



Inquiry Into the Value of Skilled Migration to Australia

The Social Policy Group

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About The Social Policy Group

The Social Policy Group (SPG) is a trusted partner of government, community leaders and service providers with a proven track record of delivering impactful and responsive social policy solutions for Australia's communities. As a peak body for settlement, multicultural health, and multicultural affairs, and a recognised leader in best practice and thought leadership across areas such as gender equality, economic analysis, access to justice, and community sector capacity building, SPG plays a pivotal role in fostering equitable social policies through facilitation, evidence-based practice, and collaborative partnerships.¹

SPG is a leading national voice in social policy with deep expertise across:

- Gender equality and women's economic security
- Health equity and access
- Settlement and migration policy and capacity building
- Justice and community safety
- Artificial intelligence and digital policy
- Social cohesion and multicultural affairs
- Strengthening responses to and understanding of mis- and dis-information

Introduction

Skilled Migration Program Key Challenges

While skilled migrants continue to contribute positively to Australia's economic, social, and cultural wellbeing, the following program challenges remain:

¹ The Social Policy Group, 'Our Peak Bodies', *The Social Policy Group* (webpage), viewed 23 December 2025, <https://socialpolicy.org.au/our-peak-bodies/>.



- The Skilled Migration Program is not functioning end-to-end, with the visa grant often treated as the finish line, while outcomes in skills utilisation, settlement, and social cohesion are not consistently supported.
- With lack of consistent post visa grant planning or support, the system's intention has been reduced from attracting skilled professionals to an overly complex and overpriced visa system.

These challenges are limiting the success of the Skilled Migration Program:

- Evidence suggests that Australia may be falling behind in the conditions that develop, retain, and fully utilise top talents.²
- Skilled migrants are frequently negatively perceived and scapegoated for socio-economic issues, despite their continued and necessary contributions to Australia.
- These issues create a compounded situation where social cohesion at the national and community level may be negatively impacted.

Focus Areas and Recommendations

Drawing on SPG's extensive expertise and experience working with and representing the needs of diverse communities, three interconnected priority areas and recommendations are set out below. They focus on practical implementation improvements that can significantly improve settlement outcomes for skilled migrants and their families, and in turn support the objectives of the Skilled Migration Program.

Focus Area 1. Improve supports for family, secondary applicants, and dependent visa holders (family and dependents of skilled migrants)

- **Recommendation: The Australian Government to coordinate improved service systems and support for the families accompanying skilled migrants.**

Focus Area 2. Address underemployment and skills mismatch

- **Recommendation: The Australian Government to apply a whole-of-government approach to addressing migrant underemployment and skills mismatch.**

Focus Area 3. Improve pre-arrival support

- **Recommendation: The Australian Government to continue supporting and utilising existing programs to provide better pre-arrival information and settlement support for skilled migrants.**

² See section Key Issues with Australia's Skilled Migration Program for the evidence and discussion.



Background

SPG welcomes the opportunity to contribute a submission to the Joint Standing Committee on Migration in its matters related to Australia's Skilled Migration Program. As migration is increasingly politicised and scapegoated for broader socio-economic issues in Australia, SPG firmly acknowledges the urgent need for responsible public discourse around the topic of migration, and to foster broad public understanding of, and support for, the value that skilled migration brings.

As a peak body for settlement, multicultural health, and multicultural affairs, SPG represents the needs of Australia's diverse communities and works to ensure that communities' needs are represented in Government policies. Skilled migrants are an important part of Australia's multicultural story. As skilled migrants will continue to address key workforce shortages and contribute to long-term economic development, ensuring that they and their families are sufficiently supported throughout settlement is critical to achieving national interest priorities and wider societal benefits. The following section discusses skilled migrants' continued value to Australia's economic, social, and cultural wellbeing.

Skilled Migrants' Contribution to Australia's Economic, Social and Cultural Wellbeing

Continued Economic Value

Both temporary and permanent skilled migration have played, and continue to play, an essential role in Australia's economic growth. Overall, skilled migration fills Australia's labour and skill shortages and drives economic growth through consumption and tax contributions.

Skilled migration helps fill Australia's labour and skill shortages. At the immigration planning level, the Skilled Migration Program has long been part of the broader migration framework, with the objective of supplying skills and workers not otherwise available in Australia. In *the Final Report of the Inquiry into Australia's Skilled Migration Program 2021*, skilled migration is described as one of the policy options available to government to address workforce shortages in the economy, and as a mechanism that can produce timely results in filling immediate skills shortages.³

At the same time, the long-term economic case for skilled migration extends well beyond addressing short-term gaps. Grattan Institute argues that Australia should prioritise permanent skilled migrants for their long-term economic potential, noting that skilled migrants are typically younger, more highly skilled, and earn higher incomes than the typical Australian, and therefore generate a 'fiscal dividend'

³ Joint Standing Committee on Migration, *Final Report of the Inquiry into Australia's Skilled Migration Program* (Parliament of Australia, August 2021), ch 2 'The role of skilled migration in meeting labour market shortages', viewed 23 December 2025, https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Migration/SkilledMigrationProgram/Report_2/section?id=committees%2Freportjnt%2F024680%2F76934.

by paying more in tax than they receive in public services and benefits over their lifetimes.⁴ Joint Treasury – Home Affairs research in *Shaping a Nation: Population growth and immigration over time* highlights that higher levels of migrants are likely to result in lower per person spending on social services and higher levels of tax revenue, because most migrants are of working age.⁵ This is reinforced by recent Treasury modelling using the FIONA model, which estimates that a typical permanent skilled migrant contributes around \$198,000 (net present value, 2018–19 dollars) more in taxes than they receive in government services over their lifetime, compared with a net fiscal cost of about \$85,000 for the average Australian resident.⁶

Continued Social Value

Skilled migration also has social value through renewing communities and institutions. *Shaping a Nation: Population growth and immigration over time* highlights that migration has been a major driver of population growth and labour-force participation, helping to counter an ageing population and sustain economic and social systems over time.⁷

Additionally, as many skilled migrants fill critical service occupation gaps, their contributions support the continued operation of essential services including in health, education, care and technology. The sustained operation of essential services, in turn, supports public confidence in public institutions and a sense of community.

Continued Cultural Value

On the cultural side, migration is consistently recognised as contributing to Australia's evolving national identity and shared civic values. *Shaping a Nation* notes that migration has enriched the Australian community by bringing diversity to Australian cities, suburbs and towns.⁸

Moreover, skilled migrants add international intercultural and linguistic linkages that have both cultural and strategic values. Migrants' transnational networks support people-to-people ties, cultural diplomacy, and trade and education links, amplifying Australia's 'soft power' and supporting

⁴ Brendan Coates, Henry Sherrell and Will Mackey, *Rethinking permanent skilled migration after the pandemic*, Grattan Institute Report No. 2021-06, Grattan Institute, May 2021, <https://grattan.edu.au/wp-content/uploads/2021/05/Rethinking-permanent-skilled-migration-Grattan-Report.pdf>, accessed 1 December 2025.

⁵ Treasury and Department of Home Affairs, *Shaping a Nation: Population growth and immigration over time*, Commonwealth of Australia, 2018, https://population.gov.au/sites/population.gov.au/files/2021-09/shaping_nation.pdf, accessed 12 December 2025, p. 26.

⁶ Peter Varela, Nicholas Husek, Thom Williams, Richard Maher and Darren Kennedy, *The lifetime fiscal impact of the Australian permanent migration program*, Treasury Paper, The Treasury, December 2021, https://treasury.gov.au/sites/default/files/2021-12/p2021-220773_1.pdf, accessed 12 December 2025.

⁷ Treasury and Department of Home Affairs, *Shaping a Nation: Population growth and immigration over time*.

⁸ *ibid.*

continued regional engagement and international connectivity.⁹ These benefits are even more crucial today in an increasingly volatile regional and international environment.

In summary, skilled migrants continue to contribute significant economic, social, and cultural value to Australia. The ongoing presence of skilled migrants sustains tax revenue, supports a healthy population structure, promotes public trust in institutions, enriches the Australian community, and strengthens Australia's global connections. These core contributions should be central to public communication efforts to build understanding and support for a Skilled Migration Program that is well managed and socially sustainable.

While skilled migrants continue to positively contribute to Australia, service and structural barriers prevent them from fully participating in Australian society. The next section highlights key issues in the Skilled Migration Program, which result in a misalignment between program objectives and implementation.

Key Issues with Australia's Skilled Migration Program

Overall, the evolution of Australia's migration program reflects a strong recognition of the importance of skilled migration, and skilled migrants continue to make significant contributions to the country's economic, social, and cultural wellbeing.

The 2023 Migration Strategy outlined five core objectives for Australia's migration system:

- Raising living standards for Australians by boosting productivity, addressing the needs of an ageing population, meeting skills shortages, and strengthening export industries.
- Ensuring a fair go in the workplace by complementing the employment, skills and experience of local workers, supporting universal wage growth, and preventing migrant worker exploitation.
- Building stronger Australian communities by providing clear pathways to permanent residence, supporting a well-managed migration intake, fostering a cohesive multicultural society, and maintaining connections with family abroad.
- Deepening international links, particularly with partners in the Indo-Pacific region, and contributing to international efforts to support refugees.
- Making the system work by delivering services quickly and effectively, ensuring integrity and compliance, managing international borders, and supporting strong fiscal outcomes.¹⁰

⁹ The value of cultural and language connections of a diverse workforce has been consistently acknowledged in Australia's approach to multiculturalism since the 1990s. In general, a diverse workforce can strengthen Australia's relations with regional countries through cultural and language expertise.

¹⁰ Department of Home Affairs, *Migration Strategy – At a Glance* (Australian Government, Canberra, 2023), viewed 22 December 2025, <https://immi.homeaffairs.gov.au/programs-subsite/migration-strategy/Documents/migration-strategy-at-a-glance.pdf>.



Currently, there are significant implementation and follow-through gaps that risk undermining progress against several of these objectives, particularly around meeting skills shortages and boosting productivity, end-to-end settlement support, strengthening Australia's international relationships, and system fairness and efficiency.

Between 2010-20, Australia recorded its weakest productivity growth in 60 years.¹¹ While boosting productivity needs structural reform, the continued intake of skilled migrants should theoretically contribute to productivity as they can address skills gaps, contribute specialised skills, education, and global perspectives, foster innovation, and increase overall workforce participation.

The limited contribution of skilled migrants may stem from a misalignment between the intended objectives of the Skilled Migration Program and its implementation and follow-through. While the intention of the Skilled Migration Program is outcome-oriented, the implementation and follow-through of the program have reduced the program to a visa system that regards the visa grant stage as the finish line as opposed focussing on utilising skilled migrants' full potential.

There are several manifestations of the misalignment between program intention and implementation. On talent attraction and retention, evidence suggests that Australia may be losing ground in the conditions that develop, retain, and fully utilise top talent.¹² The complexity and cost of Australia's visa system are partially to blame, making it difficult for Australia to both retain domestically trained international students and attract foreign talents. As the 2023 Review of the Migration System pointed out, 'Australia's migration system is broken, it is unstrategic, it is complex, expensive, it's slow ... it's not delivering for migrants and it's not delivering for the nation'.¹³

The visa application fee for a skilled independent visa (subclass 189, and 190) is AUD4,910, excluding fees for medical tests, English proficiency tests, and other associated costs. To sponsor a skilled worker, employers must pay thousands of dollars, such as on a standard business sponsorship fee, nomination fee, annual or one-off Skilling Australians Fund (SAF) levy, visa application fee, and migrant agent fees to navigate the complex visa system. To put this into perspective, Australia's visa application fee is often among the highest up-front visa fees in OECD countries.

International evidence shows that high costs of visa and sponsorship can deter foreign talents or employers to sponsor skilled workers, such as in the case of the United Kingdom where high visa

¹¹ Parliament of Australia, Parliamentary Library, Economic Policy Section, 'Australia's flagging productivity growth', *Policy Brief* (2025–26), 15 July 2025, viewed 22 December 2025, https://www.aph.gov.au/About_Parliament/Parliamentary_departments/Parliamentary_Library/Research/Policy_Briefs/2025-26/Australiasflaggingproductivitygrowth.

¹² In IMD World Talent Ranking 2025, Australia's overall rank is 19th, falling from 14th in 2024 and trailing regional developed economies in Hong Kong SAR, Singapore, and Taiwan (Chinese Taipei). In IMD World Digital Competitiveness Ranking 2025, Australia has ranked 23rd out of 69 countries, with noticeable weaknesses in agility of companies (65th), employee training (60th) and international experience (59th). In 2023-24, Australia's gross expenditure on research and development, a common indicator of whether an economy is building or retaining frontier capability, was 1.69 per cent of Australia's GDP, trailing significantly to the OECD average of 2.7 per cent.

¹³ Martin Parkinson, Joanna Howe and John Azarias, *Review of the Migration System: Final Report* (Commonwealth of Australia, March 2023), viewed 22 December 2025, <https://www.homeaffairs.gov.au/reports-and-pubs/files/review-migration-system-final-report.pdf>.

costs are deterring international scientists and engineers.¹⁴ Tech leaders in Australia have warned that rising visa applications fees and processing barriers could exacerbate workforce shortages and make it harder to bring in skilled workers in competitive global labour markets.¹⁵ Employers, including small businesses, have raised concerns about the high cost of the SAF levy, which not only presents a barrier but also lacks clarity regarding its purpose.¹⁶ Additionally, despite the high cost, visa applicants also usually have to wait for up to two years, based on estimated visa processing time in December 2025, for certain subclass of visas with no clarity around visa outcomes or timeline.

For domestically trained international students, the complexity of the visa system is often the barrier for many to stay and contribute to Australia. If they meet eligibility requirements, international students who complete an eligible Australian qualification may apply for a Temporary Graduate visa (subclass 485), which allows them to live and work in Australia temporarily, currently up to two years, after graduation. Depending on the permanent residency pathway they pursue, graduates may need to meet additional requirements such as skills assessment and/or relevant skilled work experience. As the Temporary Graduate visa is time-limited and permanent residency outcomes depend on separate visa criteria, some employers may be reluctant to hire graduates if they are uncertain about the person's longer-term work rights. Each year, Australia's world-class higher education institutions attract and train hundreds of thousands of international students, but only 28 per cent apply for their post-study work rights in Australia and just 16 per cent become permanent residents.¹⁷ When our regional competitors, such as Hong Kong and Japan, are practically offering free post-graduate working rights to students graduating from our top institutions, we are losing out long-term on talent retention and utilisation.¹⁸

Further on talent retention and utilisation, skilled migrants continue to face persistent issues such as underemployment and skills mismatch. Many skilled migrants and their families, particularly those who obtain skilled visas as independent or overseas applicants, receive only limited employment support or settlement information. This is not enough to lead to effective skills utilisation and successful establishment in Australia.

¹⁴ Sachin Ravikumar, 'High UK visa costs deter international scientists and engineers', *Reuters* (online, 15 April 2025, updated 15 April 2025), viewed 22 December 2025, <https://www.reuters.com/world/uk/high-uk-visa-costs-deter-international-scientists-engineers-2025-04-15/>.

¹⁵ Marty McCarthy, 'New visa costs could deter workers', *LinkedIn News* (online, 15 May 2023), viewed 22 December 2025, <https://www.linkedin.com/news/story/new-visa-costs-could-deter-workers-5637748>.

¹⁶ Parkinson, Howe and Azarias, *Review of the Migration System: Final Report*.

¹⁷ Catriona Jackson, 'Australia must join global race to settle international students', *Universities Australia* (Opinion, 19 December 2022), viewed 22 December 2025, <https://universitiesaustralia.edu.au/media-item/australia-must-join-global-race-to-settle-international-students/>.

¹⁸ In post-COVID era, developed markets around the globe are offering attractive visa options to attract graduates from top 100 institutions. Hong Kong offers a Top Talent Pass Scheme that is eligible for degree graduates from eligible universities with or without work experiences in the past five years immediately preceding the date of application with the application fee of HKD\$230 (AUD44.67 as of 22 December 2025) and the processing times of 1-4 weeks. Japan offers a J-Find for graduates from top universities to engage in job-seeking activities in Japan, usually free of charge for passport holders of certain countries or significantly lower cost than Australia's graduate working visas.

Due to the misalignment between the objectives and implementation of Australia's Skilled Migration Program, the contributions of skilled migrants are often overlooked in mainstream political and media discourse and, instead, they are often incorrectly blamed and scapegoated for socio-economic issues. The commitment to the Skilled Migration Program indicates bipartisan support, however skilled migrants are not protected from negative rhetoric. The high cost and complexity of the visa system, ongoing skills underutilisation, and the scapegoating of skilled migrants can all affect settlement outcomes, in turn undermining social cohesion. This can negatively impact sense of belonging at the national level, and active community participation at the local level.

The evidence above points to an end-to-end implementation gap: Australia is selecting skilled migrants for productivity and skills needs, but too often the system treats visa grant as the finish line rather the start of skills utilisation and settlement. Drawing on SPG's extensive expertise and experience working with diverse communities, three interconnected priorities and recommendations are set out in the next section. They centre practical implementation improvements that can strengthen outcomes both before and after arrival for skilled migrants and their families. Noting that system-wide visa streamlining is an important reform agenda, SPG would welcome the opportunity to further contribute on this topic. In this submission however, the focus is on solutions that can be implemented quickly and that will complement broader structural reforms.

Focus Area 1. Improve supports for family, secondary applicants, and dependent visa holders (family and dependents of skilled migrants)

Skilled migrants will often have family accompanying them as they work in Australia, including spouses, children, and parents (secondary applicants). Secondary applicants or dependent visa holders also contribute economically, socially, and culturally to Australia. Like skilled migrants, dependent visa holders usually do not have access to the major income support payments, and instead contribute economically through consumption, as well as through economic participation. They also enrich Australia socially and culturally through schools, sports clubs, and diverse cultural contributions.

In 2024-25, 52,500 places were delivered under the Family stream.¹⁹ When combined with family stream visas from previous years, a significant number of family members accompany skilled migrants. These secondary applicants therefore will continue to play a crucial role in supporting Australian businesses and meeting the country's current and future needs.

It is important to recognise the wellbeing of family members, as well as the fact that this cohort is not monolithic: secondary applicants vary immensely in their own employment experiences, qualifications and education, levels of English, and abilities to navigate systems in Australia. Issues within families, whether it is trouble at school, isolation and disconnection for a spouse, or the possibility for elder abuse for a parent with the family now separated from familiar support networks,

¹⁹ Department of Home Affairs, *Australia's Migration Trends 2024-25* (Australian Government, November 2025), viewed 23 December 2025, <https://www.homeaffairs.gov.au/research-and-stats/files/migration-trends-2024-25.pdf>.

can have major impacts for those people and the wider family that includes the skilled migrant. When dependent visa holders encounter and struggle to overcome challenges and difficulties having newly arrived in Australia, this can negatively impact a skilled migrant's ability to contribute, and colour the family's perceptions of Australia.

SPG facilitates the Settlement Engagement and Transition Support Community of Practice (SETSCoP), which brings together over 103 settlement service providers around Australia.²⁰ Within the community of practice, frontline service provider reports are ubiquitous regarding dependent visa holders struggling to navigate new service systems, being subject to racism, or not knowing the range of community connections available. These challenges often lead families to leave regional areas, despite a strong need for the skills of the skilled migrants and the contributions their families bring.

Dependent visa holders on specific visa classes and subclasses, with low English and living in regional locations, are eligible for refugee and vulnerable migrant settlement support. Over 30 regional settlement service providers have noted that with dependent visa holders sitting outside established referral pathways developed for humanitarian entrants, service organisations will usually not know about dependent visa holders in their area, and dependent visa holders usually do not know about the services they are eligible for until a crisis hits and a referral is made (essentially when it is too late). Improved coordination and communication would help dependent visa holders connect with settlement services at an earlier stage, which would help early intervention, migrant support, and better outcomes for dependent visa holders and their families. The settlement sector is already working collectively to improve service delivery for this cohort. Key stakeholders such as the Australian Government and other skilled migration stakeholders (industry, employers, States and Territories) should take active roles in this collective work for improving settlement support for dependent visa holders. Even outside of formal settlement services for select dependent visa holders who are eligible, better recognition and systems design for the family members accompanying skilled migrants, alongside the skilled migrants themselves, will greatly aid skilled migration in Australia overall.

Recommendation: The Australian Government to coordinate improved service systems and support for the families accompanying skilled migrants.

Improving supports for the families of skilled migrants (secondary applicants or dependent visa holders) will support the family as a unit, and therefore the contributions of skilled migrants. Systems such as education, health, family services, and employment should build capacity to better respond to the family members of skilled migrants, including their diverse and unique circumstances. The Australian Government has an essential role to play in connecting eligible dependent visa holders to settlement services through sharing relevant information and referral pathways before, upon, and after arrival. This can be achieved through utilising existing and Government-invested tools, such as

²⁰ SETSCoP, 'What is SETSCoP?', *SETSCoP* (webpage, n.d.), viewed 23 December 2025, <https://setscop.org.au/>.

the MyAus App, which is funded by the Department of Home Affairs but is underutilised in providing critical information about settlement journey in Australia at the visa-granting and early settlement stages.²¹ Australian Government funded resources, such as the MyAus App, are ready to use and are tailored to provide verified, accurate and trusted information that is proven to be effective in assisting migrant workers' navigation of Australia's systems. Utilising existing tools to connect eligible dependent visa holders to settlement services will enhance supports for vulnerable dependent visa holders, in turn supporting skilled migrants overall.

Focus Area 2: Address underemployment and skills mismatch

While skilled migrants continue to make substantial tax contributions to Australia over their lifetimes, many of them face the persistent issue of underemployment or skill mismatch, preventing migrants from realising their full economic potential and contributing productivity benefits for Australia more broadly.

Underemployment or skill mismatch is when a person works in a job beneath their skill level. As reported by SBS in August 2025, an estimated 620,000 permanent migrants in Australia were working below their skill level.²² To put this in perspective, this figure is around 4.5 to 5 times Australia's planned annual intake of permanent skilled migrants in 2025-2026. Consequently, while Australia continues to accept skilled migrants, a significant percentage are not adequately supported to contribute at their full skills level.

Economically, underemployment of skilled limits the realisation of the benefits skilled migrants can bring. In 2021, the Committee for Economic Development of Australia (CERD) found that underemployment costs at least \$1.25 billion in foregone wages between 2013 and 2018.²³ In 2025, Settlement Services International (SSI) found that Australia's economy could grow by \$9 billion every year or \$25 million a day if migrants' skills were better utilised.²⁴

Socially and culturally, underemployment can have profound negative impacts at individual, societal and international levels. At the individual level, underemployment or skill mismatch can lead to skilled migrants feeling undervalued.²⁵ This can result in associated psychological and physical effects, negatively impacting individual skilled migrants' health and wellbeing. At the societal level, the underutilisation of skilled migrants can result in persistent skills shortages and understaffing in

²¹ The Social Policy Group, 'Resources', *The Social Policy Group* (webpage), viewed 23 December 2025, <https://socialpolicy.org.au/resources/>.

²² Cameron Carr, 'The employee skills "mismatch" leaving Australia \$9 billion poorer each year', *SBS News*, 20 August 2025, <https://www.sbs.com.au/news/article/permanent-migrants-in-australia-are-working-below-their-skill-level/4dkyi1crv>, viewed 12 December 2025.

²³ Committee for Economic Development of Australia (CEDA), 'Skilled migrant job mismatch cost \$1.25 billion: CEDA report', *CEDA*, 29 March 2021, <https://www.ceda.com.au/news-and-resources/media-releases/population/skilled-migrant-job-mismatch-cost-%241-25-billion-ce>, viewed 12 December 2025.

²⁴ Carr, 'The employee skills "mismatch" leaving Australia \$9 billion poorer each year'.

²⁵ Sohail Akhtar, 'Australia wastes a soft power advantage with skilled migrants', *The Interpreter* (Lowy Institute), 4 September 2025, <https://www.lowyinstitute.org/the-interpreter/australia-wastes-soft-power-advantage-skilled-migrants>, viewed 12 December 2025.

essential services. At the international level, as Sohail Akhtar noted in a Lowy Institute publication, ‘When highly trained health professionals, engineers and social scientists are reduced to driving taxis, there is a cost to Australia – not just economically, but reputationally, in the message people send home’.²⁶ Given skilled migrants’ experiences are shared through word of mouth and transnational networks, persistent underutilisation can weaken Australia’s competitiveness for talent as well as its standing with partner countries. The Skilled Migration Program, therefore, needs to be implemented end-to-end, beyond visa grant, to support skills recognition, workforce participation at skill level, and the realisation of the contributions skilled migrants are selected to deliver.

Underemployment or skill mismatch are longstanding challenges in Australia. Persistent systemic barriers that limit the ability of skilled migrants to contribute their expertise include:

- Barriers to overseas qualification recognition.
- Racial and other forms of discrimination in recruitment processes and workplaces.
- Limited recognition of overseas experiences.
- A less stable visa system that can limit access to the job market for some overseas-born and Australia-trained graduates.
- Employers’ reluctance to hire migrants and refugees.
- Limited support to connect onshore and offshore skilled migrants with appropriate job opportunities.

Recommendation: The Australian Government to apply a whole-of-government approach to addressing migrant underemployment and skills mismatch.

SPG recommends the Australian Government take a whole-of-government approach to addressing skilled migrant underemployment. This approach should align Commonwealth portfolios with State and Territory Governments, so that reforms to skills assessment, bridging pathways, licensing and registration, and employer engagement are coordinated rather than fragmented. It should also include targeted measures to reduce discrimination and improve recruitment transparency, intervene and remove industry-led ‘gate keeping’ practices to better support and streamline overseas skills recognition and utilisation, and strengthen job-matching and information supports for both onshore and offshore skilled migrants. Progress should be tracked through clear indicators such as rates of skills utilisation, time-to-first skilled job, skills and qualification recognition timeframes, and underemployment outcomes. Reducing skills mismatch is essential to ensuring the Skilled Migration Program delivers its intended benefits, and to supporting skilled migrants and their families to contribute fully to Australia.

²⁶ *ibid.*

Focus Area 3: Improve pre-arrival and early settlement support

Migrants and refugees, including those of whom have been living in Australia for a long period of time, often face the issue of information mismatch on essential services, including government services they are entitled to, workplace rights, and so on.²⁷

While all new arrivals benefit from better pre-arrival information and early settlement support, skilled migrants can face gaps in support because eligibility for specialised settlement services is more limited for the Skilled stream. For example, SETS is targeted mainly to humanitarian entrants and other eligible vulnerable migrants, and access for working and skilled visa holders is limited and circumstance based.

Improving pre-arrival and early settlement support for skilled migrants is a practical, prevention-focused measure. By providing information about the settlement journey in Australia, it can reduce confusion, minimise the potential reliance on informal or inaccurate information, strengthen skilled migrants' understanding of their rights and obligations in Australia, and support their ability to access essential services from the outset. A method to proactively match skilled migrants with local job opportunities at the pre-arrival stage is also essential. It can support faster workforce participation and contribute to a solution of addressing the issue of underemployment or skills mismatch.

Recommendation: The Australian Government to continue supporting and utilising existing programs to provide better pre-arrival information matching and settlement support for skilled migrants.

In implementing this recommendation, the Government should leverage existing programs and trusted delivery channels to ensure information is consistent, delivered early, multilingual where needed, and tailored to common skilled-migrant pathways and life stages. These stages can include arriving with family, job-seeking, overseas skills or qualifications recognition, housing, healthcare, the health system, workplace rights and safety, taxation and superannuation.

SPG's established multilingual digital tool, the MyAus App, can serve as an example of providing essential and early settlement related information to new arrivals. In 2024 and 2025, SPG worked with the Department of Foreign Affairs and Trade to develop tailored, multilingual information to the cohort arriving as part of the PALM Scheme Family Accompaniment Pilot. Feedback has shown that the MyAus App has provided useful information to new arrivals from the participating countries at the pre-arrival information session, early settlement stages, and throughout their journey. The MyAus App demonstrates the value of leveraging existing trusted channels in providing useful, accurate and practical information to migrants and refugees.²⁸

²⁷ While focusing on migrants and refugees, SPG acknowledges that this information mismatch is also an issue for Australian citizens.

²⁸ The Social Policy Group, 'MyAus App Update: PALM Scheme Family Accompaniment Pilot', *The Social Policy Group* (Case Study, webpage), viewed 23 December 2025, <https://socialpolicy.org.au/case-study/myaus-app-update-palm-scheme-family-accompaniment-pilot/>.



Closing Remarks

As the most significant cohort in Australia's immigration program, skilled migrants continue to bring economic, social and cultural values to Australia. Despite their continued contributions, they can be scapegoated for existing socio-economic issues, resulting in negative outcomes for both the skilled migrants and Australian society more broadly.

In this submission, SPG acknowledges skilled migrants' continued contributions in sustaining tax revenue, supporting a healthy population structure, fortifying public trust in institutions, enriching the Australian community, and strengthening Australia's global connections. SPG recommends these core contributions be the central messages in public communication efforts to build understanding and support for a Skilled Migration Program that is well managed and socially sustainable.

As highlighted in this submission, SPG recognises significant implementation and follow-through gaps in Australia's Skilled Migration Program, resulting in the program's inconsistent delivery of the intended outcomes and impacting social cohesion. Significant barriers include Australia's complex visa system that impacts talent attraction, training, and retention, limited end-to-end settlement and job-matching support, and ongoing skills underutilisation.

Drawing from SPG's expertise and experience, we identified three focus areas to better support skilled migrants and their families and address the issue of underemployment and skills mismatch. By implementing the recommended measures, Australia can better unlock the potential of skilled migrants, enabling them to fully contribute and ensuring the Skilled Migration Program achieves its intended purpose.

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