



Australian Government  
Department of Immigration  
and Border Protection



Australian  
**CUSTOMS AND  
BORDER PROTECTION**

# Proposal Paper

Simplification of the skilled migration and temporary activity  
visa programmes - December 2014

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# Overview

## Skilled Migration and Temporary Activity Review

The Department of Immigration and Border Protection (the department) commenced a review of the current skilled migration and temporary activity visa programmes on 19 September 2014.

As outlined in the Discussion Paper: *Reviewing the Skilled Migration and 400 Series Visa Programmes*, the purpose of this review is to support Australia's long term prosperity by maintaining a competitive advantage in identifying, attracting and retaining overseas skilled workers, as well as develop a new and simplified visa framework to help shape and support Australia's economic future.

Between 1 and 16 October consultative forums were held in Sydney, Canberra and Melbourne with over 91 stakeholders attending. These forums elaborated on the aim of the review and to elicit stakeholder input. As at 5 December 2014, 68 submissions had been received.

Based on internal departmental discussions and stakeholder submissions, a proposed new visa framework has been developed. This framework seeks to support the following activities:

- Short-Term Mobility
- Temporary and Permanent Skilled
- Provisional and Permanent Business and Investment
- Permanent Independent points tested
- Community and Events
- Training and Specialist Research
- International Relations

The proposed visa framework combines refined elements of the existing visa framework with new and simplified visa subclasses. It is anticipated that this resulting framework will be comprehensive, yet flexible and adaptable to changing skill needs while maintaining a strong integrity focus. It also seeks to encourage a closer engagement between the department and other Australian government agencies and state and territory governments on key visa elements to ensure that the resulting visa subclasses address the varying skill needs across Australia.

Outlined within this paper are a number of areas identified by stakeholders requiring further investigation. Engagement with key stakeholders will be critical to ensure that the proposed visa framework is securely underpinned by robust and responsible elements. Consultations and investigations on these identified areas will commence early 2015.

The purpose of this paper is to:

- Provide stakeholders with a summary of the submissions received in response to the Discussion paper: *Reviewing the Skilled Migration and 400 Series Visa Programmes*.
- Outline a proposed new visa framework that supports the terms of reference and principles.
- Provide stakeholders with an opportunity to shape the visa framework, criteria and elements supporting the proposed new visa framework.

## Terms of Reference

The review is being guided by the following Terms of Reference:

- Review the effectiveness of the current skilled migration and temporary activity visa programmes with the aim to reduce unnecessary red tape and impost on Australian business.
- Explore and develop, in consultation with key stakeholders, new and innovative skilled migration visa models to support Australia's short and long term skilled migration needs while ensuring the primacy of Australian workers.
- Implement a new skilled migration visa framework that is supportive, flexible and responsive and which enriches the Australian economy through a well-managed skilled migration programme.
- Ensure that integrity is maintained and strengthened in any new skilled migration visa framework.

## Guiding principles

Six principles will continue to guide this review:

- Simplicity in design supports increased comprehension and usability.
- Structural flexibility is critical to ensure changing skilled migration needs can be met.
- Employment outcomes should be a key driver for Australia's skilled migration programmes.
- Skilled migration must support and complement the Australian labour market.
- Integrity is essential to maintain the continued acceptance of a skilled migration programme.
- Support the whole of government deregulation agenda to reduce red tape and regulatory costs for Australian business and industry.

## Ongoing review

The review will have regard to, and be shaped by, the recommendations of internal and external reviews into programmes encompassed by the skilled migration and temporary activity visa programmes, such as the:

- Independent Review of the Integrity of the subclass 457 programme. More information can be found on the department's website at: [www.immi.gov.au/pub-res/Pages/reviews-and-inquiries/skilled-visa-programme.aspx](http://www.immi.gov.au/pub-res/Pages/reviews-and-inquiries/skilled-visa-programme.aspx);
- Departmental review into the Significant Investor Visa (SIV) programme. More information about the outcome of this review can be found on the department's website at: [www.minister.immi.gov.au/media/sm/2014/sm218547.htm](http://www.minister.immi.gov.au/media/sm/2014/sm218547.htm)
- Joint Standing Committee on Migration's inquiry into the Business Innovation and Investment programme (BIIP). More information can be found on the Australian Parliament House website at: [www.aph.gov.au/Parliamentary\\_Business/Committees/Joint/Migration/BIIP](http://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Migration/BIIP)

# Consultation Process

## Phased approach

As outlined in the Discussion paper, the consultation process of the review is divided into three phases:

1. Scoping/development;
2. Refinement; and
3. Implementation.

### Phase 1: Scoping/development

The scoping/development phase included consultative forums which took place between 1 and 16 October 2014 in Sydney, Canberra and Melbourne where over 91 stakeholders attended. These forums were designed to allow the department to elaborate on the aims of the review and to elicit stakeholder engagement.

In response to the discussion paper, 68 submissions have been received from visa holders, employers, peak industry bodies, skills assessing authorities, unions, as well as Australian government, and, state and territory government agencies.

Included at [Attachment A](#) is a list of submissions received and stakeholders who confirmed attendance at a consultative forum.

### Phase 2: Refinement

With the publication of this proposal paper, the department has commenced the refinement phase. This phase will provide stakeholders with an opportunity to provide feedback on the proposed visa framework and refine the elements underpinning this framework. Consultative forums are planned for state and territory capital cities in January 2015.

Commencing in February 2015, the department will explore a number of areas and issues underpinning the proposed visa framework. These areas for investigations are listed following each proposed visa subclass and will involve close engagement with key stakeholders.

### Phase 3: Implementation

The implementation phase will concentrate on the application of the new skilled migration and temporary activity visa framework. This phase will enable stakeholders to gain a more thorough understanding of the visa framework.

# Request for input

## Closing date for submissions

It is requested that all submissions be provided by **5pm AEDST Friday 30 January 2015**.

Submissions can be lodged in the following ways, with electronic lodgment the preferred option:

Email: [smdt@immi.gov.au](mailto:smdt@immi.gov.au)

Post: Department of Immigration and Border Protection  
ATT: Skilled Visa Review and Deregulation Taskforce (Orange 302.51)  
PO BOX 25  
BELCONNEN ACT 2616

Unless otherwise advised, all submissions received as part of this review will be published on our website.

## Survey

The survey will enable stakeholders to comment on the collective feedback received in response to the discussion and proposal papers. The survey will be in relation to:

- The proposed visa framework.
- The key elements and criteria underpinning each visa subclass.
- The identified areas for further investigation.

As well as whether the proposed visa framework is:

- Accommodating of key visa cohorts and regional needs.
- Accommodating of changing skilled migration and temporary activity needs.
- Supportive of employment outcomes.

Stakeholders will be able to access the survey prior to 27 February 2015 from the department's website: [www.immi.gov.au/News/Pages/review-of-the-skilled-migration-and-temporary-activity-visa-programmes.aspx](http://www.immi.gov.au/News/Pages/review-of-the-skilled-migration-and-temporary-activity-visa-programmes.aspx)

Aggregated results received in response to the survey will also be published on our website.

Further enquiries can be referred to Director, Stuart Bett (02 6264 2534)

# Summary of submissions received

## Key visa components

A number of key visa components have generally been used as integrity mechanisms to ensure labour market compatibility. As part of this review stakeholders were asked to comment on the applicability, functionality, effectiveness of these key components, and whether there are alternate non-legislative means to achieve the same outcome to support:

- age threshold
- English language proficiency
- skills and industry standards
- skills assessments
- occupations lists
- points test
- SkillSelect
- sponsorship and nominations
- concessions and
- labour market testing

Submissions relating to these key visa components were considered in the development of the proposed visa framework and will continue to drive further simplification of criteria and elements supporting the proposed visa framework.

Attachment B provides a summary of the above key visa components from submissions received. In addition to the above key visa components, stakeholders provided input on a number of interconnected issues:

- global trends
- visa pathways
- ongoing reviews
- potential for deregulation
- potential risk of deregulation and
- implementation concerns.

## Global Trends

A number of stakeholders sought to emphasise the importance of the review by highlighting national and global trends impacting on Australia's ability to attract and retain skilled migrants.

In the current climate of globalisation, people are on the move more than ever before. This has resulted in two significant challenges in developing a new and responsive skilled migration and temporary activity visa programme:

- Australia is no longer considered the sole desirable destination country for skilled migrants. On the contrary, Australia faces significant competition from a growing number of developed and developing countries and therefore must reshape its skilled migration programme to restore its attractiveness.
- There has been a significant shift in transnationalism resulting in a growing preference for temporary mobility over permanent mobility. Any proposed visa framework must therefore focus equally on permanent migration as well as temporary mobility.

A number of stakeholders highlighted the fact that migration policy has traditionally been shaped by a permanent migration paradigm.

Analysis of global megatrends up to the year 2030 have centered on four themes which are likely to affect future business, and consequently skilled migration to Australia: demographic shifts; economic power shifts; enabling technology; and resource stress.

Competition for migrants amongst growth countries such as China and India, as well as our traditional competitors, will require that our skilled programmes are no longer designed to passively receive migrants, but are designed to aggressively target 'talented' migrants in a highly competitive environment.

Given the expected widening of incomes between highly skilled work and basic service work and with fewer middle skill jobs available, close engagement between the Australian government and State and Territory governments is vital to co-develop a complimentary strategy across education, labour force legislation and immigration.

Further development needs to be undertaken regarding the changing nature of work, triggered by new technologies and work practices.

The changes to corporate structures and the use of non-traditional employees will require a radical shift in the way we think about business sponsorship. Additionally, non-traditional work structures and a globally connected workplace will lead to a broader range of businesses becoming multi-national corporations and having a globally dispersed workforce.



## Visa pathways

In discussing the scope of the review several stakeholder submissions questioned if the review was broad enough noting that the Student, Work and Holiday and Working Holiday visa programmes were not included in this review despite being key feeder streams for the Skilled and Temporary Activity visa programmes.

Although these programmes were not included within the scope of this review, the department will seek to ensure that within the established integrity framework, access to the proposed new visa subclasses are maintained, and where appropriate, strengthened.

Commencing in December 2014, an evaluation and consultation process will examine the efficacy of the current streamlined visa processing arrangements within the student programme and explore potential options for further simplification and deregulation, while maintaining high levels of integrity.

A number of submissions highlighted the role that the Work and Holiday (subclass 462) and Working Holiday (subclass 417) programmes (WHM programme) play in supporting a number of lower skilled industries, including restaurant and catering, hospitality, agribusiness and regional/trade businesses. Internal research indicates that approximately one third of working holiday makers work in the tourism and hospitality sector and 25 per cent work in the agriculture sector during their stay.

Additionally, a number of submissions highlighted the importance played by the WHM programme in seasonal work across a number of Australian industries, particularly tourism, hospitality and agriculture.

The WHM programme is primarily a cultural exchange programme, providing a once in a lifetime opportunity to young people from partner countries to travel in Australia for up to 12 months, during which they may undertake short-term work to supplement their travel costs. WHMs may undertake any type of work and are not subject to the direct sponsorship or skills requirements of Australia's skilled migration programme. However, the WHM programme is not designed to fill ongoing labour shortages and, in recognition of the cultural exchange focus of the programme, visa holders are limited to working a maximum of six months per employer.

A number of current or former WHM visa holders, where eligible, choose to apply for a Subclass 457 visa to enable them to work in Australia beyond the expiry of their WHM visa. In 2013-14, 10,157 Subclass 457 visas were granted to former WHM visa holders. WHMs applying for skilled visas are subject to the same requirements as all other applicants and are not provided with any additional credit for work undertaken on a WHM visa.

Due to the very different nature of the WHM and skilled migration visa programmes, there are no plans to create a direct link between the WHM and the proposed visa framework as doing so would potentially dilute the cultural exchange benefits of the WHM programme. However, this review will seek to maintain the current access afforded by WHM holders to temporary and permanent visa programmes.

## Ongoing reviews

Many stakeholders sought to reiterate their support for a number of recommendations made by the Independent Review of the Integrity of the subclass 457 programme.

The government has released the report following an independent review into the integrity of the 457 programme. The department will explore opportunities to replicate those recommendations accepted by government across the all other skilled and temporary activity visa programmes.

In March 2014 the Joint Standing Committee on Migration (JSCM) commenced an inquiry into, and report on, the Business Innovation and Investment Programme (BIIP), excluding the Significant Investor Visa stream. The terms of reference for this inquiry were:

- Assess whether the BIIP is meeting its intended objectives and if any adjustments are necessary.
- Consider the conditions involved in the decline in rates of application for the BIIP, in light of rates of application for the previous Business Skills Programme.
- Evaluate the current eligibility criteria, with particular regard to the operation of the BIIP points test, and its effectiveness in selecting suitable migrants.
- Weigh the size of the current BIIP programme against the emphasis placed on other elements of the skilled stream of the migration programme in generating economic growth.

The JSCM is currently undertaking this inquiry and any recommendations made which are endorsed by government will be captured within the skilled migration and temporary activity review. As part of this process, submissions which comment on the BIIP, notably consideration of the creation of a new visa subclass or stream to support young Entrepreneurs similar to the United Kingdom Tier 1 (Graduate Entrepreneur) visa, will be considered.

## Potential for deregulation

Stakeholders noted that while previous attempts at visa simplification and deregulation reduced the number of visas subclasses, it did not necessarily reduce the burden on visa applicants, sponsors, businesses and third parties. Specific mention was made of the temporary activity visa series reforms that compressed a number of disparate temporary activity visa programmes into six visa subclasses containing a number of visa streams, although each stream retained the same level of obligations placed upon, and requirements applied to, visa applicants.

Other stakeholders have cautioned against a deregulation agenda that is over zealous, fearing that over-simplification without greater flexibility has the potential to result in a visa framework that has too few visa choices and thus undermines the rationale of the review: *identifying, attracting and retaining overseas skilled workers*.

A number of stakeholders supported the retention of a visa framework that combines an independent points tested and employer sponsored model, arguing that this hybrid model provides the greatest flexibility and capacity to support a changing environment.

While lower in volume, submissions touching upon the temporary activity visa programme suggested that there was potential to review the current visa framework, particularly activities catered for under the Temporary Work (Short Stay Activity) visa (subclass 400) to determine whether a deregulated and simplified visa framework could better support:

- highly specialised work such as intra company transfers.
- reoccurring term transfers or intermittent work.
- seasonal intermittent work.

## Potential risks

A number of stakeholders commented on risks that could undermine the stated goals of the review. A summary of these issues have been listed below and will be considered as the review progresses.

### Regional

- Any proposed visa framework must support and enhance skilled migrant settlement in regional Australia.
- The needs of small and medium enterprises, particularly in the regions, which have limited access to skilled migrants, must be addressed.
- Although there is a need to encourage regional development and the movement of skilled migrants to these areas, there are personal and social challenges faced when clients are obligated to remain in a specified regional area which cannot be resolved through a migration programme.

### Pathways

- Over-simplification without enhanced flexibility has the potential to limit visa choices which could potentially undermine the aim for the review.
- More clearly defined and streamlined pathways for international higher education students to permanent residency will become vital to Australia's future needs.

Future needs:

- Global labour mobility, particularly within the temporary activity visa programme, is accelerating and must be accommodated with a new visa framework.
- Any new visa framework must incorporate new and more responsive levers to adjust migration pathways both in the temporary and permanent visa programmes.
- Various industries have a number of unique factors, such as the high levels of seasonal, casual and contractual labour and a wide geographical spread that must be accommodated in a new visa framework.

## Implementation concerns

Expanding on the terms of reference, a number of submissions highlighted current discrepancies in visa processing or the importance of consistency required when implementing a new visa framework. implementation/visa processing areas that have the potential to undermine a deregulated and simplified visa framework.

The following comments, though not exclusive to the skilled migration and temporary activity visa programmes, will be considered during the development and execution of any new visa framework.

- The need for greater consistency in visa processing.
- Inconsistency in the request for visa documentation.
- Potential to streamline visa processing for low risk caseloads.
- The need to generate more decision ready applications.
- The need for greater transparency in the assessment criteria.
- The need for greater clarity around information provided on the department's website.
- The need to ensure that small businesses and those who are non-repeat users are able to access and understand visa options and obligations.
- Review of the level of documentation required to be provided by sponsors and visa applicants.

## Potential simplification / deregulation

Although at an early stage, preliminary investigation suggests that online visa lodgement of the proposal simplified visa framework will reduce visa processing timeframes by at least 25%.

The review will also result in a significant reduction in red tape and impost for visa applicants, sponsors and key stakeholders at the visa lodgement stage that. This will be achieved through:

### *Supporting ease of understanding*

Between August and October 2014, the DIBP Service Centres (Service Centres) received approximately 1000 enquiries about *online lodgement related to skilled and work visas*.

In a simplified visa framework, there is considerable potential to establish online forms that are clearer and easier to understand and encouraging visa applicants to complete necessary questions. This will reduce the need for visa applicants to contact Service Centres and the department instigating requests for information or documentation due to incomplete online visa application forms.

### *Removing redundant questions or requests for documents*

Between August and October 2014, the Service Centres received approximately 28,000 calls relating to skilled and other work visas. Of these calls approximately 6500 related to *clarification of eligibility requirements and interpretation of web content*.

Stakeholders have already stressed the need for greater clarity around information, including eligibility, provided on the department's website which clearly includes eligibility issues.

The introduction of a simplified and deregulated visa framework, with fewer visa subclasses and visa streams, will support the creation of a website that is concise and provides greater clarity on visa products.

Consideration will be given to reformatting visa application forms so that visa applicants are asked a small number of simple questions upfront. Responses to these questions will ensure that only those applicants that are required to provide additional information/documents are requested/required to do so.

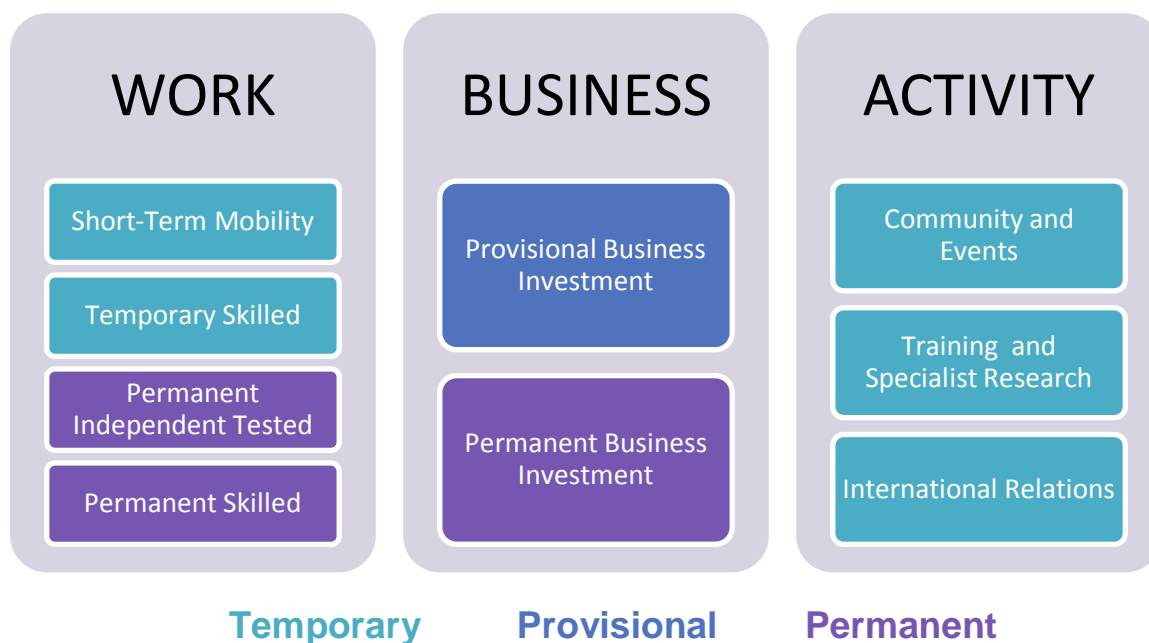
### *Reducing the need for applicants to repeat qualifying*

Under a new visa framework, consideration will be given to moving criteria from a 'time of decision' to a 'time of application' requirement with reduced pre-requisite criteria. This will remove the need for visa applicants to repeat costly examinations should there be delays in processing.

In determining whether a requirement will be a time of application or time of decision criteria, consideration will be given as to whether this will negatively impact on visa applicant being able to apply for a visa, or maintain their lawful status while trying to meet a time of application criteria.

## Proposed new visa framework

The proposed visa framework seeks to divide the current visa subclasses into three categories: Work; Business; and Activity. This model seeks to combine activities that share a commonality of characteristics, purpose and intention that facilitate the entry of people into Australia.



The Work visa framework encompasses unsponsored and sponsored temporary visa subclasses as well as unsponsored and sponsored permanent visa subclasses that seek to cater for urgent, temporary or reoccurring skills needs, as well as longer term temporary skills needs, culminating in identified longer term permanent skills needs. Visa processing timeframes as well as the level of documentation requested in support of a visa application will, in the main, be commensurate with visa validity.

### Short-Term Mobility

This visa subclass allows for entry into Australia for up to six months and 12 months for prescribed visa cohorts. Visa holders who wish to apply for a subsequent visa, where the work is considered ongoing, should apply for the temporary skilled, permanent sponsored, or permanent independent tested visa.

There has always been an assumption that migration necessarily involved longer-term movement, underpinned by a shift in country location. This assumption is becoming less relevant as temporary migration encompassing a number of interlinked mobilities are being used by international companies to address a number of roles including: career development, project planning and implementation and corporate knowledge transfer such as intra company transfers. Although overlapping, these various forms of mobility including short term assignments and commuting assignments, are discrete, with companies using them according to their needs. This visa subclass seeks to address the need for a single visa subclass that caters to these interlinked mobilities.

## Short Term Mobility

**Purpose** This visa will allow for entry into Australia for up to 12 months to complete specialised work which may include intra company transfers and foreign correspondents.

**Activities** Applicants can undertake short-term activities or work in Australia such as those in Australia's interests.

### Visa Criteria

<b>Visa validity</b>	This visa could be granted for up to 12 months, depending on the work or activity to be undertaken.
<b>Entry</b>	Multiple entry
<b>Lodgement</b>	Onshore or Offshore
<b>Genuine Temporary Entry</b>	GTE requirement as a key integrity tool and ensure the primacy of Australian workers.
<b>Endorsement</b>	See table below.
<b>Public Interest Criteria</b>	Meet health, character and security requirements.
<b>Family members</b>	Family members cannot be included on the same visa application. Family members would have to apply for their own visa if they intended to work or study in Australia.

<b>Visa validity</b>	<b>Less than 3 months</b>	<b>Up to 12 months</b>
<b>Endorsement</b>	Invitation from an Australian organisation specifying the activity or arrangements to be undertaken by the applicant, and the duration of stay required in Australia.	In addition to the invitation requirements, a statement of guarantee or undertaking from the Australian organisation detailing salary and any employment conditions reflective of the Australian standard for the duration of stay is must be provided.
<b>Work Arrangement or Activities</b>	Highly specialised work.	Highly specialised and intermittent work

### Future areas for investigation under a Short Term Mobility visa

**Proposal:** The potential scope of this visa subclass will be explored in reflection of stakeholder feedback received during the development phase.

## Temporary Skilled

This visa allows sponsored skilled workers to come to Australia and work for an approved business for up to four years. This visa subclass will mirror the requirements found within the current *Temporary Work (Skilled) visa (subclass 457)*, varied in accordance with recommendations from the Independent Review of the Integrity of the subclass 457 programme endorsed by government.

### **Future areas for investigation under a Temporary Skilled visa**

**Proposal:** In relation to labour agreements, explore opportunities to extend occupation lists to include agreed skill level 4 occupations. Consideration would need to be given to incorporation of concessions; particularly those agreed through overarching agreements or arrangements (e.g. designated area migration agreements and industry agreements).

## Permanent Independent Tested

This visa allows highly skilled individuals to independently apply for permanent residence to work in Australia.

Selecting the best and brightest skilled migrant through a points system has been a dominant economic migration mechanism used in Australia for over 25 years. Though some social commentators/academics have questioned the continued relevancy of a points tested visa programme, a large number of stakeholders have indicated their support for the retention of this model, although highlighting the need to review the allocation of points to give greater weight to relevant employment experience and qualifications, especially if employment occurred within Australia. It is likely that a greater focus on experience would in turn impact on the points allocated to age level.

Exploration will also be undertaken on whether a point based framework could be used to attract non-citizens who have an internationally recognised record of exceptional and outstanding achievement in a profession, sport, the arts, or academia and research.

In developing this proposal, consideration will be given to allowing prescribed institutions/organsiations the ability to award points. It is expected that this will encourage these institutions/organsiations to actively identify, engage and support the permanent migration of non-citizens, whose measured skills and talents will enhance Australia's international reputation and business/research acumen.



## Permanent Independent Tested

**Purpose:** This visa allows highly skilled individuals to independently apply for permanent residence to work in Australia. Applicants must meet at least the pass mark of the points test and receive an invitation in SkillSelect to apply for this visa.

**Activities:** Applicants can live, work and study anywhere whilst in Australia.

### Visa Criteria

<b>Visa Validity</b>	Permanent.
<b>Lodgement</b>	Onshore or Offshore.
<b>Invitation</b>	Through SkillSelect.
<b>Threshold Criteria</b>	<p>At the time of invitation, the primary applicant must:</p> <ul style="list-style-type: none"> <li>• be within a prescribed upper age limit</li> <li>• have prescribed English proficiency</li> <li>• have a suitable skills assessment / acceptance of suitable skills,</li> <li>• nominate a skilled occupation from the prescribed occupation list</li> <li>• have achieved at least the pass mark in the points test.</li> </ul>
<b>Points Test</b>	<ul style="list-style-type: none"> <li>• Age</li> <li>• English language proficiency</li> <li>• Skilled Employment</li> <li>• Qualifications</li> <li>• Regional / State or Territory Nomination</li> <li>• Australian Study Requirement</li> <li>• Credentialed community language</li> <li>• Study in defined geographic areas of Australia</li> <li>• Work undertaken in Australia for a prescribed period</li> <li>• Work undertaken in defined geographic areas in Australia</li> <li>• Partner Skills</li> <li>• Selected occupations</li> <li>• Professional Year</li> <li>• Job offers from Australian businesses</li> </ul>
<b>Public Interest Criteria</b>	Meet health, character and security requirements.
<b>Family members</b>	Family members can be included in the same visa application.

### Future areas for investigation under a Permanent Independent Tested visa

**Proposal:** Examine the permanent independent points tested visa programme, including point allocation, to ensure that it continues to deliver highly skilled migrants who are able to *quickly transition to skilled employment* whilst ensuring the delivery of sufficient migrants to meet migration programme targets over future years. All factors in the current points test will be reviewed. Based on stakeholder feedback examination will particularly focus on the:

- identification of applicants with recognised and desirable employment prospects.
- desirability and potential to retain international students, especially those who have undertaken identified courses or undertaken their studies in identified geographic areas of Australia.
- potential to allocate points for 'offers of employment'.
- option to attract skilled migrants to defined geographic areas of Australia.

**Proposal:** Explore how new and emerging skilled occupations can be identified. This may entail the creation of an inter-departmental panel of labour market researchers that can predict technological changes and monitor skills shortages and industry trends in the short, medium and long term.

**Proposal:** Explore the use of differential ceilings for individual occupations on a single consolidated list.

**Proposal:** Explore the:

- requirement for skills assessment for visa applicants who have undertaken studies in Australia.
- potential for assessing authorities to provide 'points advice' on an opt-in basis to provide certainty, simplifying applications and reduce visa processing times.
- possibility of allowing alternative means of demonstrating skills and qualifications and allowing more flexible arrangements for issuing assessments.

**Proposal:** Explore the implications and potential benefits of listing occupations at the 4 digit ANZSCO (unit group) level (rather than the current 6-digit level) and allowing the TRA to place training package-defined occupations under these broader groupings.

**Proposal:** Explore the potential to utilise a points test visa framework to identify visa applicants that have an internationally recognised record of exceptional and outstanding achievement in a profession, sport, arts or academia or research. This would replace the current Distinguished Talent visa (subclass 124) and Distinguished Talent visa (subclass 858).

## *Permanent Skilled*

This visa allows skilled individuals to apply for permanent residence to work in Australia. These individuals seek to fill a vacancy in the local labour market, where a genuine vacancy exists.

This visa subclass seeks to provide a permanent visa option for a qualified cohort of temporary skilled visa holders. Transition from the temporary skilled visa to the permanent skilled visa is subject to further investigation. Although it is unlikely that consideration will be given to an immediate/automatic progression from the temporary skilled to the permanent skilled visa, consideration will be given to identifying cohorts where streamline progression is desired. This will include visa holders who: have studied and/or have been employed in geographically defined areas of Australia for prescribed periods of time; hold prescribed qualifications; or work in prescribed industries.

Having regard to the different skilled needs across Australia, state and territory government involvement in establishing a framework around the transition from the temporary skilled visa to the permanent skilled visa, will be critical to ensure that transition pathways supports, and not undermines, the retention of skilled workers in regional areas of Australia.

In exploring streamlining opportunities, consideration will also be given to removing the requirement of sponsorship for the permanent visa for prescribed cohorts. Sponsorship could instead be replaced with pre-qualifying characteristics such as length of employment, declaration of further employment, previous salary.

## Permanent Skilled

**Purpose** This visa allows skilled individuals to apply for permanent residence to work in Australia. These individuals must seek to fill a vacancy in the local labour market, where a genuine vacancy exists.

**Activities** Applicants can undertake permanent, full-time employment in Australia. Currently the framework accommodates the following streams.

- **Temporary Residence Transition** stream is for Temporary Skilled visa holders who have worked for a prescribed period of time in the same occupation.
- **Direct Entry** stream is for people who are nominated by an employer to fill a vacancy in the local labour market, where a genuine vacancy exists.
- **Agreement** stream is for people sponsored by an employer through a labour agreement.

These streams will be reviewed along with the Permanent Independent Tested visa.

### Visa Criteria

<b>Visa Validity</b>	Permanent
<b>Lodgement</b>	Onshore or Offshore.
<b>Nomination</b>	Yes
<b>Threshold Criteria</b>	At the time of application, the primary applicant must have: <ul style="list-style-type: none"><li>• been nominated by an approved Australian employer.</li><li>• meet specified aged requirements</li><li>• meet specified English language skills</li><li>• the required skills and qualifications.</li><li>• meet any other requirements for the visa stream.</li></ul>
<b>Public Interest Criteria</b>	Meet health, character and security requirements.
<b>Family members</b>	Family members can be included on the same visa application.

### **Future areas for investigation under a Permanent Skilled visa**

**Proposal:** Following on from the Independent Review of the Integrity of the subclass 457 programme, explore opportunities to replicate recommendations accepted by government across the proposed visa framework.

**Proposal:** Review the pathway to permanency residency that currently exists for Subclass 457 holders (Temporary skilled under the proposed visa framework) as per the Independent Review of the Integrity of the subclass 457 programme. This examination will consider whether those pathways need to be tightened, expanded or removed. The opportunity to offer faster pathways to permanency according to factors such as skill level will also be considered.

**Proposal:** In concert with the proposed areas for investigation within the Permanent Independent Test, explore the rationale for continuing the Direct Entry stream. Consideration could be given to whether this stream could be removed or narrowed to allow for only specific skill levels or location of work.

**Proposal:** In concert with the proposed areas for investigation within the labour agreement framework, explore whether there are opportunities to implement a tiered framework around the progression from labour agreements to the permanent skilled visa.

### *Provisional / Permanent Business Investment*

The JSCM is currently undertaking an inquiry into the Business Innovation and Investment programme and any recommendations made which are endorsed by government will be captured in the skilled and temporary entry review. The government has however indicated the retention of the Significant Investor Visa programme and the introduction of a new Premium Investor Visa programme.

### *International Relations*

This visa will primarily mirror the visa streams within the Temporary Work (International Relations) (subclass 403) visa. The visa allows the department to facilitate a broad range of bilateral initiatives and gives effect to our international obligations.

It is proposed that the Seasonal Worker Programme that is led by the Department of Employment, and currently facilitated by the Special Program (subclass 416) visa, be merged into the International Relations (subclass 403) visa as a distinct stream.

A distinct Seasonal Worker Programme stream within the subclass 403 visa would reduce current red tape by removing the special programme agreement and sponsorship processes making it simpler for Australian employers to access the programme. This will also ensure employer obligations and workers' rights are maintained through the Deed of Agreement signed between the Department of Employment and Approved Employers. This merge of streams will also remove a labour mobility programme from within the Special Programme (subclass 416) visa, where the policy intent is not work related.

## Community and Events

This visa will allow for the entry to Australia for up to four years, to participate in or assist with an event, or an approved cultural or social activity.

To further streamline and reduce impost on visa applicants and third parties, consideration will be given to establishing an 'Approved Activities List'. Inclusion on this list, either by category, activity or specific inclusion, will clarify the need for supporting documentation or facilitate streamline visa processing. Based on the intended visa validity, it is also proposed to streamline the level of endorsements required.

To address the diversity of activities encompassed by this visa subclass, consideration will be given to identifying visa applicants with a shared or interrelated purpose. Where a clear nexus is established, consideration will be given to granting all visa applicants the same temporary activity visa. This will result in streamlined and simplified visa lodgement process as well as significant reduction in visa processing timeframes.

### Temporary Activity

**Purpose** This visa will allow for entry to Australia for up to four years, to participate in or assist with an event or an approved cultural enrichment programme.

### Activities

- **Events:** These people are participating in events held in Australia, for example: major sporting and music events, festivals and cultural performances, conferences, trade fairs, expos or seminars. Professional support staff for events can use this visa.
- **Community:** These people are seeking to undertake a cultural or social activity that benefits Australia, for example: the School to School Interchange and School Language Assistants Programmes, religious workers and entertainers.

### Visa Criteria

<b>Visa validity</b>	This visa could be granted for up to 48 months, depending on the activity to be undertaken in Australia.
<b>Entry</b>	Multiple entry.
<b>Lodgement</b>	Onshore or Offshore.
<b>Endorsement</b>	See following table.
<b>Genuine Temporary Entry</b>	GTE requirement as a key integrity tool and ensure the primacy of Australian workers.
<b>Public Interest Criteria</b>	Meet health, character and security requirements.
<b>Family members</b>	Family members will only be granted full work and study rights for visa grants of greater than 12 months.

<b>Duration</b>	<b>Less than 3 months</b>	<b>3 – 48 months</b>
<b>Activity</b>		
<b>Events</b>	<p><b>Invitation</b> from an Australian organisation specifying the activity or arrangements to be undertaken by the applicant, and the duration of stay required in Australia.</p> <p>If required, the primary applicant may be requested to provide evidence that they have adequate financial support for their time in Australia.</p>	<p>In addition to the invitation and any other required documents, a <b>statement of guarantee/ undertaking</b> is required from the Australian organisation detailing salary and conditions reflective of the Australian standard for the duration of stay is required</p> <p>Must meet GTE requirement</p>

#### **Future areas for investigation under a Temporary Activity visa**

**Proposal:** The potential scope of this visa subclass will be explored in reflection of stakeholder feedback received during the development phase.

**Proposal:** The establishment of 'Approved Activities Lists' could contain identified and approved events or activities. This will ensure integrity is managed and only genuine people enter on this visa, for the right activity. The establishment of the list will take place in close consultation with relevant government departments, as well as business and industry groups.

## Training and Specialist Research

This visa will allow for the entry to Australia for up to three years to undertake approved training or research activities.

To further streamline and reduce impost on visa applicants and third parties, consideration will be given to establishing an 'Approved Training List'. Inclusion on this list, either by category, activity or specific inclusion, will clarify the need for supporting documentation or facilitate streamline visa processing. Based on the intended visa validity, it is also proposed to streamline the level of endorsements required.

### Training and Specialist Research

**Purpose** This visa will allow for entry to Australia for up to three years to undertake approved training and research activities.

#### Activities

- **Professional Development:** These people are undertaking an approved training activity in Australia, such as: professional development or sports training or professional registration.
- **Specialist research:** These people are undertaking specialist research such as: professional academics who are invited to visit Australia to observe or participate in an Australian research project at an Australian tertiary or research institution, post-doctoral research, visiting fellow or individual researchers.

#### Visa Criteria

<b>Visa validity</b>	Up to 36 months.
<b>Entry</b>	Multiple entry.
<b>Lodgement</b>	Onshore or Offshore.
<b>Endorsement</b>	See following table.
<b>Adequate financial support</b>	See following table.
<b>Genuine Temporary Entry</b>	GTE requirement as a key integrity tool and ensure the primacy of Australian workers.
<b>Public Interest Criteria</b>	Meet health, character and security requirements.
<b>Family members</b>	Family members can be included on the same visa application. Family members will only be granted full work and study rights for visa grants of greater than three months.



Duration	Less than 3 months	3 – 36 months
Activity		
Professional Training or Specialist Research	<p><b>Invitation</b> from an Australian organisation specifying the activity or arrangements to be undertaken by the applicant, and the duration of stay required in Australia.</p> <p>If required, the primary applicant may be requested to provide evidence that they have adequate financial support for their time in Australia.</p>	<p>In addition to the invitation and any other required documents, a <b>statement of guarantee</b> is required from the Australian organisation detailing salary and conditions reflective of the Australian standard for the duration of stay is required.</p> <p>Must meet Genuine Temporary Activity</p>

**Future areas for investigation under a Training and Specialist Research visa**

**Proposal:** The establishment of an ‘Approved Training List’ could contain identified and approved training programmes. This will ensure integrity is managed and only genuine people enter on this visa, for the right activity. The establishment of the list will take place in close consultation with relevant government departments, as well as business and industry groups.

**Proposal:** When applying for this visa subclass to undertake Specialist Research, universities could affirm that the specific qualifications of the prospective migrant had been checked by the university prior to acceptance, in letter of invitation.

**Proposal:** In consultation with Universities Australia, a checklist could be developed to identify approved courses for temporary migrants undertaking post-doctoral research.

## Mapping visa subclasses

The proposed visa framework will provide the vast majority of clients with a clearer, simpler visa framework to navigate and comprehend. Online visa lodgement, coupled with simplification of the visa framework and consolidation of visa requirements, will reduce visa processing times and provide greater transparency in decision making.

However not all current visa subclasses and streams have been directly transposed into the new visa framework. Rather a number of treatments have been applied to the subclasses comprising the current visa framework:

- **Transposed** such as the Temporary Work (Skilled) visa (subclass 457) into the Temporary skilled visa and Temporary Work (International Relations) (subclass 403) visa into the International Agreement.
- **Combined** such as the Employer Nomination Scheme (subclass 186) and Regional Sponsored Migration Scheme visa (subclass 187) under the Permanent Skilled visa and Skilled Nominated visa (subclass 190), Skilled Independent visa (subclass 189), Skilled Regional (Subclass 489) and Skilled Regional Permanent (Subclass 889) under the Permanent Points Tested.
- **Removed** such as the Skilled-Recognised Graduate visa (subclass 476).

An overview this mapping of visa cohorts is provided at [Attachment C](#).

## Deferred deregulation potential

The Temporary Graduate (Subclass 485) visa was initially scoped for inclusion as part of this review. The subclass 485 has two streams: Graduate work and Post-Study work that allows a visa holder, upon completion of their studies, to remain in Australia for a prescribed period with unlimited work/study rights.

The subclass 485 has been credited with the strong growth within the Higher Education sector with internal modelling predicting that subclass 485 visa holders could potentially exceed 200,000 by the 2017-18 programme year.

Given the recent introduction of the Post-Study work stream and the potential risk to the Higher Education sector in reviewing a newly amended programme, it is proposed that a review into the Temporary Graduate visa subclass be undertaken early 2015 with any recommendations to be implemented 1 July 2016.

## Ceasing pathways

The department does not see an adverse outcome arising from the possible repeal of the Skilled-Recognised Graduate (subclass 476) visa in 2016. This subclass was implemented in 2007, and followed the prevailing orthodoxy of that time by providing tailored visa solutions for particular labour market needs. The visa was developed following consultation with the mining sector and allows recent graduates of engineering degrees to work in Australia for 18 months. The cohort for this visa is very small, with approximately 600 visas granted in 2012-13 and approximately 1100 visas granted in 2013-14.

The continuation of the subclass 476 is at odds with the policy intent of a simplified, deregulated visa framework. Holders of overseas engineering qualifications will continue to have access to temporary and permanent employer-sponsored visa pathways, as well as access to independent skilled migration through the nomination of relevant engineering.

## Attachment A

### Stakeholder Submissions

The following submissions were received from non - government stakeholders. These submissions will be made available on the department's website.

Stakeholder Group	Name of organisation, individual or department
Academics	CPUR Monash University
Academics	Dr Joanna Howe and Associate Professor Alex Reilly
Academics	Dr Lesleyanne Hawthorne
Academics	PARSA and ANUSA - ANU
Academics	University of Western Sydney, Shanthi Robertson
Assessing Authorities	Architects Accreditation Council of Australia (ACCA)
Assessing Authorities	Australian Dental Council
Assessing Authorities	Australian Institute of Radiography
Assessing Authorities	Australian Pharmacy Council
Assessing Authorities	Australian Physiotherapy Council
Assessing Authorities	Australian Psychological Society
Assessing Authorities	CPA Australia & Chartered Accountants ANZ joint submission
Assessing Authorities	Educational Testing Service
Assessing Authorities	Engineers Australia
Assessing Authorities	National Accreditation Authority for Translators and Interpreters
Assessing Authorities	VETASSESS
Audit Firms	Ernst & Young
Audit Firms	KPMG
Audit Firms	PricewaterhouseCoopers (PwC)
Education Peak Bodies	TAFE Queensland
Individual	Gavin Wyl
Individual	George
Individual	Kelvin Chen
Individual	Mark Tarrant
Individual	Rachelle Tseng
Individual	Sashi Mahanty
Individual	Shawn Xia
Individual	Xian Qiu
Industry Peak Bodies	Australian Chamber of Commerce and Industry
Industry Peak Bodies	Australian Dairy Farmers Limited
Industry Peak Bodies	Australian Hotels Association
Industry Peak Bodies	Australian Institute of Marine and Power Engineers
Industry Peak Bodies	Australian Meat Industry Council
Industry Peak Bodies	Board of Directors of StartupAUS
Industry Peak Bodies	Business SA
Industry Peak Bodies	Chamber of Commerce and Industry, Queensland
Industry Peak Bodies	Consult Australia
Industry Peak Bodies	Housing Industry Association
Industry Peak Bodies	Joint Submission from South Australian
Industry Peak Bodies	Motor Trade Association SA
Industry Peak Bodies	National ELT Accreditation Scheme Ltd

Stakeholder Group	Name of organisation, individual or department
Industry Peak Bodies	National Farmers Federation
Industry Peak Bodies	Primary Industries Skills Council - Fishing Industry House
Industry Peak Bodies	Queensland Tourism Industry Council
Industry Peak Bodies	Restaurant & Catering Association
Industry Peak Bodies	United Dairyfarmers of Victoria
Industry Peak Bodies	Urban Development Institute of Australia
Industry Peak Bodies	Woolproducers Australia
Industry Peak Bodies	Victorian Tourism Industry Council
Migration Organisations	AMMA
Migration Organisations	Berry Appleman and Leiden (BAL Corporate Immigration)
Migration Organisations	Eventus Corporate Migration
Migration Organisations	Fragomen
Migration Organisations	Law Council of Australia
Migration Organisations	Migration Council of Australia
Migration Organisations	Migration Institute of Australia
Migration Organisations	Migration Solutions - Mark Glazebrook
Unions	Australian Council of Trade Unions
Unions	Queensland Nurses Union

### Key Visa Components

The discussion paper released during the scoping phase sought stakeholder input on the applicability, functionality and effectiveness of the following key visa criteria:

- age threshold
- English language proficiency
- skills and industry standards
- skills assessments
- occupations lists
- points test
- SkillSelect
- sponsorship and nominations
- concessions
- labour market testing

The stakeholder responses to these criteria have been summarised below.

#### **Age Threshold**

Academics generally support the upper age threshold being raised for skilled migration to 55 years to reflect current demographic shifts in workforce age globally, which would support highly experienced workers who are equipped to greatly contribute to the Australian economy.

Audit firms and assessing authorities would like to see an increased age limit in line with the increasing Australian retirement age. They would like the department to consider increasing the upper age threshold for permanent migration. Several assessing authorities suggested that the threshold should be increased to 60 years of age across trade and managerial occupations, as well as engineering occupations.

Migration organisations were supportive of raising the age threshold and questioned the reasoning behind age being a barrier for a migrant who has worked in Australia for a considerable period of time. They claimed that a re-evaluation of an appropriate age level barrier to permanent residency should take place through analysis of migrant demographic trends and economic incentives.

Individuals expressed their desire for the age threshold to be increased and for points to be allocated in the points test to those between 45 and 50 years of age, as “people over 45 are the most experienced and shouldn’t be punished for migrating.”

#### **English Language Proficiency**

Unions, state and territory governments, as well as audit firms, argued that the English language proficiency requirement is currently too low and should not be lowered any further. Several assessing authorities support the average band score of 5 in IELTS.

In sharp contrast, individual submissions and peak industry bodies thought the level was too high, and suggested that English language proficiency should depend on the occupation or at least should vary depending on the nature of the industry.

Unions stated that no concessions should be given to English language level that has been set by relevant registration authorities.

Many individual stakeholders expressed the difficulties they have faced trying to reach the required IELTS score. All would like to see it lowered and with an average across all categories.

Audit firms would like to see English language exemptions for ANZSCO Skill levels 1 and 2 occupations. Furthermore, they would like to see:

- Exemptions for those who have worked for an English speaking company (e.g. In UK) for a number of years
- Including South Africa, Philippines, Singapore and India into the list of countries whose citizens are exempt from English language testing.
- Removing the need to re-evidence English language when transitioning between temporary and permanent.
- Setting English proficiency levels by reference to occupational and industry standards and intended activity.
- Removing formal English language testing from the temporary visa programmes, unless required by occupational and industry standards.

Several academics have concerns regarding the potential lowering of the English language requirements because they believe that the main function of the English language proficiency requirement is to ensure a skilled visa holder will not be exploited. "If temporary migrant workers have lesser language skills, this could leave them vulnerable to potential health and safety risks in the workplace."

Other academics supports English language proficiency being measured in terms of occupational language capacity, as assessed by industry or employers, or as reflected in migrant work experience, rather than relying on IELTS scores:

- Applicants on temporary visas who are already living and working in Australia can provide certified letters or reports from employers that they have functional English competency for the workplace as evidence of language proficiency.
- Applicants who have more than 6 years of relatively continuous residence in Australia should be exempt from English language proficiency requirements.
- Applicants with citizenship of countries where one of the official languages is English and who have undertaken English-medium instruction for the majority of their education should be exempt from IELTS requirements.
- The IELTS score of 8 for 'Superior English' in the current points test should be lowered to 7.5.

Migration organisations would like the department to consider:

- That English communication abilities do assist with a migrant's ability to settle in Australia, however would like the department to consider whether these requirements can be more flexible by allowing for average results over the four language components.
- A manageable gap in English language requirements between temporary and permanent visas.
- An increase to the English language requirement for independent permanent visas.
- The harmonisation of English language definitions across all subclasses.
- Exemptions for citizens of countries where English is the language of schooling such as South Africa and Singapore.

Peak industry bodies have stated that:

- A one size fits all language requirement has been disadvantageous to certain industries.
- Difficulties in meeting the English language proficiency requirements could be overcome by post-arrival language assistance provided by the government.

Assessing authorities believe that it is important for English language proficiencies to align with industry standards.

### **Skills and Industry Standards**

Stakeholder input regarding skill levels varied greatly.

Unions strongly opposed lowering the skilled level, whereas peak industry bodies advocated for the inclusion of skill level 4 occupations within the CSOL, and the potential for skill level 5 occupations within labour agreements.

Rather than seeking to lower the skill level, state and territory governments suggested that demand should drive skill level needs, noting that experience is critical when considering skill levels.

Several academics recommended that any low or semi-skilled occupations not listed on an occupation list be considered for regional/remote locations, and that a low-skilled visa option be considered as a stream under the 457 visa.

### **Skills Assessments**

Audit firms claim that the discrepancies between ANZSCO and assessing bodies' skills requirements are detrimental to highly skilled workers trying to access permanent residence. Specifically that where industry standards exist, these standards should determine the skills requirements set by peak industry bodies. Additionally, they claimed that employers have no say in whether the overseas worker would satisfy the trade skills requirement of the occupation and that if an assessment was required it should be reliable and subject to independent review.

Peak industry bodies, academics and state and territory governments recommend that peak industry bodies are best placed to determine occupational skill requirements addressing the inconsistency between industry standards as well as ANZSCO's outdated requirements. Migration organisations argued that peak industry bodies, along with the Department of Industry could play a strong role in helping to set skills standards via an independent expert panel or board, whilst assessing authorities stated that they would support further alignment of skills requirements between industry and assessing authorities.

Although many academics have acknowledged that discrepancies between immigration requirements and industry standards need to be dealt with, as well as discrepancies within industry standards between skills assessments for migration purposes and licensing or registration requirements, some have contended that,

*Whilst peak industry bodies are perfectly placed to ascertain what skill requirements employers in their industry need, it is important that there are appropriate checks and balances to ensure that decisions around skill requirements are publicly accountable and made in a transparent fashion.*

## Occupation Lists

Several academics and migration organisations believe that ANZSCO is confusing for sponsors and does not reflect changes to skills requirements or emerging occupations in demand in the labour market. They support a single and expanded occupation list that reflects the needs of Australian businesses which should be developed in close consultation with industry. Additionally they argue that annual changes to the skilled occupations list (SOL) should take into consideration transition arrangements for long-term temporary migrants trained and working in occupations that may be removed.

Audit firms have expressed that SOL is too restrictive and requires a larger range of occupations and that NEC occupations are required on the Consolidated Sponsored Occupations List (CSOL) for emerging occupations not listed on ANZSCO for 457 visas and ENS/RSMS. Additionally, they argue that the Department of Industry, peak industry bodies and tertiary education providers should all have input into which occupations should not be listed on an occupations list.

Migration organisations stated that the SOL is too limiting and should include generalist occupations and that the department should consider reducing the occupation specificity by using the four digit ANZSCO unit group instead of the refined six digit listing.

Peak industry bodies generally believe that the current CSOL is outdated and fails to take into consideration emerging occupations. Some peak industry bodies however recognised that using ANZSCO was logical but needed considerable refinement.

Several peak industry bodies stated their support for the development of a regional occupations list based on existing and future demands, designed in consultation with industry in regional Australia.

Many businesses would like to see a more transparent and responsive CSOL, which they believe will increase accessibility by small and medium businesses. They argued that CSOL currently omits many professional 'business' skill areas such as entrepreneurship, small business management and commerce.

Audit firms saw merit in establishing a list of occupations excluded from skilled migration programmes and some individual submissions sought to remove certain occupations which have a high national unemployment rate. Assessing authorities, however, did not want to see occupations from ANZSCO excluded as they believe that it would not resolve the issues of classifying emerging occupations and mapping required skills against the Australian labour market needs. They stated that ANZSCO codes and occupations do not always align to qualifications titles and ANZSCO does not cover emerging occupations in growth industries such as finance banking, technology and science.

Unions argue that the department should categorically rule out ANZSCO skill level 4 occupations under employer sponsored programmes, however peak industry bodies would like to see the expansion of ANZSCO to skill level 4 occupations, specifically for genuine skills shortages.



## Points Test

Migration organisations argued that the points test is crucial in bringing in highly skilled workers to Australia. They questioned, however, whether the migration programme is too dependent on the application numbers and argues that if the numbers are not being met then perhaps the requirements are set too high.

A number of stakeholders, including assessing authorities and peak industry bodies, emphasised the importance of increasing the points awarded based on relevant employment experience and qualifications. State and territory government's expressed the view that greater points should be granted to employment experience in Australia, whilst peak industry bodies, audit firms and individuals believed that the points allocated to age level should be increased.

Assessing authorities stated that consideration should be given to outsourcing points test allocation to them.

An audit firm proposed a net contribution test with the purpose of enhancing the current points test. The audit firm argues that the current points test fails to take into consideration the net contribution to Australia of each of a potential migrant's capital elements (age, English language proficiency, qualification, work experience etc.).

Unions broadly support a points-based approach for independent permanent migration and would like to see bonus points based on the core criteria to separate high performing applicants. Unions also support 457 visa workers being given priority access to independent permanent migration through greater points in the points tests.

Academics have expressed a desire to see a more flexible and direct points test that imposes fewer burdens on prospective migrants. They would like to see a general increase across age brackets in terms of points allocation if this mechanism continues to be part of points tested visas. They argued changing the 30-point bracket threshold to 35 will enable more successful applications from migrants of prime working age with postgraduate qualifications and significant work experience:

Points	Age
30	25-35
25	18-24 and 36-42
15	43-52

## SkillSelect

Audit firms and peak industry bodies both considered SkillSelect a critical component of the human capital model to be retained and potentially expanded. They claim that it delivers an effective mechanism for government to manage applications with minimal risk. Furthermore, one audit firm suggested that the Direct Entry visa (equivalent to the ENS visa) could utilise the SkillSelect framework.

Migration organisations claimed that while SkillSelect is a good addition to the migration framework, it requires greater analysis. They would like to see the release of de-identified SkillSelect data annually to economists, academics, business analysts who could provide essential information to inform policy decisions.

## Sponsorship and Nominations

The need for a single sponsorship regime was highlighted by both peak industry bodies and state and territory governments, drawing upon comments provided as part of the 457 integrity review.

Audit firms expressed the desire for one sponsorship agreement to cover all programmes, especially for businesses which operate globally. Additionally, they would like to see a dedicated processing team for accredited sponsors to counteract the growing processing times.

Audit firms believe that while employer sponsorship has economic and social benefits, it is still onerous when it requires identical information being provided repeatedly (training information), arbitrary distinctions having to be made to classify employees against ANZSCO, and significant consequences when duties change. Additionally:

- An annual return lodged by vetted sponsors is preferable.
- Those who have proven sponsorship integrity over a long period of time in one programme are then approved for other programmes.
- ASX listed companies to be given greater allowances on providing certain information as they are required to provide significant reports throughout each year.

Academics claimed that processes should be streamlined and the impost on sponsors should be reduced, easing requirements for employers to sponsor migrants who do not have a 'skill list' occupation should be considered, particularly for regional employers.

Migration organisations claimed that a higher nomination cost would be a disincentive to employers who could find employees from the Australian domestic market. They also claimed that a reduction of the reporting impost on sponsors including training benchmarks would be desirable.

Furthermore, in regard to nomination it should be valid for:

- four years if above the Fair Work Act High Income Threshold;
- three years if above the median Australian full-time wage; and
- two years if below the Australian full-time wage.

## Concessions

Many businesses and peak industry bodies consider there to be a good case for the reintroduction of regional concessions for business sponsors, particularly in regard to minimum salary and skill.

Peak industry bodies and state and territory governments have requested a focus on regional operational requirements and seasonal work. Much of their input focused on regional Australia-regional occupations lists, and pushed for incentives to attract international students to regional areas and provide pathways for those students. They further stated that the Significant Investor Visa should have a regional pathway where incentives to foster greater investment in non-metropolitan areas; \$3million over 5 years should apply where a qualifying investment is made in a specified area.

Academics recommended that concessions could be awarded to those who undertake a portion of work experience in regional locations to assist in their transition to permanent residence.

## Labour Market Testing

Audit firms and many businesses would like to see the removal of labour market testing for visa renewals and intra-company transfers as they consider it an irritation to legitimate employers filling genuine skills shortages. They claim that it has not been demonstrated that the introduction of labour market testing in November 2013 has prevented abuses of the subclass 457 visa programme.

Unions, on the other hand, have argued that there is a need for robust labour market testings for employer sponsored migration with more rigorous evidentiary requirements for job advertising and other recruitment efforts.

Academics would like to see the presence of an expert commission to identify labour shortages (as Australian Workforce and Productivity Agency AWPA did previously) because “historically, requests by employers have not been considered a fully reliable guide in this regard, at least not without some verification by public authorities to ensure that the requests represent actual labour needs that cannot be filled from domestic sources.”

## Integrity measures

One audit firm recommended a number of measures to ensure integrity:

- Introduce enhanced sanctions and meaningful penalties, and dedicate resources for targeted monitoring.
- Reward sponsors with a strong history of compliance.
- Link the validity of temporary visas to the duration of intended activity.
- Schedule 1 criteria be structured to avoid a stockpile of high risk applications requiring assessment and providing an incentive for vexatious applications through a likely short-term stay on a Bridging visa (as was the case when onshore subclass 456 visa extensions were available).
- Migration organisations claimed that nomination is a vital for process integrity.

## Visa categories

Many stakeholders would like to see a new short-term visa allow for:

- Short-term, multiple-entry temporary visa requirements for those who are not entering an employment relationship with an Australian business, who are in Australia for a short term period, and especially for those with specialised skills and non-ongoing positions. For example: Urgent fly in-fly out commuters, global partners, highly skilled employees who need to provide short periods of work to the global company.
- Onshore applications for all visa programmes especially if projects run over the expected period of time originally specified.
- A six month visa with validity and work rights from the date of entry.
- Include training and research.

State and territory governments highlighted the need for a regional short stay work visa to address a number of specific temporary regional needs.

Migration organisations claimed that Labour Agreements are too labour intensive and asked whether there are ways to improve migration for low skilled occupations and whether industry templates with streamlined processes would be more efficient.

## **Pathways**

Academics and assessing authorities would like to see a stronger link between temporary work visas and permanent residence, creating a clearer transition pathway between them.

Unions, academics and state and territory governments highlighted the merit of an automatic progression from the current 457 programme to a permanent visa. Consideration was also given to 457 visa holders accessing a human capital model provided they had worked in Australia for a prescribed period of time.

One academic claimed that she would like to see a clear and explicit pathway for temporary migration (depending on the period of stay) to permanent residence without a SOL occupation and a sponsorship requirement – reducing employer exploitation. This proposal is similar to the “Canadian Experience Class” visa.

Individuals expressed a desire to see an easier pathway to permanency for subclass 485 visa holders who get a job offer in their skilled occupation. Peak industry bodies expressed their desire for the subclass 485 visa to include students from approved private education and VET institutions.

## Attachment C

### Visa Mapping

Current Visa Subclass	Streams	Mapping	Future Visa
Temporary Work (Subclass 400)	Highly Specialised Work	Merged	Short-term Mobility
	Australia's Interest		
	Invited Participant	Merged	Community & Events
Exchange			
Sport			
Religious Worker			
Temporary Work (Subclass 401)	Domestic Worker (Executive)	TBA	TBA
Training and Research (Subclass 402)	Occupational Trainee	Merged	Training & Specialist Research
	Professional Development		
	Research		
Temporary Worker (International Worker) (Subclass 403)	Government Agreement	Merged	International Relations
	Foreign Government Agreement		
	Domestic Worker (Diplomatic/Consular)		
	Privileges and Immunities		
Special Program (Subclass 416)	Special Programme	Merged	Community & Events or removed
	Seasonal Worker Programme	Merged	International Relations
Entertainment (Subclass 420)		Merged	Community & Events
Temporary Work (Subclass 457)		Transposed	Temporary Skilled
Recognised Graduate (Subclass 476)		Removed	Removed
Temporary Graduate (Subclass 485)	Graduate Work	Transposed	Transposed
	Post-Study Work	Transposed	Transposed
Superyacht Crew (Subclass 488)		Merged	Short-term Mobility
Distinguished Talent (Subclass 124)		Merged	Permanent Independent Tested
Distinguished Talent (Subclass 858)		Merged	Permanent Independent Tested
Employer Nomination Scheme (Subclass 186)	Temporary Residence Transition	Combined	Permanent Skilled
	Labour Agreements		
	Direct Entry		
Regional Sponsored Migration Scheme (Subclass 187)	Temporary Residence Transition	Combined	Permanent Skilled
	Direct Entry		
	Labour Agreements		

<b>Skilled – Independent (Subclass 189)</b>		<b>Combined</b>	Permanent Independent Tested
<b>Skilled – Sponsored (Subclass 190)</b>			
<b>Skilled Regional (Subclass 489)</b>			
<b>Skilled – Regional (Subclass 887)</b>		<b>Removed</b>	<b>Removed</b>
<b>Business Innovation and Investment (Provisional) (Subclass 188)</b>	Business Innovation Stream	<b>Combined</b>	Provisional Business Investment
	Investor Stream		
	Significant Investor Stream		
<b>Business Innovation and Investment (Provisional) (Subclass 888)</b>	Business Innovation Stream	<b>Combined</b>	Permanent Business Investment
	Investor Stream		
	Significant Investor Stream		
<b>Business Talent (Subclass 132)</b>	Significant Business History		
	Venture Capital Entrepreneur		
<b>Business Owner (Subclass 890)</b>			
<b>Investor (Subclass 891)</b>			
<b>State/Territory Sponsored Business Owner (Subclass 892)</b>			
<b>State/Territory Sponsored Investor (Subclass 893)</b>			