



Media release

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Migration reforms to deliver Australia's skills needs

The Rudd Government is reforming the permanent skilled migration program to ensure it is more responsive to the needs of industry and employers and better addresses the nation's future skill needs.

The reforms will deliver a demand rather than a supply driven skilled migration program that meets the needs of the economy in sectors and regions where there are shortages of highly skilled workers, such as healthcare, engineering and mining. The major reforms to the skilled migration program are:

20 000 would-be migrants will have their applications cancelled and receive a refund.

All offshore General Skilled Migration applications lodged before 1 September 2007 will have their applications withdrawn. These are people who applied overseas under easier standards, including lower English language skills and a less rigorous work experience requirement. It is expected about 20 000 people fall into this category. The department will refund their visa application charge at an estimated cost of \$14 million. Average applications cost between \$1500 and \$2000 and most contain more than one person.

The list of occupations in demand will be tightened so only highly skilled migrants will be eligible to apply for independent skilled migration visas.

The wide-ranging Migration Occupations in Demand List (MODL) will be revoked immediately. The list is outdated and contains 106 occupations, many of which are less-skilled and no longer in demand. A new and more targeted Skilled Occupations List (SOL) will be developed by the independent body, Skills Australia, and reviewed annually. It will be introduced mid-year and focus on high value professions and trades. The Critical Skills List introduced at the beginning of 2009 which identified occupations in critical demand at the height of the global financial crisis will also be phased out.

The points test used to assess migrants will be reviewed to ensure it selects the best and brightest.

Potential migrants gain points based on their qualifications, skills and experience, and proficiency in English. The current points test puts an overseas student with a short-term vocational qualification gained in Australia ahead of a Harvard-educated environmental scientist. A review of the points test used to assess General Skilled Migration applicants will consider issues including whether some occupations should warrant more points than others, whether sufficient points are awarded for work experience and excellence in English, and whether there should be points for qualifications obtained from overseas universities. The review will report to Government later this year.

Certain occupations may be capped to ensure skill needs are met across the board.

Amendments to the Migration Act will be introduced this year to give the Minister the power to set the maximum number of visas that may be granted to applicants in any one occupation if need be. This will ensure that the Skilled Migration Program is not dominated by a handful of occupations.

Development of state and territory-specific migration plans.

Individual state and territory migration plans will be developed so they can prioritise skilled migrants of their own choosing. This recognises that each state and territory has different skills requirements. For example, Western Australia may have a shortage of mining engineers while Victoria may have a requirement for more architects. Under the new priority processing arrangements, migrants nominated by a state and territory government under their State Migration Plan will be processed ahead of applications for independent skilled migration.

The Minister for Immigration and Citizenship, Senator Chris Evans, said the new arrangements will give first priority to skilled migrants who have a job to go to with an Australian employer. For those who don't have an Australian employer willing to sponsor them, the bar is being raised.

"There are plenty of occupations where there is an adequate supply of young Australians coming through our schools, TAFE colleges and universities to take up new job opportunities. They must be given the opportunity to fill these vacancies first," Senator Evans said.

"But there are some occupations where there will be high demand for skills. Hospitals can't go without nurses, country towns can't do without a local GP and the resources sector increasingly needs skills.

"These latest changes will continue reforms already implemented by the government and result in a more demand-driven skilled migration program that attracts highly skilled migrants to Australia to work in areas of critical need."

The government recognises that the changes will affect some overseas students currently in Australia intending to apply for permanent residence.

Those international students who hold a vocational, higher education or postgraduate student visa will still be able to apply for a permanent visa if their occupation is on the new Skilled Occupations List. If their occupation is not on the new SOL, they will have until 31 December 2012 to apply for a temporary skilled graduate visa on completion of their studies which will enable them to spend up to 18 months in Australia to acquire work experience and seek sponsorship from an employer.

The changes will in no way impact on international students coming to Australia to gain a legitimate qualification and then return home.