

‘Migrants vital’ to meet demand for 10,000 extra accountants a year

BUSINESS

Australia needs to rethink its attitudes to skilled migration and get rid of caps, say accounting associations.

By [Josh Needs](#) • 12 January 2023 • 5 minute read

Australia needs 30,000 additional accounting, audit, and finance professionals over the next three years to meet demand and the professional bodies say revisions to the skilled migrant program are a vital part of the answer.

CPA Australia and CA ANZ point to a huge gap between the declining number of domestic graduates and an Australian Bureau of Statistics (ABS) forecast that Australia will require 338,362 accountants by 2026 — almost 10,000 extra a year.

In a submission on the 2023–24 permanent migration program, the bodies said the annual cap on skilled migration and changing attitudes to migrants were harming the nation’s appeal.

“Australia’s approach is the most uncertain as it can change annually,” said the submission.

“The shortcomings of this approach were starkly illustrated during the pandemic. This uncertainty negatively impacts Australia’s attractiveness as a destination of choice for prospective skilled migrants. [Whereas] the approach taken by the US is certain and stable.”

A world talent ranking by the International Institute for Management Development puts Australia 14th, behind Canada at 12th and the US at 4th.

The associations recommended removing skilled migrant caps and advocated an approach focused on migrant quality to help alleviate the skills shortage in the industry.

“Removing the annual cap on the numbers of skilled workers who can come into Australia will be important for the 2023–24 financial year to address continued workforce shortages and skills needs that cannot be met by the domestic talent pool,” the submission said.

“It will also improve Australia’s competitive position relative to other countries competing for the same skilled labour.”

The bodies said the number of students completing bachelor-level and above programs in accounting had almost halved in the decade to 2020 to just 2,278 a year.

At the same time, overseas students graduating from Australian accounting courses lacked certainty about their migration prospects and that meant a majority returned to their home nations.

In addition, almost 22,000 accounting professionals are forecast to retire over the five years to 2026.

The bodies said concerns about negative impacts of migration, including on salaries, job prospects and housing, were misplaced.

“CEDA (Committee for Economic Development of Australia) modelling demonstrates that recently arrived migrants have not had a negative impact on either wages or participation rates of Australian-born workers,” said the submission.

“To the contrary, the results indicate that, in some cases, an increase in migrant concentrations in certain qualifications and experience is associated with a positive impact on wages and employment.”

“Concerns about housing affordability and urban congestion are arguably more directly related to inadequate planning than migration. Governments at all levels should plan for population growth and better coordinate their actions across the three tiers of government.”

ABS job vacancies figures for November, released yesterday, showed a decrease of 4.9 per cent from August 2022 but they remain at almost twice the pre-pandemic level.