

SUBMISSION

Submission to the Joint Standing Committee on Migration

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

19 December 2025

The Australian Academy of Technological Sciences and Engineering (ATSE) is a Learned Academy of independent, non-political experts helping Australians understand and use technology to solve complex problems. Bringing together Australia's leading thinkers in applied science, technology and engineering, ATSE provides impartial, practical and evidence-based advice on how to achieve sustainable solutions and advance prosperity.

Skilled migration is critical to Australia's prosperity and will remain vital over the coming decades in helping fulfil national ambitions despite domestic skills shortages. In the short to mid-term, skilled migration can deeply benefit Australia through supplementing our domestic skill base. A strategic, long-term perspective on the value of skilled migration recognises its role in protecting Australia's sovereign capabilities, achieving national strategic priorities, and enabling continued technological innovation for decades to come. Australian governments have a time-sensitive opportunity to recognise and leverage the nation-building capacity of skilled migration through robust and strategic reform.

ATSE makes the following recommendations:

Recommendation 1: Develop a 40-year skilled migration strategic roadmap that interfaces with the National Skills Taxonomy.

Recommendation 2: Establish a five-year statutory body to provide an avenue for reform to reduce complexity and excessively long wait times for current skilled migration processes.

Recommendation 3: Coordinate an inter-governmental task force to improve utilisation of underemployed migrant engineers.

A long-term strategic approach to our skilled migration system

Skilled migration is foundational to nation-building, including through fostering technological innovation and ensuring a reliable supply of critical skills. Australian skilled migration policy frameworks aim to infuse skilled workers into the Australian workforce to address immediate skills shortages and contribute to economic growth (Jobs and Skills Australia 2025, p. 108).

Australia has enduring STEM (science, technology, engineering, and mathematics) skills shortages, with increased demand for STEM workers in the coming decades driven by technological change, including the rise of artificial intelligence, and by national priorities such as the energy transition. ATSE considers it necessary to build Australia's domestic STEM skills base. Programs such as ATSE's *Elevate: Boosting Diversity in STEM* are a lever for developing the future skilled workforce and enabling more Australians to access STEM careers. Investments made today benefit Australia in the medium to long term. Still, there is also a time-sensitive element to addressing our current critical skills shortages. Australia cannot train enough technical specialists within the required timeframe. This includes domestic electricians, engineers, quantum specialists, critical minerals experts, cybersecurity specialists and climate-tech engineers. Skilled migration is the only feasible pathway to achieve this goal at the required pace.

As noted in the 2023 Home Affairs review of Australia's migration system, there are several persistent shortcomings in our skilled migration system. The review found that the occupation list-based system for skilled migration is unresponsive, outdated, and unable to reflect future projected labour needs. This review proposed reforms to move toward an evidence-based system for identifying skill needs through an economy-wide analysis. (Department of Home Affairs, 2023). This sentiment was reflected in the government's 2023 migration strategy (Australian Government, 2023). However, current policy settings have not adequately addressed this issue.

A longer-term view of migration, looking ahead across decades, would enable the identification and implementation of policy settings conducive to strengthening our social and economic fabric, while meeting our immediate and short-term skills needs. ATSE proposes that developing a 40-year strategic roadmap for skilled migration would serve as an independent strategic resource for successive governments, providing insights into current and future predictions of critical skill requirements while remaining responsive to international and domestic shifts. This would support more proactive, skilled migration policy settings,

including fast-tracking high-priority occupations and sectors. This roadmap would need to be a living document, considering both short-term needs and long-term implications of policy settings. The roadmap would articulate Australia's projected skills needs at regular intervals, with updates accounting for emerging global trends and dynamics, to ensure continuous capability renewal.

This roadmap could interface with the principles, framework and language of the in-development National Skills Taxonomy (NST). The current development of the NST by Jobs and Skills Australia signals a shift towards greater flexibility in the way the government views Australia's technical capacity. This skills-based approach aims to broaden dynamism and mobility in Australian education and employment systems, enabling them to respond to shifting economic and community contexts and enhancing Australians' capacity for lifelong skills acquisition and occupational mobility. (Jobs and Skills Australia 2024, p. 4) Two of the identified use cases of the NST explicitly relate to skilled migration, being to support a "skills-based approach to migration policy visas", and to enhance "skills migration for migrant and refugee workforces" (p. 6). Developing a skilled migration roadmap would solidify NST's role in supporting migration policy.

Recommendation 1: Develop a 40-year skilled migration strategic roadmap that interfaces with the National Skills Taxonomy.

A statutory body to reduce complexity and processing times

A central barrier to the functionality of Australia's skilled migration system is its complexity and associated processing times. The Joint Standing Committee on Migration's 2021 review found that the complexity of Australia's skilled migration program renders it challenging to understand, navigate and apply for. At the time of review, application processing times were found to be excessive and non-transparent (Joint Standing Committee on Migration, 2021, p. 67). These findings were echoed by the 2023 Home Affairs review (p. 28-29). In response, the 2023 Migration Strategy committed to implementing a best-practice service-level agreement for processing times, alongside a modernised accreditation pathway to better compete for talent. (Australian Government 2023, p. 53). Despite this commitment, total skill stream migration outcomes have continued to decline by 3-4 per cent over the past two years, with excessive processing times remaining a significant contributor to this decline (Department of Home Affairs 2025a, p. 5).

As of October 2025, median processing times for permanent skilled worker visas were 13 months, and for temporary skilled visas, about 4 months (Department of Home Affairs 2025a). This is despite a commitment in the Migration Strategy to a service standard of seven days' median visa processing time for the specialist skills temporary migration pathway (p. 50). Causes of delays include age of applications in system, existing application backlogs, aggregate volume of applications submitted and finalised, different proportions of visa categories requiring different processes, as well as variability in departmental resourcing, among other factors.

The skilled migration process must be reformed to reduce complexity and processing times further. The system also requires sufficient resourcing to implement reforms, including processing time expectations. To reset the system, ATSE recommends the establishment of an independent, five-year statutory federal body specifically tasked with reforming and simplifying the skilled migration policy system, with a secondary goal of reducing visa processing times. This body would have a five-year operational authority to implement ongoing skilled migration reform. Such a body could consider the findings and insights from the previous and current reviews of skilled migration, as well as the National Skills Taxonomy. The statutory and independent nature of this body is necessary to establish a long-term, non-partisan approach to skilled migration reform in collaboration with the joint standing committee.

Recommendation 2: Establish a five-year statutory body to provide an avenue for reform to reduce complexity and excessively long wait times for current skilled migration processes.

Leveraging the underutilised engineering workforce

A significant post-migration barrier is Australia's absence of recognition and utilisation of international engineering and technical qualifications. Migrants with developed and much-needed skillsets are frequently unable to achieve employment in their field of expertise. Businesses in need of these skills are unable or unwilling to employ suitably skilled migrants partly due to an inability to formally recognise these skillsets. Almost half (44%) of permanent migrants were found in 2024 to be working below their level of skill or qualification, equating to over approximately 620,000 people (Settlement Services International 2024). The primary qualifications held by underutilised migrants are in in-demand sectors such as commerce, management, engineering and technologies, health and IT (Activate Australia 2024, p. 7). For engineers, underutilisation is driven by a range of factors including lack of qualification recognition, perceived differences in soft skills, lack of local references, and visa and sponsorship issues (Engineers Australia 2021).

Recognising the importance of engineering to national ambitions such as the energy transition and large-scale infrastructure builds, an intergovernmental taskforce would enable Australia to access the engineering expertise of its underemployed migrants. Playing a coordination role between stakeholders, such a taskforce could engage Commonwealth and state governments and agencies, industry, tertiary educational institutions, and engineering sector bodies to initiate a skills activation program and tackle these multifaceted barriers to employment for migrant engineers. This could bring together efforts to assess international qualifications, including designing robust fast-track compliance assessments for skilled migrants whose qualifications are not currently recognised.

Recommendation 3: Coordinate an inter-governmental taskforce to improve utilisation of underemployed migrant engineers.

References

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