

Mobility: Immigration alert

September 2023

Australia

Migration reform update

Executive summary

The Australian government is expected to release a new *Migration Strategy* mid-October 2023 following the first comprehensive review of the migration program in decades. The *Migration Strategy* will detail reforms of the employer sponsored and other skilled migration programs.

Several elements of the reform program have been implemented or announced recently including:

- strengthening monitoring and enforcement of employer compliance and protections of migrant workers' rights
- enhancing integrity of the overseas student visa program
- closure of the subclass 408 Pandemic Event stream visa
- streamlining visa process for overseas trained doctors

Migration Strategy update

EY's view is that while radical change has not been proposed, the *Migration Strategy* is likely to significantly improve the skilled migration framework through:

- a new three-tiered risk based temporary skilled visa framework:
 - i. streamlined pathway for highly specialised, highly skilled and highly paid workers, the highly paid threshold for which is yet to be set
 - ii. mainstream pathway for workers with skills in demand and earning between the temporary skilled migration income threshold (TSMIT) and the highly paid threshold
 - iii. essential industries pathway for lower paid and lower skilled workers
- an evidence-based approach to identifying labour market need in place of occupation lists
- replacing multiple skilled occupation lists
- more flexible and commercially appropriate labour market testing

- streamlined processes for Temporary Skill Shortage (TSS) visa extensions
- reducing the qualifying period for employer sponsored permanent residence under the Temporary Residence Transition stream from three to two years

The Department of Home Affairs has given assurance that the following announced reforms will be confirmed by legislative change as a matter of priority:

- permanent pathway for short-term TSS visa holders
- provision for short-term TSS visa holders to apply for a third TSS visa to facilitate the permanent visa pathway

We have also recommended the following:

- streamlined processes for TSS visas for all intracompany transfers regardless of salary
- reducing the large number of visa categories
- a single sponsorship approval for all visas
- reducing costs for regional employers and small business
- retaining uncapped temporary skilled migration
- retaining the Global Talent visa program

Staged closure of Pandemic Event visa

This visa stream was introduced during the COVID-19 and border closure period to maintain the lawful status of visa holders in Australia and to address skill shortages. Anticipated changes commenced on 2 September 2023:

- new applications can only be made by existing Pandemic Event visa holders
- new visas will be granted for six months
- a visa application charge of AUD405 is required
- from February 2024 the visa will be closed to all applicants

Applications for a Pandemic Event visa lodged before 2 September 2023 by holders of other visa will continue to be processed and there is no impact on the visa status or work rights of existing Pandemic Event visa holders.

Streamlined visa processes for medical practitioners

The 'Visas for GPs' program ceased on 16 September 2023, removing the requirement for sponsors to obtain the Health Workforce Certificate. This is a welcome change which will allow for faster and less bureaucratic processing for in demand health care workers.

Improving integrity of overseas student visa program

A number of measures have been announced to ensure that overseas students' primary intention is to study rather than work in Australia:

- closing a loophole which has allowed education providers to facilitate students' access to work - making it more difficult for students to change courses in the first six months
- 17% increase in the amount of savings overseas students must demonstrate from 1 October 2023
- additional scrutiny of visa applications from high-risk cohorts including additional documentation
- consideration of using powers under the *Education Services for Overseas Students Act* to suspend non-compliant education providers

A reduction in the number of student visa holders in Australia is likely to result.

Additional immigration portfolio reviews – Skills Assessments and ANZSCO

The comprehensive review of the migration program identified that the current skills assessment process is complex, costly and lengthy. The Government has called for [submissions](#) on improving skills assessments and the recognition of overseas skills and qualifications.

Public consultation on the [comprehensive review of Australian and New Zealand Standard Classification of Occupations \(ANZSCO\)](#) also continues. The updated ANZSCO will be released in December 2024.

Next steps

EY recommends that you review your employees who may be impacted by these reforms. Employers should seek advice on existing pathways to allow:

- short-term TSS visa holders to remain in Australia while the permanent visa pathway reforms are confirmed and implemented
- Pandemic Event visa holders to remain in Australia with work rights

Contact your EY visa representative to discuss how to participate in portfolio reviews and any issues raised in this alert. EY will continue to monitor the progress of the migration reforms and keep you informed of any further developments.

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