Mr Luke Sheehy
Chief Executive Officer

5 January 2026

Joint Standing Committee on Migration
Inquiry into the value of skilled migration to Australia

Dear Committee

Inquiry into the value of skilled migration to Australia

Universities Australia (UA) welcomes the opportunity to provide a submission to the inquiry into the value of skilled migration to Australia. Over the past two years, Australia has engaged in an extensive public debate about migration and population settings. That discussion has been important, but it is now time to move forward with clarity, stability and a shared understanding of the national interest.

Continued uncertainty, particularly in relation to international students, has weighed on Australia's economy, our international standing and it has created avoidable disruption for universities, employers and communities. Treating international students as a migration lever risks undermining Australia's attractiveness at a time when global competitors, including the European Union, the United Kingdon and Canada, are actively enhancing pathways for international talent. A settled, evidence-based approach is essential if Australia is to remain competitive in attracting global talent.

UA has been an active participant in the recent migration debate, largely due to international students being unfairly targeted. We made our sector's case repeatedly in the lead up to the 2025 federal election and our position on the value of migration to Australia is well understood. For the Committee's reference, our views are captured in these recent submissions:

- Submission to the inquiry into the Education Legislation Amendment (Integrity and Other Measures) Bill 2025 (November 2025)
- Submission to the inquiry into the Education Services for Overseas Students Amendment (Quality and Integrity) Bill 2024 (July 2024)
- Response to the Draft International Education and Skills Strategic Framework (June 2024)
- Submission to the Department of Home Affairs: Australia's 2024-25 migration program (December 2023), and
- Submission to the review of Australia's migration system (December 2022).

These submissions provide evidence of the value of skilled migration to Australia and outline challenges in current migration and visa settings while providing specific recommendations to streamline migration and visa complexity to strengthen Australia's skilled migration system.

Migration and national prosperity

Skilled migration is a key driver of Australia's economic success and social fabric. It supports workforce capability, drives innovation and enables businesses and communities to access the talent they need. Migration also underpins Australia's multicultural identity, strengthens global connections and contributes to national competitiveness.

Universities are central to this success. They educate the next generation of skilled workers, undertake world-class research and help anchor global talent in Australia. International students – who make up a large proportion of the skilled, young and highly qualified migrant cohort – are indispensable to these outcomes. Some of them go on to contribute to the Australian labour market in occupations where domestic supply is insufficient, complementing the homegrown workforce with their skills and expertise.

A particular supply gap exists in our research workforce. UA's own modelling shows that demand for PhD qualified science workers will exceed supply by around 12,000 people by the early 2030s. We have long advocated for a national research workforce strategy to consider research skills needs across both industry and academia and ensure the research workforce continues to deliver economic and social benefits across the country.

Driving increased local interest in research careers and growing our own world-class researchers will take time, so appropriate migration settings are critical. In the short term, we need to be able to attract the best and brightest PhD candidates, technical staff and established researchers to bolster our ranks. In the longer term, we need to retain these experts and support international collaboration.

International education is also a significant export industry – the country's second biggest behind mining – and major contributor to jobs across our cities and regions. With bipartisan support and encouragement, the sector has come along in leaps and bounds and now:

- contributes $52 billion to the economy each year
- supports around 250,000 jobs
- generates most of the international tourism spend in Australia
- helps Australia meet its skills needs, including in areas of shortage
- makes Australia friends, and
- plays a crucial role in boosting Australia's soft power.

The federal government should continue to acknowledge this contribution when setting future national planning levels – the government-set allocation of new overseas student commencements.

Migration and regional Australia

Skilled migration can support regional workforce needs and community sustainability. International graduates educated in regional universities are particularly well-placed to contribute to local economies and help address regional skills shortages. Policies that encourage skilled migrants to live and work in regional areas are consistent with national economic and social objectives and should be strengthened.

Aligning migration and education policy

We believe effective migration policy must recognise the value of international graduates educated in Australia. As noted in our 2023 migration program submission, international graduates with Australian qualifications are ideal candidates for skilled migration. They have lived, studied and often worked here, they understand local labour markets and they are already integrated into communities.

Yet despite policy commitments to reforms such as streamlined visa pathways and recognition of highly skilled migrants, a relatively small percentage of international graduates transition to permanent

residency. Clearer, more accessible and predictable pathways are needed so that Australia retains the very talent we invest in educating.

Global race for talent

The global economy is increasingly dependent on high-skilled workers and there is an intense battle for brains underway – a competition among nations to attract and retain top-tier academic and scientific talent and international PhD students. This competition is driven by the recognition that a skilled talent pool is fundamental to economic growth, technological innovation and national security.

Governments around the world are now implementing a variety of strategic policies to become more attractive destinations for global talent. For example, Canada recently announced a AU$1.9 billion initiative to attract leading researchers including funding for early career researchers and international PhD students. In 2025, the United Kingdom announced the AU$100 million Global Talent Fund and the establishment of an International Research Talent Taskforce. Meanwhile, the European Union is currently investing hundreds and millions of Euros to attract researchers through mobility schemes and career development initiatives.

Australia's skilled migration settings need to ensure that we remain competitive in attracting our future research workforce to ensure we remain global leaders in innovation and can achieve our productivity and economic goals.

International education and university funding realities

Australian universities rely heavily on international student revenue to sustain their missions of high-quality teaching, research excellence and community engagement. This reliance is not a matter of choice but of necessity, due to longstanding underinvestment in public funding for higher education.

Commonwealth funding for teaching has not kept pace with the actual cost of delivering high-quality education and government research funding covers only a fraction of true research costs. International student revenue makes up the shortfall, enabling universities to:

- invest in teaching and learning and student support services
- expand research capacity and partnerships that underpin national innovation
- maintain and upgrade campus infrastructure, and
- support regional engagement and broader public benefit activities.

Without international student income, the quality, global competitiveness and economic contribution of Australia's university sector would be significantly diminished.

Integrity, quality and competitiveness

We support efforts, including recent ones by the Albanese government, to strengthen the integrity of Australia's international education system to protect Australia's global standing as a provider of quality higher education, underpinned by trust and reputation. Integrity is fundamental to ensuring that the international education sector continues to deliver value for students, universities and our country – socially, culturally and economically.

However, integrity measures must be proportionate, evidence-based and implemented in partnership with the sector. Overly broad or poorly communicated changes can have unintended consequences, damaging confidence and competitiveness without improving outcomes.

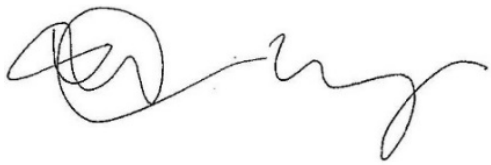
Principles for consideration

We encourage the Committee to consider the following principles in preparing its final report:

- Depoliticise migration policy, particularly concerning international students, to restore confidence and competitiveness.
- Support high-quality international education with predictable, competitive visa pathways that attract talent to Australia.
- Address funding shortfalls in higher education so that international student revenue is not the default mechanism sustaining core educational and research functions.
- Uphold integrity and quality while ensuring transparency, consultation and stability in policy implementation.

We thank the Committee for the opportunity to make this submission. If we can be of further assistance, please don't hesitate to email ceo-office@uniaus.edu.au.

Yours sincerely



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