a success rate of over 95 per cent for students making such requests.

Under the second type of extension the Department can allow students to continue to use their 510 hours of allocated study for another five years beyond the initial five-year limit. However only 502 requests of this type were granted; an application success rate of about 70 per cent. These eligibility criteria clearly have a strong effect on enrolments, however as they are legislated, they are relatively difficult to change.

# Functional English

A critical part of the AMEP is defining a threshold level of English, beyond which people are not entitled to further support. This is called "functional English", and if a new migrant already has functional English, they are ineligible for the AMEP. If a migrant reaches functional English while enrolled in the AMEP, they are ineligible to take additional classes. Helping new migrants achieve functional English is often framed as the core objective of the AMEP.

Implicit in this discussion is the level of English language the Australian Government, and more broadly Australian society, determines appropriate for recent migrants. Relevant considerations include being an active member of society, being able to converse with neighbours and community members, engaging with children's schooling and sports clubs, understanding colleagues and ensuring workplace safety. Translating these subjective understandings of what functional English means in a modern society into a technical and objective measure is a role for government. It may be difficult, but it is necessary, if students and their teachers are to work to a common goal.

Functional English is defined by a legislative instrument, created under the Immigration (Education) Act 1971. As noted above, the current legislative instrument defines functional English as "having achieved Level 3 English under the Australian Core Skills Framework... across each of the core skills of learning, reading, writing and oral communication".[20]

Drawing from formal documentation, achieving Level 3 under the Australian Core Skills Framework would allow a person to complete tasks such as seeking advice on an insurance claim, bounce ideas around a group of people, plan and organise routines and processes in the workplace, and interpret visual information for analytical purposes. In everyday life, this person could search for a podcast and be able to fully understand a boarding pass for an aeroplane flight. They could complete a survey or help with setting the agenda for a community group.[21] These tasks and actions, and others like them appear to set a common benchmark for active social and economic participation in modern Australian life.

The main policy question is whether the goal of the AMEP should be to achieve functional English at this level for all participants, since it is incredibly difficult for a recent migrant with no English language background, perhaps also illiterate in their own language, to gain this level in a short period of time.

A hard benchmark of the ACSF Level 3 for all students by the end of the AMEP is setting the program up for failure, given the gap between someone who cannot speak English and is illiterate and the Level 3 assessment under the ACSF. Instead, the goal of the AMEP should be to improve each migrant from their starting point to an agreed end point, based on the key factors which will impact that person learning English: their language and literacy background, their educational background, and their age. These are the primary determinants of how much English a person will learn in any given period. Complementary factors

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[20] Australian Government, Immigration (Education) (Functional English) Specification 2017, 2017
[21] Australian Council for Education Research, Australian Core Skills Framework, 2012

such as employment and the time available to dedicate to learning English will also have a strong role in how much time someone spends in an AMEP classroom and how much they can learn. During the next contract, Home Affairs should consider ways to measure learning progress to better inform the success or otherwise of the AMEP.

## Migrant women and learning English

**Two out of three AMEP students in Australia are women**, showing there are critical gender implications for social and economic participation of new migrants in Australia. This gender imbalance arises because women are disproportionately granted partner visas, the single biggest participant cohort by visa category in the AMEP.

Census data shows that the difference in economic participation between men and women is exacerbated by a lack of English proficiency. At the 2011 census, 88 per cent of migrant men who spoke only English participated in the labour market, compared to 74 per cent of migrant women who spoke only English; a 14 per cent difference. However, for those who were not proficient in English, the gap grew to 26 per cent, with 55 per cent of men and 29 per cent of women participating in the labour market.[22] These are confronting figures: poor English leads to relatively worse economic participation across the board and particularly for newly arrived women migrants.
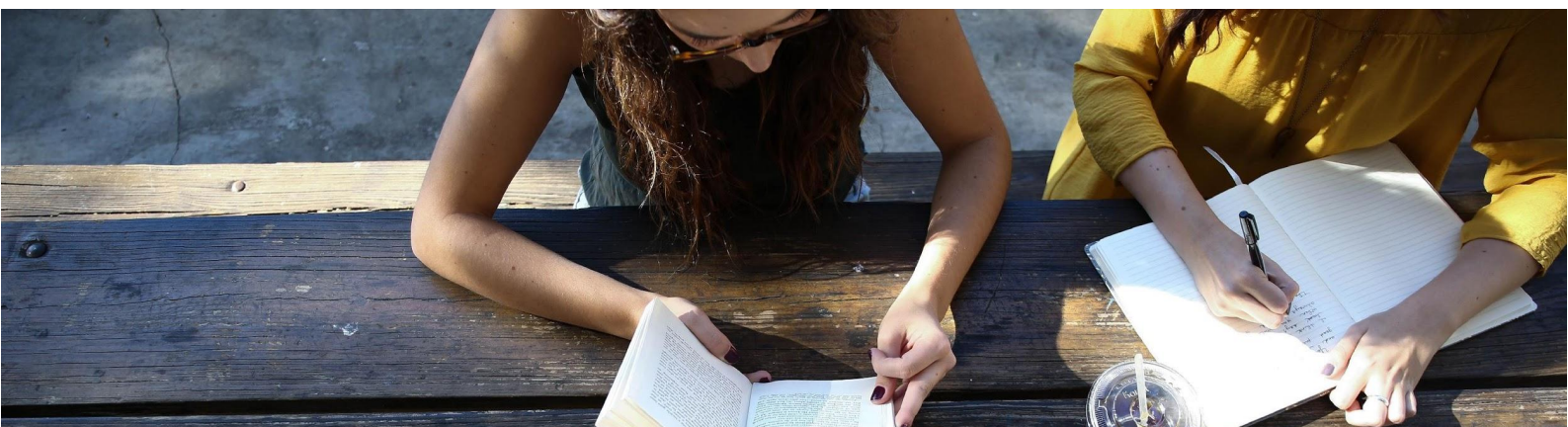


Data from the Building a New Life in Australia study shows 25 per cent of humanitarian migrants leave the AMEP due to family caring responsibilities.[23] Given the profile of these families, the students in question will overwhelmingly be recently arrived migrant women. Raising children in a new environment and bedding down the settlement journey for an entire family clearly sit in tension with regularly attending English classes. Often these people want to learn English but fall outside the scope of the eligibility rules.

Over time, the number of women who leave the AMEP, or never attend in the first place, is growing, reflecting the failure of government service provision. At the 2016 Census, there were 181,500 migrants who had arrived between 1986 and 2005, who spoke English "not well" or "not at all", yet who were ineligible for the AMEP. This indicates that the number of years a migrant has lived in Australia is not necessarily a good indicator for the level of need for English language training. The requirement that migrants use their AMEP entitlement within five years of arrival can thus have counterproductive consequences, especially for women.

61 per cent of the 181,500 migrants are female, showing the importance of a gender lens for government policy makers looking to improve migrant English proficiency.[24] We have a population of over 100,000 women, many of whom do not have the English proficiency required for strong social and economic participation in Australia, yet who are ineligible for the AMEP because of the length of time they have lived in Australia. This makes these women are more likely to be isolated and vulnerable.

Migrants who have already lived in Australia for an extended period should not be excluded from any federal government approach to English learning. While the AMEP may not be the appropriate program for them, it is clear there is a need for

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[22] Migration Council Australia, Migration in Focus: An analysis of recent permanent migration census data, 2015
[23] Building a New Life Australia, Longitudinal Study of humanitarian migrants, Wave 1 and 2 interview responses, 2016
[24] Australian Bureau of Statistics, Census 2016, TableBuilder

additional government intervention for this group. Various entry points, such as conversational English and pathways into more formal learning environments would help address these concerns. This includes opportunities where different literacy levels can be better accounted for, as well as social and employment related curricula geared towards the diverse language goals of women migrants.

# The political context of language policy and service reform

There is a general political consensus around language policy in Australia. While there have been pronounced disagreements over how to deliver services, such as whether competitive tendering is an appropriate mechanism, there has been general agreement about the public policy goals. Both the major political parties agree that teaching English to new migrants is an important role of government.

In the wake of the 2019 election, there have been a number of notable administrative and governance decisions for language policy and service delivery. Machinery of government changes have created a "centre of gravity" for migrant support within the Australian Public Service.

These administrative arrangements reflect a strong tradition of standalone, centralised migrant settlement policy, dating to the *Galbally Review* of the Fraser Government. An isolated approach, where various migrant settlement programs sit with different government agencies, is inappropriate because the administrative distance it creates between programs, gives rise to silos, service gaps and a lack of accountability.

The centralisation of settlement and related services into Home Affairs presents an opportunity to reorient policy direction and focus on agreed objectives and goals, particularly given the upcoming procurement processes for the AMEP, the Humanitarian Settlement Program, and the recently revised Settlement Engagement and Transition Support (SETS) program. The current contracts for these programs will expire in 2022. Aligning this suite of programs with common goals centred on support for new migrants, administered by a single department, will help prevent a constant state of flux in the administration of settlement support.

This opportunity will be shaped by many forces, perhaps none greater than the collective world view of the Morrison Government. There are two important considerations here for settlement services in general, and language services in particular.

The first is from the Prime Minister. In June 2010, as then Shadow Minister for Immigration and Citizenship, Scott Morrison, outlined what he saw as central to settlement policy, in a speech on the AMEP:

*… one of the most important aspects of settlement policy, and that is that everyone's case is different, particularly when we are dealing with those who have come from quite extreme circumstances under our refugee and humanitarian program. It is important that we recognise the individual circumstances of those individuals and that, wherever possible, we tailor our programs to suit their individual circumstances to assist their integration and assimilation into the Australian community."*[25]

Perhaps unsurprisingly from a traditional Liberal politician, the emphasis on the individuality of each migrant and their journey is foundational to the Prime Minister's world view. This position also shows a strong understanding of why Australian settlement services are considered by many, including the United Nations Secretary-General, to be best practice.

Tailoring programs to suit circumstances and individuals is the greatest challenge to effective service delivery and policy implementation for integrating new migrants. Maintaining flexibility for individual circumstances can seem impossible in the context of government procurement, rigid contractual arrangements and funding models, and pressure to maximise efficiency and effectiveness. It is nevertheless critical to delivering support for new migrants to Australia.

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[25] Scott Morrison, Hansard, 6 June 2010

The second force shaping settlement services is the collective emphasis on employment from a Liberal-National government. Across portfolio areas, there is a proliferation of policy proposals aimed at promoting employment and over the past six years there has been a greater emphasis on employment for settlement policy than under previous governments.

The centrality of employment creates a strong theme to anchor policy making and implementation. This is a positive, as it underpins learning English for a purpose, though it is important to note there can be tension here. While many migrants participating in language programs in Australia want to get a job, many as quickly as possible, some have other priorities before employment, and others will never work in Australia. Older migrants, for example, may seek more conversational language approaches while those with familial responsibilities may require language support tailored to social engagement and interaction with education and health services ahead of employment.

This must be recognised by policy makers in order to ensure that new migrants to Australia are catered for according to their own language goals, and to keep them engaged in structured learning.

# PART TWO – WHERE WE GO TO NEXT

Part two of this report establishes a number of policy and service delivery recommendations for migrant language support provided by the Australian Government. These recommendations are divided into four distinct sets of ideas:

- Test drive new approaches to learning English
- Service reform for the next AMEP contract
- Long-term goals for language policy in Australia
- Funding

Two major reports have laid the groundwork for future policy direction to improve language attainment for recent migrants. The 2019 *Shergold Review* found the AMEP wanting: "In recent times, this program has had unacceptably poor results, with too few participants achieving functional English at the conclusion of the program. There is also significant underutilisation of the program, with most refugees not completing their available hours. We need to understand why such a well-funded and extensive program has failed to deliver."[26] The same year, the Social Compass evaluation of the AMEP found the reworked business model introduced in 2018 was functioning well in some areas and poorly elsewhere.[27]

In response to these reviews, the Australian Government has begun to make changes. Administration of the AMEP has been centralised in the Department of Home Affairs, alongside other important services for humanitarian migrants. In addition, Home Affairs has sought modifications based on the new business model. For example, new requirements introduced around taking class attendance have been changed after serious concern expressed from both service providers and students. One of the most promising initiatives is the Australian Government's commitment to trialling new approaches in the AMEP. While these trials have been placed on hold due to COVID-19, this report strongly recommends a trial-based approach to administrative and policy change. This report provides a number of ideas to stimulate future policy direction. The AMEP flexible trials represent a genuine opportunity to move forward.

In addition to trialling new approaches, it is incumbent on the Australian Government to consider in both trials and future service delivery whether the current form of competitive tendering is most appropriate for improving language attainment for recent migrants. The already announced AMEP flexibility trials need to be given the best chance of success, and that means a functional procurement process that does not produce a race to the bottom in price and delivery. Rather, shifting away from competitive tendering and towards more substantive procurement models.

Changes to the orientation of, and flexibility within, the fee schedule and price-points, could be underpinned by a more fundamental shift from a tender-based to a licensing-based model. The most recent review of *jobactive* has recommended introducing a licensing framework (rather than the five-year tender model) for Employment Services 2020, whereby licences are issued for at least five years, with automatic extensions for high performing providers. This is coupled with an improved payment and performance model, whereby provider payments are linked to outcomes, early investment in job seekers and collaboration between providers. This new approach is intended to create business sustainability for strong performing providers, and clarity around the skills and services they need to enter the market. It would also lead to greater diversity and specialisation within the provider network and a higher level of service quality.[28] Potential changes of this kind to the AMEP are discussed further below.

## Test driving new approaches

CPD's principal concern is the ability for the Australian Government to test drive new ideas in the lead up to contractual renewal for the AMEP. In addition, there are important long-term considerations for language policy and programming in Australia.

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[26] Peter Shergold. et.al Investing in Refugees, Investing in Australia: The findings of a Review into Integration, Employment and Settlement Outcomes for Refugees and Humanitarian Entrants in Australia, 2019, p. 38

[27] Michael Tynan et al. Evaluation of the Adult Migrant English Program New Business Model for the Department of Home Affairs, Social Compass, August 2019

[28] I want to work, Employment Services 2020 Report, 2018

With the machinery of government changes, the governance, design and delivery of the AMEP and associated language services have a more direct line of sight for improvement.

The *Shergold Review* recommended the introduction of place-based employment trials. These trials would combine settlement services, English language provision, and employment services. This section details how these trials could work, ensuring flexible delivery in service support. In particular, testing and evaluating how best to service difficult to reach groups, how to better meet individual needs, and how to better coordinate the delivery of the AMEP within this context.

## Improving existing migrants' English proficiency

As outlined above, the 2016 Census reveals that there are over 180,000 migrants who arrived between 1986 and 2006 and who do not speak English well despite living in Australia for between 10 and 30 years. Given immigration trends from 2006 onwards, this cohort of long-term residents who do not speak English well is likely to be growing in number. Some of these people need help that the AMEP cannot provide under current policy settings, which means that one potential trial should seek to recruit these people.

The transformational effects of COVID-19 mean there will likely be a shortfall in enrolments given the funding allocation to the AMEP. Instead of seeking to save this money for the Budget bottom line, the Australian Government should seek to boost existing migrants' English proficiency. The labour market is going to be a torrid place for migrants who cannot speak English. The AMEP is a useful tool to assist them in a time of great economic uncertainty. A majority of these people are unlikely to attend AMEP classes, either by choice or necessity. However, opening up placements that otherwise would not be filled would allow the Australian Government to assess how to best build language skills in people who have made Australia home.

This trial approach would be voluntary and seek to assist a range of migrants with different English proficiency levels. It is likely that people who have been in Australia longer will not have the same profile as newly arrived migrants in the AMEP, with a greater share of people who would be assessed as Level 1 or Level 2 under the ACSF. These people may be well placed to transition more quickly into SEE and other support programs.

## Complementing "functional English"

The willingness to trial innovation in the AMEP also presents an opportunity to test different measures of achievement. This may lead to better understanding of student performance and help administrators and service providers build more responsive support for students.

A now commonly cited data point about the AMEP is that only seven per cent of students attain functional English. Stemming from a previous evaluation report, the figure demonstrates how capping tuition hours plays a role in preventing more students from becoming more proficient in English.

A more nuanced approach would seek to capture the progress made by students from their starting point. The 2015 ACIL Allen evaluation of the AMEP demonstrated how this type of progress could be assessed.[29] Factors such as existing language proficiency, literacy levels, educational background, and age are important in determining the shape of the learning curve, and how quickly different migrants will learn English. Accounting for other factors, such as employment while enrolled in the AMEP, may also prove useful to measuring program goals.

Any trial should consider whether it is possible to embed individual learning goals into an assessment framework. This would better align evaluation of the AMEP to student need and demand. While this may seem unwieldy or complex, there are likely a handful of major learning goals among the majority of students. Designing a process to identify these goals, and incorporating them into a more bespoke assessment method, will improve evaluation of the AMEP and better identify student progress.

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[29] Acil Allen Consulting, AMEP Evaluation, 22 May 2015

## Promoting localism and place-based approaches

A growing body of work highlights the benefits of situating government support within a local context and ensuring it is more connected and responsive to local actors, initiatives and priorities. Flexibility in service delivery relevant to this local context is critical to ensure a place-based approach is robust.

### *Background*

According to the Australian Institute for Family Studies, place-based approaches are "designed and delivered with the intention of targeting a specific geographical location and particular population group in order to respond to complex social problems. Typically, they focus on areas and communities with entrenched disadvantage or deprivation."[30]

In the context of delivering language support, there is a strong opportunity to test drive localism. As discussed in Part One, it is fundamental to recognise Australian migrants' diverse backgrounds, education levels, literacy rates, and goals. The AMEP and other language services are not provided to the same person across different locations. Language is taught to individuals, with divergent capabilities and desires.

Inherent to a place-based approach is the notion of building from the ground up. The CPD Cities and Settlement Initiative recognises this and has supported the evolution of the Wyndham refugee employment trial since 2019. A growing municipality on the urban fringe of Melbourne, Wyndham is home to many humanitarian migrants who struggle to find suitable employment. As of 30 June 2019, there were 768 humanitarian migrants on the Werribee *jobactive* regional caseload.[31] These people were on the *jobactive* caseload for an average of 80 weeks. The Wyndham trail is improving the economic participation of refugees, through:

- coordinated local employment and language service delivery;
- coordinated and strategic local employer engagement;
- holistic and family-focused case management.

More than 94 humanitarian migrants have found employment through the trial in its first six months. A local provider has delivered English language training in workplaces for humanitarian migrants who have found employment as part of the trial. This training has been delivered using Victorian Government pre-accredited funding, rather than through the AMEP.

### *Place-based in action: Wyndham*

A localised approach helps guard against poor service delivery that often accompanies a one-size fits all model. In Wyndham, the local council is playing a central role in coordinating services. As an independent organisation outside the formal delivery of federal government migrant services such as the AMEP, they are able to keep the best interests of the students at the forefront of their considerations.

Likewise, the local council is able to draw upon their own experiences and advantages compared to a large service provider who may be servicing an entire city or state. For example, Wyndham Council has been successfully connecting with employers, which is a difficult role to play for a service provider without local knowledge. Wyndham Council is able to draw on a more local understanding and, combined with a broad network, can better promote employment opportunities and the intersection of language and employment within the municipal area. This is a more strategic and coordinated approach than a standalone contractual requirement for service providers to ensure employment is considered in service delivery.

The existing infrastructure in the Wyndham trial presents an opportunity for bringing together related services and testing new approaches. A dedicated local coordinator within the place-based ecosystem could act as the focal point. This position would work directly with local government, local employers and local service providers, and could use their capacity to convene local actors and agitate for variations to and coordination of English language supports in the context of Wyndham's needs.

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[30] Australian Institute for Family Studies, Commonwealth Place-based Service Delivery Initiatives, April 2015
[31] Centre for Policy Development, Council for Economic Participation for Refugee – Second meeting materials, September 2018

*Identifying local need in a place-based system*

One recommended trial approach is to **identify labour market needs from the bottom up and tailor language support accordingly**. After identifying needs, this can lead to an annual work plan, with associated local funding, based on local geographic needs. This would be complementary to existing programs and services. In addition to local coordinator roles, there are a number of other potential pilots to advance place-based delivery. A focus on attempting to identify in-demand employment opportunities will work best at the hyper local level.



For example, Fairfield City Council in Sydney was the number one local government area in Australia for resettling humanitarian migrants from 2009-2017. There are a number of reasons for this. Firstly, there was a large existing community of humanitarian migrants already established in Fairfield in 2009, so other migrants followed friends and relatives into the area. Secondly, housing is more affordable in Fairfield than in other parts of Sydney.

A third factor appears to be employment opportunities. At the 2016 Census, 27 per cent of people living in the municipality were categorised as having the occupations of either "labourers" or "machinery operators and drivers". This is almost double the proportion in New South Wales as a whole, and these occupations represent some of the most common entry level occupations for new humanitarian migrants to Australia.

But the AMEP is failing to match up English provision in the context of this labour market need. For example, in the AMEP SLPET course offerings for NSW TAFE in Term 4 of 2019, there is only one course in Sydney related to labourers or machinery operators and drivers, which is the course in warehousing operations delivered out of Mt Druitt.[32]

For a local council like Fairfield where these entry-level employment opportunities are larger than state averages, even a surface level analysis of labour market trends suggests there is likely to be strong demand for these types of qualifications. Identifying these trends and opportunities and matching them with language learning needs is critical to a place-based approach, given the differences in local labour markets across major urban centres.

Another place-based pilot should be in relation to the **volunteer tutor scheme**. While this is often thought of as an adjunct part of the AMEP, it is an important avenue for service providers to deliver flexible language teaching. There is great potential for the volunteer tutor scheme to be more intensively utilised to supplement multi-modal service provision and online support.

The importance of an individualised approach could promote volunteers to assist with the local context of language learning. For example, volunteer support for job-related assistance would help to better tailor resume and interviewing skills to local

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[32] NSW TAFE, SLPET course offering Term 4 2019

employment opportunities. The availability of funded training and administrative support to reorient the focus on the volunteer tutor scheme towards understanding the local labour market may be appropriate in some local areas. This would build capability within the local geographic context.

Finally, there could be **service adjustments to how national programs work in different local areas**. These should be considered on a place by place basis. In local areas where the standard program requirements are inappropriate, there must be flexibility in place to allow for local variations in barriers to more successful language outcomes.

As an example, it is an Australian Government priority to deliver a more regional approach for its Migration Program from 2019-20. This will likely see additional language students, including in the AMEP, located outside of major urban areas and in places without the history of language service delivery. This poses a number of difficult issues, including the availability of qualified teachers in regional and remote areas. Flexible service delivery may allow for some concessions to this standard contractual requirement of teacher qualifications, and delivery by a broader range of providers, ensuring there are appropriate safeguards in place to mitigate undue risk.

It is clearly preferable to encourage students in regional areas to participate in English classes with some modifications to standard delivery, rather than have no service delivery at all due to local barriers.

**Recommendations:**
1) Trial the recruitment of existing migrants, who are currently ineligible to join, into AMEP courses
2) Promote "localism" of service delivery, as suggested in the *Shergold Review,* by funding local coordinators to facilitate place-based approaches to language learning

## Employment-based language training

There are a host of existing programs across government designed to support migrants, including humanitarian migrants, into employment. These range from case work support in the immediate settlement phase, referrals into *jobactive*, other employment programs such as Parents Next, Launch into Work, Transition to Work, and ancillary programs like the SLPET course within the AMEP. In addition, there are state-level programs, such as the Refugee Employment Support Program.[33] A formal evaluation of the effectiveness and potential gaps of existing suite of services is outside the scope of this report.

There are opportunities to tweak existing criteria within current programs to better align language learning and transition to employment opportunities. In general, these opportunities should be tested with smaller groups of participants in the first instance and then evaluated to determine whether they are appropriate for broader use.

### *Expanding SLPET*

A pilot could **expand the pool of eligible people for the SLPET program** by introducing concessions for the eligibility criteria as current SLPET participation is too low.

The first step would be to identify new migrants within the AMEP cohort whose immediate and primary goal is to find work. Using existing indicators from program assessment, this would help identify people who are unlikely to pass the 75 per cent of hours threshold to qualify for SLPET. In addition, a reduction in the ACSF threshold of Level 2 for all four components (learning, reading, writing, and oral) to three out of the four components may spur a larger pool of people to undertake SLPET courses.

Using a three out of four approach would also help address the "spiky profile". This is where there is a lack of uniform language outcomes across the different components. The Department of Education recognises this on their website, writing "The Australian Core Skills Framework recognises that an individual may be operating across different levels within a core skill, demonstrating some Performance Features across two or more levels, or performing more strongly in one Domain of

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[33] For information on the Refugee Employment Support Program.

Communication than another. It is also likely that an individual will not perform at the same framework level across all five core skills."[34] Given this, incorporating a more flexible SLPET threshold would help improve access to this important sub-program.

If the combination of these two concessions expands the pool of eligible people for SLPET, a test group of new migrants should be selected and their performance analysed, then compared to existing SLPET participants.



There are a number of questions for SLPET in general heading into the next contract, and this pilot would do well to better understand the complexities involved. For example, a number of service providers have noted the different cost structures involved in the new business model compared to the previous model for SLPET. Given the costs involved in the course beyond teaching English, this is an important consideration. Embedding this approach within the place-based context discussed above will clearly assist.

**Recommendation**:
3) Expand the number of students eligible for SLPET

## *On-site language*

One of the biggest barriers to improving English language proficiency is the difficulty of combining AMEP study with full-time employment.

A recent innovative model of delivering training on worksites is the Barangaroo Skills Exchange (BSX), a partnership with LendLease, TAFE NSW, and the Construction and Property Services Industry Skills Council. Supported by the Barangaroo Delivery Authority and the Australian Department of Industry, the BSX delivers an on-site training and skills centre, acting as a one-stop shop for vocational education and training needs.[35] One of the discrete programs is the Workplace Language and Literacy Program. This program has a five day per week on-site teacher, supporting workers in either a classroom setting or as a "drop in" model.

Large-scale physical infrastructure projects represent a promising pilot opportunity for this type of project, with an exclusive focus on language. According to MacroMonitor, Australia is set to experience the largest ever major transport infrastructure boom in the coming period.[36]

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[34] Department of Education, The ACSF in Action, accessed 1 October 2019
[35] See Barangaroo Skills Exchange information booklet.
[36] See MacroMonitor, Australian Construction Outlook, August 2019

Major Transport Infrastructure Projects - Australia

These projects are likely to attract a disproportionate number of workers who are recent migrants, including humanitarian migrants. Using an approach similar to BSX, with an exclusive focus on English language on-site learning, the Australian Government could fund a pilot of on-site language learning. A feature of on-site learning is the ability to tailor the curriculum and content to the project. For example, occupational health and safety is a key soft skill when working on physical infrastructure and other construction worksites and should form a core learning component.

A pilot could fund either an existing AMEP or SEE service provider, or other organisation, to **deliver language training on-site of employment** for migrants on a major transport infrastructure project in either Melbourne or Sydney. Projects could be scoped to assess where the largest number of migrants with language needs are. This approach to delivering training could be particularly constructive for those in entry level positions on these projects, who are unable to progress to higher levels of skill and responsibility without additional English language proficiency. Lessons could incorporate key information and skills necessary for the worksite, including employee conduct, safety and other workplace-specific soft skills.

These proposals could potentially draw from the proposed Foundation Skills for Your Future program and could also be an opportunity for alignment and coordination between the AMEP and SEE programs and providers. Further, given the benefits to employers, there may be an opportunity for in-kind support in the form of teaching within paid work hours, as opposed to fitting teaching around breaks or before and after shifts. On-site language learning also offers the opportunity for significant digital components of distance learning, which is discussed further below.

**Recommendation:**
4) Pilot the delivery of on-site language training for large construction projects in major urban areas

## Needs-based informal learning

The Community Hubs model of creating a social entry point for new migrants demonstrates the success of needs-based approaches to settlement support. The Australian Government should consider how to deliver social English training in a needs-based environment, either through the Community Hubs or using similar service models. The Community Hubs model focuses on providing services for female migrants who have fallen outside the reach of existing services. As noted earlier in this report, there is no requirement in the Immigration (Education) Act 1971 that funding for the 510 hours of English-language tuition must be spent on the AMEP.

Community Hubs or similar models which focus on female migrants are able to counteract some common barriers to English language learning. For example, childcare is reported as one of the major barriers to AMEP participation.[37] While childcare for young children is a requirement for service providers delivering the AMEP, it can be complicated to access if it is not on-site. Further, separation from children can be a jarring cultural experience for some migrants. Co-locating childcare within the same room or building is the most obvious way to overcome this issue. The Community Hubs model promotes **childcare where women remain in the room, or close-by on the same site, while care is undertaken by a qualified supervisor**. This model has been successful, noting the caveat that this is a setting primarily designed for social engagement as opposed to formal English learning. However, the Community Hubs have recently undertaken a pilot to deliver English teaching in Hubs, which demonstrated the benefit to this approach. This pilot is now becoming a formal part of the Hub model.

A key concern about this type of language learning may be the level of proficiency gained compared to learning in a classroom environment with a structured curriculum. However, with minimum standards regarding teacher qualifications and course requirements, these concerns are often mitigated relatively easily. To test the concept, a pilot could be compared and evaluated against more traditional AMEP classroom environments.

A further concern would be compliance with the Immigration (Education) Act 1971 eligibility requirements. To mitigate this, active student selection could occur in high-need areas. The Department could analyse their administrative data from areas with existing Hubs infrastructure in which large groups of pre-level A and B students live. Selected students could be offered the choice to undertake existing classes or attend English classes in the Hub. Once a threshold number of potential students is identified in an area, structured support could be provided and later evaluated.

If curricula and eligibility concerns about applying the Immigration (Education) Act 1971 outside of the AMEP prove too great, then a separately funded approach to deliver conversational and entry-level language classes should be trialled in the context of the AMEP flexible delivery trials. A bespoke set of regulatory requirements could be complementary to the standalone AMEP, particularly for women who have been in Australia for a significant period of time and are now excluded from federally funded English language support.

**Recommendation:**
5) Expand the delivery of conversational, entry-level English language support in flexible environments to accommodate co-located child-care and other needs of migrants

# Service reform for the next AMEP contract

As Australia's primary language support program for new migrants, the AMEP is a large and complex program, funded by government and delivered by a number of organisations to tens of thousands of new migrants each year.

This is not a straight-forward public policy environment. In addition, there is an inherent tension within the program, with different participants and students seeking different outcomes. There is no best practice in terms of balancing the demands of

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[37] James Button, Australia's English Problem: How to renew our once celebrated Adult Migrant English Program, June 2019

education, employment, and settlement priorities. There is no rule that says a fixed number of tuition hours will result in a high level of English proficiency and confidence for each student.

The opportunity to reform is now here. Greater alignment between language, settlement, and employment policy objectives has the potential to improve service provision for future migrants to Australia. In a tight fiscal environment, it is important to get more from existing resources through improving the economies of scale from multiple government programs.

The pilot approaches outlined above, and tested through the AMEP flexible delivery trials, provide a number of options for the next AMEP contract. If any of these approaches are undertaken, tested, and are considered appropriate, they should be folded into the procurement process for the next AMEP contact. These pilots or trials would also offer insights into practical ways the AMEP and providers can coordinate with related and complementary programs at the federal level, such as *jobactive*, SEE and Foundation Skills for Your Future. These insights could include identifying barriers to collaboration, ways to avoid duplication and competition, and mechanisms to incentivise collaboration within service contracting and administration. Additional options for the next contract are discussed in more detail below.

**Recommendation:**
6) Fold in relevant trial activities to the next AMEP contract

## A question of timing

There are important questions of timing for the next AMEP service delivery contracts. When should the process occur? Should it occur alongside other settlement programs to maximise alignment?

Home Affairs is now the centre of gravity for settlement services for humanitarian migrants. However, this has occurred recently. To get the most out of a reworked AMEP, the Australian Government should consider a period of time to allow the Department to fully assess the status of the AMEP, the context of the program, and the policy implications of potential contractual changes.

Further, too often processes to purchase social service delivery are rushed with little benefit for either potential service providers or funding agencies. Given this and the great changes that 2020 have brought, the very earliest start date of the next contracts that should be considered is 1 July 2022. It is important to allow for a period of internal review, assessing formal trial performance, and due diligence prior to a lengthy and substantial procurement process, as well as a potential transition between new service providers.

In addition, there is the potential this date could act as a reset point for the broader settlement service policy and program management functions across the Department. This would see procurement for the AMEP sit alongside other settlement services, such as the Humanitarian Settlement Program and perhaps the Settlement and Engagement Transition Support program.

There are, however, also potential costs with this approach of bundling up procurement processes across a relatively small part of the community sector. Multiple procurement processes may create a very substantial strain on resources of organisations seeking to bid for these programs. There may be limited capacity internal to the sector in relation to resourcing multiple processes at the same time. While larger providers will be able to ameliorate this issue, smaller organisations will struggle, potentially limiting the competitive nature of the process. To mitigate this, a capacity assessment of likely bidders should be made by Home Affairs prior to deciding when various settlement tender processes will occur.

## An independent AMEP student and post-student survey

Before confirming the new model, **an independent AMEP student survey should be carried out.** The survey should be undertaken by an independent evaluation or survey specialist, rather than an existing service provider.

Too often the voices of migrants who use these services are marginalised by a variety of other actors. A survey of AMEP students would help buffer against this and pinpoint barriers to improving English outcomes. It is important to note that the language proficiency of students must be taken into account for any survey design, to ensure a representative sample is taken.

In addition to current students, the Department should also commission research on post-AMEP pathways. As there is currently no unique student identification number for the AMEP, there is a lack of tracking outcomes over time. However, with existing AMEP administrative data, it should be possible to conduct follow-up research on former students. Better understanding post-AMEP outcomes would help inform how the AMEP could tailor or adjust core teaching approaches. Drawing on other data sources may also assist. For example, the Victorian Government has a unique student ID number for Vocational Education and Training. It may be possible to match up data sources to provide an estimate of future education and training outcomes, post-AMEP.

## Develop an estimate of potential students who don't enrol in the AMEP

Currently, there is no estimate about the number of potentially eligible migrants who are not enrolled in the AMEP. This is detrimental to achieving effective policy goals. **A reliable estimate of how many people are not enrolled** would allow a more accurate analysis of recent migrant English outcomes as well as ensuring the AMEP is responding to needs within the recent migrant community, instead of only those who show up. This should be the first order of business given the difficulties in conducting a request for tender without an informed estimate of potential students. Any trial which seeks to recruit potential AMEP students who have been in Australia for an extended period of time would prove valuable in developing this estimate.

While there are difficulties in generating a reliable estimate, they are not insurmountable. The most important assumptions will be around recent migrants' existing English language proficiency and, based on previous AMEP enrolment and assessment data, this should be achievable.

While there are clearly a number of difficulties in establishing what this population might look like, the combination of Departmental administrative visa data, together with profiles of new migrant arrivals, should allow an estimate to be made. Drawing on the modelling capacity in other areas of Home Affairs, where profiles for risk and compliance are commonplace, would assist achieving this estimate.

# Contracting model, "price points" and service-based funding

The current contract and fee schedules have been shaped by the administration priorities of the Australian Government. The influence of the Department of Education and Training is easy to see, particularly with the shift towards the ACSF and a higher priority placed on educational English.

This recent history is neither good nor bad, and instead reflects the values and priorities of previous administrative arrangements. Building on this, the most recent shift of the AMEP into the Home Affairs portfolio signals another shift in priorities, tilting the scales towards a settlement-based approach to learning English.

A settlement-based approach is rooted in a broader learning environment, partnerships with local communities, and blended learning external to classroom activities. While the current contract does not explicitly prohibit this type of learning framework or provider activities, there are limited funding opportunities for service providers to be flexible in this manner.

In general, **the fee schedule and price points in the next contract should reflect the shift back to a settlement-based model**. This could manifest in a number of ways, including:
- Key performance indicators and price points deliberately promoting settlement-based activities, such as attending community activities and events to learn English. By incorporating this approach into the procurement documentation, AMEP service providers will show they have the capacity to deliver settlement-based activities.
- Broader definitions of key terms to fold in and promote non-formal classroom activities.
- Building a local settlement-centric collaboration network outside of the classroom, featuring payment for establishing and maintaining engagement and active collaboration with local employers, non-profit organisations and local governments.

One method of infusing a settlement-first approach is to define key terms in the contract in a settlement context. For example, definitions that restrict funding opportunities strictly to classroom-based settings restrict the ability of service providers to conduct teaching in community-based environments. This type of education should be seen as complementary to formal classroom approaches, as long as appropriate mechanisms are in place to satisfy quality control.

For example, current settings use the term "classroom" when describing face-to-face, onsite environment in an education institution where AMEP teaching occurs. This appears to be an overly restrictive definition, limiting a settlement-approach to blended learning environments. While caution must be exercised to avoid providers cutting corners, finding a middle ground to loosening definitions in order to promote settlement approaches would improve the AMEP.

In feedback to the review into the AMEP, a strong theme of complexity has emerged when attempting to accurately cost the AMEP and associated service delivery. This can have material effects on how the AMEP is delivered. For example, the introduction of the social and pre-employment streams within the AMEP in the new business model led to a two-tiered fee system from service providers. As teaching social English has a lower qualification threshold, this generally led to lower prices for delivering social English classes. However, this has created an incentive for providers to enrol students in pre-employment English. It is difficult to believe that close to 90 per cent of AMEP students learning goals align with the pre-Employment stream, yet the fee structured is incentivising this behaviour within the program.

## *Licensing arrangements for specialisation and flexibility*

As discussed above, alternative procurement options should be considered. In particular, **a procurement process centred on licencing or accreditation** may overcome a number of issues associated with competitive tendering and price-service bidding that produces a form of "fiscal straight-jacket" for service providers and students.

There are a number of potential benefits to a licensing model, particularly for sub-components of the AMEP. For example, distance learning under the current contract has been a disappointment, with referrals working poorly and service provision

failing to address the needs of students. A licensing model for the distance learning component of the AMEP may enable a more varied set of service providers, as well as potentially bringing in a broader range of organisations and businesses who traditionally would not bid for the program.

A licensing model would also give Home Affairs more flexibility and scope for managing caseloads and change. For example, specialist service provision is easier to deliver in an environment where multiple service providers are licensed, instead of a single agency attempting to manage all students within a single geographic region.

Finally, but perhaps most importantly, it is imperative to infuse the contractual model and fee-schedule with the ability for service providers to promote and encourage flexible service delivery. This means providing English teaching where and when it is best suited for the individual student. While a traditional classroom setting and pedagogy will work for some students, it will not work for all. English education should thus occur in workplaces (as described above), in childcare centres or schools, and in non-urban areas. It should allow both shorter and longer classes to ensure as many people are possible are served by Australian Government funds.

For this to work and for potential service providers to put forward innovative models, the procurement documentation must ensure it does not preclude or exclude approaches outside of formal classroom settings.

**Recommendations:**
7) Reorient the AMEP to a settlement-first approach, with reference to key performance indicators, fee schedule, and key contractual terms
8) Consider the introduction of licencing or accreditation arrangements that encourage specialist and flexible service provision

## Open access digital learning

There has never been a better time to learn English. Two decades into the 21st century, technology has opened the door to flexible delivery mechanisms. The large-scale work-from-home phenomenon in response to COVID-19 has irrevocably demonstrated the ability for work and education to reach into people's homes. This period of change has already transformed AMEP delivery methods, leading to positive developments in supporting digital and remote learning that can now be built upon.

It is clear that traditional methods of procurement have failed the AMEP when it comes to distance and digital learning. The status quo of a referral-based pathway to a single national provider delivering a template learning framework does not work in this day and age. This has contributed to a stunningly low proportion of overall AMEP hours being delivered by distance: only 2.6 per cent of all AMEP hours were delivered by distance in 2018-19.

There is a great need to reset student access to distance and digital English language learning. Distance and digital learning are perfectly placed for a multi-provider environment, to promote the use of specialisation and bespoke service delivery. Digital services can boost equity and flexibility, making online training, language support, and coaching available, regardless of location. These kinds of flexible learning opportunities will be of particular interest to refugees who are already in employment or starting businesses. Meaningful collaboration between service providers and cutting-edge digital learning platforms should be prioritised as a goal for the next procurement process. A digital training account could be used to encourage self-directed learning, according to need and interest.
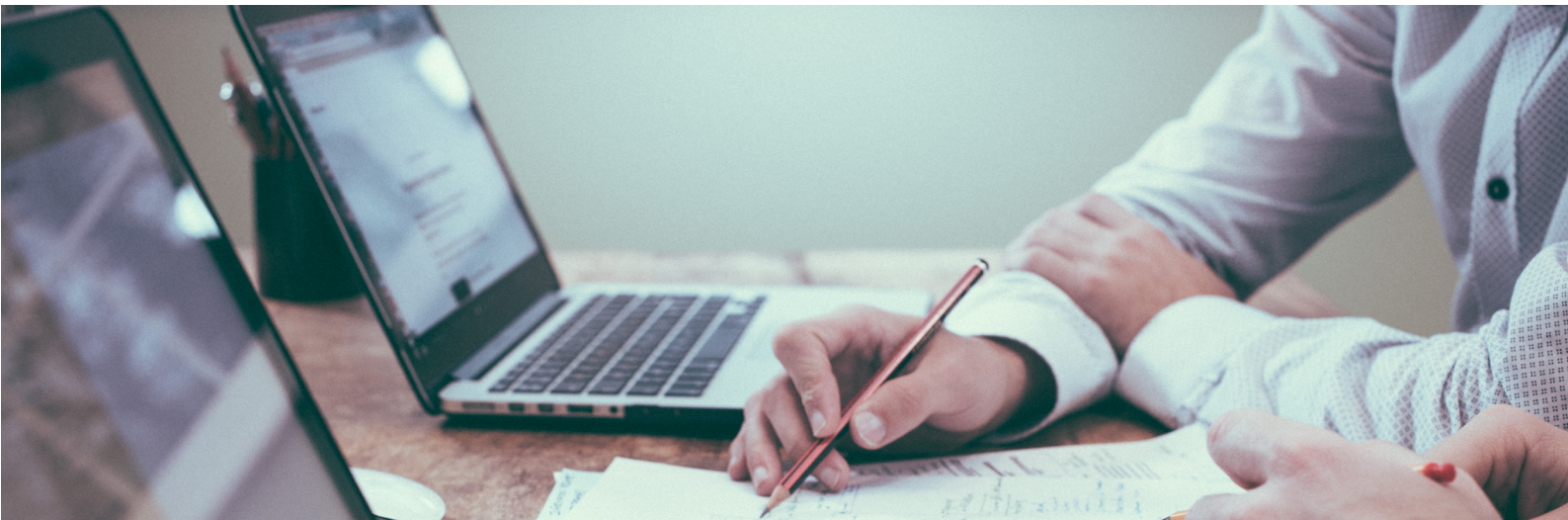
Philippe Legrain, in *Step Up: How to get refugees into work quickly*, expands on the utility of digital-based language training, particularly when integrated with economic participation. He notes that "for refugees who have smartphones, as most now do, apps also provide a cheap, flexible, interactive means for refugees to learn the local language, at their own pace and at a time that suits them "[38]

Some examples of companies and organisations offering special and free online resources to refugees, noted in Legrain's research, include:

- WhatsGerman provides free basic language lessons to new arrivals in Germany via WhatsApp, the smartphone-messaging service. Refugees simply add a number to their contacts and each day they receive a language lesson.
- Duolingo provides a special version of its German app for Arabic speakers.
- Babbel, whose app helps users learn different languages from Spanish to Swedish, provides special support for refugees.
- The European Commission provides courses in European languages for refugees through the Erasmus+ programme.
- The British Council offers free English lessons online to refugees worldwide.
- The Goethe Institute provides free online German courses to refugees.[39]

The most straight-forward approach would be **to subsidise or provide free access to existing apps and online content as part of the procurement process**. There could be a proactive invitation to development organisations to offer apps and other web-based learning programs, without restricting the invitation to comply with procurement regulations. Designing a realistic cost model, combining both the number of students signing up with their actual use of the program, is likely to be the simplest model of expanding access to digital learning content.

As this business environment is relatively well developed, there is also the opportunity to tailor programs to suit different migrants. This includes approaches for children, people with no language background, and those seeking professional support.

**Recommendation:**
9) Subsidise or provide free access to existing online resources via the procurement process

## Program eligibility

While many of Australia's contemporary migrants are highly skilled and able to speak English with a high level of expertise, the number of migrants in Australia who say they speak English proficiency as "not well" or "not at all" has more than doubled over the past ten years.

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[38] Philippe Legrain, Step Up: How to get refugees into work quickly, 2017 p. 26. See: http://www.opennetwork.net/step-get-refugees-work-quickly/
[39] Ibid pp. 26-27

Women are most affected by the eligibility criteria for the AMEP and language programs. Female humanitarian migrants in particular are often dedicated to establishing a new life in Australia for their family, while their male partner either works or attends English classes. This perpetuates long-term disadvantage in settlement and participation outcomes for women. Recognising the legislative implications of changing AMEP eligibility, there is a strong case for additional flexibility in promoting migrants to undertake the AMEP or alternative forms of language assistance.

There were over 9,000 extensions granted to AMEP students who otherwise would not have been eligible for the 2018-19 year, in relation to either enrolling after the six or twelve month cut-off point, or after the exceeding five-year period in which allocated hours must be used.[40] This reveals a large number of people for whom eligibility requirements are a barrier to entry, plus an unknown number of people who time out of study without requesting extensions.

When you combine data on the extensions given with the fact that the vast majority of people in the AMEP exit because they have reached the five-year limit, it is clear this restriction needs to be loosened.

In the Immigration (Education) Regulations 2018, an extension on the six-month cut-off for enrolment can be granted based on consideration of "the applicant's family and caring commitments during the non-participation period" (paragraph 7(2)(e)).[41] However for an extension to be approved on receiving tuition beyond five years, the consideration must relate to medical issues, a death in the family, a traumatic experience, or a "compelling and compassionate reason" that prevented the person from using tuition within the five year period.

An extension to the provision of tuition after five years in Australia aimed at increasing women's participation has the potential to allow hundreds, if not thousands, of additional women to learn English after their initial settlement period has concluded and they begin to focus on their own needs rather than primarily on caring for other family members.

**A revision to the Immigration (Education) Regulations 2018 would replicate a "family and caring commitment" as an applicable consideration for extending tuition past five years and providing an additional five years eligibility.** This could be done by inserting this provision into paragraph 9 of the Immigration (Education) Regulations 2018. While it is Departmental policy to allow these considerations, the small number of five-year extensions relative to enrolment extensions mean this may not be well understood by services providers and students.

This small amendment would allow more female humanitarian migrants who were the primary carer for their families and did not undertake 510 hours (or additional under AMEP Extend) within five years a grace period, without having to meet a higher eligibility bar in relation to medical or traumatic experience.

**Recommendation:**
10) Revise the Immigration (Education) Regulations 2018 to include a "family and caring commitment" to extend tuition beyond five years

## Reintroduce AMEP Counsellors

Each procurement process for the AMEP will lead to changes in how the program is delivered. One major change in the current set of contracts is the removal of mandatory AMEP counsellors from the fee structure. In effect, this constitutes the removal of counsellors from the program unless service providers are willing to provide the service without formal resource support from the AMEP.

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[40] Data was provided by the Department of Home Affairs.
[41] See Immigration (Education) Regulations 2018.

From an education and training perspective, it is understandable that counsellors may be seen as desirable rather than necessary, and that a fixed pool of resources may not be extended to non-teaching, non-classroom-based staff. Instead, the Individual Pathway Guidance role has been incorporated in lieu of counsellors.

However, from a settlement perspective, counsellors represent a robust contribution to learning English for a purpose, grounding the experience in a settlement journey and looking beyond the classroom towards future pathways. In addition, counsellors have the potential to play a critical role in delivering more tailored and flexible services. Given that flexible service delivery is acknowledged as best-practice, the more support provided to it, the better.

Most importantly, counsellors could play a critical employment role in assisting AMEP students to navigate the beginning of the AMEP exit process and the transition into further economic participation. Connections between the AMEP and future education or employment opportunities are crucial but also can easily fall through the cracks. Data provided by the Department of Employment, Skills, Small and Family Business indicates that only about 10 per cent of recorded AMEP jobseekers achieve a 13 week employment outcome each year, while a further 7 per cent achieve a 26 week employment outcome.[42] These figures are not promising and indicate additional support may help smooth the language learning to employment pathway.

In addition to connect students to employment and *jobactive*, counsellors would seek to connect those students who wanted to keep learning to future opportunities, such as the SEE program.

**An explicit "Pathways Counsellor" position to assist students with what comes next after the AMEP would reinvigorate the AMEP as Australia's premier settlement program.** While counsellors are still an option to provide to students, the current contracts do not mandate this, making it unlikely these positions will be funded.

This is a straightforward reinstatement of a positive service within the AMEP that was removed given different priorities. This will also provide a much more concrete connection to other related programs, including settlement, employment and entrepreneurship.

As an alternative, if the decision is made to continue without explicit AMEP counsellors, then in the context of multiple procurement activities over the next 18 months, there is an opportunity to co-fund joint settlement counsellors. A settlement counsellor could sit across service delivery functions and exist as an independent advice option. While this would represent a departure from individual program-based case managers and counsellors, there is great potential in placing new migrants at the centre of service delivery, instead of overlaying multiple program requirements and interactions with individual migrants.

The counsellor model may also present as a viable option for licencing. Counsellors should have the best interests of the student at heart and sitting outside of the organisation that delivers the AMEP may create a better environment for assistance by reducing conflicts of interest. Clearly some organisations may view counsellors as integral parts of the service delivery model. Given this, building flexibility into the procurement framework on these types of questions would give the Australian Government options when assessing proposals.

**Recommendations:**
11) Reintroduce AMEP counsellors as a mandatory requirement and consider the appropriateness of cross-settlement programming

# Long-term goals for language policy in Australia

There is nothing as important as English language for new migrants to fully participate in Australian society. There is wide agreement on this, from across the political spectrum and throughout broader society.

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[42] Please note this data refers to those AMEP students who are registered with jobactive providers who have been flagged with AMEP activities.

When combined with the transformational changes occurring in today's labour market and economy, making English a necessity instead of an optional extra is paramount. Expanding and improving English support is one of the most important policy goals in relation to Australian migrant services.

Recognising this, this report recommends a long-term agenda of change for the provision of language support to new migrants based on the following considerations.

## A needs-based approach

It is clear the goal of successive federal governments has been to promote English language for recent migrant arrivals. However, achieving this goal is hampered by overly strict eligibility criteria, which push people away from the AMEP and into a raft of other English options.

In the future, English language support should be based on an individual's need, as opposed to the date they arrived in Australia.

Removing the legislative barriers to government-funded English support is necessary to provide services through a needs-based approach. This expansive approach would strive to adapt to migrants needs and encourage and foster long-term learning. As outlined in Part One, 61 per cent of the 181,500 migrants who arrived between 1986 and 2005 and who speak English either not well or not at all are women.

In the explanatory statement of the Immigration (Education) Regulations 2018, the extension of tuition to 10 years is explained as a change which recognises that "some migrants will need additional time to attend to settlement needs ahead of attending AMEP tuition". Immediately following this is the rationale for limiting the extension to 10 years, as this "limits the government's liability to provide tuition indefinitely." But these statements are in competition. Of course, some migrants will need additional time to attend to settlement needs. This speaks to the need for an expansive definition of eligibility criteria, instead of more restrictive settings.

In a simple cost-benefit calculus for the Federal Budget over the next four years, there is always a need to impose limits on the government's liability. Yet this analysis falls down when placed into a broad economic participation environment. A woman who is given the time to learn English, even if the first five or ten years of her settlement experience was not the right time, is given the chance to participate in the future. Further, removing the eligibility criteria will not lead to a large, unknown cost, as a fixed number of hours would remain as a legislative requirement.

After limiting liability, a secondary concern leading to the imposition of time limits is the attempt to create an incentive to enrol and complete English courses quickly. While the intention of this approach is positive, it is difficult to justify given the gains to further English proficiency are so immense for migrants to Australia. Balancing the desire to get new migrants into English support early if and when appropriate, with the flexibility of allowing needs-based support over time, should be the core policy goal for the AMEP in the future.

The Morrison Government's decision to bring settlement services back under one umbrella in Home Affairs returns the administrative arrangements to their pre-2013 state, allowing a strong centre of gravity for governance of these programs, including the AMEP. This creates a new opportunity to foster integration across programs and support services.

One program cannot deliver effective English language support for all of Australia's diverse new migrants: people who have different needs and aspirations. Over the long-term, the Immigration (Education) Act could be used to promote additional programs that cater for all needs. There is nothing preventing the Australian Government from funding additional English programs or providers who can draw upon the 510 hours of entitled tuition for new migrants.

# Funding

The AMEP is a big public program. Test driving new approaches in the AMEP to generate meaningful service reform requires fiscal wiggle room. No public program like this can survive over decades without the capacity to shift and change.

Given the Morrison Government's commitment to fiscal neutrality for new policy proposals across government, this section outlines a number of options to provide fiscal room to think and change the AMEP. A lack of funding or an inability to think about funding is a potential barrier to genuine policy reform.

The **AMEP flexible trials** represent the clearest opportunity for implementing a number of the ideas suggested in this report. Over the medium-term, other funding options exist. In additional to the scheduled CPI increases in visa fees now baked into the federal government budget, one option is a **one-off increase in visa fees of one per cent to fund a settlement funding pool** to address new policy proposals over the next 24 months given pending procurement and settlement funding. This is equivalent to approximately $50 million over the forward estimates and represents the best opportunity to see a real funding increase for migrant settlement.

Visa fees to Australia are relatively high compared to other high-income countries. There have been substantial increases in visa fees since the Gillard Government. However, there is a strong argument to be made that, given the benefits of living and working in Australia, migrants are well placed to contribute to funding of support services themselves.

The Morrison Government's **Foundation Skills for Your Future program** announced in the 2019-20 Budget has $52.5 million allocated for workplace-based training and skills. A number of the ideas below may align with this priority.

There is also a strong case that employers should be asked to contribute additional funding, given the economy-wide benefits to additional English language ability among recent migrants. **A small increase to the Skilling Australian Fund levy**, dedicated to supporting foundation English skills (in addition to the existing VET sector programs) in one option. In lieu of an increase to the levy, the Australian government could choose to prioritise English support in terms of projects approved by the Fund, working in conjunction with state governments.

Finally, there is the potential for **departmental offsets** to fund additional English support. Given Home Affairs is now the centre of gravity for the administration of migrant settlement support, a small reprioritisation would send a strong signal about the importance of migrant settlement support within Home Affairs. There is the potential that existing resources may be used more effectively, however this is difficult to examine without a more detailed examination of the AMEP.