# A MIGRATION SYSTEM FOR AUSTRALIA'S FUTURE

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The voice of private capital

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## **Summary of Recommendations**

#### What challenges and opportunities does Australia face in the coming decades?

- Consider an immigration framework that is flexible and more connected with other policy areas such as education, trade, employment and social integration.
- Rigorously review and revise the visa categories to provide pathways for permanent residency aligned to employment and industries where jobs and skills are most in demand.

#### How do we best use the migration program to grow our economy?

- Update the Australian and New Zealand Standard Classification of Occupation Codes (ANZSCO) to ensure an easier path to migration for migrants with relevant skills.
- Map the skills of the current migration to identify where they can be upskilled or deployed into the working environment.
- Form closer alliances and partnerships with countries in the region to identify opportunities for cooperation in filling jobs and skills gaps.
- Retain the Significant Investor Visa as a part of Australia's migration program.
- Utilise Austrade or a government agency to promote Australia in offshore locations as a desirable destination for migration.

## How can we design a system that supports and complements opportunities for jobs and skills for Australians?

• Extend visas for foreign students who graduate from Australian universities in disciplines where there are skills shortages, allowing them to stay and work in Australia to build a pipeline for a new, knowledge-based economy.

## To what extent should the availability of visas with work rights be linked to identified skill and labour shortages?

• Allocate a portion of visas with work rights to identified skill and labour shortages and provide flexibility for portability so the visas can be transferred to other employers and/or geographic locations.

#### Should we take a different approach to identifying and counting the number of skilled migrants?

- Permanently increase skilled migration to a minimum of 195,000 per annum.
- Undertake economic modelling to determine the optimum skilled migration visas to increase productivity and meet the future employment needs.

#### How can we prevent a 'permanently temporary' cohort within the migration program?

• Engage the services of specialised placement agency to help temporary workers upskill where relevant and determine the relevant migration pathways.

#### How could we best use the migration program to assist Australia to build its sovereign capabilities and to address major challenges such as climate change, technological shifts and the ageing population?

- Align a portion of permanent migration pathways with skills required for Australia to meet the objectives of the National Reconstruction Fund priorities and future community and social needs.
- Reassess the skills lists and education criteria for migration in these priority areas.

#### How can we attract and retain the best talent from around the world?

- Implement changes to the immigration system to enable businesses to identify and sponsor global talent more easily and efficiently.
- Change the skilled migration program to bring best in class expertise to Australia by considering 'best fit' practical and technical skills not just academic qualifications.
- Reinvigorate the marketing and support for Australian migration including through the Global Talent programs, to encourage some of the world's best and brightest skilled talent to move to Australia, and at the same time, encourage skilled Australians with valuable offshore experience to return home.

#### How do we ensure the migration program supports Australia's international interests?

• In consultation with industry, develop metrics for the transfer of skills from sponsored skilled migrants to local market participants.

#### How do we address the specific needs of regional Australia?

- Review and revise the allocation of regional visas to reflect the growth in services and industry hubs required to facilitate thriving communities in regional Australia.
- Introduce additional incentives for investing and working in non-capital city regions and targeted areas.

#### How can we make the system simpler and fairer for both migrants and employers?

- Implement changes to the immigration system to enable businesses to identify and sponsor global talent more easily and efficiently.
- Consider additional visa categories and paths to permanent residency for global entrepreneurs.
- Change the skilled migration program to bring best in class expertise to Australia by considering the best practical and technical skills not just academic qualifications.

## How can we make the migration system more flexible and responsive to the changing needs of our economy and society?

- Revise conditions for skilled and unskilled workers to streamline visa processing times and provide pathways to permanent residency.
- Improve processing times for migration where there are no perceived security risks. Utilise AI as a first-stage filter for visa applications.

#### How can we make the migration system more accessible to small employers and start-ups?

- Improve administrative efficiencies including for intra-company transfers and labour market testing.
- Revise the industry codes and occupation lists to provide more flexibility for employers in the start-up ecosystem to find the right talent to fill roles.
- Provide a streamlined visa pathway for the start-up ecosystem to enable employers to secure the talent they need to fill roles.
- Develop an interactive check list as a first step for employers to determine if their talent will be eligible for a work visa when they first interview the prospective talent.
- To incentivise the best talent, provide a direct pathway to permanent residency in a similar way to those provided under the Global Business and Talent Attraction program.
- Reinvigorate support and marketing for the Global Talent Visa Program to assist start-up and growth companies find talent.

#### How can we better identify and respond to future labour market needs?

- Use onshore talent, for example, to fill skills shortages in the medical field, call upon immigrants with proof of their qualifications from other countries, and map their skills so they can initially work under supervision within the current medical system under 'internship' arrangements.
- Encourage post-graduate students with in-demand skills to remain in Australia either through the Global Business and Talent Attraction scheme, global talent visas or skilled visas that offer a pathway to permanent residency.
- Work with Austrade to promote Australia as a desirable destination for skilled migrants, tourists and students to address current shortages.

## How do we further strengthen and maintain Australians' public confidence in the migration program?

• Use AI as the first step for more efficiently screening migrants for security risk and qualifications when their visa applications are received.

### Introduction

The Australian Investment Council welcomes the opportunity to provide this submission to the Department of Home Affairs for its review of Australia's migration system.

As the peak body for private capital in Australia, the Council's members comprise the leading domestic and international private capital firms operating in Australia, and span private equity, venture capital, private credit, family offices, superannuation and sovereign wealth funds.

Our members are the private equity, venture capital and private credit firms that invest into businesses across the Australian economy. These are businesses that require a wide range of skills and experience to meet demands ranging from rapidly filling roles within fast growing businesses, providing services such as healthcare, education and hospitality and deploying skills for new technologies and developments in industries such as aerospace, agriculture, manufacturing, financial services and consumer goods.

Australia has had a long history of supportive policies to attract business entrepreneurs, skilled and vocational workers, international students and seasonal workers.

However, the rising global mobility of workers and heightened competition for talent means that it is critical for policy settings to be effective in attracting a critical mass of 'new economy' workers. These are the workers who will bring new skills, fill skills gaps, and help generate new and sustainable business opportunities throughout the Australian economy. They are the workers who will provide services and skills to fill social and community needs and who bring skills that can be translated into new business generation and upskill local talent.

The Council supports a migration system that recognises the diversity of skills and talent required to meet the future needs of diverse and sophisticated domestic economy and supports unmet community and social need. This includes unlocking the potential of our current migrant population, building on existing capabilities and addressing challenges associated with an ageing population.

Our responses to the consultation are based on the perspectives and experience of private capital investors within our membership. The Council looks forward to participating in any future discussion about the themes set out in this submission as part of the consultation process.

#### 1. What challenges and opportunities does Australia face in the coming decades?

For policy makers, recognising the influence of megatrends such as shifts in labour markets, ageing populations, changes to education systems, geopolitical movement, new technologies and environmental changes will be important considerations for a migration system that addresses the future needs of the population and economy and meeting social need.

Currently, unemployment is at its lowest in fifty years, and migration at an all-time low and not expected to fully recover until 2024. Together with increased pressures on inflation and wages growth and strong competition for talent globally, as a net importer of human capital, employers will be faced with even greater challenges om finding the right people and skills to meet their current and future needs.

Further, prohibitive rental and housing costs in some parts of Australia may encourage younger populations to relocate to other jurisdictions that offer better incomes and better standards of living. Research by Quantum Market Research, released in September 2022, shows that more than one in five Australians are actively considering moving overseas in the next 12 months with people under 40 years of age and living in capital cities are most likely to be looking to emigrate in 2023. With more Australians intending to move overseas and

migration not set to fully recover until 2024, the nation is predicted to face a potential 'cumulative loss' of over 600 000 people.<sup>1</sup>

As the population ages, the demands for services and skills for healthcare, aged care and domestic services will increase commensurately with jobs and skills to meet the growing needs in these sectors which may not be able to be filled from the existing Australian population. While these are clearly areas that will need the support of an immigration program, it is not possible to capture all the drivers for immigration the mid to long term, and these are unlikely to be the same as they have been in the past.

In preparing for an unexpected future, policy makers will need to consider an immigration framework that is flexible and more connected with other policy areas such as education, trade, employment and social integration. It also needs to be connected to policy areas that are overseen by state and territory governments such as planning and infrastructure. A migration system will need to be attractive for both talent and employers compared to other jurisdictions, provide pathways for permanent residency in areas of most need and flexibility for both employers and migrant employees to position Australia as a destination of choice.

#### Recommendations

- Consider an immigration framework that is flexible and more connected with other policy areas such as education, trade, employment and social integration.
- Rigorously review and revise the visa categories to provide pathways for permanent residency aligned to employment and industries where jobs and skills are most in demand.

#### 2. How can migration contribute to these challenges and opportunities?

#### 2.1. How do we best use the migration program to grow our economy?

To effectively meet the goal of this review, it is critical that Australia's migration program aligns with the current and future needs of the domestic economy. This means having the right mix between skilled, unskilled, seasonal, investment and other migrants for temporary and permanent visas and providing enough flexibility so the program enables migration to meet current needs and to adapts to changing labour demands, new industries and market sectors.

Australia's permanent migration system, of which skilled migration has been the dominant stream, has played a vital role in generating economic growth for successive decades. It is an important channel for employers to find the talent they require for their businesses, which in turn brings flow-on effects to economic growth.

Migrants have supplied one-third of increased skills requirements of the Australian economy.<sup>2</sup> Migrants' skills are increasingly being used in financial and insurance services, wholesales trade and the information media and telecommunications industries, of which the latter is where they have made the largest contributions to productivity growth.

Australia has had a long history of supportive policies to attract business entrepreneurs. However, the rising global mobility of workers and heightened competition for talent means that it is important for Australia to have policy settings that are effective in attracting a critical mass of 'new economy' skilled workers. In addition, we

<sup>&</sup>lt;sup>1</sup> AustraliaNow, Quantum Market Research, September 2022

<sup>&</sup>lt;sup>2</sup> Parham D, To, H., Ratna, N., Regan, S. and Grafton, Q 2015 *Migration and Productivity in Australia*, Crawford School of Public Policy ANU College of Asia and the Pacific Australian National University, Canberra

understand from anecdotal accounts, that Australia's geographic remoteness from North America, the United Kingdom and Europe, and the high cost of living in some cities means that Australia is not always a natural choice for skilled workers.

#### Outdated occupation codes

The Australia and New Zealand Standard Classification of Occupations Codes (ANZSCO) is not representative of a contemporary environment leaving little scope for migrants with the relevant, in-demand skills to enter Australia. Further, approximately one third of permanent skilled migrants are grossly underutilised in Australia as they are working in a job below their levels of qualification.<sup>3</sup>

#### Upskill the migrant population

There is an opportunity to map migrants' skills using Al-supported programs to identify where there are opportunities to redeploy their skills directly into the economy and where, with micro credentialling or internships, this cohort could be upskilled to help fill employment gaps.

#### Form partnerships with nearby nations

During the pandemic-driven shortages in seasonal workers, the government offered opportunities for workers from nearby nations to undertake seasonal work for farmers during the harvest season. This concept should be expanded to other industries and through partnership or trade agreements. The South-Pacific in particular offers talent across a range of disciplines. Welcoming this talent into Australia has multiple benefits.

#### **Business and Investment Visas**

Business and Investment Visas play an important role in Australia's immigration program. Many emerging Australian companies have benefited from the provision of Significant Investor Visa (SIV) investment capital and these companies contribute to Australian society in a number of ways including the development of innovative technology and growth in employment opportunities. The program attracts genuine migrants, and despite being less than one per cent of the migration intake, has contributed around \$A40 billion in direct investment into the Australian economy since inception, and has directly or indirectly supported 14,000 jobs through venture capital investment, including into businesses in regional areas.

#### Promote Australia as a desirable destination for migration

Enable Austrade or a government agency to contribute to efforts to headhunt top talent in fields where there are skills gaps and provide incentives for the Australian diaspora to return to Australia to provide best in class opportunities for the local population.

#### Recommendations

- Update the Australian and New Zealand Standard Classification of Occupation Codes (ANZSCO) to ensure an easier path to migration for migrants with relevant skills.
- Map the skills of the current migration to identify where they can be upskilled or deployed into the working environment.
- Form closer alliances and partnerships with countries in the region to identify opportunities for cooperation in filling jobs and skills gaps.
- Retain the Significant Investor Visa as a part of Australia's migration program.

<sup>&</sup>lt;sup>3</sup> <u>A Good Match: Optimising Australia's permanent skilled migration</u>, CEDA, March 2021

Utilise Austrade or a government agency to promote Australia in offshore locations as a desirable destination for migration.

## 2.2. How can we design a system that supports and complements opportunities for jobs and skills for Australians?

Universities are a natural source of international talent where students have come to undertake post-graduate studies which are often aligned with industries where skills are in demand. There is scope to encourage post-graduate students with in-demand skills to remain in Australia by extending their visas and, providing pathways to longer term visas or permanent residency.

#### Recommendation

• Extend visas for foreign students who graduate from Australian universities in disciplines where there are skills shortages, allowing them to stay and work in Australia to build a pipeline for a new, knowledge-based economy.

## 2.3. To what extent should the availability of visas with work rights be linked to identified skill and labour shortages?

To address immediate and medium-term job shortages there is a compelling case for aligning a portion of available visas with work rights to identified skills and labour shortages while at the same time providing flexibility that allows sponsored or temporary visa holders to move to different employers if there are jobs that cannot be filled.

This will also allow for situations whereby, for example, if one person in a couple is offered an opportunity to move to a regional or interstate location, the other person in the couple can relocate to the same location by transferring their existing work visa.

#### Recommendation

• Allocate a portion of visas with work rights to identified skill and labour shortages and provide flexibility for portability so the visas can be transferred to other employers and/or geographic locations.

#### 2.4. Should we take a different approach to identifying and counting the number of skilled migrants?

Based on current predictions, Australia's net migration levels will not recover until 2024. However, given the intense competition for talent on a global scale, an ageing population and almost four in ten Australians aged between 18-29 considering emigrating, <sup>4</sup> there is a growing need to assess skilled migration and what is needed to increase productivity and future population growth.

#### Recommendations

- Permanently increase skilled migration to a minimum of 195,000 per annum.
- Undertake economic modelling to determine the optimum skilled migration visas to increase productivity and meet the future employment needs.

<sup>&</sup>lt;sup>4</sup> AustraliaNow iBid

#### 2.5. How can we better prevent the exploitation of migrant workers?

We believe others may be better placed to respond. As a general comment, ensuring that migrant workers who may be vulnerable to exploitation know, understand and trust whistleblower protections could assist in addressing this very real concern. This may involve a programmatic approach to ensuring the availability of native language whistleblower services in local communities.

#### 2.6. How can we prevent a 'permanently temporary' cohort within the migration program?

In addition to the programs already in place, there is a substantial opportunity to redeploy or upgrade the skills of Australia's current and future migrants, so they are ready to meet the needs of economy and could benefit from social integration in the workplace. One area that could be harnessed is where migrants may have trained in specific skills in their home countries but either have not been able to use them in Australia or need some further micro-credentialling or experience to deploy their skills.

One private capital-backed company, Forte, is working with governments around the world to upskill unemployed workers by matching skills to job demand. The company recently signed an agreement with the South Australian government to help redeploy people into the workforce.

#### Recommendation

• Engage the services of specialised placement agency to help temporary workers upskill where relevant and determine the relevant migration pathways.

## 2.7. How could we best use the migration program to assist Australia to build its sovereign capabilities and to address major challenges such as climate change, technological shifts and the ageing population?

Migration is an important channel for building diverse communities and expanding the knowledge and skill capabilities of the local population.

Skilled migration will be central to achieving greater productivity in healthcare and other sectors of the economy such as agriculture, life sciences, clean energy, food technology, advanced manufacturing defence and aerospace. This will require a rethink on the priority skills lists for migration and the education criteria for certain visa categories so the right skills mix can support productivity and economic growth.

Migration could also be used to support the key industries identified in the National Reconstruction fund as well as Australia's community and social needs.

#### Recommendation

- Align a portion of permanent migration pathways with skills required for Australia to meet the objectives of the National Reconstruction Fund priorities and future community and social needs.
- Reassess the skills lists and education criteria for migration in these priority areas.

#### 2.8. How can we attract and retain the best talent from around the world?

Businesses that are seeking to remain viable or to accelerate their growth can only do so by tapping into a deep pool of talent, either locally or globally. Australia is competing with other jurisdictions for skilled migration and needs to have policies that make it attractive for people to move here and remain here. Anecdotally, we understand Australia's geographic distance from northern hemisphere countries, relatively high cost of living and taxation system does not always make us a natural choice destination in a highly competitive global market.

The Council has been supportive of policies such as the Global Business and Talent Attraction programs as a structured means to identify talent to fill jobs and skills gaps within the Australian economy. This program has been most effective where talent officers have actively consulted with employers and employees to facilitate visas under the program which provides stability through a fast-tracked pathway to permanent residency.

#### Recommendations

- Implement changes to the immigration system to enable businesses to identify and sponsor global talent more easily and efficiently.
- Change the skilled migration program to bring best in class expertise to Australia by considering 'best fit' practical and technical skills not just academic qualifications.
- Reinvigorate the marketing and support for Australian migration including through the Global Business and Talent programs, to encourage some of the world's best and brightest skilled talent to move to Australia, and at the same time, encourage skilled Australians with valuable offshore experience to return home.

#### 2.9. How do we ensure the migration program supports Australia's international interests?

Skilled migration is a critical part of an effective program through providing valuable knowledge and new skills that are otherwise not available within the Australian economy. The transfer of skills through the expertise of migrants would be a valuable asset for upskilling local market participants and in boosting productivity as Australia transitions to a more highly skilled, knowledge-based economy. Ensuring there is an adequate intake of skilled migrants to make an ongoing and meaningful contribution to future industries and economic growth will be an important policy decision.

#### **Recommendation:**

• In consultation with industry, develop metrics for the transfer of skills from sponsored skilled migrants to local market participants.

#### 2.10. How do we address the specific needs of regional Australia?

Regional areas have traditionally been the backbone of the Australian economy. However, as our nation has evolved, our key economic drivers have also changed. This has resulted in less focus on regional areas, which in some communities and sectors has led to diminished expertise, funding and infrastructure. These constraints, when coupled with the environmental challenges faced in many regional areas, has led to lost opportunities and reduced economic and employment growth.

However, in recent years, State and Federal government policies have led the development of regional hubs for specific industries such as renewable energy zones near Wagga Wagga and Parkes, the Aerospace hubs in Queensland and critical minerals hubs near Dubbo and in Western Australia. The demand for roles in these industries will grow concurrently with the industries themselves. Policies to attract migration and expertise to these regions alongside the abilities to provide services in areas such as health, education and infrastructure will be key considerations for policy makers to attract migrants to regional centres. This may mean for example, revising the skilled Regional Provisional Visas so they provide a pathway to permanent residency.

#### Recommendation

- Review and revise the allocation of regional visas to reflect the growth in services and industry hubs required to facilitate thriving communities in regional Australia.
- Introduce additional incentives for investing and working in non-capital city regions and targeted areas.

#### 3. What are the current and potential barriers in allowing migration to play these roles?

#### 3.1. How can we make the system simpler and fairer for both migrants and employers?

As a desirable destination for migration and investment, Australia has long been a net importer of both people and capital. However, during the past few years these important economic drivers have seen a reversal with net overseas migration in the year to June 2021 negative for the fifth consecutive quarter a net loss of 88,000 people, as well a net \$74 billion of capital exported from Australia in September. Australia's economy relies on a dependable and steady flow of foreign human capital and skilled migration to drive economic growth and job creation. It is therefore vitally important for the economy and Australian jobs, that businesses are able to quickly and efficiently access human capital and skills from domestic as well as offshore sources.

#### Recommendations

- Implement changes to the immigration system to enable businesses to identify and sponsor global talent more easily and efficiently.
- · Consider additional visa categories and pathways to permanent residency for global entrepreneurs.
- Change the skilled migration program to bring best in class expertise to Australia by considering the best practical and technical skills not just academic qualifications.

## 3.2. How can we make the migration system more flexible and responsive to the changing needs of our economy and society?

A migration system that is more flexible and responsive to the changing needs of the Australian marketplace will require changes to the skilled migration program to bring best in class expertise to Australia by considering the best practical and technical skills not just academic qualifications in a timely manner with adequate flexibility to enable migration skills to meet current and evolving market demands.

Using technology as an enabler to assist in the migration process will help to create more efficiencies in screening and processing of visa applications for potential migrants.

#### Recommendations

- Revise conditions for skilled and unskilled workers to streamline visa processing times and provide pathways to permanent residency.
- Improve processing times for migration where there are no perceived security risks.
- Utilise AI as a first-stage filter for visa applications.

#### 3.3. How can we make the migration system more accessible to small employers and start-ups?

The Council's own research shows the demand for jobs and skills within the venture capital ecosystem and is an indicator of the skills that will be in demand in the future. At 30 June 2022 there were 4504 job vacancies in 339 portfolio companies of Australia's most active VC funds with a high ongoing demand for cloud-based skills which accounted for 1270 (28%) of job vacancies. Workflow, Marketing, Engineering and Sales experience were also highly sought after by companies in the innovation sector. Jobs for Engineers increased by 118% from 117 in December 2021 to 255 in June 2022 with vacancies for Mechanical, Electrical and Design Engineers in fields such as Avionics, Biotechnology and Health Sciences. <sup>5</sup>

<sup>&</sup>lt;sup>5</sup> *Future Jobs Barometer*, Australian Investment Council, September 2022

#### The start-up ecosystem

Employment needs of companies in the start-up phase are quite different to companies in the growth stage however both categories fit within the venture capital ecosystem. For example, early-stage companies will require more generalist skills whereas companies in the growth stage will generally demand a minimum number of years' experience in a specific role and industry sector. While the needs of both cohorts are different, experience in working in start-ups and an appetite for a fast-moving environment is often is more valuable to early-stage and fast growth company employers, than specific degree qualifications.

These companies need efficiencies in both speed and cost for visa approvals, and often require jobs to be filled within weeks. As the Australian start-up ecosystem is less mature than other jurisdictions such as the USA, the experience and skills required to fill roles as companies grow is often not available in Australia. Many companies in the venture capital-backed ecosystem can grow rapidly from A\$10 million to A\$100 million in just a few years and finding talent to fill roles needs to move at a commensurate pace. Outdated migration lists and skills requirements that are misaligned with the skills required to fill these roles are prohibitive to employers in the sector and as a result, Australia is losing the opportunity to attract the talent required to upskill the innovation sector and is losing businesses to other jurisdictions.

#### Industry Case Example 1:

A Melbourne-based company could not find talent within Australia to attract an experienced Chief Product Officer to fill a role. This resulted in the company setting up a product team offshore in Los Angeles where a significant portion of the company's future employees will be located. This Australian-grown business currently employees 200 people and is worth more than A\$1 billion.

Start-ups and fast growth companies have roles that do not currently exist on the skilled migration lists and industry codes as those working in the ecosystem have skills and experience that do not follow traditional pathways of education and professional or career experience. Roles that are most in demand in the growth stage of the industry are for experienced professionals in areas such as Sales, Finance, Risk, People and Product Officers who have experience that is specific to working with start-ups in their expansion stage which is generally from A\$10 million to A\$100 million.

#### Industry Case Example 2:

Jackie Vullinghs, a partner with venture capital firm, AirTree, represents the skills and mindset attracted to the start-up ecosystem. Jackie manages millions of dollars in investment into growth companies such as Eucalyptus, Linktree, Perx Health and Grow and works with these companies and their management teams on a daily basis to help them grow and realise their business objectives. With a degree in History, and if not for one of her parents being from New Zealand, Jackie would not have been able to gain permanent residency using the typical visa application process currently used to assess skilled migration.

The Global Talent Visa Program has been used by some cohorts within the early-stage and start-up sector with the assistance of the global talent officers as an efficient way to attract the best talent into roles with a clear path to permanent residency. However, specific degree or academic requirements for visa applications rather than industry experience and expertise is currently prohibitive to finding the best talent for the sector.

#### Recommendations

- Improve administrative efficiencies including for intra-company transfers and labour market testing.
- Revise the industry codes and occupation lists to provide more flexibility for employers in the start-up ecosystem to find the right talent to fill roles.

- Provide a streamlined visa pathway for the start-up ecosystem to enable employers to secure the talent they need to fill roles.
- Develop an interactive check list as a first step for employers to determine if their talent will be eligible for a work visa when they first interview the prospective talent.
- To incentivise the best talent, provide a direct pathway to permanent residency in a similar way to those provided under the Global Business and Talent Attraction program.
- Reinvigorate support and marketing for the Global Talent Visa Program to assist start-up and growth companies find talent.

#### 3.4. How could longer-term planning support investment in the necessary infrastructure and services

We believe others may be better placed to respond.

3.5. What are the barriers to the participation of migrants in the labour market, including those entering through the family and humanitarian streams and secondary migrants?

We believe others may be better placed to respond.

## 4. What reforms are needed to ensure the migration system can meet the challenges and opportunities that lie ahead?

#### 4.1. How can we better identify and respond to future labour market needs?

Australia's economy relies on a dependable and steady flow of foreign human capital and skilled migration to drive economic growth and job creation. It is therefore vitally important for the economy and Australian jobs, that businesses are able to quickly and efficiently access human capital and skills from domestic as well as offshore sources.

#### Recommendations

- Use onshore talent, for example, to fill skills shortages in the medical field, call upon immigrants with proof of their qualifications from other countries, and map their skills so they can initially work under supervision within the current medical system under 'internship' arrangements.
- Encourage post-graduate students with in-demand skills to remain in Australia either through the Global Business and Talent Attraction scheme, global talent visas or skilled visas that offer pathways to permanent residency.
- Work with Austrade to promote Australia as a desirable destination for skilled migrants, tourists, and students to address current shortages.

## 4.2. How do we best structure pathways to permanent residence and citizenship to meet the nation's needs?

We believe others may be better placed to respond.

## 4.3. How do we further strengthen and maintain Australians' public confidence in the migration program?

Technology and AI has rapidly advanced in recent years and could be used as an enabler to triage the migration through identifying security risks and expediting visa applications. The Home Office in the United Kingdom uses a 'streaming tool' to analysis personal and big data for all visa requests which are then graded according to their level of security risk and forwarded to a case worker.

#### Recommendation

• Use AI as the first step for more efficiently screening migrants for security risk and qualifications when their visa applications are received.

## 4.4. What principles should underpin our future migration system, including to address migrant worker exploitation?

We believe others may be better placed to respond.

4.5. Are there other ways our migration system can support Australia's future prosperity and wellbeing?

We believe others may be better placed to respond.