



Australian Computer Society
Joint Standing Committee on Migration
Submission to inquiry into Australia's skilled migration program
1 March 2021
Response to Terms of Reference 1(a) and 2



The Australian Computer Society welcomes the opportunity to make a submission to the Joint Standing Committee's inquiry into Australia's skilled migration program.

Key messages ACS seeks to convey in this submission are:

- Australia has a great opportunity, post-pandemic, to attract the world's top ICT entrepreneurs.
- Priority should be given to updating the ANZSCO occupation codes to reflect the realities of the modern workforce.
- The Global Talent programs should be expanded, however ACS has concerns about the veracity of skills assessments of applicants under the program.
- Greater emphasis should be given to approving onshore visa applicants

This submission addresses questions 1(a) and 2 of the Inquiry's Terms of Reference. ACS plans to make a second submission addressing the balance of questions before the due date of March 31, 2021.

We appreciate the committee's consideration of this submission and would be happy to clarify or expand upon the points made in any future correspondence or hearings.

Executive Summary

ACS believes the skilled migration program has broadly achieved its objectives however, as Australia's society and economy are constantly evolving, the scheme by necessity needs to be regularly reviewed.

In the post-Covid global economy it is not unreasonable to believe that Australia will be an attractive destination for skilled migrants and entrepreneurs given the nation's success in managing the pandemic and its relatively good economic performance over the past year which presents an opportunity for Australia to use the ICT sector to boost the nation's economy.

The annual Digital Pulse report prepared by Deloitte Access Economics for ACS¹ last year found the ICT sector directly contributed \$56.3 billion to Australia's economy in 2018-19.

ACS's upcoming Digital Pulse 2021, due to be released in May, will highlight changes in skills demand following the 2020 international border closures and aims to model the disruptive effects of COVID-19, international border closures and the fall in international student enrolments on tech skills supply over future years.

In its 2020 findings, the report forecast Australia's technology workforce would grow at 3.1% on average for the next five years; double the expected growth in the broader labour force. By 2025, there will be an additional 156,000 technology workers in Australia, bringing the total number of workers in the sector to 928,718.

¹ <http://www.acs.org.au/content/dam/acs/acs-publications/ACS-Australias-Digital-Pulse-2020.pdf>



Skilled migrants have an important role in filling gaps in Australia's ICT sector as shown in the migration statistics. The 2020 Digital Pulse report found temporary skilled visas made up approximately 2% of the nation's overall technology workforce.

In 2019–20, the Department of Home Affairs' Annual Migration Trend and Highlights Report² reported the top two nominated occupations, accounting for 9.7 per cent of primary Temporary Resident (Skilled Employment) visa applications granted, were Software Engineers (5.2 per cent) and ICT Business Analysts (4.5 per cent).

However, ACS' experience in assessing visa applications, along with anecdotal feedback from applicants and sponsors, indicates many ICT roles are not sufficiently covered by the current classifications under the ANZSCO occupation codes and ACS would urge these codes are reviewed along with increased support for the Australian Bureau of Statistics to improve its reporting on the ICT sector.

An example of the changing roles in the ICT sector is seen in the composition of successful applicants under the Global Talent (Independent) Program with occupations in the Quantum Information, Advanced Digital, Data Science and ICT category making up 28 per cent of the intake; MedTech, 26 percent; and Energy and Mining Technology, 20 percent. AgTech (9%), Space and Advanced Manufacturing (8%), FinTech (6%), and Cyber Security (3%) made up the balance of applications.

In summary, the ICT sector will play an increasingly important key role in guaranteeing Australia's prosperity and economic growth. A well targeted skills migration program will enhance and boost the nation's skills and capabilities.

About ACS

ACS is the authorised Assessing Authority undertaking skill assessments for the purposes of skilled migration. Our role in this capacity is to assess the skills and qualifications of ICT professionals who are considering migration to Australia to work in the sector.

As the professional association for Australia's technology sector, ACS has more than 45,000 members working in ICT roles across the economy, including the private sector, government, education, and the community. ACS exists to create the environment and provide the opportunities for members and partners to succeed. ACS strives for technology professionals to be recognised as drivers of innovation in our society, relevant across all sectors, and to promote the formulation of effective policies on technology and related matters.

² <https://www.homeaffairs.gov.au/research-and-stats/files/migration-trends-highlights-2019-20.PDF>



Specific Issues

1 (a) Immediate adjustments are necessary in the context of the future of work and pandemic recovery

Skilled migration has been a critical part of Australia's immigration policies since the Second World War and has been an essential part of addressing the nation's needs for skilled workers and in assisting with industry development.³

As the Australian economy recovers from the effects of the Covid-19 pandemic, Deloitte Access Economics forecasts ICT employment will grow at nearly four times the rate of the broader workforce⁴. By 2025, Deloitte estimates, there will be 150,000 more technology workers in the Australian workforce than there are today, representing an average annual growth rate of 3.1%. This exceeds the forecast growth rate for the overall Australian workforce, which is expected to increase by 0.8% per annum over the same period.

Exacerbating this growth is the expected attractiveness of Australia to skilled ICT workers. While it is too early to gauge the effects of the Covid pandemic it should be noted in 2019, Australia was cited by the World Economic Forum as the sixth most popular immigration destination⁵ so it is likely the nation has jumped several places on that measure over the past 12 months.

With the global attractiveness of Australia in mind, during the pandemic the nation's borders were closed. This saw a shift in Skills visa applications from international to on-shore. This illustrates the need for the program to allow more applications from migrants already in the country under other streams such as education or short term skills visas.

ACS would therefore ask the Committee to recommend amending the program to give more opportunities for individuals already in Australia to apply for Skills visas.

It is also important to note the effect of digitisation upon the economy is likely understated, as the broader category 'of digital workers' does not capture the full extent of digitisation which has taken place across many occupations in Australia's workforce over recent years.

The digital economy on the workforce are being understated results in the skilled migration program not being as targeted as it could be. For this reason, ACS recommends the Committee consider the classifications included in the program as it is difficult for the current occupation-based system to identify emerging skills and shortages.

³ <https://www.aph.gov.au/binaries/library/pubs/bn/sp/migrationpopulation.pdf>

⁴ <http://www.acs.org.au/content/dam/acs/acs-publications/ACS-Australias-Digital-Pulse-2020.pdf>

⁵ <https://www.weforum.org/agenda/2019/03/which-countries-are-set-to-attract-the-highest-skilled-workers-from-abroad>



Many today's most in-demand ICT skills which, according to specialist recruitment firm Hays IT, include data scientists, Agile practitioners, cyber security consultants, and cloud architects didn't exist in their current form at the time ANZSCO was established in 2002 to normalise job roles across Australia and New Zealand⁶.

That creates problems for employers trying to shoehorn their needs into other categories, potentially also taking the place of skilled technicians in those categories.

This issue is compounded by the ICT sector's economic contribution being currently hidden by the structure of the ABS national accounting framework which combines ICT related subdivisions with unrelated industries such as print media. Understanding the role of ICT is particularly critical during the post COVID-19 environment where the sector is expected to play a key role in the nation's economic recovery.

Not only many of today's most in-demand ICT skills and occupations are not found in the current form of ANZSCO but also many of the ANZSCO occupation definitions designed by the ABS are outdated for the evolving technology sector. As most of the ICT occupations have significantly evolved over last decade, it is becoming challenging for ACS Skills Assessment to align current skills and experiences with outdated classifications.

ACS would therefore urge the committee to recommend the updating of the ANZSCO occupation codes as a priority for the government, ABS and Department of Home Affairs.

2. Australia's international competitiveness in attracting entrepreneurs, venture capital, startups, and the best and brightest skilled migrants with cutting edge skills

As stated above, it is highly likely Australia will be seen as a desirable destination for many high-income migrants in the aftermath of the Covid-19 pandemic.

In the past, Australia has struggled to be seen as a destination for technology workers and entrepreneurs as we are largely perceived globally as a leisure destination. However, the success of startups such as Atlassian and Canva along with Google having a substantial engineering facility in Sydney, has improved the nation's reputation.

The annual global survey of ecosystems conducted by Startup Genome reported last year⁷ Sydney was the topped ranked Australian city in terms of competitiveness at 27th. Melbourne made its first entry into the top 40 cities at 36th with the city ranked high in talent, stating: "it also boasts a high percentage of founders and technical talent from overseas."

Melbourne's performance shows the importance of skilled migrants and entrepreneurs to the startup sector. However, it should be noted Sydney has fallen eleven places since the 2016 survey partly due to what Startup Genome says is "the low quality of Funding, demonstrating the relatively low number of local, experienced VCs when compared to other top ecosystems." These comments indicate more needs to be done by Australia to attract investors and venture capital partners to boost the nation's competitiveness in this area.

⁶ <https://ia.acs.org.au/article/2019/skilled-occupation-list-overhaul-thrills-it-industry.html>

⁷ <https://startupgenome.com/article/rankings-top-40>



Within the scope of the skilled migration program, there has been some recognition of emerging industries with the Global Talent Program with the Independent (GTI) category being launched in November 2019 to attract highly talented individuals, with entrepreneurial ideas and cutting-edge skills within target industry sectors, who can contribute to Australia's economy by driving innovation and supporting the creation of local jobs.⁸

As part of the Global Talent (Independent) program, ACS provides an assessment services for prospective applicants⁹, verifying their eligibility under the criteria. The results, show below, indicate there is a legitimate pool of higher talent global available, but ACS would like the Committee to note its concerns about the veracity of assessments conducted by other parties.

| ACS GTI application numbers | 1/01/2020 up to 31/12/2020 | | | |
|---|---------------------------------|----------------------|----------|--|
| Global Talent Target Sector | Number of Applications received | Nominations Approved | Rejected | |
| Quantum Information/Advanced Digital/Data Science/ICT | 55 | 33 | 22 | |
| Cyber Security | 14 | 11 | 3 | |
| FinTech | 16 | 9 | 7 | |
| MedTech | 2 | 1 | 1 | |
| AgTech | 2 | 0 | 2 | |
| Total for year 2020 | 89 | 54 | 35 | |

| ACS GTI application numbers | 1/01/2021 up to 08/02/2021 | | | |
|---|---------------------------------|----------------------|----------|---------|
| Global Talent Target Sector | Number of Applications received | Nominations Approved | Rejected | Pending |
| Quantum Information/Advanced Digital/Data Science/ICT | 29 | 15 | 8 | 6 |
| Cyber Security | 4 | 2 | 2 | 0 |
| FinTech | 5 | 3 | 2 | 0 |
| MedTech | 1 | 1 | 0 | 0 |

⁸ <https://www.homeaffairs.gov.au/research-and-stats/files/report-migration-program-2019-20.pdf>

⁹ <https://www.acs.org.au/content/dam/acs/acs-skills/ACS%20Information%20Sheet%20-%20GTI%20Overview.pdf>



| | | | | |
|----------------------------------|----|----|----|---|
| AgTech | 0 | 0 | 0 | 0 |
| Total (01/01/2021 to 08/02/2021) | 39 | 21 | 12 | 6 |

Similarly, the Global Talent Employer Sponsored Category (GTES) allows employers to sponsor overseas workers for highly-skilled niche positions that cannot be filled by local workers or other temporary skilled visa programs and aims to bring globally mobile, highly-skilled and specialised individuals to Australia who can act as 'job multipliers' in Australian businesses, helping them to hire more local staff and fill critical areas of need.

For Entrepreneurs, the Business Innovation and Investment targets migrants who can invest capital, establish and grow businesses that will contribute to the national innovation system and the Australian economy. This is a competitive area¹⁰ with many countries, including Singapore, New Zealand, Canada, the UK and many European countries offering similar programs.

ACS would therefore encourage the expansion of the Global Talent Program along with supporting the program by promoting Australia's existing technological and entrepreneurial capabilities to encourage international leaders to consider the nation as a business base and to help boost international venture capital investment in local startups.

Conclusion

ACS would like to thank the committee for the opportunity to make this submission and would be delighted to assist in any future hearings or providing further supporting documentation. We also look forward to delivering a submission before 31 March addressing the outstanding Terms of Reference.

¹⁰ <https://pickvisa.com/blog/the-world-best-15-startup-visas>