

GMS Flash Alert

Immigration Edition

2023-240 | December 11, 2023



Australia - Government Releases Migration Strategy with Eight Key Actions

On Monday, 11 December 2023, the Australian government released its much-anticipated Migration Strategy, which outlines a new vision for Australia's migration system.¹

The Australian government has released a policy roadmap containing eight key actions and over 25 new policy commitments and areas for future reform. The Migration Strategy is expected to return migration back to near pre-pandemic levels by next financial year and help ensure the migration program is “fit for purpose” in the current economic climate and future-focused.

WHY THIS MATTERS

The Migration Strategy reflects the findings of the Migration Review Taskforce and has five key objectives:

- 1 Raising living standards for Australians by boosting productivity, meeting skills shortages, and supporting exports.
- 2 Ensuring a “fair go” in the workplace by complementing the jobs, wages and conditions of domestic workers, and preventing migrant worker exploitation.
- 3 Building stronger Australian communities by better planning for sustainable migration and giving migrants the opportunity to invest in their lives in Australia through permanent residence and citizenship.
- 4 Strengthening international relationships by building stronger economic and social connections with Australia's regional neighbours and international partners.
- 5 Making the system work by being fast, efficient, and fair for migrants and employers.

Eight Key Actions

In releasing its Migration Strategy, the government outlined a number of key objectives:

- Raising living standards for Australians;
- Ensuring a fair go in the workplace;
- Building stronger Australian communities;
- Strengthening international relationships; and
- Making the system work.

To realise these objectives for the migration system, the government has developed a policy roadmap with eight key actions.

The eight key actions in the Migration Strategy are²:

Key Actions	Summary	Details
<p>1. Targeting temporary skilled migration to address skills needs and promote worker mobility</p>	<p>Creation of a new Skills in Demand visa with 3 targeted pathways to encourage migration worker mobility in the labour market. The visa streams will include:</p> <ol style="list-style-type: none"> 1. Specialist Skills pathway – for highly-skilled migrants that are beneficial to Australia’s national productivity with guaranteed annual earnings at least AUD 135,000 and no less than Australian workers in the same occupation. All occupations except for trades workers, machinery operators and drivers, and labourers will be eligible for this stream; 2. Core Skills pathway – for applicants whose occupation is on a new Core Skills Occupation list which relates to occupations identified by Jobs and Skills Australia as being in shortage and earning at least the Temporary Skilled Migration Income Threshold (“TSMIT”); and 3. Essential Skills pathway – this will be for workers paid below 	<ul style="list-style-type: none"> • A new 4-year temporary skilled worker visa (Skills in Demand visa) which will replace the Temporary Skills Shortage (Subclass 482) visa • The Skills in Demand visa will provide clear pathways to permanent residence • A key feature of this visa will be an alternative approach to mobility which allows for workers to change employers during the validity of their visa • Visa holders will have 180 days to find another sponsor and can work during this period • The government will explore a model for employers to pay trailing charges and fees (such as the Skilling Australia Fund) to make hiring foreign workers less onerous • The government will also look for opportunities to modernise the accredited sponsor pathway to further assist approved sponsors gain streamlined access to migrant workers • Streamlined visa processing with a service standard of 7 days average processing time for the specialist Skills pathway and 21 days for the other streams

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	AUD 70,000 with essential skills and is still under development by the government.	
2. Reshaping permanent skilled migration to drive long-term prosperity	The government will explore a reformed Points Test for permanent skilled migration and a new Talent and Innovation visa for migrants who can drive growth in sectors of national importance.	<ul style="list-style-type: none"> • The government will consider the development of a new analysis-based points test to more effectively identify the independent migrants who will make the greatest contribution to Australia • A discussion paper will be published outlining the proposed approach to the redesign of the points test and will seek further consultation on the proposed changes • A new Talent and Innovation visa resulting in a single, streamlined pathway to attract relatively small numbers of highly talented migrants to Australia • As the government reviews the new Talent and Innovation visa, no new allocations for the Business Innovation and Invest Program will be provided
3. Strengthening the integrity and quality of international education	A number of integrity measures will be introduced to the lift the standards for international students and education providers and help ensure that foreign student graduates help meet skills shortages in Australia.	<ul style="list-style-type: none"> • Higher English-language requirements for international students and graduates • More scrutiny of high-risk student visa applications and a AUD 19 million investment into the Home Affairs student visa integrity unit • Restrictions on onshore “visa hopping” that undermines system integrity and drives “permanent temporariness” • Strengthened and simplified Temporary Graduate visa settings • Measures to support international students and graduates to realise their potential
4. Tackling worker exploitation and the misuse of the visa system	An enhanced suite of legislation, powers, penalties and policies will be introduced to combat worker exploitation and misuse of the visa system.	<ul style="list-style-type: none"> • A new public register of employer sponsors to improve integrity and support migrant worker mobility. The register will include details such as names of approved sponsors, how many temporary skilled workers they are employing and the nominated occupations

		<ul style="list-style-type: none"> Measures to help migrants understand their workplace rights to reduce worker exploitation Create united intelligence, investigations, and compliance capability in the Department of Home Affairs Increase post-arrival monitoring including coordination with the tax system
5. Planning migration to get the right skills in the right places	The government is committed to a longer-term, evidence-based approach to planning migration and collaboration with states and territories.	<ul style="list-style-type: none"> Plan migration over a longer-term horizon to better manage the migration intake, with greater state and territory collaboration Work with states and territories to ensure population planning is based on the best available population data and forecasts Establish a formal role for Jobs and Skills Australia in defining Australia's skills needs using evidence, including advice from tripartite mechanisms (government, business, and union) Improve the approach to skills recognition and assessment to better unlock the potential of migrants Launch an enhanced outreach program to improve access to the migration system
6. Tailoring regional visas and the Working Holiday Maker Program to support regional Australia	The government will tailor regional visas and the Working Holiday Maker program to support regional Australia and its workers by making sure visas for regional Australia receive the highest processing priority and that migration supports development objectives in regional Australia.	<ul style="list-style-type: none"> Designate visa processing to regional Australia as the highest processing priority Evaluate regional migration settings and the Working Holiday Maker program for future reform to ensure migration supports development objectives in regional Australia and does not contribute to the exploitation of workers
7. Deepening Australia's people-to-people ties in the Indo-Pacific	A new approach to developing ties within the Indo-Pacific region, including a direct pathway to citizenship for New Zealanders and increased mobility with Pacific Island and Southeast Asian countries.	<ul style="list-style-type: none"> The government has already established a direct pathway to Australian citizenship for eligible New Zealanders to reflect the strong ties between the two countries The government have also reformed the Pacific Australia Labour Mobility (PALM) scheme, and will be delivering a new Pacific Engagement Visa to encourage more mobility from the region

		<ul style="list-style-type: none"> • Providing a special visa arrangement for Tuvalu citizens under the bilateral treaty, the Australia Tuvalu Falepili Union
8. Simplifying the migration system to improve the experience for migrants and employers	A system-wide simplification agenda that will reduce the number of visa classes, streamline visa settings, and make the system easier to use.	<ul style="list-style-type: none"> • The government has already invested in reducing the visa backlog and modernising the visa system experience for migrants and employers • Abolish unnecessary and duplicate visas to simplify the visa system • Embed simplification as a key objective of all actions in the Migration Strategy

Source: KPMG, Australia

The government will undertake a phased approach to delivering on these commitments starting with discussion papers on permanent skilled migration and regional migration (including the evaluation of the Working Holiday Maker program) in early 2024.

Below is the proposed timing³:

Already implemented or soon to be implemented	To be implemented by end of 2024	Consultation throughout 2024
<ul style="list-style-type: none"> • Restore integrity to the migration system and reduce processing backlogs • Use skilled migration to help meet Australia’s skills needs • Introduce measures to combat exploitation of foreign workers • Strengthen ties in the Indo-Pacific 	<ul style="list-style-type: none"> • Build a targeted temporary skilled migration system • Strengthen the integrity and quality of international education • Improved migration planning • Begin the initial simplification of the migration system 	<ul style="list-style-type: none"> • Reshaping the permanent skilled migration system • Tailoring regional visas and the Working Holiday Maker program • Additional measures where future reform is needed

Source: KPMG, Australia

Labour Market Testing

Current Labour Market Testing (“LMT”) requirements are onerous for sponsors and not fit for purpose. Immediate measures introduced include removing the requirement to advertise positions through Workforce Australia. The validity period for LMT will also be increased from four months to six months in late 2024.

KPMG INSIGHTS

The Migration Strategy includes some steps to simplify the skilled migration program. Measures to simplify labour market testing, expedited seven-day processing, and the removal of occupation driven visa durations to a standard four-year visa duration for the Specialist Skills Pathway are positive measures. Streamlining the Core Skills Pathway to incorporate a single occupation list is also a positive streamlining measure, and many will welcome the potential to also include trades in this pathway if it can be demonstrated that there is a genuine need.

Measures to incentivise talent to work in regional Australia by building a collaborative migration approach with state governments are positive steps. Though details of these measures are yet to be released, the benefits of this policy shift are clear (and align with many of the recommendations in the KPMG submission to government).

The need to reconsider the focus of Australia's Business Investment Immigration Program and Global Talent Program so as to better target offshore skills in critical areas such as manufacturing, energy transition, and cyber technology to leverage the attractiveness of Australia as a destination to build future-ready industries have been identified as a key priority of the Migration Strategy.

Changes to Australia's migration program reflect the nation's changing needs – both current and future. The Migration Strategy has been informed by extensive consultation with business, unions and other stakeholders including KPMG, and we look forward to continuing to work closely with our clients, stakeholders, and industries on these and future reforms that meet their needs.

FOOTNOTES:

- 1 See Department of Home Affairs, "[Reforms to get migration working for the nation.](#)"
- 2 Australian Government Migration Strategy – Getting Migration Working for the Nation, page 13.
- 3 Australian Government Migration Strategy – Getting Migration Working for the Nation, page 14.

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AUD 1 = EUR 0.61
AUD 1 = USD 0.656
AUD 1 = GBP 0.52
AUD 1 = JPY 96.01
AUD 1 = NZD 1.07

Source: www.xe.com

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