

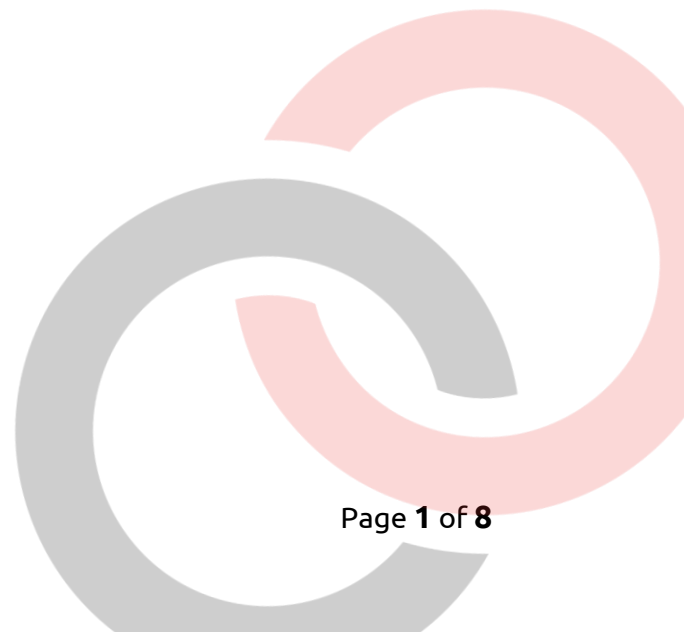


Australian Information Industry Association

**Submission to the Joint Standing Committee
on Migration**

**Inquiry into the Value of Skilled Migration to
Australia**

5 January 2025



About the AIIA

The Australian Information Industry Association (AIIA) is the nation's peak body for those in the digital ecosystem, leading strategic policy and advocacy to shape a thriving digital sector. Through strong engagement with government, industry, and the broader community, the AIIA ensures the voice of its members informs decision-making on technology, innovation, and digital capability.

Membership provides direct access to influential networks, premium events, and opportunities to collaborate on initiatives with the sector's best and brightest to drive industry growth, improve productivity, and secure Australia's place as a global technology leader. AIIA members access real collaboration, real connections, and real outcomes.

Executive Summary

The Australian Information Industry Association (AIIA) welcomes the opportunity to contribute to this inquiry.

The AIIA supports a skilled migration system that attracts the best global talent, but migration cannot and should not be Australia's only strategy for meeting the digital economy's workforce demand.

The AIIA believes that we should reconsider the objectives of skilled migration in the digital economy, and how it can enable domestic industry and talent to thrive. Our priority must be to grow, retain and upskill the domestic workforce, ensuring Australians benefit directly from the digital transformation of the economy. Skilled migration should complement domestic talent development. Migration policy should therefore be integrated with national workforce and education policy to build sovereign capability and resilience.

Summary of Key Recommendations

1. Position skilled migration as a catalyst for domestic capability building, requiring employers to demonstrate how international hires will train, mentor, and uplift Australian workers as part of an integrated national talent pipeline.
2. Create a dedicated, responsive Digital Skills Stream with dynamic role lists and mandated knowledge-transfer plans, ensuring Australia can bring in global talent quickly while strengthening the domestic workforce.
3. Support a nationally coordinated digital skills ecosystem by expanding industry-accredited micro-credentials, strengthening TAFE–industry partnerships in fields such as AI, cloud and cybersecurity, and establishing regional digital skill hubs where migrants and local workers develop and transfer capability side-by-side.
4. Launch a national public awareness campaign reframing skilled migration as a capability-building tool, highlighting real examples of collaboration between

migrants and Australians, and furnishing the public with accurate information on the subject.

5. Benchmark Australia's migration reforms against leading jurisdictions like Canada, Singapore, and the UK by explicitly linking talent attraction to domestic skill development, ensuring migration settings strengthen, not substitute for, sovereign capability.

Key Elements

1. Economic, Social and Cultural Value of Skilled Migration

Migration is an essential element in the success of Australia.¹ It supports innovation, cultural diversity, and entrepreneurship. In some circumstances in the digital sector, international talent fills immediate capability gaps², and contributes to maintaining competitiveness in fast-evolving fields like AI, cybersecurity, and quantum computing.

However, Australia's migration program is not fit for purpose. Successive governments have responded to challenges through piecemeal reforms and not addressed key concerns.³ The AIIA submits now is the time to rethink the program's objectives.

Migration cannot be Australia's only solution to powering the digital ecosystem's workforce needs. Overreliance risks creating long-term dependency and limiting opportunities for local workers. AIIA members report that even with migration inflows, skills shortages persist⁴, highlighting structural weaknesses in how we develop and retain domestic talent.⁵

The AIIA believes that:

- Skilled migration must complement, not replace, investment in Australian skills.
- Every migrant role should act as a catalyst for training Australians alongside global experts.
- Public understanding should shift from "importing skills" to "building capability," with migration as one tool in a broader national strategy.

In some circumstances, international tech workers are already uplifting local skills through collaboration, mentoring, and exposure to global best practice.⁶ As a result, light-touch

¹ Business Council of Australia, 'Migration makes Australia Stronger', 2023, 4.

² Some occupations, such as Software and Applications Programmers, where visa holders make up almost 60% of the workforce, depend substantially on migration, while others do not. This is not consistent across all FTB occupations. *See generally* Australian Government and Jobs and Skills Australia, *Occupation Shortage Report, September Q 2025*, December 2025.

³ Australian Government, Department of Home Affairs, 'Review of the Migration System', 2023, 1.

⁴ Current evidence, however, shows no crowding-out effect in digital occupations and Australian workers are not being displaced, but migration must supplement the required growth in the domestic skills pipeline rather than replace it.

⁵ AIIA & Victorian Government AI Opportunities Workshop, October 2025.

⁶ Microsoft, LinkedIn, Accenture and TCA, 'Harnessing the hidden value' (2023) 13.

approaches such as simple attestations or workforce development summaries would support transparency without adding compliance burden for SMEs.

Recommendation One: Position skilled migration as a catalyst for domestic capability building, requiring employers to demonstrate how international hires will train, mentor, and uplift Australian workers as part of an integrated national talent pipeline.

2. Effectiveness of Current Skilled Migration Settings

Current migration settings struggle to keep pace with industry needs. Processing delays and outdated occupation lists mean that by the time visas are granted, demand has often shifted, especially in emerging fields like AI and quantum computing. SMEs and start-ups face prohibitive compliance and sponsorship costs⁷, limiting their ability to attract niche expertise. Visa uncertainty also drives high turnover and disrupts projects.

More fundamentally, migration policy operates as a reactive pipeline rather than part of a coordinated national workforce strategy. While the Government's National Skills Agreement (NSA) prioritises digital capability, migration settings remain disconnected from domestic training initiatives.

Migration policy operates largely in a separate stream. The Migration Strategy and subsequent planning for the 2024–25 Migration Program focus on attracting skilled migrants to fill immediate gaps, streamline visa processing, and introduce new pathways like the Skills in Demand visa. While these reforms aim to address shortages, they do not explicitly integrate with domestic training initiatives under the NSA. Migration remains a reactive mechanism rather than part of a coordinated strategy.

AIIA believes the Government should:

- Create a dedicated Digital Skills Stream within the migration program, formally aligned to the National Digital Skills Framework, so that international recruitment supports, rather than runs parallel to, domestic skills planning.
- Formally link migration settings to the National Skills Agreement so that international recruitment supports, rather than runs parallel to, domestic skills planning.
- Require tiered knowledge-transfer plans for high-skill visas, ensuring Australian employees gain direct training benefits.
 - High-skill/niche visas = structured plan
 - General tech roles = flexible, outcome-based expectations
- Establish an industry-led Digital Workforce Partnership Council to align migration, education, and employment priorities.

⁷ Any additional requirements, such as knowledge-transfer plans, should be proportionate and designed to avoid creating new barriers for SMEs.

A knowledge transfer mandate across all roles and industries would be unworkable. Different firms and occupations have different dynamics; some require structured knowledge transfer; others rely on collaborative project-based learning.

Recommendation Two: Create a dedicated, responsive Digital Skills Stream with dynamic role lists and flexible and appropriate knowledge-transfer plans, recognising workforce dynamics differ, ensuring Australia can bring in global talent quickly while strengthening the domestic workforce.

3. Targeting Skills Gaps in Critical Sectors

The tech industry forecasts a shortfall of over 300,000 digital workers by 2030.⁸ Migration alone cannot fill that gap. Australia must grow its own capability through education reform, vocational pathways, micro-credentials, and mid-career transitions, supported by targeted migration where domestic capacity is low. By embedding these measures across the education and professional development system, Australia can build a tech-ready, domestic workforce that is capable and competitive.

There is an emerging structural risk in visa pathways, given the increasing reliance on student visas as a major source of entrants into technology occupations. Analysis shows that international students represent a critical pipeline into software development, cybersecurity, data analytics, and VET-dominated digital roles.⁹ These pathways have supported both entry-level workforce growth and the diversification of the Australian tech sector. However, recent changes to student visa settings present a significant risk to the future supply of digital workers. Restrictions on post-study work rights, higher evidentiary thresholds, and tighter transition points may reduce the number of skilled graduates available to enter the domestic workforce at precisely the time demand for digital skills is accelerating. This is particularly pertinent in technology roles where the domestic training system is not yet producing graduates at scale.

Student pathways should therefore be recognised as a vital component of Australia's digital workforce system. Migration policy should ensure that high-performing international graduates in technology, engineering and VET-led digital fields retain clear, streamlined pathways to employment and skilled migration. Strengthening the graduate-to-skilled transition will help stabilise workforce supply, reduce pressure on employer-sponsored visas, and support the long-term development of sovereign digital capability.

⁸ Nation facing tech worker shortage by 2030, Australian Computer Society says as it calls on the Federal Government, business leaders to support the sector (Accessed 17th November 2025)
<<https://www.skynews.com.au/australia-news/politics/nation-facing-tech-worker-shortage-by-2030-australian-computer-society-says-as-it-calls-on-the-federal-government-business-leaders-to-support-the-sector/news-story/e9aa0e1d071499afeb3aca7fe129910f>>.

⁹ See generally Future Skills Organisation, *Pathways to Impact: Technology Industry Report* (2025).

Key challenges:

- Employers struggle to find experienced software engineers, data scientists, and cyber specialists, while entry-level pipelines remain underdeveloped.
 - There is a structural shortage of experienced engineers, cyber roles, and data specialists. Barriers to hiring them should not be increased, even while domestic early-career pathways expand. These critical specialist roles require low-friction access while domestic pathways mature.
- ICT graduates often lack practical experience; employer-led apprenticeships and traineeships are underutilised.
- Visa pathway changes represent unknown and significant risk.
- Women, regional Australians, and mature-age workers remain underrepresented in tech roles.¹⁰

Recommendation Three: Support a nationally coordinated digital skills ecosystem by expanding industry-accredited micro-credentials, strengthening TAFE–industry partnerships in fields such as AI, cloud and cybersecurity, and establishing regional digital skill hubs where migrants and local workers develop and transfer capability side-by-side.

4. Enhancing Public Awareness of Skilled Migration

Australia’s public debate on migration remains dominated by concerns about population pressure¹¹, housing availability¹², and infrastructure strain. While legitimate considerations, they detract from the opportunity to position migration as a national capability enabler.

In a global economy defined by change, the countries that deliberately harness global talent to accelerate domestic skills growth, rather than treating migration as a disconnected inflow of people, will succeed. This reframing is essential if Australia is to compete in areas like AI, cybersecurity, cloud computing and quantum technology.

Skilled migration should not be just to fill workforce shortages, but as a structured mechanism for building sovereign capability. Migrants bring expertise, international experience, and exposure to global best practice. Their greatest value is realised when this expertise and experience is transferred to Australian workers, ensuring skilled migration strengthens our domestic workforce.

To make this change, the narrative must be refocused to show the real-world benefits of collaborative innovation between migrant and local talent and dispel any harmful misinformation. A more informed narrative will help the public, industry, and policymakers

¹⁰ AIIA & Victorian Government AI Opportunities Workshop, October 2025.

¹¹ Stefanie Duhr, ‘Population Growth and Distribution in Australia: Policy and Governance Challenges for a More Balanced Settlement Structure’ (2024) *Urban Policy and Research*, 109, 110.

¹² The Australian, *To fix the housing crisis, we need smarter migration policy*, 12th September 2025.

recognise skilled migration as an asset that builds domestic capability and drives national prosperity.

Numerous government agencies and departments have prioritised misinformation as a risk to be managed, as it can erode trust in credible sources and institutions, interfere with effective decision-making and contribute to social confusion and conflict.¹³ Addressing misinformation should be prioritised so that public debate is grounded in evidence rather than perception.

The AIIA proposes reframing the conversation:

- Skilled migration builds national capability, but only if integrated with domestic education and training.
- Every skilled migrant should be viewed as a contributor in Australia’s digital future.
- Public campaigns should highlight successful examples of Australians and migrants collaborating and provide the public with true and accurate facts and figures on the subject.

Recommendation Four: Launch a national public awareness campaign reframing skilled migration as a capability-building tool, highlighting real examples of collaboration between migrants and Australians, and furnishing the public with accurate information on the subject.

5. International Comparisons

Globally, leading digital economies are reshaping their migration systems to do more than simply fill skills shortages. They are using migration as a deliberate lever to grow domestic capability. Canada, Singapore and the United Kingdom have shifted toward integrated models in which the attraction of global talent is directly linked to local workforce development, knowledge transfer, and national skills priorities. These jurisdictions recognise that migration policy is most effective when it brings in expertise *and* accelerates the upskilling of their own citizens.

- Canada ties migration to domestic skill-building through its *Global Talent Stream*, requiring employers to develop Canadian training plans.
- Singapore’s *Tech.Pass* program attracts global experts while pairing them with local workforce programs.
- The UK integrates its *Scale-Up Visa* with domestic upskilling targets for sponsored firms.

International comparisons are informative but not directly transferable due to structural differences. Canada, for example, has greater exposure to the US talent market than

¹³ Zoe Adams et al, ‘(Why) is misinformation a problem?’ (2023) 18(6) *Perspectives on Psychological Science* 1436, 1437.

Australia. International models should inform and guide Australia's approach, while recognising that differences in scale and talent markets limit direct applicability.

Lesson for Australia:

Migration systems should not separate talent attraction from talent development. They should use migration to build ecosystems that lift domestic capability.

Recommendation Five: Use international comparisons to inform and guide benchmarking of Australia's migration reforms against leading jurisdictions by explicitly linking talent attraction to domestic skill development, ensuring migration settings strengthen, not substitute for, sovereign capability.

6. Conclusion

Australia must remain open to global talent, but long-term prosperity depends on converting migration into national capability. Domestic workforce training, upskilling and retention must provide the lion's share of workforce capability in Australia, with migration settings that compliment this approach, not replace it.

The AIIA calls for a rebalanced approach which values skilled migration as a short-term enabler; prioritises domestic digital skills as the long-term foundation; and aligns policy levers across migration, education, and innovation portfolios.

We thank the Joint Standing Committee on Migration for the opportunity to contribute to this consultation and remain available to assist the Committee further. Should you require further information, please contact Mr David Makaryan, Advisor, Policy and Media, at david@aia.com.au.

Yours sincerely

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