



**FUTURE SKILLS
ORGANISATION**
Finance Technology Business

April 2025

Finance, Technology & Business migration analysis

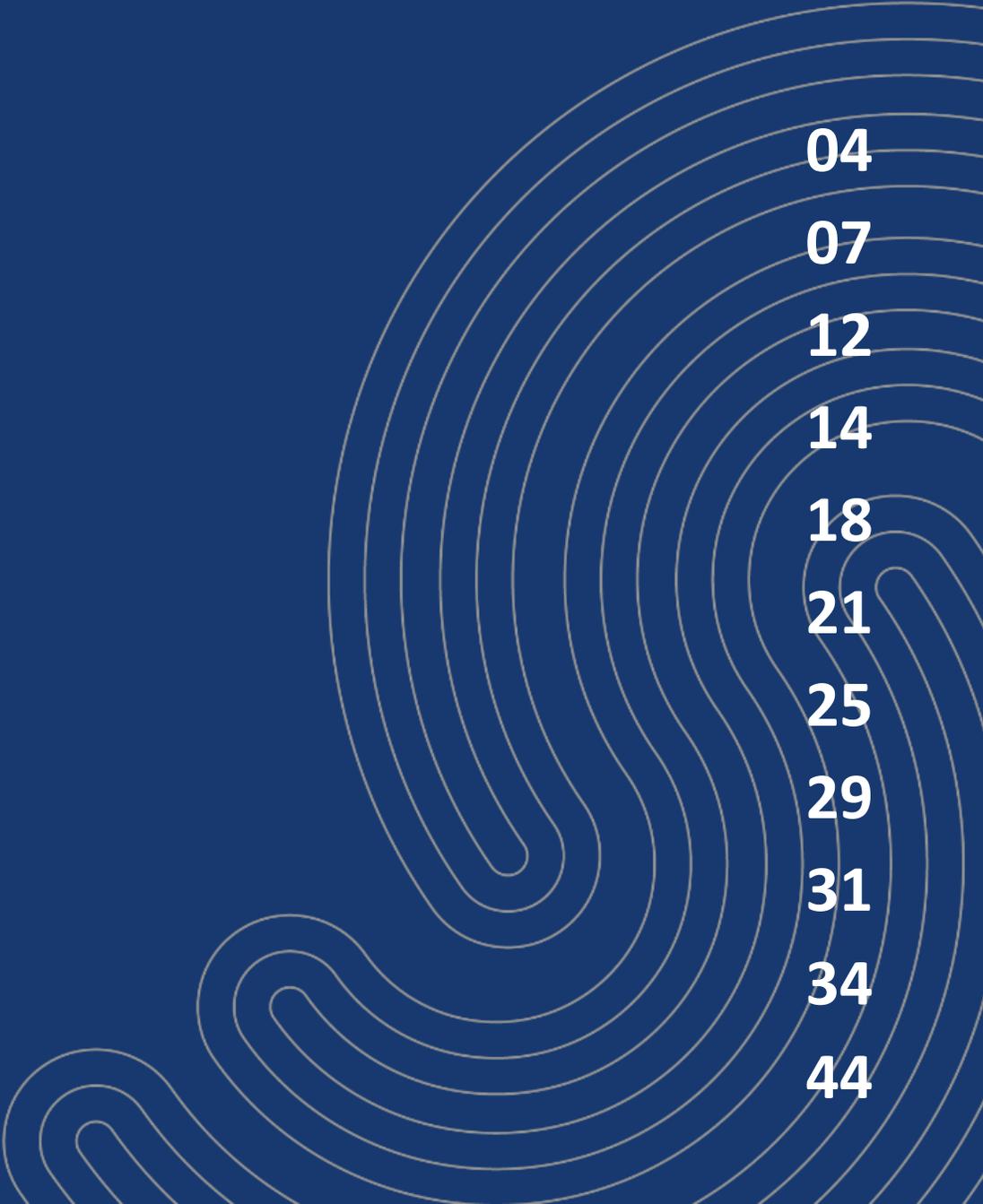
Report

Prepared by Oxford Economics Australia for the Future Skills Organisation



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Executive summary



Migration in the FTB occupation workforce

FTB occupations are highly exposed to migration, both directly through permanent offshore visa grants and indirectly through student and temporary skilled visa pathways.



One in four workers in FTB occupations are current visa holders, although this varies significantly across finance (26%), technology (39%) and business (17%).



Of the visa holders in FTB occupations, 79% are on a permanent visa. Skilled independent visas are the most common visa type.



Of those in FTB occupations holding a permanent visa, **more than half originally came to Australia on a temporary visa** and then transitioned to a permanent visa once onshore.



The pathways through student and temporary skilled visas are expected to become increasingly important due to the rising share of onshore visa grants

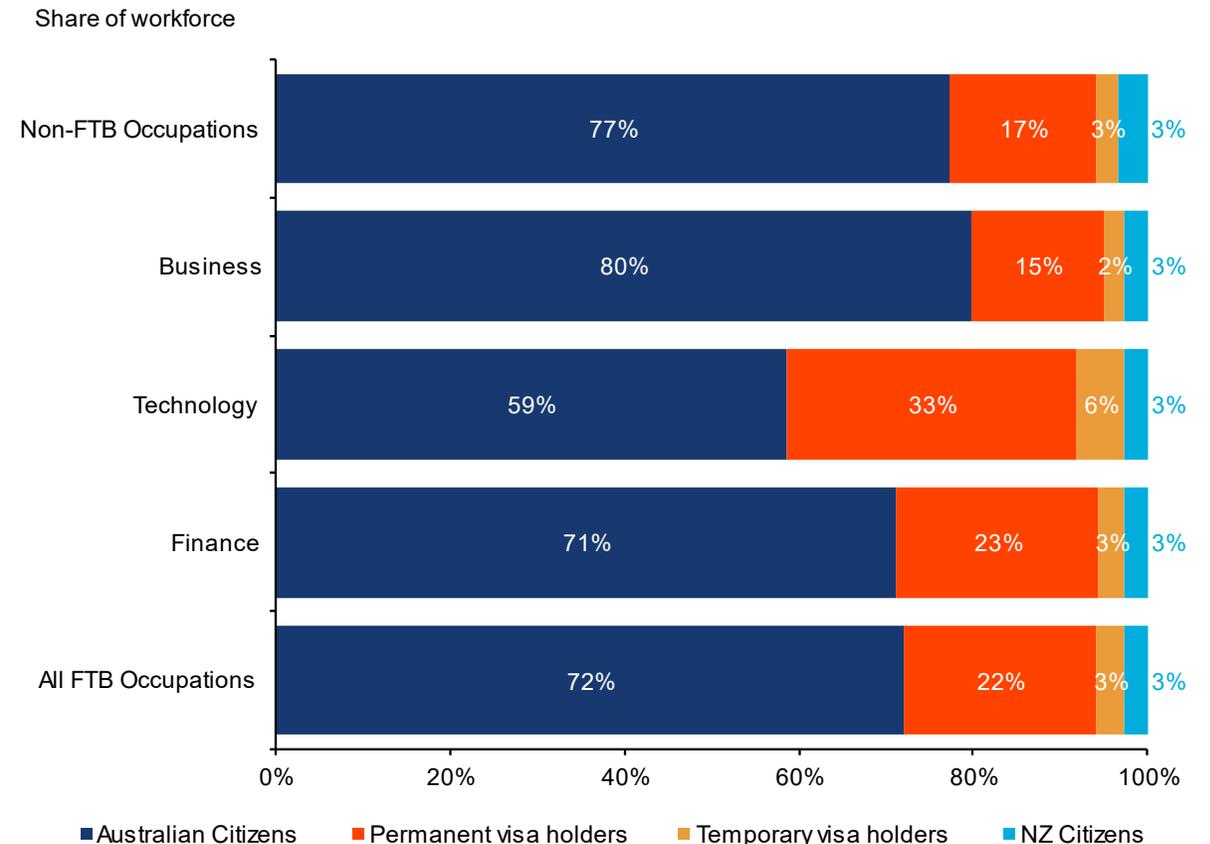


Nearly 60% of software & applications programmers currently hold a visa. More than double the average of non-FTB occupations.



The significant share of migrants in FTB occupations poses risks of potential impacts from future migration policy changes. Increasing domestic workers from the education channel into the most highly exposed occupations can decrease this risk and increase domestic capability to fulfil potential workforce shortages.

Share of workforce in FTB occupation by visa holder status and type



Implications of recent policy changes

Recent migration policy changes are expected to have minimal short-term impact on migrants entering FTB occupations through skilled temporary and permanent streams. However, student visa policy changes may have a significant impact on the pipeline of migrants into FTB occupations.



The decreased allocation of skilled independent permanent visas may impact FTB occupations if employers are unable shift to actively sponsoring visa applicants.



Changes to the priority occupations list are not expected to significantly impact overall FTB migration intake but rather shift migration towards emerging tech roles in cyber and data analytics.



Student visa eligibility changes and potential enrolment caps could have significant impacts on FTB occupations, particularly in the VET dominated occupations, as student visas are a key pathway to a permanent visa.



Technology occupations are expected to benefit from changes to temporary skilled visa policy but are **exposed in the medium-term to new student visa policies**.

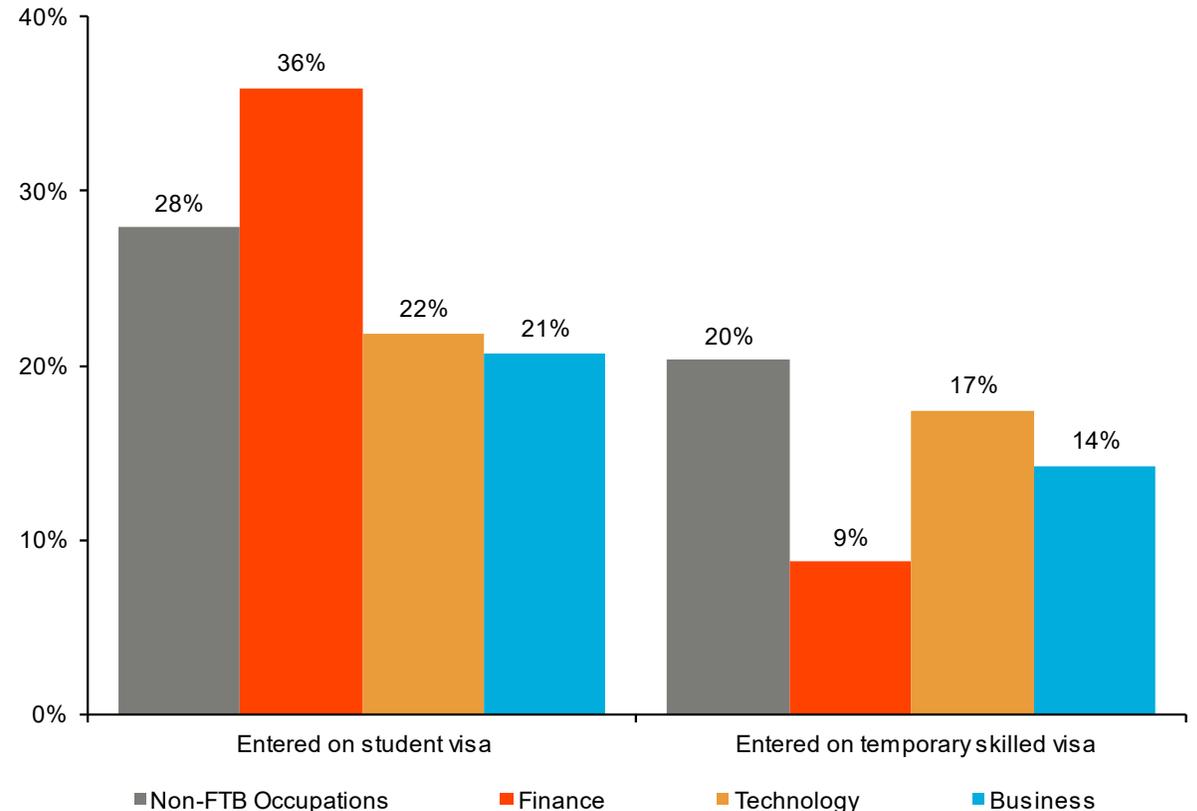


Finance occupations, are highly exposed to student visa policy changes, with 8% of the current workforce first entering Australia on a student visa.



Accountants are particularly exposed, with 16% of the workforce originally entering Australia on a student visa before transitioning to a permanent visa, more than three times higher than for non-FTB occupations.

Share of permanent visa holders that first entered Australia on student or temporary skilled visa by occupation



Background



FTB occupation definitions

FTB occupations include all core occupations in finance, technology and business across the entire economy in every industry. These core occupations are:

Finance

Finance Managers
Accountants, Auditors and Company Secretaries, nfd
Accountants
Auditors, Company Secretaries and Corporate Treasurers
Financial Brokers and Dealers, and Investment Advisers, nfd
Financial Brokers
Financial Dealers
Financial Investment Advisers and Managers
Numerical Clerks, nfd
Accounting Clerks and Bookkeepers, nfd
Accounting Clerks
Bookkeepers
Payroll Clerks
Financial and Insurance Clerks, nfd
Bank Workers
Credit and Loans Officers
Insurance, Money Market and Statistical Clerks
Debt Collectors
Insurance Investigators, Loss Adjusters and Risk Surveyors
Insurance Agents and Sales Representatives, nfd
Insurance Agents

Technology

Business and Systems Analysts, and Programmers, nfd
Computer Network Professionals
Database and Systems Administrators, and ICT Security Specialists
Electrical Engineers
Electrical Engineering Draftspersons and Technicians
Electronic Engineering Draftspersons and Technicians
Electronics Engineers
Engineering, ICT and Science Technicians, nfd
Graphic and Web Designers, and Illustrators
ICT Business and Systems Analysts
ICT Managers
ICT Professionals, nfd
ICT Support and Test Engineers
ICT Support Technicians
ICT Trainers
Multimedia Specialists and Web Developers
Software and Applications Programmers
Actuaries, Mathematicians and Statisticians
Engineering Managers
Telecommunications trades workers
Product Quality Controllers
Other Engineering Professionals
Electronics Trades Workers
Telecommunications Technical Specialists
Telecommunications Engineering Professionals
ICT Sales Professionals

Business

Chief Executives and Managing Directors
General Managers
Business Administration Managers, nfd
Corporate Services Managers
Human Resource Managers
Research and Development Managers
Business, Human Resource and Marketing Professionals, nfd
Human Resource and Training Professionals, nfd
Human Resource Professionals
Training and Development Professionals
Information and Organisation Professionals, nfd
Archivists, Curators and Records Managers
Economists
Librarians
Management and Organisation Analysts
Other Information and Organisation Professionals
Advertising and Marketing Professionals
Life Scientists
Legal Professionals, nfd
Barristers
Solicitors
Office Managers and Program Administrators, nfd
Office Managers
Personal Assistants and Secretaries, nfd
Secretaries
Call or Contact Centre Workers
Information Officers
Receptionists
Filing and Registry Clerks
Survey Interviewers
Switchboard Operators
Other Clerical and Office Support Workers
Miscellaneous Clerical and Administrative Workers, nfd
Conveyancers and Legal Executives
Court and Legal Clerks
Human Resource Clerks
Library Assistants
Telemarketers

Project background

Providing a comprehensive picture of migration to inform implications for FTB workforce needs

One in four workers in Finance, Technology and Business occupations currently hold a visa. Migration plays an important part in bolstering the workforce by complementing the domestic workforce. The 2023 Migration Strategy has outlined a new direction to guide migration policy settings and there is scope for substantial shifts to the role of migration in FTB occupations.

Oxford Economics Australia was engaged by Future Skills Organisation (FSO) to undertake a migration analysis drawing from a range of sources to provide a single picture of migration's role in supporting the workforce and the expected implications of migration policy changes on FTB occupations.

Analysis in this report focuses on current visa holders working in FTB occupations and the role of key visa streams in bolstering supply to this workforce. The data on current visa holders and visa pathways presented in this report is calculated based on employment, i.e. those that hold the visa that are currently employed in FTB occupations. The relationship between visa grants and employment in FTB occupations is more nuanced:

- Although a visa is granted, that person may not necessarily choose to migrate to Australia,
- Certain permanent visa classes allow holders to change occupations
- Visa holders can be unemployed.

Although there is no data for visa grants that directly transfer into confirmed employment, the limitations on visa holders are stringent enough that it provides a very good indication of employment.

NZ citizens also contribute to migration. However, they can freely enter and exit Australia without a visa. Their contribution to migration is largely not impacted by government migration strategy and policy. We will include NZ citizens in our analysis of the current workforce in FTB occupations but analysis of visa grants and their contribution to the FTB workforce will focus on temporary and permanent visa holders.

Oxford Economics Australia's analysis included:

- Collecting and analysing key migration and visa data from a range of sources to answer key research questions relating to finance, technology and business occupations.
- Summarising key policy settings relating to migration, summarising recent migration policy changes and analysing the importance of migration for finance, technology and business occupations

This report presents this analysis in the following chapters:

- **Current visa holders in FTB occupations** – presenting the role that migration currently plays in FTB occupations.
- **Key visa streams** – Identifying and discussing the key visa streams that drive migration into FTB occupations
- **Permanent skilled visas, temporary skilled visas and student visas** – Analysis of the trends in these key visa streams, visa grants and how recent policy changes are expected to impact FTB occupations
- **Implications** – providing an overview of the role of migration in the FTB workforce and the key implications of recent migration policy changes

Migration system overview

The purpose of migration in Australia is to build the economy, shape society, support the labour market and reunite family

There are three ways for migrants to enter Australia - on a permanent visa, on a temporary visa or as a New Zealand (NZ) citizen.

- 1. A permanent visa** lets a migrant become a permanent resident of Australia and allows them to remain in Australia indefinitely. This stream aims to supplement the cohort of working-age people, boost participation rates and increase the size of the labour force. The annual migration program planning levels outlines the level of permanent migration the government is targeting, the allocation of certain visa stream (skilled, family and special eligibility) and the specific visa category within each of the streams, for example skilled independent and employer sponsored both sit within the skilled stream.
- 2. A temporary visa** lets a migrant come to Australia to work or study on a temporary basis. There may be conditions on the visa that limit the type or amount of work and/or study. Temporary migration is used to respond to key workforce and skill shortages that are difficult to fill domestically in a short time frame. These visas are demand driven with key government policy focusing on setting priority occupations for which applications are prioritized and eligibility criteria to ensure a minimum threshold the applicants qualities and the nature of work and/or study in Australia.

Student and graduate visas are specific categories within the temporary visa stream. These visas aim to attract high quality international students to study in Australia, supporting the education system with students potentially continuing on after graduation to work in Australia. Student visas follow a demand driven system with international students paying an application fee and having to meet certain eligibility criteria to be approved. This acts as a limiting factor of the flow through from the number who apply to the number that come to Australia.

- 3. NZ citizens** also contribute to migration. However, they can freely enter and exit Australia without a visa. Their contribution to migration is largely not impacted by government migration strategy and policy. We will include NZ citizens in our analysis of the current workforce in FTB occupations but analysis of visa grants and their contribution to the FTB workforce will focus on temporary and permanent visa holders.

The governments new [migration strategy](#)¹, released in December 2023, provides overarching direction to guide specific policy settings within the migration system to respond to the governments objectives. However, each individual visa stream has individual policies that determine how they function and their objective.

1. Department of Home Affairs (2023), *Migration Strategy*. Access [here](#).

How visa grants contribute to Australia's workforce

Most visa grants do not directly increase the number of workers in the Australian workforce

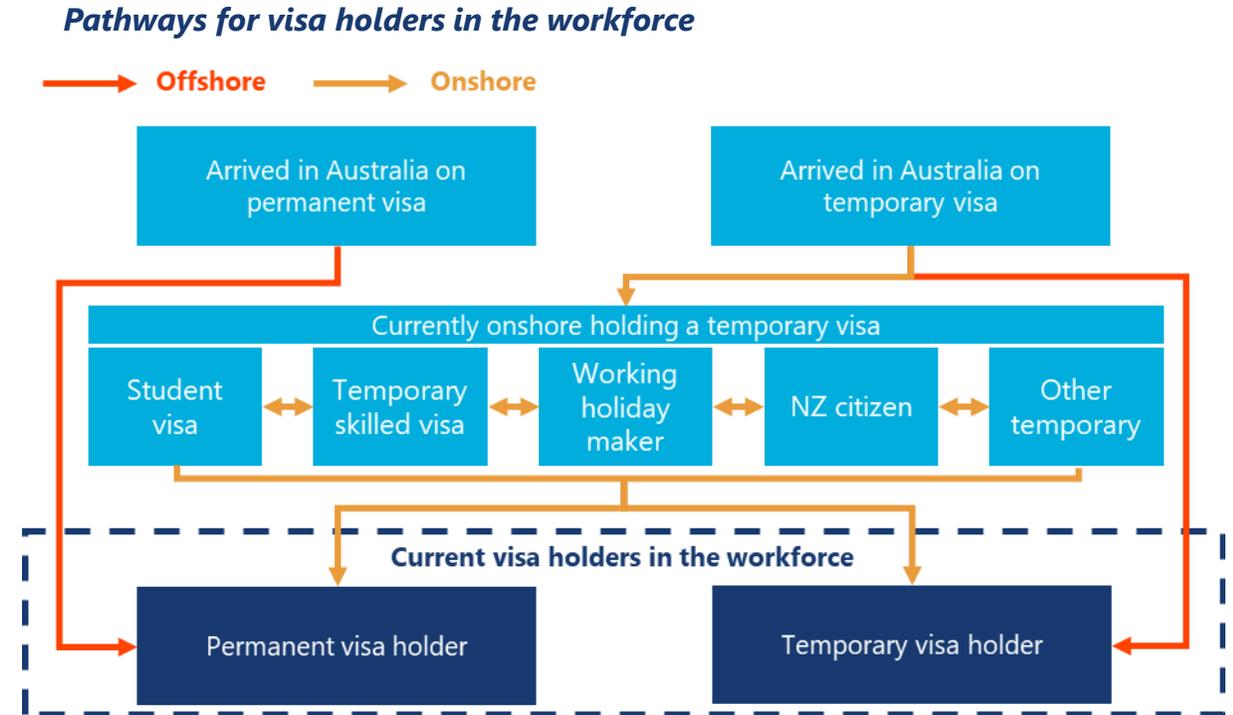
Over one million **total visas** were granted in FY24.¹ However, many of them do not add additional workers to the Australian workforce. This is due to the fact that many visas are granted to migrants with limited work rights, to those only staying for a short time or those that are already located within Australia.

Working holiday makers (WHM) - WHM made up 23% of the visa grants in FY24. Many arrive each year, but most leave Australia within 12 months of arrival. Accounting for arrivals and departures, WHM visas do not significantly add to growing the size of the workforce over time.

Students – Student visa grants made up 37% of visa grants in FY24. Students have limited working rights and many choose not to enter the labour market at all while studying.

Onshore and offshore - Visas can be granted to applicants that are offshore (located in other countries) or onshore (already located in Australia). Those already in Australia (onshore) may already be working and so this grant would not further add to the size of the workforce. However, these visa grants act as a key transition pathway to a permanent visa. In FY24, 44% of total visa grants were for offshore applicants.

Many migrants who first come in on a temporary visa eventually transition to a permanent visa over time. These pathways are vital to support retention and create pathways for those with limited workers rights, students for example, to more fully contribute to the workforce.



1. Further detail on trends in total visa grants can be found in the appendix B1.

Current visa holders in FTB occupations



Current visa holders in FTB occupations

One in four workers in FTB occupations are current visa holders

Temporary and permanent visa holders comprise 25% of the workforce in FTB occupations, more than the broader economy.¹

Visa holders are more common in technology occupations than finance and business, with 39% of the current workforce holding a visa.

The top five occupations with the highest share of visa holders within FTB occupations are all in technology. This share is highest in software and applications programmers at 56%, more than double the average of non-FTB occupations.

Skilled independent visa holders account for the largest share of visa holders in FTB occupations at 34%, followed by partner and prospective marriage at 15%, other permanent at 13%, and employer sponsored at 11%.

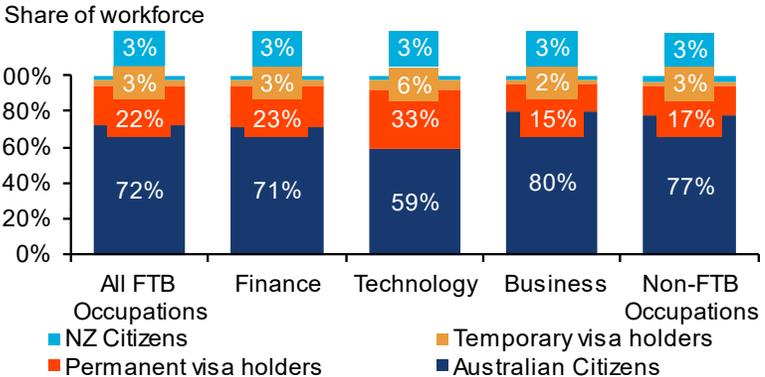
The majority of visa holders are in the 20-39 age bracket and 80-90% of visa holders hold a tertiary qualification.² This compares to 75% of the citizen workforce.

This implies that migration is typically used to fill highly qualified but relatively early career roles in FTB occupations.

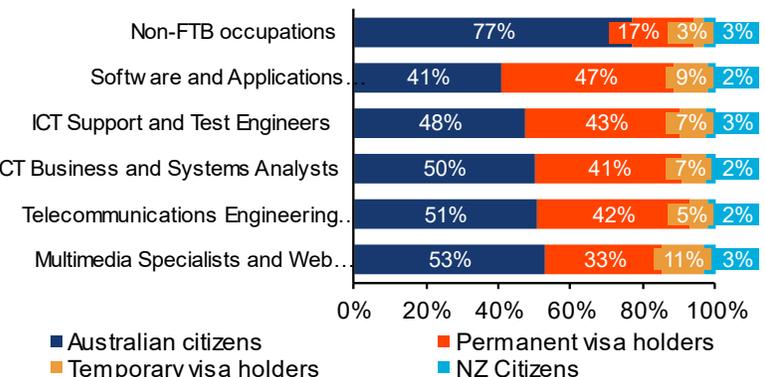
Capital cities have almost three times more visa holders in FTB occupations (31% of workforce) than regional Australia (11%).

Skilled temporary visa holders mostly enter Australia through Sydney or Melbourne but settle in a more diverse distribution across the states and territories once moving to permanent visas

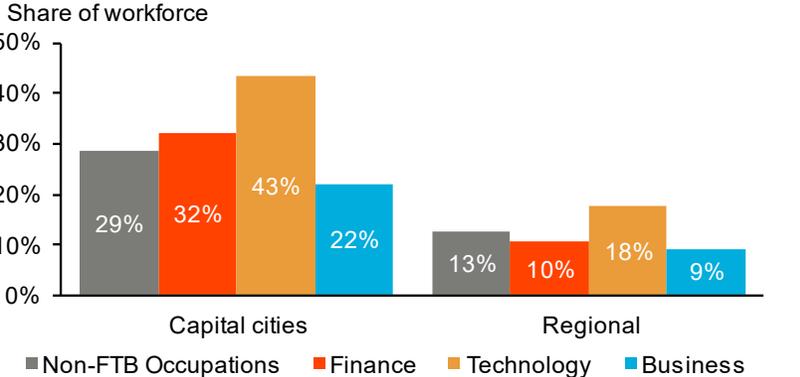
Visa status of current workforce in FTB occupations



Visa status of workforce by occupation



Settlement by capital cities and rest of state/territory



1. NZ citizens can freely enter and exit Australia without a visa. Our analysis in this report will focus on temporary and permanent visa holders.
 2. Further detail on the age distribution, educational attainment and regional settlement of current visa holders in FTB occupations can be found in the appendix B2-4.
 Source: Australian Bureau of Statistics.

Key visa streams



Visa grants to FTB occupations

Offshore visa grants increase the number of workers available in FTB occupations while onshore grants are vital for workforce retention and the transition pathway from temporary to permanent visas

Total visa grants into FTB occupations were 66,000 in FY24, down 22% compared to FY23 to a level similar to pre-pandemic.

Visas are granted to onshore or offshore applicants, with each playing a different role in supporting the number of workers in FTB occupations.

Offshore visa grants increase the number of workers available in FTB occupations as the applicant moves from overseas to work in Australia.

Of the 66,000 visa grants into FTB occupations, only 28% of them were lodged offshore, the lowest share since borders were closed in FY21.

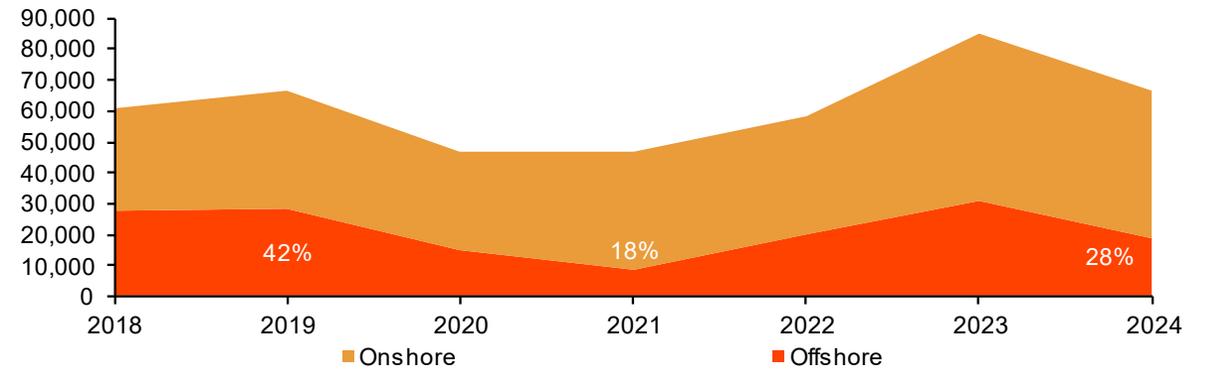
Temporary visas are more likely to be granted to offshore applicants than for permanent visas.

Onshore visa grants do not necessarily correspond to additional workers into FTB occupations as these applicants may already be a part of the FTB workforce. However, onshore visa grants are vital to support retention in FTB occupations and create pathways for those with limited workers rights to more fully contribute to the FTB workforce.

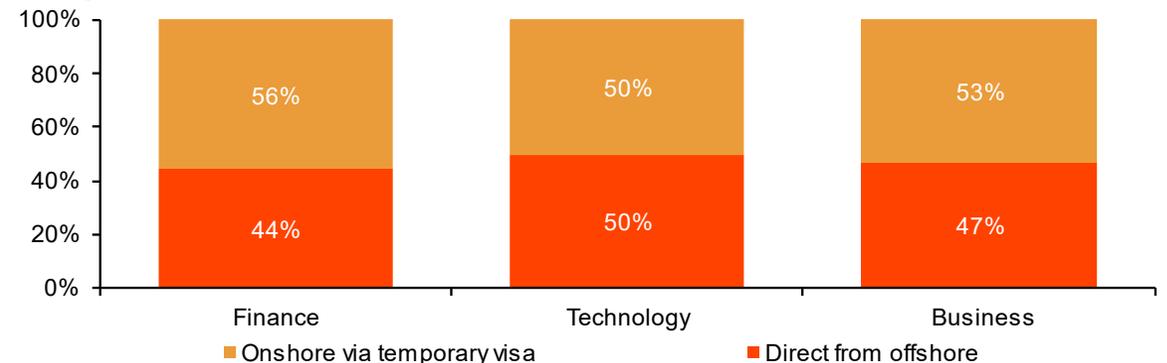
The difference between the distribution of visa types of current visa holders in FTB occupations and the flow of visa grants each year highlights the importance of visa transition pathways that occur once onshore.

While the vast majority of visa holders currently working in FTB occupations are permanent visa holders, less than half of them were direct additions via an offshore grant with the other half transitioning from temporary visas before applying for a permanent visa once onshore.

Visa grants by client location, FTB occupations



Share of current permanent visa holder that were granted offshore, FTB occupations



Visa pathways for FTB occupations

Student and temporary skilled visas are key transition pathways for FTB occupations

Student and temporary skilled visas are key transition pathways for FTB occupations.

Of those in FTB occupations currently holding a permanent skilled visa, 26% originally entered Australia on student visas and 14% entered on skilled temporary visas.

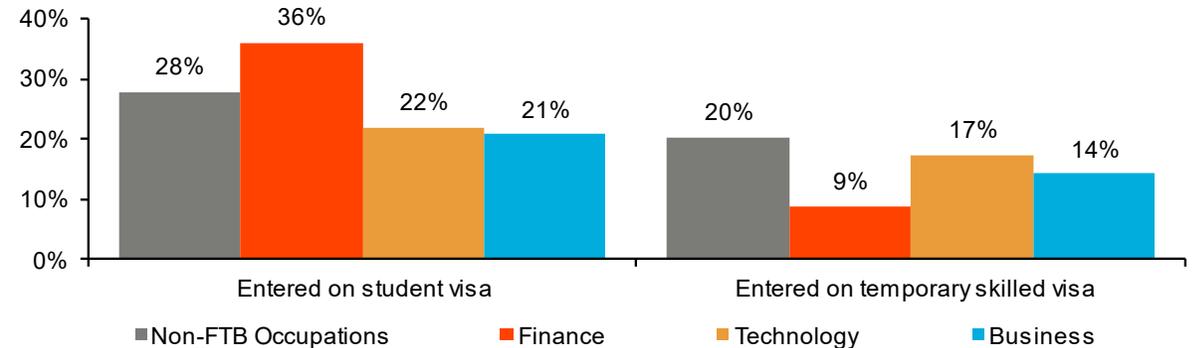
These shares vary significantly by occupation with the student pathway vital to finance occupations and skilled temporary visas most important to technology occupations. Of the top 10 temporary to permanent visa pathway for FTB occupations, 9 are within technology.

Across all occupations, the vast majority of those that transitioned from temporary visa holders moved onto a skilled permanent visa - 82% of transitions in FTB occupations.

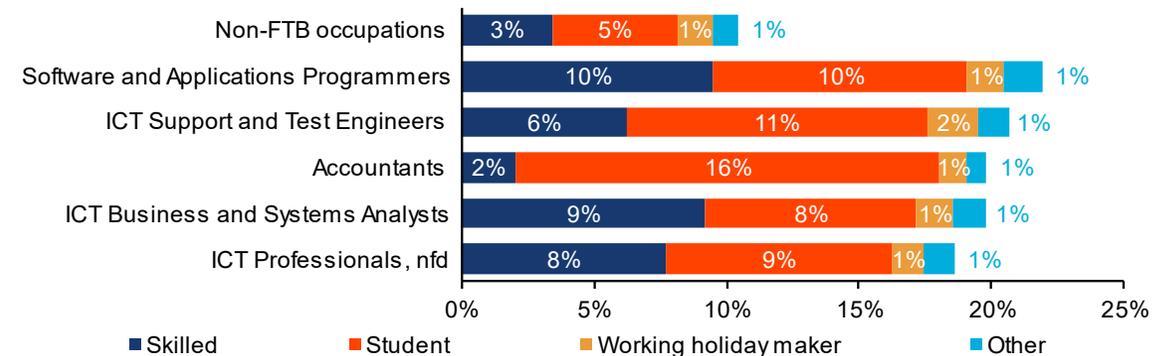
The student visa pathway typically accounts for the larger proportion of these transitions. ICT managers and ICT business & systems analysts are have the highest share following the temporary skilled pathway, whereas accountants are heavily reliant on the student pathway.

For accountants, 16% of the workforce originally entered Australia on a student visa before transitioning to a permanent visa, more than three times higher than for non-FTB occupations. This is the highest proportion of any FTB occupation, with the next highest being telecommunications engineering professionals at 12%.

Share of permanent visa holders that first entered Australia on student or temporary skilled visa by occupation



Share of workforce that first entered Australia on a temporary visa and transitioned to a permanent visa by visa type and occupation



Key visa streams for FTB occupations

Permanent skilled, temporary skilled and student visas are the key streams of migration into FTB occupations

There are three key visa streams with the most significant impact on migration into FTB occupations.

The **permanent skilled visa** stream directly adds to the number of workers available to FTB occupations through offshore grants. Additionally, 82% of those in FTB occupations that have transitioned from temporary visa holders moved onto a skilled permanent visas.

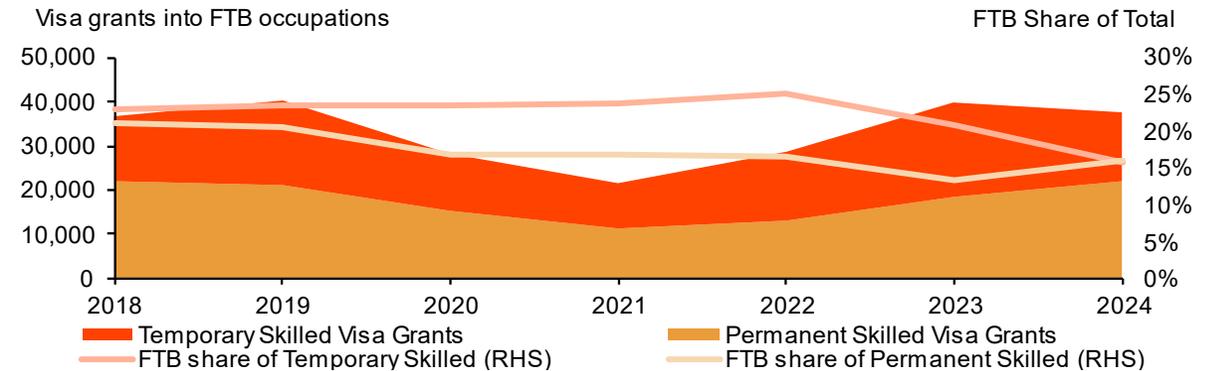
Similarly, the **temporary skilled visa stream** directly adds to the number of workers available through offshore grants, also acting as a key pathway to permanent visa status.

Transitions from a temporary skilled visa to a permanent visa are less likely to add to the workforce count as these workers may already be a part of the FTB workforce before transitioning. However, this pathway is vital in supporting retention in FTB occupations.

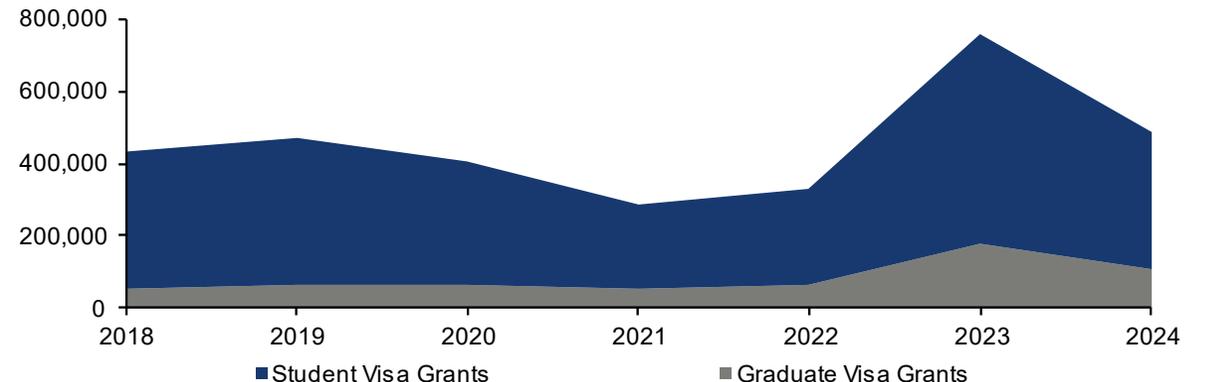
Overall, the temporary and permanent skilled visa streams account for 57% of all visa grants into FTB occupations.

Very few student visa holder work in FTB occupations directly. However, the **student visa stream** acts as a key pathway to permanent visa status. This pathway is vital for maintaining a pipeline in early career roles. Additionally, transitioning from a student to a permanent visa increases working rights and may also coincide with a change in occupation, making this transition pathway more likely to add to the workforce count in FTB occupations.

Temporary and permanent skilled visa grants into FTB occupations and FTB share of total Australia



Total student and graduate visa grants, total Australia



Permanent skilled visas



Permanent skilled visa trends

Permanent skilled visa grants have been shifting towards onshore applicants over time

Total permanent skilled visa grants into FTB occupations grew 18% in FY24 and currently sit near their pre-pandemic level.¹

Finance occupations took in 13% more in FY24 than they did in FY18, while technology is at the same level and business intake is down 26%.

Permanent skilled visa grants are relatively concentrated in a few occupations. Software & applications programmers alone accounted for 23% of permanent skilled visa grants for FTB occupations from FY18-FY24, while accountants make up a further 21%.

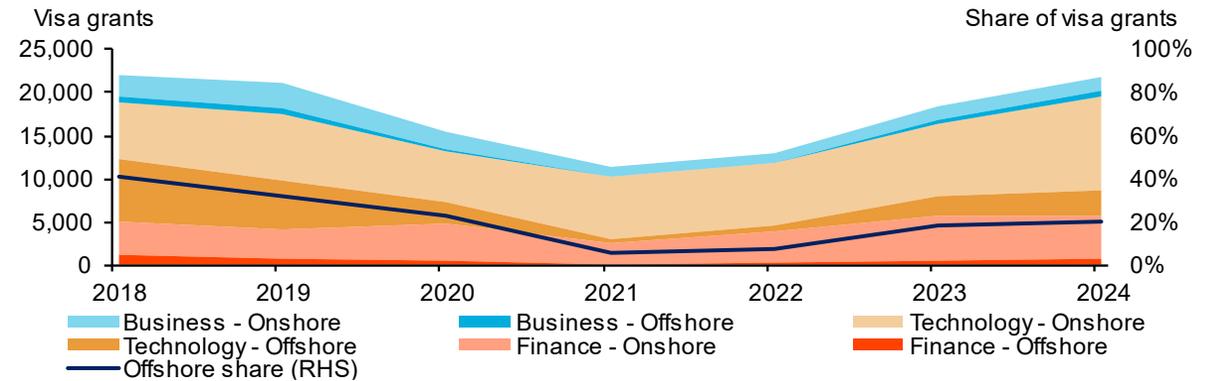
However, the distribution has been getting relatively more diverse over time. Other engineering professionals and ICT business and systems analysts have grown 63% and 26% respectively since FY18 while software & applications programmers are down 26%.

Most permanent skilled visa grants within FTB occupations are awarded to those already onshore. With many arriving on a temporary visas before being granted a permanent skilled visa.

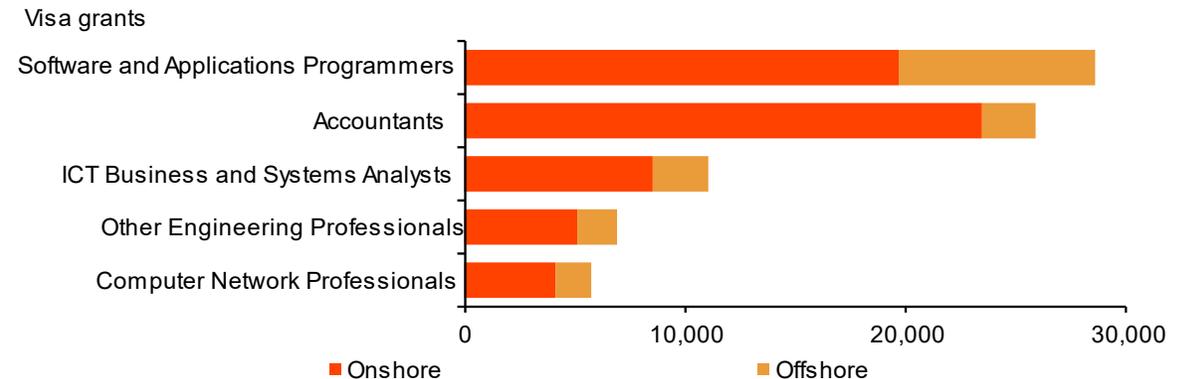
The share of visa grants to onshore applicants has increased from 40% in FY18 to 80% in FY24, driven particularly by technology occupations for which the share has changed from 47% to 79% over the same period.

A much greater proportion of onshore grants are younger, indicating they are likely filling entry level roles. The vast majority of offshore grants tend to be between 30-39, suggesting that these visas tend to pull in more experienced workforce to fulfil potential skill gaps in the existing workforce.

Permanent skilled visa grants by applicant location and occupation



Permanent skilled visa grants by top occupations, sum FY18-FY24



1. Further detail on permanent skilled visa trends can be found in the appendix B5. Source: Department of Home Affairs.

Implications of permanent skilled visa policy changes

Permanent skilled migration planning levels are relatively unchanged, although businesses will need to adjust to the increased focus on employer sponsorship

Permanent migration planning levels, the primary driver of permanent skilled visa grants has stagnated since FY12 at around 190,000.

Planning levels decreased marginally over the pandemic, falling to 160,000 before returning to 195,000 in FY23. They have been marginally cut back to 185,000 as of FY25¹.

Permanent skilled visa grants have tracked planning levels closely over history. This suggests that the slight cut to planning levels will have minimal impact on the overall migrant intake from this visa stream.

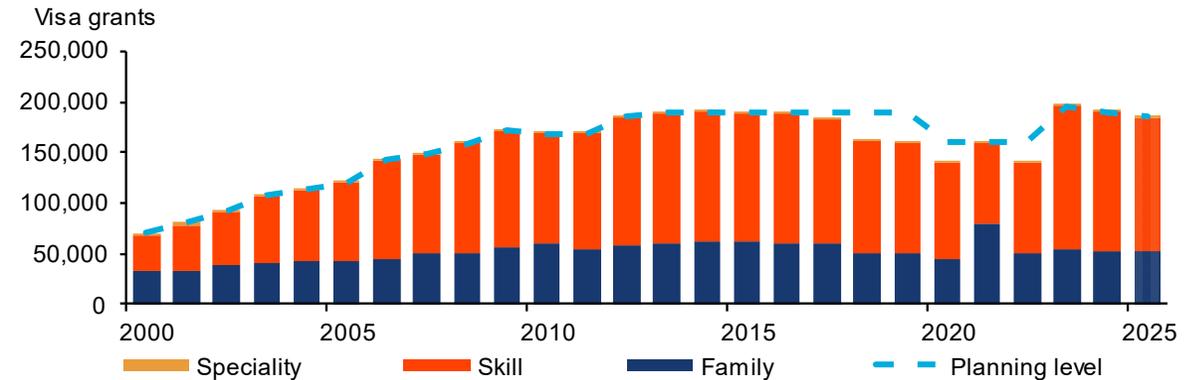
However, there have been some changes to the allocation of specific visa types within the skilled permanent stream.

Skilled independent visa, the most commonly held visa in FTB occupations have had planning levels nearly halved in FY25 to 16,900.²

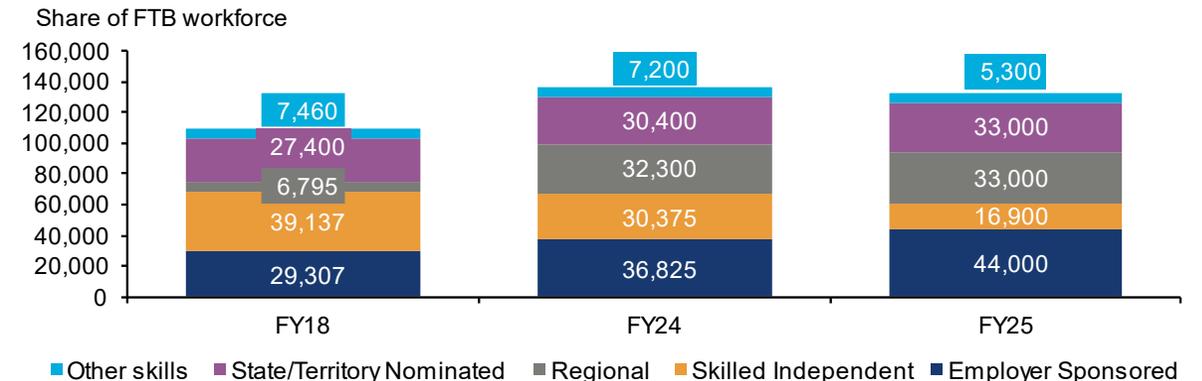
This change has been in favour of the employer sponsored stream, increasing from 36,825 to 44,000. Regional visas are also likely to see their planning levels rise in an attempt to increase the role of employers and the states and territories in identifying and filling skill shortages.

This is not expected to have a significant impact on FTB intake. However, employers will likely have to take a more active role in employer sponsorship moving forward.

Permanent migration outcome and planning levels



Skilled permanent visa migration program planning levels by visa category



1. Department of Home Affairs (2024), *Migration Program planning levels*. Access [here](#).

2. Details of current visa settings covering intake limitations, visa fees and key eligibility criteria is available in appendix A.

Source: Department of Home Affairs.

Temporary skilled visas



Temporary skilled visas trends

Temporary skilled visas act as a key pathway to permanent visa status within FTB occupations

Temporary skilled visa grants into FTB occupations declined 26% over FY24 to a level 18% below FY19 but marginally above FY18.¹

All of this decline has been driven by technology occupations, particularly through the offshore segment, down 43% in FY24 to sit 38% below FY19 levels.

Software and applications programmers are by far the largest beneficiary of temporary skilled migration, with a cumulative 28,700 granted between FY18-FY24.

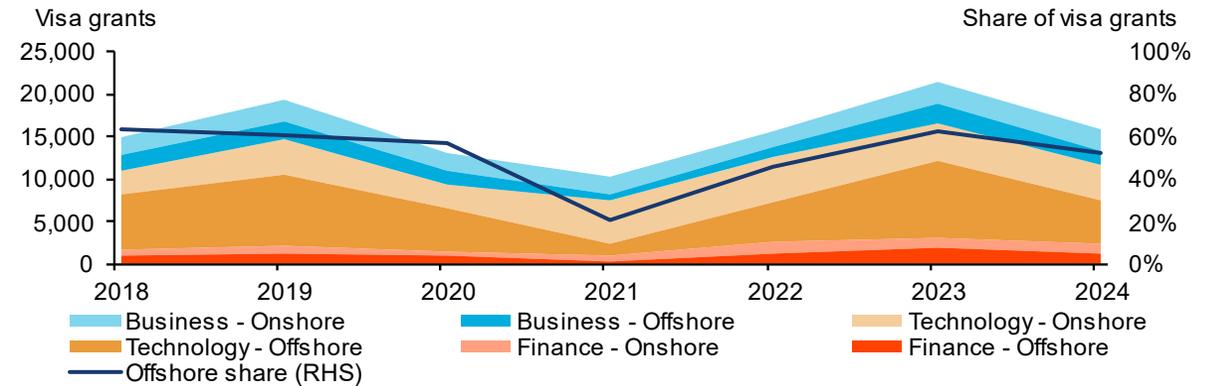
However, the occupations that temporary skilled visa holders enter has been changing over time. Grants for software & application programmers are down 23% in FY24 compared to FY18, while grants to accountants and advertising & marketing professionals have increased 15% and 12% respectively over the same period.

Offshore grants typically account for 50-60% of temporary skilled visa grants into FTB occupations, making a significant direct addition to worker numbers in FTB occupations. However, very few workers remain on this visa longer-term - 1% of the current visa holders in FTB occupations.

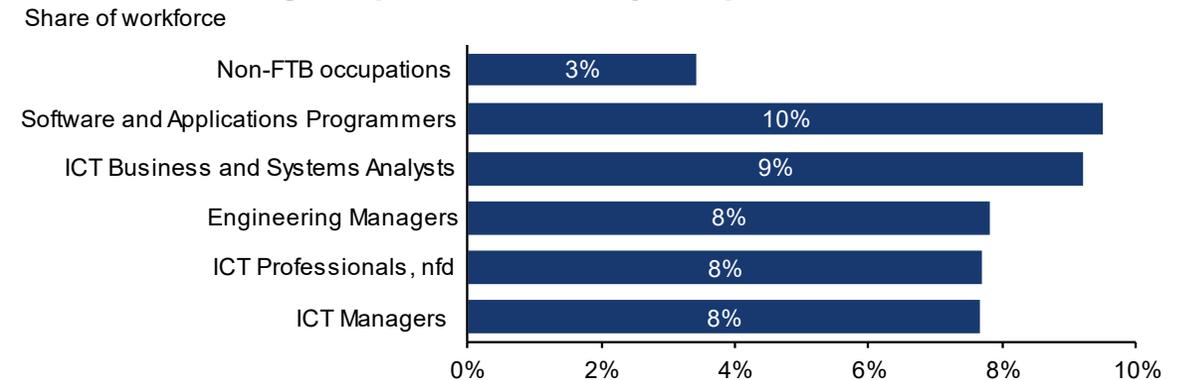
Instead, temporary skilled visas act as a key pathway to permanent visa status, with 14% of permanent visa holders in FTB occupations first entering Australia on temporary skilled visa.

This pathway is most significant in technology occupations - 17% of current permanent visa holders and 6% of the workforce. This share is largest for software and applications programmers - 10% of the workforce.

Temporary skilled visa grants by applicant location and occupation



Share of workforce that first entered Australia on a temporary skilled visa before transferring to a permanent visa by occupation



1. Further detail on temporary skilled visa trends can be found in the appendices B6-7. Source: Department of Home Affairs, Australian Bureau of Statistics.

Implications of priority occupations list changes

Changes to the priority occupations list is expected to have minimal impact on migration into FTB occupations

The temporary skilled visa stream is demand driven and is targeted at rectifying shortages within the workforce through setting priority occupations that migration aims to support.

The newly introduced Skills in Demand Core Skills Occupation List covers fewer occupations than the previous, decreasing from 511 to 456. The number of FTB occupations covered also decreased, falling from 107 to 105.

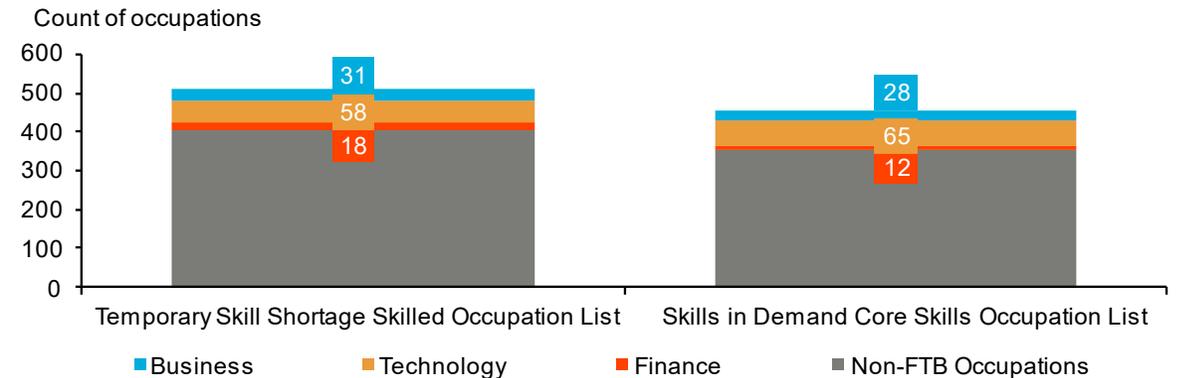
The number of technology occupations covered has increased by 7 to 65, while business has decreased 3 to 28 and finance has decreased by 6 to 12.

Given the governments focus on emerging technologies, 14 new technology occupations have been added and only seven were removed. New additions predominately centre around cyber and data intensive occupations which are relatively more exposed to migration.

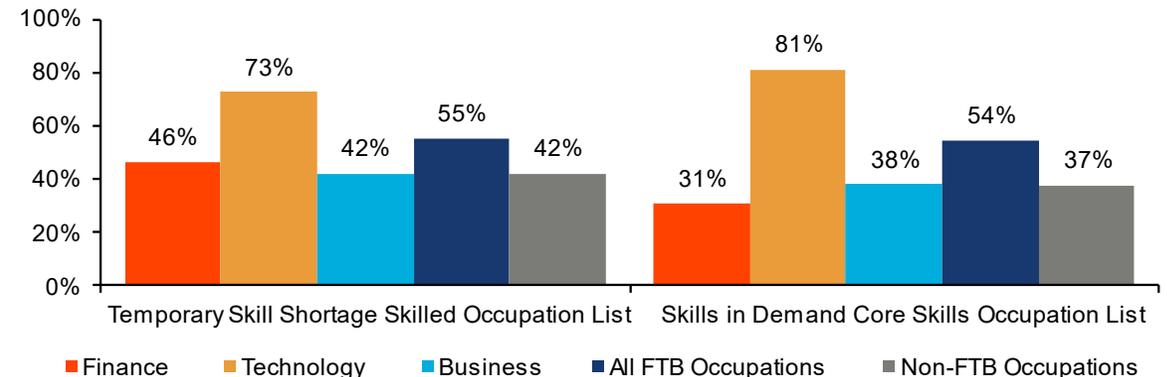
Workforce coverage of finance occupations has dropped by 5 percentage points to 45 with financial dealers and financial brokers dropping off. For business, 11 occupations were removed, but eight including office managers and several legal support occupations, were added. These are large occupations and so the overall workforce coverage has increased by 3 percentage points to 57%.

While the number of FTB occupations covered has fallen, FTB occupations share of the overall list has increased. This means that overall grants into FTB occupations is unlikely to decline but the composition may change, concentrated more in FTB occupations that held their place on the updated list or were added.

Changes to priority occupation list



Share of workforce covered by Skills in Demand Core Skills Occupation List



Implications of temporary skilled visa eligibility changes

Temporary skilled visa eligibility changes may have a slight positive impact on migration into FTB occupations

After the release of the recent Migration Strategy in 2023, several changes to eligibility requirements were made to the temporary skilled visa stream:¹

- The Temporary Skilled Migration Income Threshold (TSMIT) was raised to \$73,150 in FY25 from \$70,000 in FY24, significantly higher than the \$53,900 requirement of FY23.²
- Required work experience under the temporary skilled stream has decreased from two years to one year
- The new specialist skills pathway was introduced to targeting those on an income of \$135,000 or more, particularly in technology or green energy

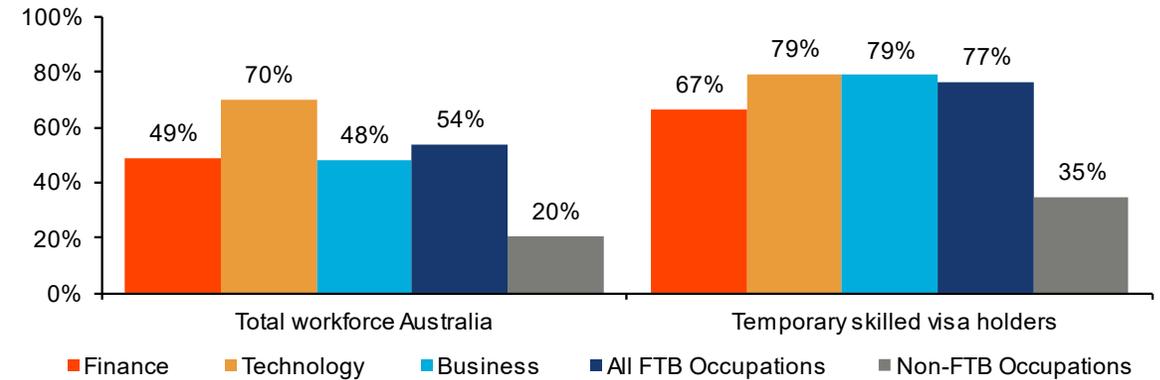
The TSMIT changes have had minimal impact on FTB intake since their introduction and aren't expected to have any impact moving forward, with 77% of the current temporary skilled visa holders in FTB occupations already earning \$78,000 above per year.³

Reduced work experience requirements may provide some upside benefit to FTB occupations. This change may promote more migration from younger workers as well as those in emerging industries, particularly in technology.

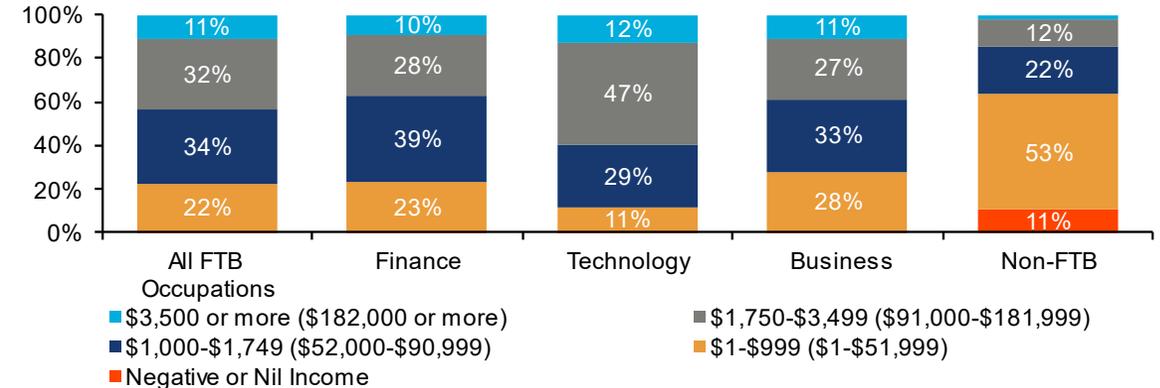
FTB occupations also are expected to benefit from the new specialist skills pathway due to the high-income skew of finance, technology, and business occupations.

1. Department of Home Affairs (2023), *Migration Strategy*. Access [here](#).
 2. Department of Home Affairs (2025), *Nominating a position*. Access [here](#).
 3. Income data availability does not directly align with the \$73,150 threshold.
 Source: Australian Bureau of Statistics.

Share of workforce earning above \$78,000 per annum



Income distribution across FTB occupations



Student visas



Student visa trends

Demand from students wanting to enter Australia is strong but more applications are being denied

Very few student visa holders work in FTB occupations. However, 26% of the permanent visa holders currently working in FTB occupations originally migrated to Australia on a student visa.

The student visa pathway is particularly important to finance occupations with 36% of current permanent visa holders originally entering Australia on a student visa.

For accountants, 16% of the workforce originally entering Australia on a student visa before transitioning to a permanent visa, more than three times higher than for non-FTB occupations.

The pipeline of students entering Australia dipped over the pandemic before spiking in FY23 due to a post-pandemic rebound as the border reopened. However, student visa grants declined 35% over FY24, with VET the hardest hit, falling 57% to a level 28% below FY18.¹

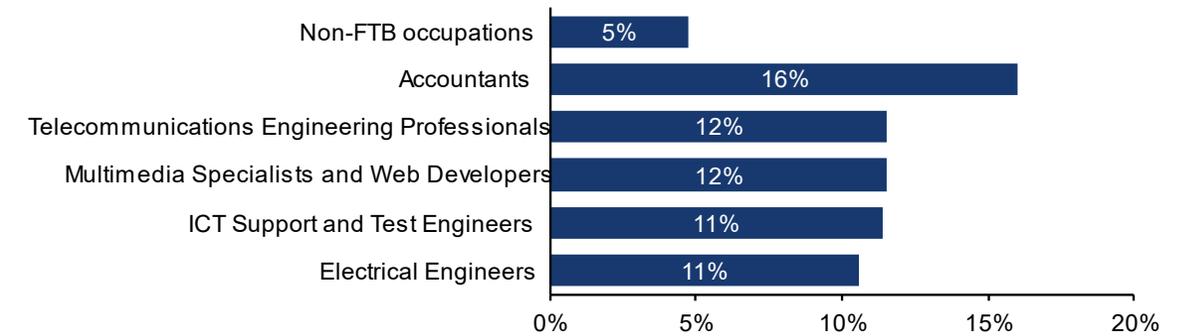
Demand from students wanting to enter Australia remains strong, with visa lodgements 51% higher than FY18 in VET and 48% higher in higher education.

Rather, the reduction in students entering Australia driven by declining grant rates, with more applications being denied. The grant rate for VET has fallen to just 62%, 20 percentage points below FY18. The higher education grant rate has also dropped, now sitting 10 percentage points below FY18 at 84%.

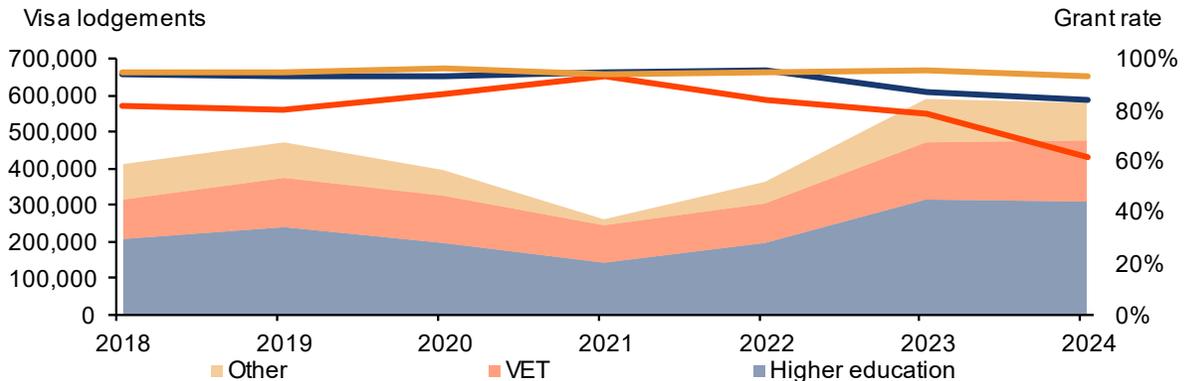
This has been driven by the introduction of higher language standards, more stringent risk assessments, and greater savings requirements introduced following the release of the Migration Strategy in late 2023.

Share of workforce that first entered Australia on a student visa before transferring to a permanent visa by occupation

Share of workforce



Student visa lodgement and grant rate by sub-category²



1. Further detail on student visa trends can be found in the appendices B8-9.

2. 'Other' category grant rate is calculated as the average of all other categories not including Higher education and VET.

Source: Australian Bureau of Statistics, Department of Home Affairs.

Implications of student visa fees and eligibility changes

Student visa applicants are paying more but have less of a chance to be accepted, which is expected to dampen the pipeline of students who go on to enter FTB occupations in the medium term

Student visas follow a demand driven system with international students paying an application fee and having to meet certain eligibility criteria to be approved. This acts as a limiting factor of the flow through from the number who apply to the number that come to Australia.

Following the release of the Migration Strategy in late 2023:¹

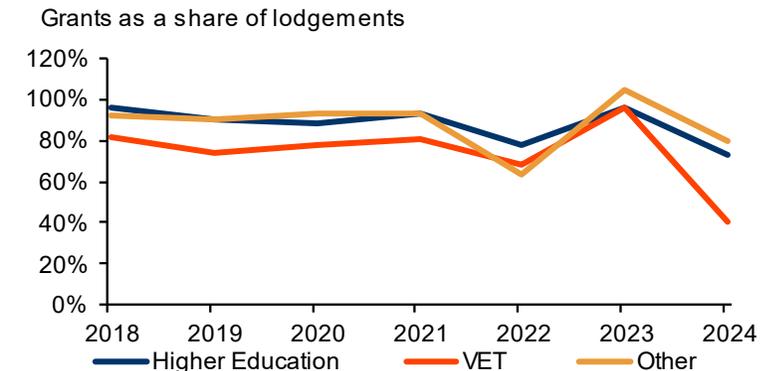
- Savings requirements were increased to \$29,710 to better account for the higher cost of living;
- English language requirements were strengthened;
- Students must remain enrolled in a course of study in Australia and have their working hours capped at 48 hours per fortnight; and
- Graduate visa applicants have had English language requirements increased, must now be aged 35 years or under, down from 50, apply while onshore and have held a student visa in the last 6 months.

Stricter eligibility requirements on has driven an ongoing decline in visa grant rates, with more applications being denied. Further, student visa application fees increased 125% in FY25 to \$1,600, pushing Australia to 59% above the next highest (UK) of our nearest competitors and nearly 10 times the fee in Canada.

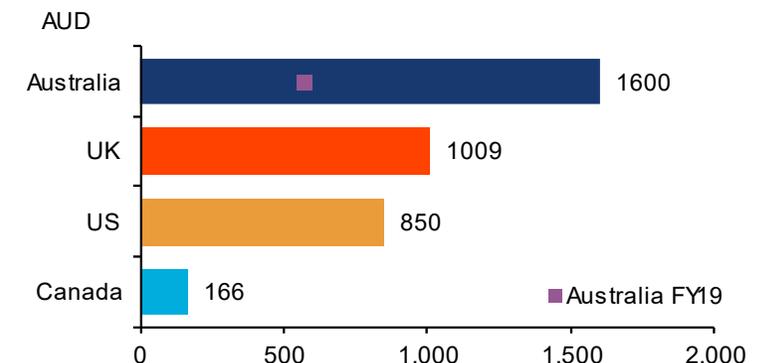
This application fee is relatively small in comparison to the full cost of a qualification. However, this increase is expected to affect the decision making of applicants, making Australia a relatively less competitive location. The impact of this may also be amplified by the stricter eligibility criteria and slower processing times. Where previously, 80-95% of lodgements were granted, now visa grants as a share of lodgments has fallen to 73% in HE and 40% in VET meaning applicants are paying more but have less of a chance to be accepted.

Student visas are a key pathway to a permanent visa. Finance occupations are the most exposed, with 8% of the current workforce first entering Australia on a student visa. Accountants, telecommunication engineering professionals and multimedia specialists & web developers are expected to be particularly exposed.

Student visa grant to lodgement ratio



Student visa application fees by country



1. Department of Home Affairs (2023), *Migration Strategy*. Access [here](#).

Source: Department of Home Affairs, UK Visas and Immigration, US Department of State, Immigration, Refugees and Citizenship Canada

Implications of student caps and related policy changes

Potential student caps could have significant impacts on FTB occupations, particularly in VET dominated occupations

International student caps were proposed in 2024, aiming to limit enrolments to 270,000.¹ This did not pass the Senate and no formal caps are in place. However, the government has since introduced Ministerial Direction 111 (MD111) as a measure to slow visa processing for institutions that reach 80% of the proposed cap identified in the original policy.²

Of the 270,000 cap outlined under the original policy proposal and echoed in MD111, higher education (HE) institutions were to be allocated 175,000, and VET institutions 95,000. The proposed HE student allocation was in line with the number of international students enrolling in HE in 2019, while VET institutions were to be assigned around 60% of their 2019 intake.

MD111 is not expected to significantly impact total student visa grants. However, there is likely going to be significant compositional effects, decreasing VET intake of international students. This also signals potential further policy action aimed at directly imposing caps on international students which could have more widespread impacts.

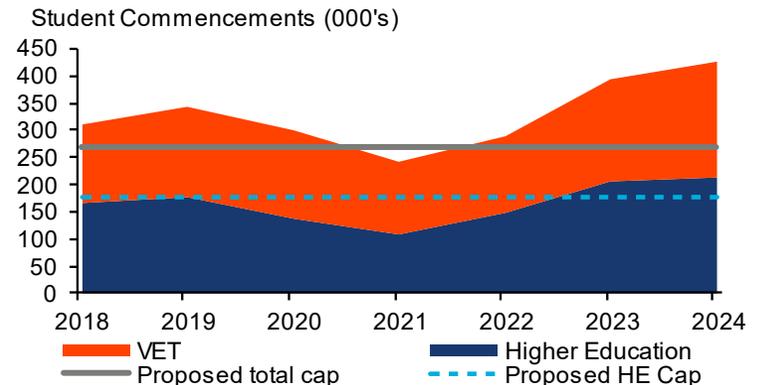
The share of VET educated workers in FTB occupations provides insight into which occupations are potentially the most exposed.

Business occupations have the highest share of VET. However, only 3% of their workforce followed a student visa pathway, suggesting business exposure to these policy changes is relatively low.

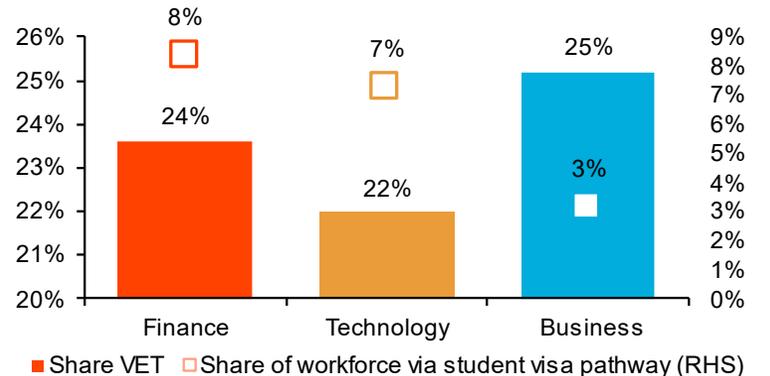
In contrast, finance and technology are more exposed, with 8% and 7% of their workforce made up of migrants who originally entered Australia as students and a significant portion of their workforce (24% and 22% respectively) with VET as their highest qualification.

Some of the most exposed occupations include telecommunications technical specialists, telecommunications trade workers and financial brokers. These occupations have both a significant portion of their workforce that entered Australia as students and a high proportion of the workforce with VET qualifications.

International student commencements and proposed student caps



Share that first entered Australia on student visa and VET share of workforce by occupation



1. SBS News (2024), *The government has revealed international student caps from 2025. What's been announced?.* Access [here](#).

2. Study Australia (2040), *New prioritisation system for Student visa processing.* Access [here](#).

Source: Department of Education, Australian Bureau of Statistics.

Implications for FSO



Migration insights and implications for FTB occupations



Insights

One in four workers in FTB occupations are current visa holders. Nearly 80% are on a permanent visa, with skilled independent visas the most common visa type.

Of the visa holders in FTB occupations, 79% are on a permanent visa. Skilled independent visas are the most common visa type.

Permanent skilled visa grants have been shifting more towards onshore applicants over time.

Of those in FTB occupations holding a permanent visa, more than half originally came to Australia on a temporary visa and then transitioned to a permanent visa once onshore.

For accountants, 16% of the workforce originally entered Australia on a student visa before transitioning to a permanent visa, more than three times higher than for non-FTB occupations.

Nearly 60% of software & applications programmers currently hold a visa. More than double the average of non-FTB occupations.



Implications for FSO

The exposure to migration poses risks of potential impacts from future migration policy changes. Adding to the workforce through the education channel could decrease this risk and increase domestic capability to fulfil potential workforce shortages.

The decreased allocation of skilled independent permanent visas may impact FTB occupations if employers are unable shift to actively sponsoring visa applicants.

The key pathways through student and temporary skilled visas are expected to become increasingly important.

Changes to temporary skilled visa policy are not expected to migration into FTB occupations. However, Student visa policy changes could have significant impacts, particularly in the VET dominated occupations

Student visa eligibility changes and potential enrolment caps could have significant impacts on the pipeline of migrants entering finance occupations.

Technology occupations, particularly software & applications programmers, are expected to benefit from changes to temporary skilled visa policy but are exposed in the medium-term to new student visa policies.

Appendix A: Current visa landscape



Current visa landscape – Permanent Skilled

The governments recently released Migration Strategy has a stated aim of reducing temporary long-term stays and encouraging skilled migration into the regions and target occupations.

| Visa | Intake limitations | Fees | Key eligibility criteria | |
|-----------|--|--------|--------------------------|---|
| Permanent | Skilled Independent Subclass 189 | 16,900 | \$4,765 | <ul style="list-style-type: none"> • Must be under 45 • Must have an occupation on the skilled occupations list • Must have competent English (6.0 IELTS) |
| | Employer Sponsored Subclass 186 | 44,000 | \$4,770 | <ul style="list-style-type: none"> • Must be under 45 • Must be nominated by an Australian employer • Must have an occupation on the core skilled occupations list • 3 Years relevant work experience • Meet the minimum standards of English (5.0 IELTS) |
| | State/Territory Nominated Subclass 190 | 33,000 | \$4,770 | <ul style="list-style-type: none"> • Must be under 45 • Must be nominated by an Australian state or territory government agency • Must have an occupation on the skilled occupations list • Must have competent English (6.0 IELTS) |
| | Skilled Regional Subclass 887 | 33,000 | \$490 | <ul style="list-style-type: none"> • Must have held an eligible visa • Have lived for at least 2 years and worked full time for at least 1 year in a specified regional area • Must have functional English (4.5 IELTS) |
| | National Innovation Subclass 858 | 4,300 | \$4,840 | <ul style="list-style-type: none"> • Must be invited to apply after nomination by an Australian citizen, Australian permanent resident, an eligible New Zealand citizen, or an Australian organisation with a national reputation in the area of talent • Have an internationally recognised record of exceptional and outstanding achievement in either a profession, a sport, the arts, or academia and research while still being prominent in their field • Must be able to find work or become independently established without difficulty • Must have functional English (4.5 IELTS) |

Current visa landscape – Temporary Skilled and Students

The governments recently released Migration Strategy has a stated aim of reducing temporary long-term stays and encouraging skilled migration into the regions and target occupations.

| Visa | | Intake limitations | Fees | Key eligibility criteria |
|-----------|-------------------------------|--------------------|----------|--|
| Temporary | Skills in Demand Subclass 482 | Demand Driven | \$3,115 | <ul style="list-style-type: none"> Stay up to 4 years If entering through the core skills stream must have an occupation on the core skills occupation list If entering through the specialist skills stream must have be nominated to work in an ANZSCO occupation in major groups 1, 2, 4, 5, or 6 with a minimum salary of \$135,000 If entering through the labour agreement stream must be nominated to work in a specified occupation under the terms of a labour agreement Must have 1 year of relevant work experience in the nominated occupation or a related field Must work only for the visa sponsor Meet the minimum standards of English (5.0 IELTS) |
| | Student Subclass 500 | Demand driven | \$1,600 | <ul style="list-style-type: none"> Stay up to 5 years in line with enrolment Be enrolled in a course of study in Australia Be 6 years or older Must have competent English (6.0 IELTS) Minimum proven savings of \$29,710 |
| | Graduate Subclass 485 | Demand Driven | \$ 2,235 | <ul style="list-style-type: none"> Be 35 or under Be in Australia upon application Held a student visa in the last 6 months Have a qualification relevant to an occupation on the skilled occupation list OR have a recent degree in a CRICO-registered course 6.5 on IELTS |

Appendix B:
Supplementary
information



B1: How visa grants contribute to Australia's workforce

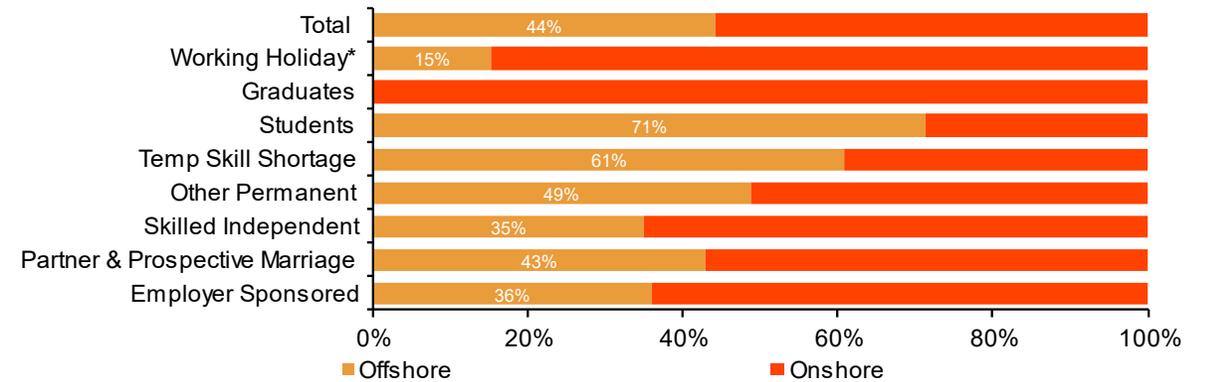
Most visa grants do not directly increase the number of workers available in the Australian workforce

Over one million total visas are estimated to have been granted in FY24, down 21% on FY23 but still 10% higher than FY19. However, many of them do not add additional workers to the Australian workforce. This is due to the fact that many visa grants are provided to migrants with limited work rights, to those only staying for a short period of time or those that are already located within Australia.

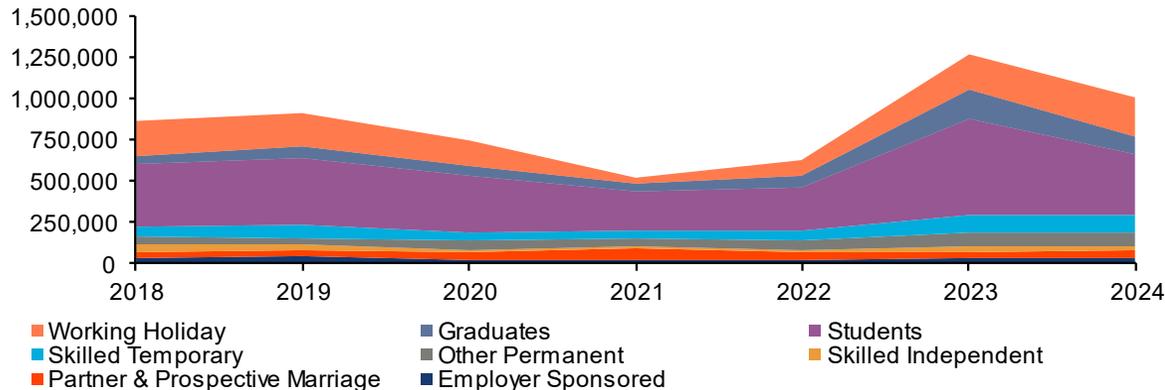
Working holiday makers (WHM) and students made up 60% of the visa grants in FY24 and only 44% of total visa grants were for offshore applicants.¹ Onshore visa grants are less likely to add to the workforce unless they trigger a significant change in the working rights of the applicant.

When we consider arrivals (offshore visa grants who stay for more than 12 months) by visa category and exclude students, arrivals are down 52% in FY24 and sit 38% below FY19.

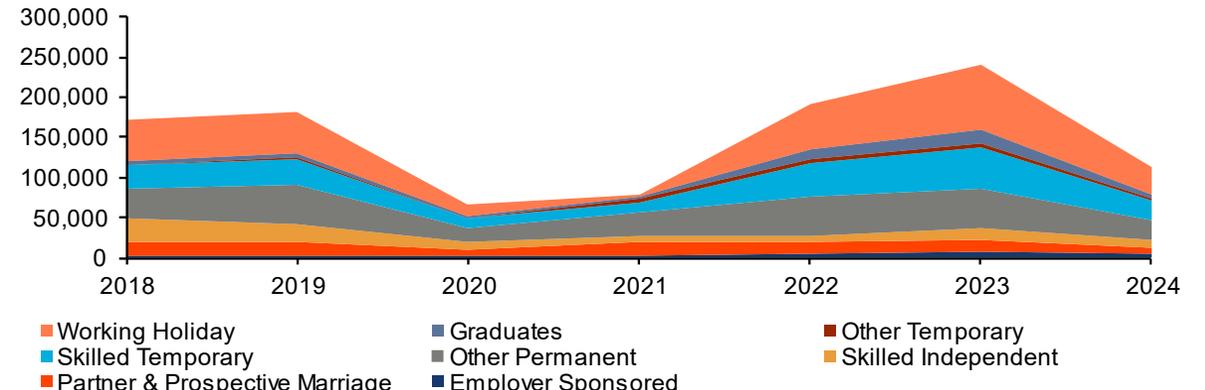
Share of visa grants by client location FY24, total Australia²



Total visa grants by category, total Australia



Arrivals by visa category (excluding students), total Australia²



1. NZ citizens can freely enter and exit Australia without a visa. Our analysis focuses on temporary and permanent visa holders so we have excluded them from the arrivals data in the charts

2. For WHM visas, we have classified those that do not stay for 12 months as onshore to highlight the contribution to the ongoing workforce.

Source: Department of Home Affairs, Australian Bureau of Statistics.

B2: Current visa holders in FTB occupations

Migration is typically used to fill highly qualified but relatively early career roles in FTB occupations

The majority of visa holders are in the 20-39 age bracket and 80-90% hold a tertiary qualification. This compares to 75% of the citizen workforce.

This implies that migration is typically used to fill highly qualified but relatively early career roles in FTB occupations.

This is particularly the case for temporary visa holders in FTB occupations, with 37% between the age of 20-29 compared to 17% for citizens.

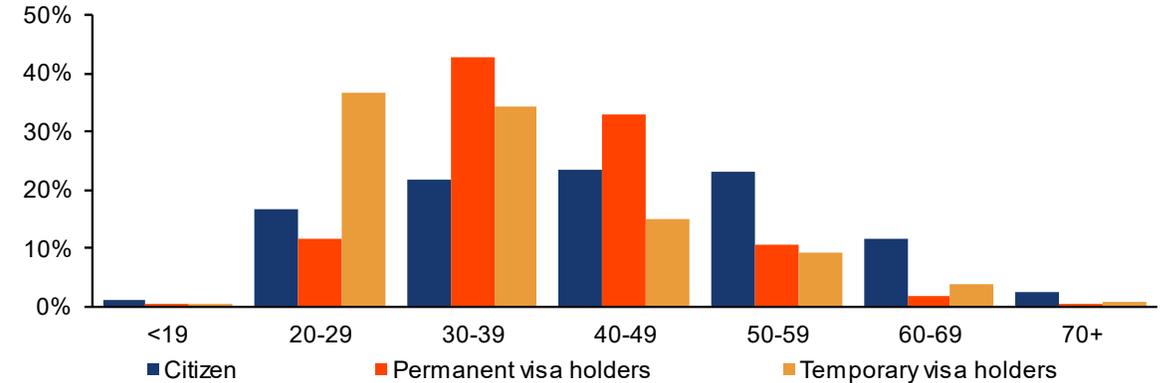
While the age profile for permanent visa holders is older than for temporary visas, it is still significantly younger than that of Australian citizens with 55% below the age of 40 compared to 37% for citizens in FTB occupations.

The age profile distribution within FTB occupations is very similar across finance, technology and business as well as when compared to non-FTB occupations suggesting that this is a general migration trend rather than a specific trend within the FTB occupations.

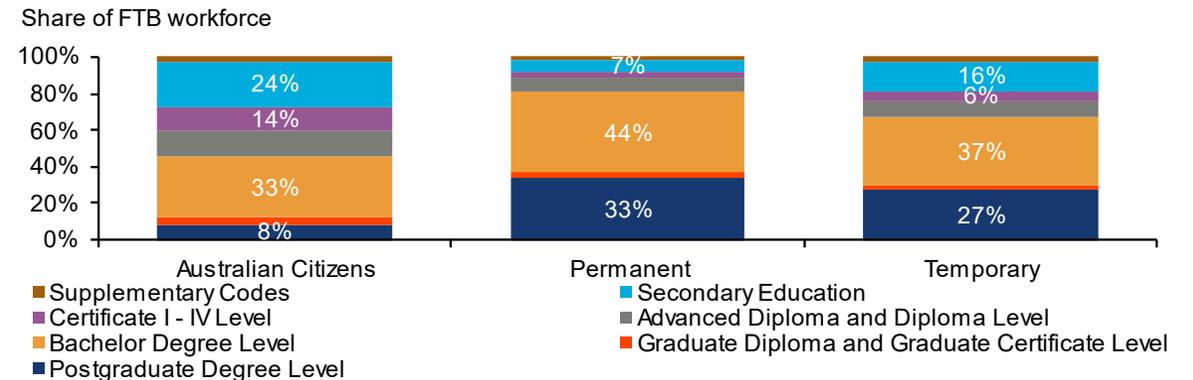
A higher proportion of visa holders in FTB occupations have a higher education qualification, 81% for permanent visa holders and 67% for temporary visa holders compared to 45% of the Australian citizen workforce.

Conversely a lower proportion hold VET qualifications. For Australian citizens in FTB occupations, 14% hold a VET degree as their highest level of education compared to just 3% of permanent visa holders and 6% of temporary visa holders.

Australian citizen and visa holder age distribution, FTB occupations



Educational attainment, FTB occupations



B3: Regional settlement (1)

The vast majority of migrants settle in capital cities

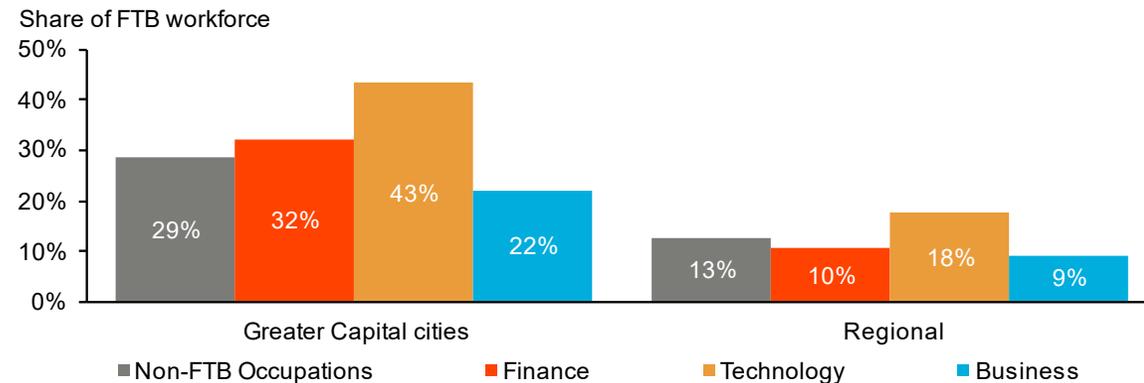
Capital cities have almost three times more visa holders in FTB occupations (31% of workforce) than regional Australia (11%).

This is most prevalent in the key travel hubs of Sydney and Melbourne where 35% and 32% of the workforce in FTB occupations are visa holders.

Conversely, the workforce in FTB occupations in regional areas are well below the average for non-FTB occupations.

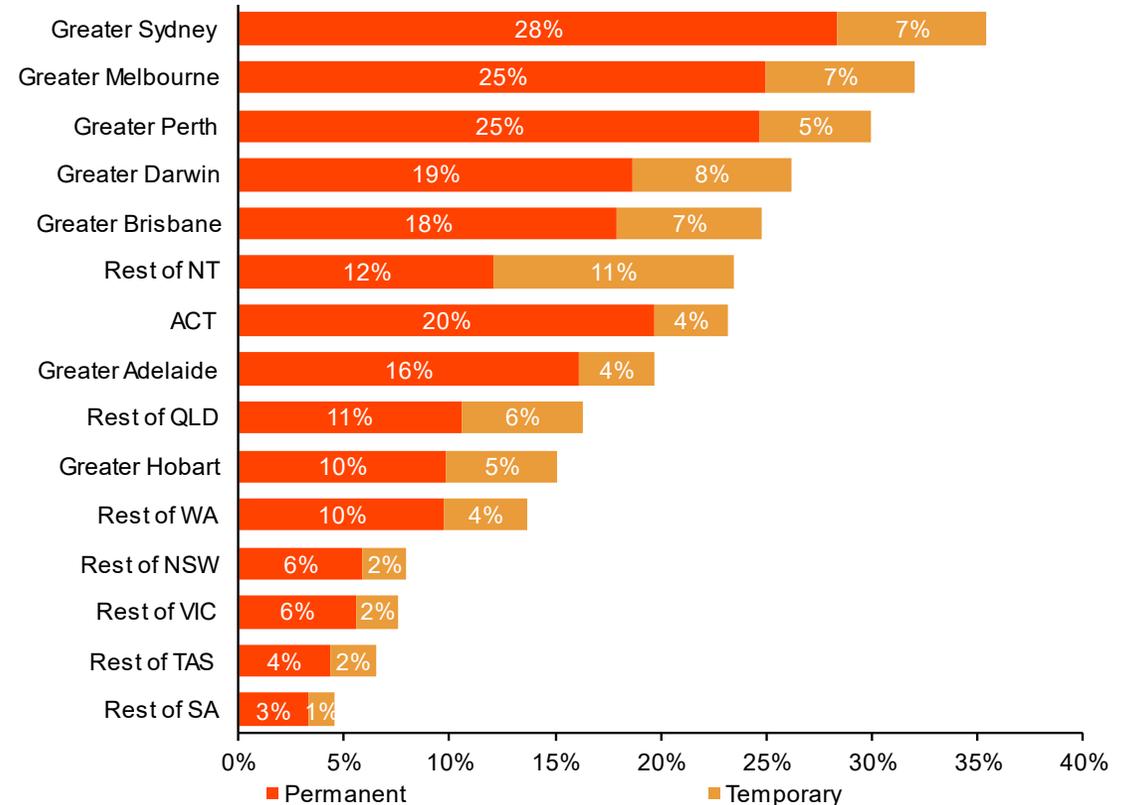
Technology has the highest proportion of visa holders in both capital cities and regional areas, business is relatively lower in both and finance sits near the non-FTB occupational average in both capitals and regional areas.

Settlement by capital city and rest of state/territory and occupation



Visa holder settlement by capital cities and rest of state/territory, FTB occupations

Share of FTB workforce



B4: Regional settlement (2)

Most skilled temporary visa holders enter Australia through Sydney or Melbourne but settle across all states and territories once moving to permanent visas

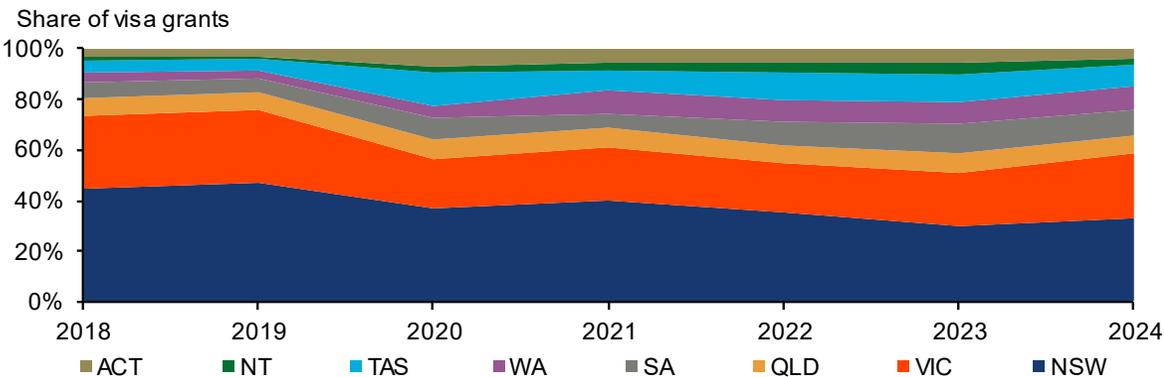
Most temporary skilled visa holders initially enter through either Sydney or Melbourne

However, regional areas have been gaining ground with Rest of NSW and Rest of QLD tripling their share of temporary visa grants since FY18.

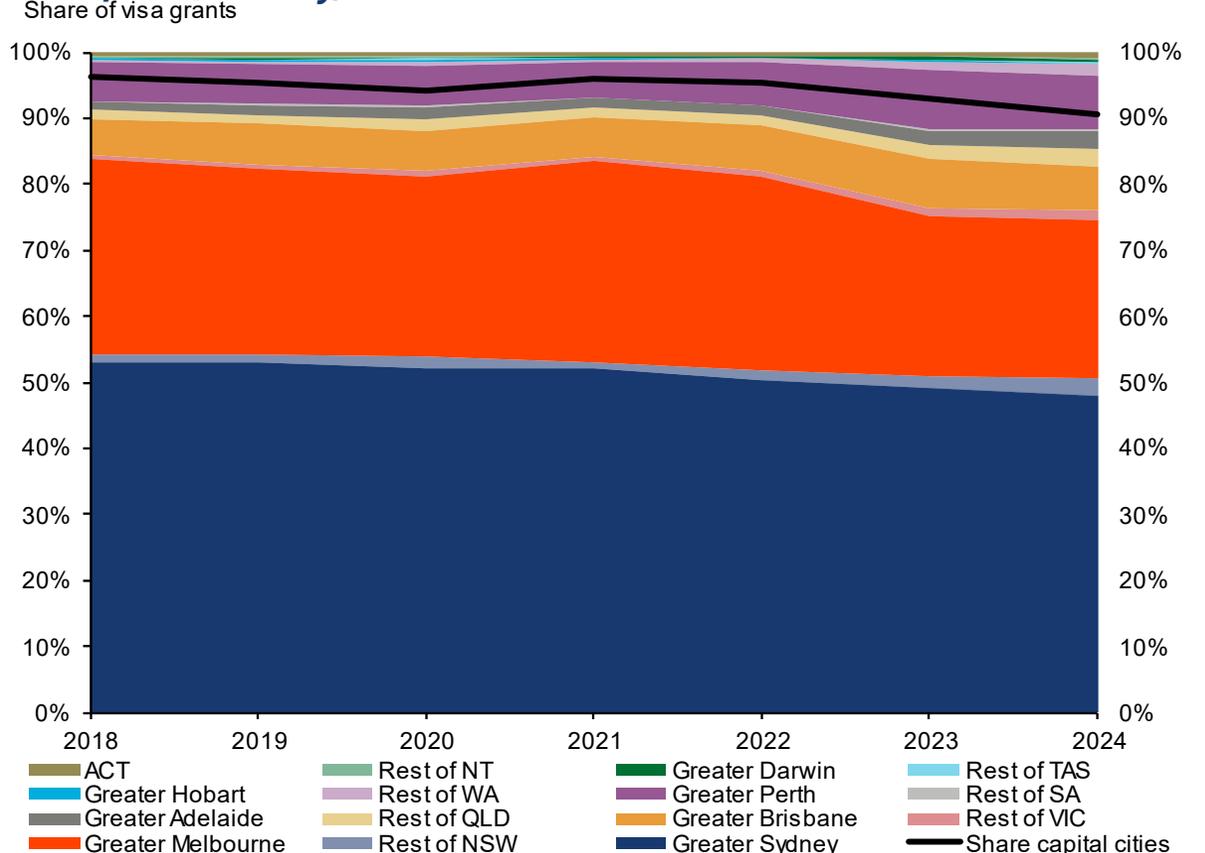
The distribution of permanent skilled visa grants is more diverse compared to temporary skilled visas with 59% of permanent skilled visa grants going into NSW and VIC, down 15 percentage points from 74% since FY18.

The redistribution has been shared across SA (+4 percentage points), WA (+5 percentage points) and TAS (+4 percentage points) seeing the largest increases.

Share of permanent skilled visa grants to FTB occupations by state/territory, FY18-FY24



Share of temporary skilled visa grants to FTB occupations by capital city and rest of state/territory, FY18-FY24



B5: Permanent skilled visa trends

FTB occupations that receive the largest number of permanent visa grants have experienced the most significant shift towards onshore grants

The number of offshore permanent visa grants to the top five most exposed occupations is 64% lower in FY24 compared to FY18, while onshore grants are up 54% over the same period.

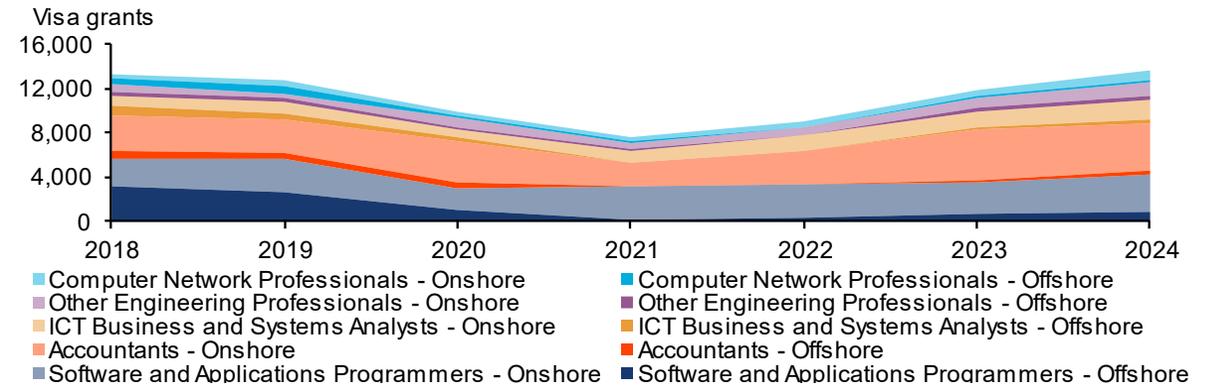
This is particularly prevalent in offshore grants for software & applications programmers and other engineering professionals, which are 71% and 75% lower in FY24 compared to FY18 respectively.

While overall permanent grants sit at a level similar to FY18, the distribution among these key occupations has changed significantly. Other engineering professionals and ICT business and systems analysts have grown 63% and 26% respectively while software & applications programmers are down 26%.

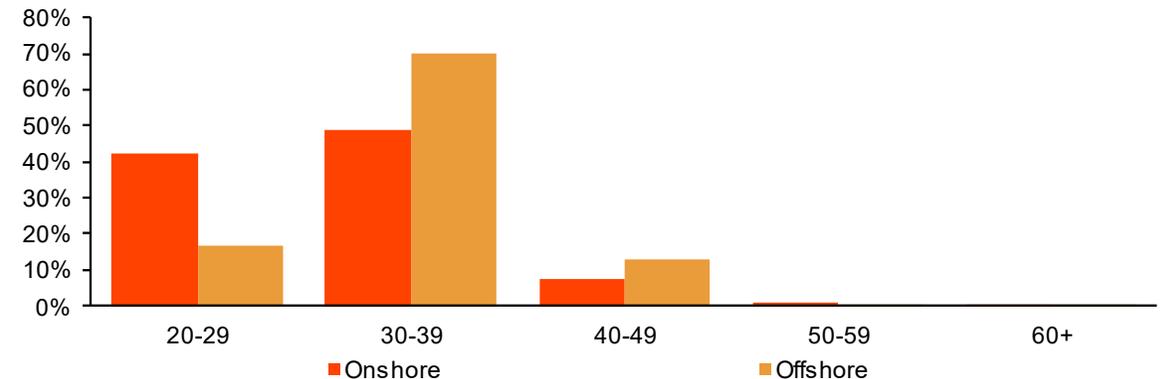
The age distribution of onshore compared to offshore skilled permanent visa grants is significantly different. A much greater proportion of onshore grants are relatively younger, indicating they are likely filling entry level roles. This is consistent with a potential pathway from student or temporary visa holder to a permanent visa.

Whereas the vast majority of offshore grants tend to be between 30-39, suggesting that these visas tend to pull in more experienced workforce to fulfil potential skill gaps in the existing workforce.

Permanent skilled visa grants by applicant location and key occupations



FTB occupation permanent visa grants age distribution by onshore/offshore



B6: Temporary skilled visa trends (1)

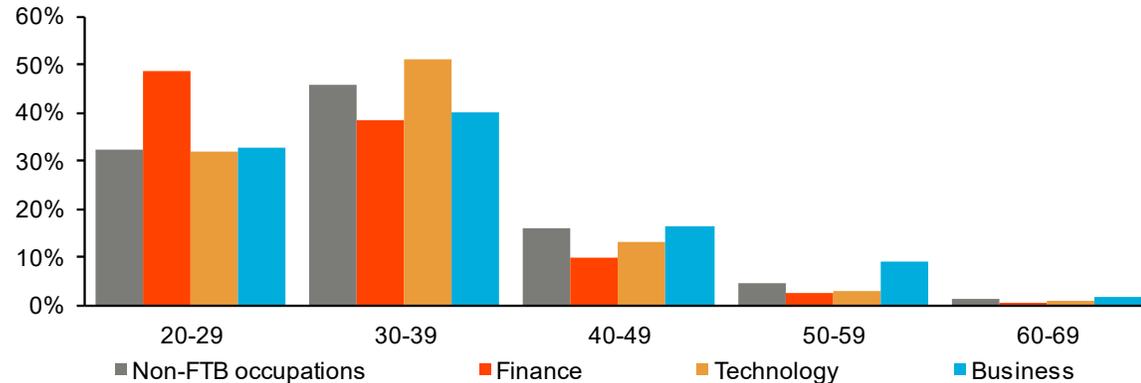
The top five occupations account for less than half of temporary skilled visa grants indicating a more diverse distribution across FTB occupations

The top 5 occupations accounted for 46% of temporary skilled visa grants in FY24 compared to 63% for permanent skilled visas.

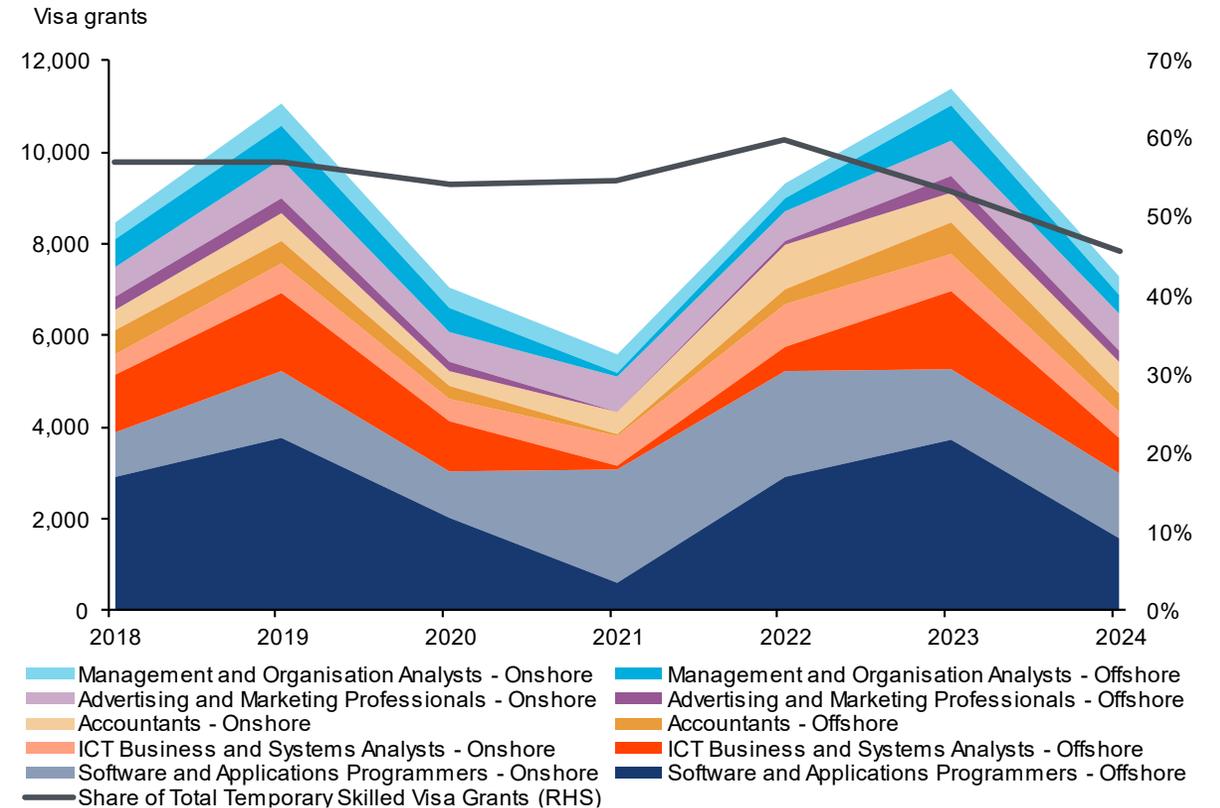
However, the occupations that temporary skilled visa holders enter has been changing over time. Grants for software & application programmers are down 23% in FY24 compared to FY18, while grants to accountants and advertising & marketing professionals have increased 15% and 12% respectively over the same period.

The age distribution of onshore and offshore temporary visa grants is relatively similar. However, within finance, 49% of grants are within the 20-29 age group, significantly higher than the 32% for non-FTB occupations.

Temporary visa grants age distribution by occupation



Temporary skilled visa grants by applicant location and key occupations



B7: Temporary skilled visa trends (2)

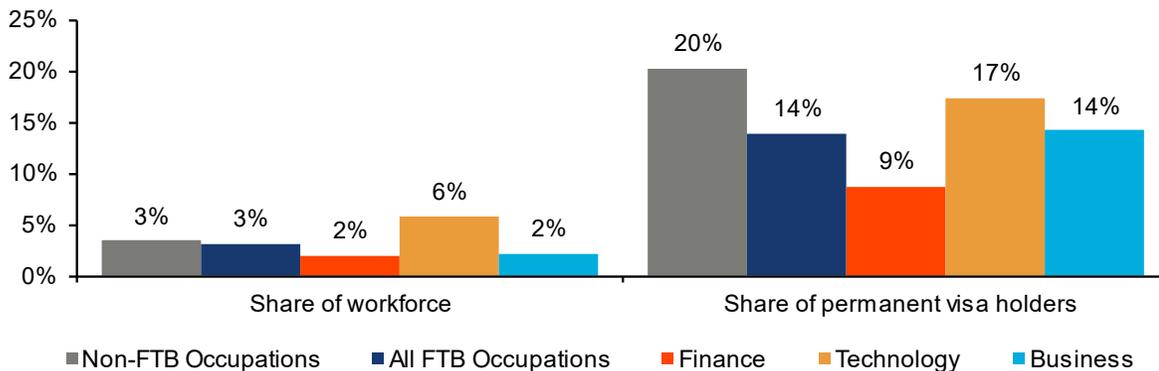
The pathway from skilled temporary to permanent is particularly important in key technology occupations

Offshore grants typically make up 50-60% of temporary skilled visa grants into FTB occupations, making a significant additions to the workforce in FTB occupations. However, very few workers remain on this visa longer-term, only accounting for 1% of the current visa holders in FTB occupations.

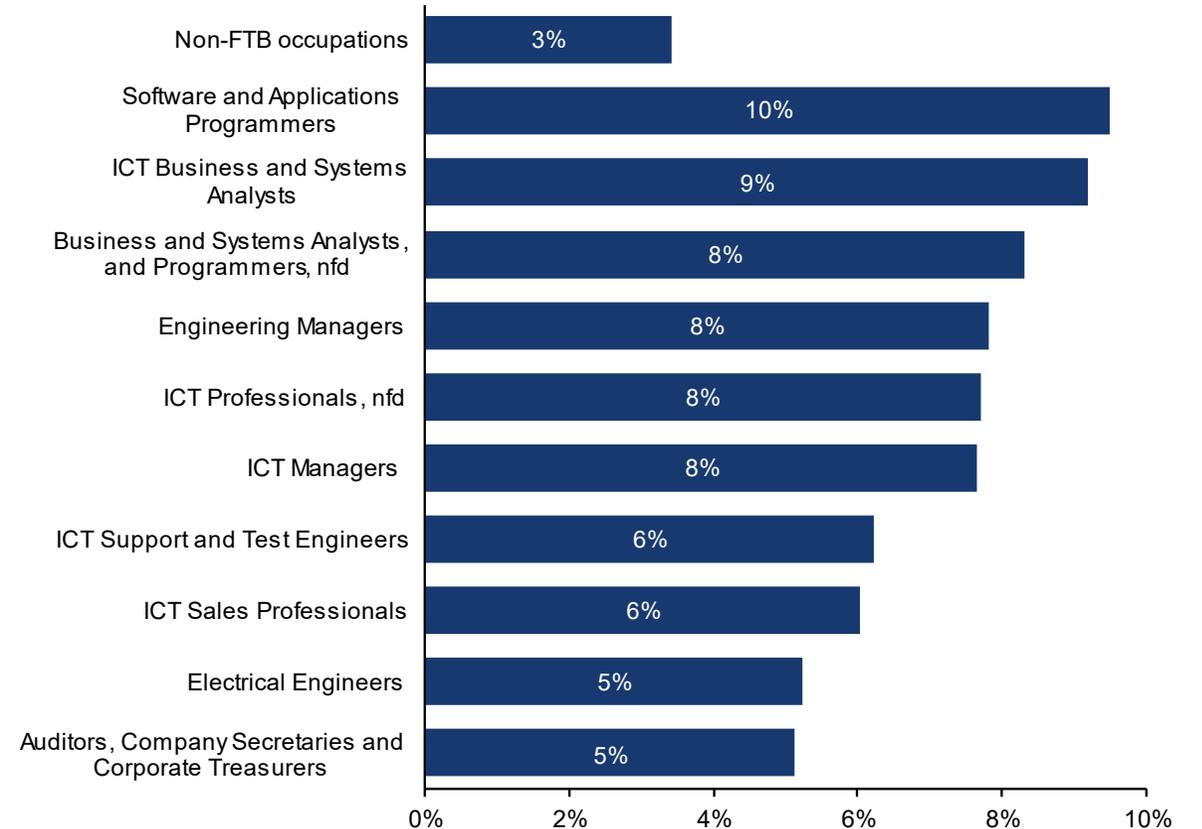
Instead, temporary skilled visas act as a key pathway to permanent visa status, with 14% of permanent visa holders in FTB occupations first entering Australia on temporary skilled visa.

This pathway is most significant in technology occupations - 17% of current permanent visa holders and 6% of the workforce. This share is largest for software and applications programmers, - 10% of the workforce.

Share that first entered Australia on temporary skilled visa by occupation



Share of workforce that first entered Australia on a temporary skilled visa before transferring to a permanent visa by occupation



B8: Student visa trends (1)

More student visa applications are being declined, driving the drop in grants in FY24

The pipeline of students entering Australia dipped over the pandemic before spiking in FY23 due to a post-pandemic rebound as the border reopened. However, student visa grants have since declined 35% over FY24, with VET the hardest hit.

VET share of student visa grants has dropped down to 17% of total, 8 percentage points below the pre-pandemic base. Higher education share of grants has picked up commensurately to the VET decline, increasing to 60% in FY24 from 53% in FY19.

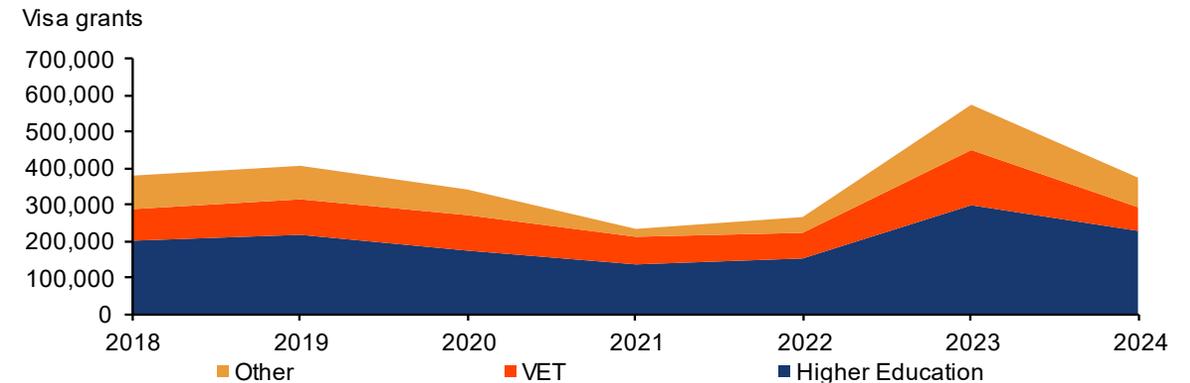
Demand from students wanting to enter Australia remains strong with visa lodgements 51% higher compared to FY18 levels in VET and 48% higher in higher education.

Rather, the reduction in students entering Australia driven by declining grant rates, with more applications being denied. The grant rate for VET has fallen to just 62%, 20 percentage points below FY18. The higher education grant rate has also dropped, now sitting 10 percentage points below FY18 at 84%.

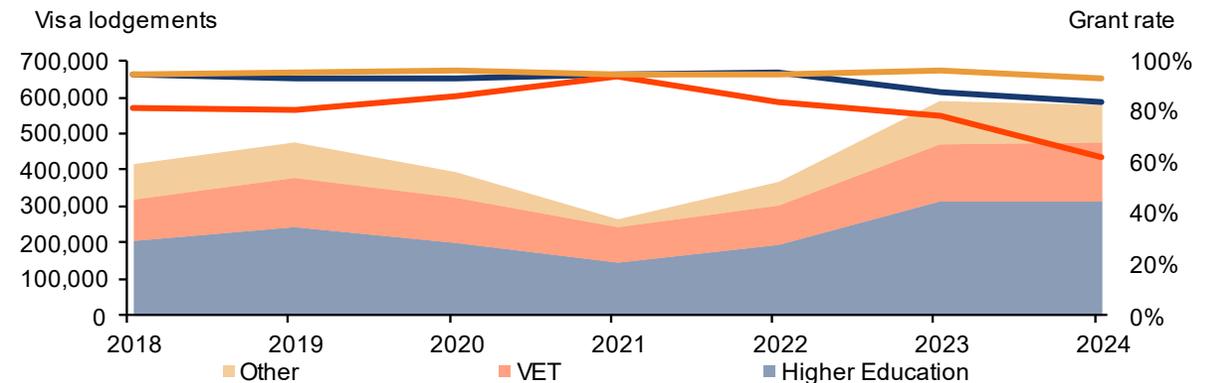
This has been driven by the introduction of higher language standards, more stringent risk assessments, and greater savings requirements introduced following the release of the Migration Strategy in late 2023.

The introduction of Ministerial Direction 107 (MD107) in December 2023 categorised educational institutions based on risk. Low-risk providers are favoured, contributing to a decline in grants as a share of lodgement, with the VET ratio falling from 82% in FY18 to just 40% in FY24. There has been a similar but less severe drop for the higher education segment.

Student visa grants by sub-category, Australia



Student visa lodgement and grant rate by sub-category¹



1. 'Other' category grant rate is calculated as the average of all other categories not including Higher education and VET. Source: Department of Home Affairs.

B9: Student visa trends (2)

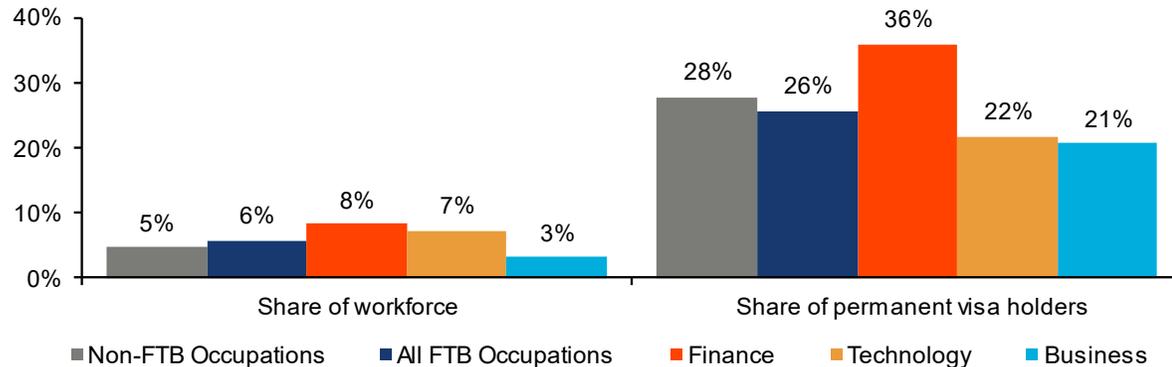
Student visas are a vital pathway for migrant entrants into finance, particularly accountants

Very few student visa holders work in FTB occupations. However, 26% of the permanent visa holders currently working in FTB occupations originally migrated to Australia on a student visa.

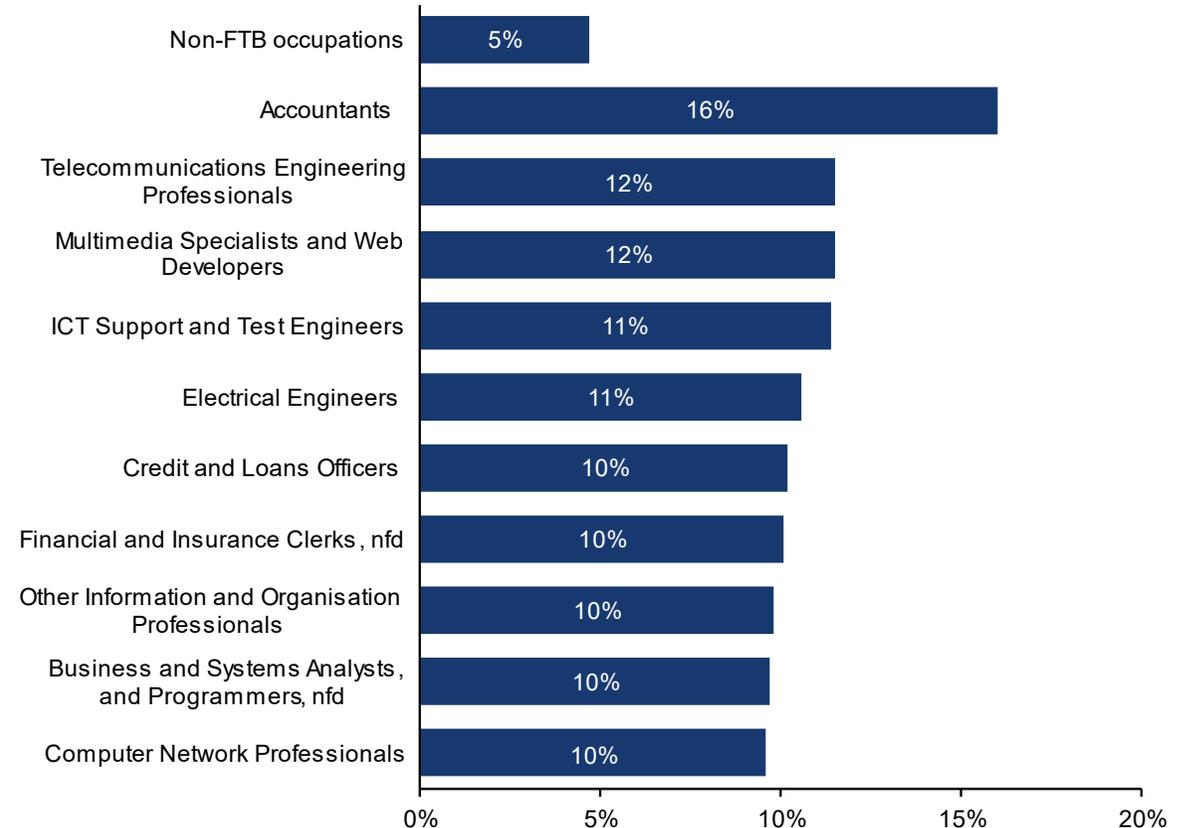
The student visa pathway is particularly important to finance occupations with 36% of current permanent visa holders originally entering Australia on a student visa.

For accountants, 16% of the workforce originally entering Australia on a student visa before transitioning to a permanent visa, more than three times higher than for non-FTB occupations.

Share that first entered Australia on student visa by occupation



Share of workforce that first entered Australia on a student visa before transferring to a permanent visa by occupation



Data sources



Data sources

Australian Bureau of Statistics, *Overseas Migration*

Australian Bureau of Statistics, *TableBuilder*

Department of Education, *International student monthly summary and data tables*

Department of Home Affairs, *Student visa program*

Department of Home Affairs, *Permanent Migration Program (Skilled & Family) Outcomes Snapshot – Annual Statistics*

Department of Home Affairs, *Temporary Graduate visa program*

Department of Home Affairs, *Temporary visa holders in Australia*

Department of Home Affairs, *Temporary Work (skilled) visa program*

Department of Home Affairs, *Working Holiday Maker visa program*

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Disclaimer

April 2025

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