

Global Immigration alert

July 2024



Australia

Gradual reform signposts Skills in Demand visa

Executive summary

The Australian Government continues with the gradual implementation of the *Migration Strategy*. Changes which took effect on 1 July 2024 include:

- ▶ amendments to further protect migrant workers from exploitation, a strong focus of the *Migration Strategy*
- ▶ further improvements to the integrity of the student and graduate visa programs
- ▶ a new statewide Designated Area Migration Agreement (DAMA) for Western Australia.

A Bill recently introduced into Parliament also contains some details of the new employer sponsored Skills in Demand (SID) visa, which will replace the Temporary Skill Shortage (TSS) visa. In addition, EY welcomes a more flexible health requirement for visa applications as well as a further expansion of the Working Holiday visa program.

Skills in Demand visa

If passed by Parliament, the *Migration Amendment (Strengthening Sponsorship and Nomination Processes) Bill 2024* will:

- ▶ extend the validity of labour market testing from four to six months
- ▶ replace the Temporary Skilled Migration Income Threshold (TSMIT) with legislated income thresholds for the Specialist Skills and Core Skills pathways:
 - ▶ AUD135,000 Specialist Skills Income Threshold (SSIT)
 - ▶ AUD73,150 Core Skills Income Threshold (CSIT)
- ▶ legislate annual indexation of these thresholds to reflect changes in the trend figure for Average Weekly Ordinary Time Earnings (AWOTE)
- ▶ provide for a public register of sponsors including business name, Australian Business Number, postcode, the number of individuals nominated and the occupations of nominated workers.

Protecting migrant workers

Further protections now in effect include:

- ▶ new protections from visa cancellation for temporary migrant workers who have experienced exploitation
- ▶ a Workplace Justice Visa Pilot to allow temporary migrants who have experienced exploitation to stay in Australia for 6 to 12 months to pursue justice
- ▶ increased workforce mobility through:
 - ▶ the extension of the period TSS holders may stay in Australia after ceasing employment with their sponsor from 60 to up to 180 days at a time and 365 days during the entire visa period
 - ▶ relaxation of the work limitation during this period enabling visa holders to work for other employers and in other occupations (subject to licensing or registration requirements) while they look for another sponsor, apply for a different visa or make arrangements to depart Australia.

EY expects that this policy will also apply to the SID visa.

TSS holders in Australia may now start work with another employer before a new nomination is approved. In these circumstances, the date of termination of employment with the former sponsor should be determined to ensure compliance with visa conditions and avoid breach of illegal worker provisions. The increased workforce mobility also applies to subclass 494 visa holders.

Sponsorship obligations to former sponsored employees and their sponsored family members will continue during the extended period of stay in Australia.

Improving integrity in the student visa program

Holders of visitor and Graduate visas are no longer able to apply for a student visa in Australia. The visa application charge for student visa has also been significantly increased from AUD710 to AUD1600.

Regional migration - Western Australia DAMA

A key focus of the *Migration Strategy* is to improve migration to regional Australia to meet critical workforce needs. A new statewide DAMA for Western Australia (WA) is now in place to facilitate the entry up to 5,000 employer sponsored skilled migrants per year. DAMAs provide additional occupations compared to the standard visa program, and concessional requirements such as English language, skills and work experience and increased age threshold for permanent residence.

Positions in Metropolitan Perth, as defined by post code, as well as regional WA may be nominated under the WA state DAMA. However, different requirements apply to positions in Metropolitan Perth.

The WA state DAMA complements four existing regional DAMAs tailored to the needs of these regions of WA. Each of these DAMAs provide their own specific concessions. Where a position is located in one of these regions and the occupation is listed in the regional DAMA, employers cannot access the WA state DAMA.

A national [Review of Regional Migration Settings](#) is also underway. EY has been invited by the Department of Home Affairs to share our views. Submissions may also be made directly by the deadline of 26 July 2024.

Health requirement

If the cost of treating a visa applicant's health condition is likely to exceed the *significant cost threshold*, the applicant will not meet the health requirement. This threshold has been increased to AUD86,000. The increase will apply to pending visa applications as well as those lodged from 1 July 2024. EY welcomes this but will continue to make submissions that a discretionary waiver of the health requirement, where warranted, should be extended to all skilled visas.

Working Holiday visas

Up to 200 tertiary qualified nationals of the Philippines each year will soon be eligible for a Working Holiday visa.

Government application charges indexed on 1 July 2024

Primary applicant visa application charge		
TSS short-term stream AUD1495	TSS medium-term stream AUD3115	Subclass 186 permanent residence AUD4770

Next Steps

Employers should consider the impact of increased temporary visa holder mobility on workforce planning and management of the sponsorship obligations, and seek advice as necessary. EY will continue to keep you updated about further developments in the *Migration Strategy*. Should you have any questions, we encourage you to contact one of our immigration professionals.

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