MEDIA RELEASE

ICT industry forced to look offshore for talent, as AIIA reports 20 per cent decline in intention to hire from Australia

Australia's tech sector is increasingly looking overseas for talent, Australia's peak body for innovative technology, the Australian Information Industry Association (AIIA), has found.

Conducting its annual survey, the 2022 results indicate that over 75 per cent of companies surveyed said they are actively recruiting staff. However, with the known talent shortage in Australia in the tech sector, the drop in businesses' intention to hire from Australia is deeply concerning - with the industry reporting **a 20% decline** in acquiring talent locally (65% in 2022 compared to 85% in 2021).

Following the AIIA's call to reform the Australian Curriculum to prioritise the Digital Economy and Industry 5.0 capabilities for primary and secondary school students, just 5% of respondents thought the education system produces job-ready graduates. Nearly half (49%) of respondents reported **further training is needed by graduates to be effective employees**. These results highlight the concerns the AIIA has with Australia's current ICT training pathways.

Recognising the skills shortage Australia faces in the tech sector, 73% of respondents nominated the **skills deficit and investing in the education system** as an area of IT policy that government must focus on in 2022. Supporting a digitised society and economy was the second most nominated by respondents.

AIIA CEO, Mr Ron Gauci said: "Our members have spoken clearly. Their concerns with Australia's specialist tech talent are significant and are holding back the sector from greater growth. We are calling for immediate government action to support increased and improved training for Australia's rapidly growing ICT sector now.

"Innovative businesses and products are being held back, or worse still, sold overseas, because Australia doesn't have the talent available to meet the demand. Reforming the Australian Curriculum to support greater development of ICT skills will grow the Australian economy and support building a workforce for Australia's fast growing digital economy.

"If Australia is to be a leading digital economy by 2030, the Government must prioritise serious education reform. Tech is the way of the future and given it affects every other industry, Australia must prioritise and protect our local IP. The clear signs of businesses looking overseas to hire staff is a further reminder to government that action is needed now. More than a third (35%) of our respondents said they will be hiring staff from overseas, this is talent and capability that Australia could be and should be delivering - our governments must act now to boost the talent available for businesses. No one measure will fix this, but a concerted push to upskill Australians will provide our nation with the capabilities to be a leading digital nation.

"With a vast array of respondents to our survey representing the small, medium and multinational members, the AIIA is proud to represent such an engaged membership base. With over 200 members actively engaged with our Policy Advisory Networks and a strong response from our members to the survey, it is clear what Australia's tech sector is seeking. The AIIA will continue to work with all governments to grow skills in Australia's tech sector and support the continued economic growth this delivers."

The AIIA has recently released their **Federal Government Pre-Budget and Pre-Election Policy Submission 2022**, detailing 24 key recommendations to support Australia's tech sector to grow and

support the Australian economy, selected recommendations include:

- **Australia's Skills Agenda**: including recommending reforming the Australian Curriculum to prioritise the Digital Economy and Industry 5.0 capabilities for primary and secondary school students.
- **Emerging Critical Technologies:** Includes a Quantum Strategy to be executed within 12 months, which notes additional funding and establishes a National AI Commercialisation Hub.
- **Domestic Capability:** Establish a 'Made in Australia' Office within the DPM&C.
- **Commercialisation Agenda:** Undertake urgent work to support globally-viable commercialisation off the back of government-assisted research. Create a separate R&D software tax incentive and expand the limited scope of the proposed patent box.

The AIIA had over 100 businesses complete their member survey in March 2022. Respondents included multinational corporations, SMEs, sole operators and the public sector.

The AIIA is a not-for-profit organisation aimed at fuelling Australia's future social and economic prosperity through tech innovation and remains committed to working with all levels of Government to secure Australia's digital future.

<div align="center">**ENDS**</div>

For media enquiries:

Simon Bush
M: 0417 642 200
E: Simon@aiia.com.au

Michael Banks
M: 0418 862 545
E: michael.banks@thrivepr.com.au

About AIIA
The Australian Information Industry Association (AIIA) is Australia's peak representative body and advocacy group for those in the digital ecosystem. Since 1978 AIIA has pursued activities to stimulate and grow the digital ecosystem, to create a favourable business environment for members and to contribute to Australia's economic prosperity. We do this by delivering outstanding member value by providing a strong voice of influence; building a sense of community through events and education; enabling a network for collaboration and inspiration; developing compelling content and relevant and interesting information.