

# **Australia**

# Federal election 2025 and immigration policy

# **Executive summary**

Australia's next federal election will be held on 3 May 2025. Having taken a policy of migration reform to the 2022 election, the governing Australian Labour Party (ALP) has not proposed further reform should it retain office.

If the major opposition party, the Liberal-National Coalition (the Coalition) wins power, a reduction in migration to Australia is expected.

A hung parliament where one or a combination of the Australian Greens, a minor party, or independents hold the balance of power and influence government policy is also possible.

# Considerations for business

The current government's *Migration Strategy* has been largely implemented. Should the ALP win a second term, EY does not expect any major changes to Australia's immigration policy.

Skilled migration is not a major policy focus of the Australian Greens Party, other minor parties and independents at this election.

### Coalition immigration policy

Linking immigration to housing availability and affordability, the Coalition has announced it will:

- maintain the recently announced ban on all foreign persons (including temporary residents and foreign owned companies) from purchasing established dwellings until 31 March 2027 unless an exemption applies.
- rebalance the migration program by:
  - reducing permanent migration by 25 per cent
  - reducing net overseas migration, which measures total arrivals and departures

The Coalition <u>proposes</u> to reduce the annual permanent migration plan from 185,000 to 140,000 places for the first two years, followed by 150,000 in year three and 160,000 in year four.

The permanent refugee and humanitarian program will be reduced from 20,000 to 13,750. Details of where cuts will be made to other permanent visa programs required to achieve the overall reduction of 45,000 annual paces are not yet available.

The Coalition's policy of reducing net overseas migration, focuses principally on reducing the numbers of foreign students commencing at public universities by at least 30,000 per year.



There is no indication that cuts will be made to the employer sponsored temporary skilled visa program and EY expects that this program will remain uncapped, and demand driven. However, a reduction in permanent migration numbers will likely result in a further increase in processing times for permanent visa applications including employer sponsored permanent residency applications.

### Processing time

Processing time for both the subclass 482 Skills in Demand (SID) visa and permanent Employment Nomination Scheme (ENS) visas is prolonged.

Visa Subclass	Processing Time
SID - Specialist Skills Stream	13 to 38 days
SID - Core Skills Stream	41 to 61 days
ENS - Direct Entry Stream	13 to 18 months
ENS - Temporary Residence Transition Stream	14 to 18 months

Prolonged processing time for the ENS program has resulted in requests from the Department of Home Affairs for more recent documents such as police checks, health examinations, financial statements and confirmation of an employer's ongoing support. These requests further delay application finalisation. EY has made representations to the Department of Home Affairs that document validity should be extended.

### Key steps

EY will continue to keep you informed about developments in skilled migration including the impact of the 2025 federal election.

Please contact your EY advisor should you wish to discuss any of the issues raised in this alert.

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