

# GMS Flash Alert

## Immigration Edition

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# Australia – Expanding Employer-Sponsored Pathways to Permanent Residence

After 12 months of review and stakeholder consultation, the Australian government has released some changes as part of its review of the Migration Program. (For related coverage, see [GMS Flash Alert 2023-199](#), 24 October 2023.)

## WHY THIS MATTERS

The Australian government is aiming to provide employers and visa holders with greater certainty when future planning and to expand the opportunity for individuals to apply for company-nominated permanent residence under the Employer Nomination Scheme. The changes are expected to help Australia attract and retain the skilled workers it needs amidst ongoing skills shortages.

## Changes to the Temporary Skill Shortage (Subclass 482) Visa and Permanent Residence under the Employer Nomination Scheme (Subclass 186)

The Department of Home Affairs has released information regarding some of the upcoming migration changes which are expected to commence from 25 November 2023 (subject to approval of the regulation changes).<sup>1</sup>

Regarding the Temporary Skill Shortage (Subclass 482) visa (“TSS visa”):

- The limit on the number of TSS visas that can be applied for onshore (within Australia) under the Short-Term Skilled Occupation List (“Short-Term”) stream will be removed and applicants can lodge further applications from onshore.

- Short-Term stream TSS visa holders who have been previously granted two TSS visas under the Short-Term stream with visas expiring before the changes (expected 25 November 2023) will need to travel outside Australia to lodge a third Short-Term stream TSS visa application.

Currently TSS visa holders under the Short-Term stream can apply for only one TSS visa renewal onshore. Applicants who wanted to apply for a third TSS visa under the Short-Term stream previously had to travel outside of Australia and lodge from overseas which has created inconvenience and cost for the TSS visa holder and his/her employer.

Regarding applying for permanent residence under the Employer Nomination Scheme (Temporary Residence Transition stream):

- Employers will be able to nominate TSS visa holders from all TSS visa streams including those under the Short-Term stream.
- Nominated occupations will no longer be assessed against skilled migration occupation lists. The nominated occupation will need to be listed in the Australian and New Zealand Standard Classification of Occupations (ANZSCO) and the nominated worker will need to continue to work in the occupation nominated for his/her TSS visa(s).
- The required period of employment with the nominator (as a TSS visa holder) will be reduced to two years in the three years before nomination (currently the requirement is three years in the four years before nomination).
- Changes will be made to age exemptions for regional medical practitioner applicants and high-income-earning applicants aged 45 years and over to allow for a two-year pathway. COVID-19-related age exemptions that will become redundant as a result of the two-year pathway, will be ended. However, full details of these changes have not yet been released.

## Upcoming Festive Season: Reminder

As the festive period approaches, it's important to note that processing times by the Department of Home Affairs may be impacted. This is due to a combination of factors including the closure of processing offices during public holidays, government staff holidays/absences, and a surge of visa applications prior which typically occurs in the lead-in to the New Year.

To avoid delays, KPMG Australia recommends lodging visa applications as soon as possible.

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## KPMG INSIGHTS

The existing TSS visa framework has made it difficult for employers to attract foreign skilled workers where their TSS visa will fall under the Short-Term stream because of the limit on onshore applications and lack of pathway to company-nominated permanent residence under the Employer Nomination Scheme. The changes announced by the Australian government are expected to provide both employers and visa holders with greater certainty.

In preparing for these upcoming changes, KPMG recommends that employers review their permanent residence support policies, budget accordingly, and consider potential tax implications given the expanded cohort of visa holders who may be eligible to apply for permanent residence.

## FOOTNOTE:

1 See Department of Home Affairs, "Expanding pathways to PR for temporary skilled sponsored workers" (3 November 2023) at <https://immi.homeaffairs.gov.au/news-media/archive/article?itemId=1136> .

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## Contact us

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