



Fact sheet two: Reforms to Australia's permanent employer sponsored skilled migration programme

Purpose

The purpose of this fact sheet is to advise the general public about the scope and implementation timeframes for reforms to the following permanent employer sponsored skilled migration programmes:

- Employer Nomination Scheme (subclass 186) visa (ENS visa)
- Regional Sponsored Migration Scheme visa (subclass 187) visa (RSMS visa).

Implementation of these reforms commenced on 19 April 2017 and will be completed by March 2018.

These reforms complement associated changes to Australia's temporary employer sponsored skilled migration programme. See fact sheet titled: *Reforms to Australia's temporary employer sponsored skilled migration programme—abolition and replacement of the 457 visa*.

What is changing?

Changes from April 2017

From **19 April 2017**, for new applicants for permanent employer sponsored skilled visa programmes:

- **Occupation lists:** The Consolidated Sponsored Occupation List (CSOL) was significantly condensed, with 216 occupations removed, and access to 24 occupations restricted to regional Australia (e.g. occupations relating to farming and agriculture). The CSOL currently underpins the Direct Entry stream of the ENS visa.
- The CSOL was renamed the new Short-Term Skilled Occupations List (STSOL) and will be updated every six months based on advice from the Department of Employment.
- The other occupations list used for skilled migration, the Skilled Occupations List (SOL) was renamed the new Medium and Long-term Strategic Skills List (MLTSSL). This list contains occupations that have been assessed as being of high value to the Australian economy and aligning to the Government's longer term training and workforce strategies.

Changes from July 2017

From **1 July 2017**, for permanent employer sponsored skilled visa programmes:

- **Occupations lists:** The STSOL will be further reviewed based on advice from the Department of Employment. The MLTSSL will be revised based on outcomes from the Department of Education and Training's 2017-18 SOL review.
- **English language requirements:** A requirement of an International English Language Testing System (IELTS) (or equivalent test) score of 6 in each component.

- **Age:** A maximum age requirement of 45 at the time of application will apply to Direct Entry stream applicants. A maximum age requirement of 50 at the time of application will continue to apply to Temporary Residence Transition stream applicants.

Changes by December 2017

Before **31 December 2017**, for permanent employer sponsored skilled visa programmes:

- **Tax File Number collection:** The Department of Immigration and Border Protection (the Department) will commence the collection of Tax File Numbers for these visa holders, and data will be matched with the Australian Tax Office's records to ensure that visa holders are not paid less than their nominated salary.

Changes from March 2018

From **March 2018**, for permanent employer sponsored skilled visa programmes

- **Occupation lists:** The MLTSSL will now apply to both the ENS and the RSMS, with additional occupations available to support regional employers for the RSMS.
- **Minimum market salary rate:** Employers must pay the Australian market salary rate and meet the Temporary Skilled Migration Income Threshold. ¹
- **Residency:** The eligibility period to transition to permanent residence will be extended from two to three years.
- **Work experience:** At least three years' work experience relevant to the particular occupation will be required.
- **Age:** All applicants must be under the maximum age requirement of 45 at the time of application.
- **Training requirement:** Employers nominating a worker for an ENS or RSMS visa will be required to pay a contribution to the Skilling Australians Fund. The contribution will be:
 - o payable in full at the time the worker is nominated.
 - o \$3,000 for small businesses (those with annual turnover of less than \$10 million) and \$5,000 for other businesses.

Why are these changes being made?

The Government is changing the eligibility requirements for some permanent skilled visas to better align the permanent and temporary programmes.

These measures will sharpen the focus of Australia's skilled migration programmes to ensure they better meet Australia's skills needs, increase the quality and economic contribution of skilled migrants and address public concerns about the displacement of Australian workers.

Who is affected?

Those affected are prospective permanent employer sponsored visa applicants and businesses sponsoring skilled migrants.

¹ Set at \$53,900 as at 18 April 2017.

While the changes mainly impact the ENS and RSMS, existing and prospective applicants for the Skilled Nominated (subclass 190) visa, the Skilled Independent (subclass 189) visa, and the Skilled Regional (Provisional) (subclass 489) visa will also be affected by some changes to the occupations lists.

The changes to the occupations lists for skilled migration will reduce the number of occupations accessible under these visas. Information on the changes to the occupation lists is available on the Department's website at

www.border.gov.au/Trav/Work/Work/Skills-assessment-and-assessing-authorities/skilled-occupations-lists

More information

More information about these reforms is available on the Department's website at

www.border.gov.au/Trav/Work/457-abolition-replacement.