

**Date: 11 May 2023**

## **Highlights of Australian Immigration Budget 2023-2024**

Following the release of the Australian Government's budget for the year 2023-24, I will provide you with a quick overview of the key highlights of the budget.

The migration planning level for this fiscal year is set at 190,000 places, out of which 137,100 are allocated to the skilled migration stream. Let's take a look at these highlights.

### **1. Prioritising the Skilled Migration**

The Australian government's main focus is to prioritize skilled migration to address the persistent shortage of skills. Around 70% will be allocated to the Skill stream. Out of the 137,100 places allocated to the Skill stream, only 1,900 is allocated to the Business Innovation and Investor program. The competition will be high for business owners and investors applying under this program.

### **Migration Program planning levels as announced as part of the 2022-23 and 2023-24 Federal Budgets**

<b>Visa Stream</b>	<b>Visa Category</b>	<b>2022-23 Planning levels</b>	<b>2023-24 Planning levels</b>
<b>Skill</b>	Employer Sponsored	35,000	36,825
	Skilled Independent	32,100	30,375
	Regional	34,000	32,300
	State / Territory Nominated	31,000	30,400
	Business Innovation & Investment	5,000	1,900
	Global Talent (Independent)	5,000	5,000
	Distinguished Talent	300	300
	<b>Skill Total</b>	<b>142,400</b>	<b>137,100</b>
<b>Family</b>	Partner <sup>1</sup>	40,500	40,500
	Parent	8,500	8,500
	Child <sup>1</sup>	3,000	3,000
	Other Family	500	500
	<b>Family Total</b>	<b>52,500</b>	<b>52,500</b>
	Special Eligibility	100	400
	<b>Total Migrant Program</b>	<b>195,000</b>	<b>190,000</b>

## 2. Big jump in visa application costs

The government has decided to raise Visa Application Charges (VACs) by 6% to 40%, effective from July 1, 2023

Visa Classes	Percentage increase
Visitor, working holiday, work and holiday, training, temporary activity and temporary work (short stay specialist) visas	15%
Business innovation and investment visas	40%
Other visas	6%
Pacific Engagement Visa and Pacific Australia Labour Mobility visas	Exempt from increase

## 3. Increase to the Temporary Skilled Migration Income Threshold (TSMIT)

The government is trying to attract more skilled migrants who can complement the skills of the Australian workforce. The income threshold will be increased from \$53,900 to \$70,000 from 1 July.

## 4. Adult Migrant English Program (AMEP)

A new delivery model will be implemented for the Adult Migrant English Program (AMEP) with improved English language, employment, and settlement outcomes for migrants.

## 5. International Students Working Hours Limitations

International student can work up to 48 hours fortnightly starting from 1 July except for students working in the aged care sector.

## 6. Temporary Graduate Post Study Work Rights

Starting from July 1, 2023, Subclass 485 visa holders will be eligible for an extra two years of post-study work rights. This initiative aims to improve the pipeline of skilled labor in key sectors. Two Skills Assessment Pilots will be re-scoped to provide onshore migrants with fast-tracked skills assessments, free employability assessments, and access to further training to enhance their employment prospects.

## 7. Clearer pathways for permanent residency

The government plans to remove the restriction to Employer Nomination Scheme (subclass 186) visa for visa holder 482. This is to address the 173,000 temporary migrants who have been in Australia for five years or more.

Additionally, the limit of one onshore renewal for the short-term stream TSS visa will be eliminated. The objective of these changes will address the situation of the 173,000 migrants who have been in Australia for five years or more on a temporary work or student visa.

## 8. Visa backlogs

The government has allocated \$75.8 million to extend visa processing resources and improve existing systems to ensure timely visa processing.

The full details of the migration policy will only be revealed later this year following additional consultations.

## Global Migration Solutions