

# Mobility: Immigration alert

October 2021



## Australia

### Reforming skilled migration as border restrictions ease

#### Executive summary

EY supports a number of important reforms to skilled migration recommended by a joint parliamentary committee to support post pandemic economic recovery as Australia looks forward to opening the borders.

From November 2021, as vaccination targets are met in Australia:

- ▶ caps on vaccinated international arrivals will start to lift
- ▶ vaccinated Australian citizens and permanent residents will be able to leave Australia without an exemption
- ▶ testing will continue to be required for travel to Australia, Rapid Antigen Tests may be accepted
- ▶ alternatives to hotel quarantine will be available in some circumstances.

Priority will be given to easing restrictions for vaccinated Australian citizens and permanent residents with additional government facilitated flights to Australia. Securing commercial flights to Australia is likely to remain a challenge for some time. Increasing numbers of skilled migrants, international students and eventually tourists are expected during 2022.

The changes will be implemented across Australia's states and territories at different times as vaccination rates vary. New South Wales is expected to hit the 80% vaccination target by November 2021 and international arrivals into Sydney may lift at the same time.

EY recommends that international travel restriction exemption applications be submitted for the time being where certainty is required.

Domestic border restrictions are likely to continue for some states and territories and travellers will need to plan accordingly.

#### Recognised vaccines for travel

Vaccines approved for use in Australia are recognised for international travel: Pfizer, AstraZeneca, Moderna and COVID-19 Vaccine Janssen. Two additional vaccines have also been recognised for travel:

- ▶ Coronavac (Sinovac)
- ▶ Covishield (AstraZeneca/Serum Institute of India).

#### Quarantine arrangements from November 2021:

- ▶ vaccinated travellers may be permitted to quarantine at home in some states and territories for seven days
- ▶ travellers from specified locations, such as New Zealand, may be exempt from quarantine
- ▶ travellers without a recognised vaccine will continue to be required to complete 14-day managed quarantine
- ▶ new quarantine hubs, coordinated by Quarantine Services Australia (QSA), will provide universities and businesses with additional quarantine capacity.

QSA is a new industry-led service supporting skilled and semi-skilled workers and international students travel to Australia. QSA appears to offer a coordinated and streamlined user-pays travel and quarantine solution in addition to the current hotel quarantine. Businesses may [pre-register their interest with QSA](#).

#### Final Report of the Joint Standing Committee on Migration Inquiry into Skilled Migration

The final recommendations include several significant reforms which were also recommended in [our submissions](#). While the Government is yet to provide a response, EY encourages the adoption of the key recommendations.

## Final recommendations of the Joint Standing Committee Inquiry into Skilled Migration 2021

The recommendations reflect the views of the majority of the Committee members from the governing Liberal Party and National Party coalition. With an election to be held by mid-2022, the dissenting views of Committee members from other political parties are relevant.

Issue	Recommendation	Dissenting comments	EY Comment
Workforce planning	Dynamic national workforce plan be developed by a cross-portfolio, cross-jurisdictional interagency committee, led by the National Skills Commission, based on skills shortages identified through an improved data aggregation system	No objection	<ul style="list-style-type: none"> <li>▶ Key recommendation. Engagement of business in identifying emerging skill shortages recommended by EY</li> <li>▶ Significant impact on capacity of skilled migration program to address current and future skills shortages and build skills in Australia</li> </ul>
	Develop accepted definitions of acute and persistent skills shortages based on recruitment difficulty, duration shortage, number and geographic spread of vacancies and criticality of the occupation	Support	
Australian and New Zealand Standard Classification of Occupations (ANZSCO)	Replace ANZSCO (not updated since 2013) with an occupation and/or skills identification system that is flexible and can adapt to emerging labour market needs	Qualified support  Prefer updating ANZSCO and interim measures e.g. use of the 4-digit code instead of 6-digit code	<ul style="list-style-type: none"> <li>▶ Key reform long advocated by EY</li> <li>▶ Significant impact on ability of skilled migration program to adapt to emerging labour market needs</li> <li>▶ Requires minor legislative change but significant cultural change within immigration and related authorities</li> </ul>
Occupation lists	Consolidate the Medium and Long Term Strategic Skills List (MLTSSL) and Short Term Skilled Occupation List (STSOL) into one Skilled Occupation List (SOL)	Support	<ul style="list-style-type: none"> <li>▶ Key reform long advocated by EY</li> <li>▶ Significant impact on Australia's ability to attract and retain global talent</li> <li>▶ Minor legislative change required</li> </ul>
	Skills lists be regularly reviewed	Support	
	Replace the PMSOL with an Acute and Persistent Skills Shortage List (APSSL) when the pandemic is concluded and streamline applications in those occupations	No objection	
Permanent residence pathways	The short-term stream of the Temporary Skills Shortage (subclass 482) visa to provide a pathway to permanent residency while maintaining age and English language requirements	Support	<ul style="list-style-type: none"> <li>▶ Key reform long advocated by EY</li> <li>▶ Significant impact on Australia's ability to attract and retain global talent</li> <li>▶ Minor legislative change required</li> </ul>
	Provide more visa pathways including permanent residence to high calibre overseas student graduates in APSSL occupations	Support	
Temporary Skill Migration Income Threshold	Increase the TSMIT from AUD53,900+	Support & ensure future indexation	<ul style="list-style-type: none"> <li>▶ Positive impact through protecting vulnerable workers and supporting regional development</li> <li>▶ Minor legislative change required</li> </ul>
	Consider exemptions or different rates for regional areas	Not support	
Labour Market Testing (LMT)	Temporarily extend the timeframe for LMT from 4 to 6 months before application during pandemic recovery	Not support	<ul style="list-style-type: none"> <li>▶ EY welcomes all reforms to the rigid LMT requirements</li> <li>▶ Minor legislative change required</li> </ul>
	LMT exemption for subclass 457 or 482 visa holders in the full-time position for at least 12 months before applying for a further temporary or permanent visa	Qualified support from the Labor Party Not supported by the Australian Greens	
Skilling Australians Fund (SAF) levy	Exemption from paying levy twice for the same employee, such as further temporary visa	No comment	<ul style="list-style-type: none"> <li>▶ Positive impact through expansion of the limited SAF levy refund provisions</li> <li>▶ Legislative change required</li> </ul>
	Guaranteed refund where the visa application is unsuccessful and there is no evidence of fraud	No comment	
	Universities exempt from the SAF levy	No comment	
Intracompany transfer visa	Streamlined visa for executives of multinational companies expanding operations in Australia including an exemption from LMT	Qualified support	<ul style="list-style-type: none"> <li>▶ Key reform long advocated by EY</li> <li>▶ Significant impact on Australia's ability to attract and retain global talent</li> <li>▶ Legislative change required</li> </ul>

Issue	Recommendation	Dissenting comments	EY Comment
Regional migration reforms	<ul style="list-style-type: none"> <li>▶ Retain longer Regional Occupation List</li> <li>▶ Extend LMT timeframe to 12 months</li> <li>▶ Increase age limit to 50</li> <li>▶ Vocational English</li> <li>▶ Reduce experience requirement to 2 years</li> <li>▶ Priority processing</li> </ul>	No comment	<ul style="list-style-type: none"> <li>▶ Key reforms also advocated by EY</li> <li>▶ Significant impact on attracting skills to regions</li> <li>▶ Legislative change required</li> </ul>
Immigration processing service level	Improve customer service through direct access to industry liaison officers, streamlined processing for employment related visas with greater streamlining for PMSOL positions	Support	EY welcomes any resumption of access to immigration officers

## Next steps

### *Joint Standing Committee on Migration Inquiry into Skilled Migration*

EY recommends that business engage with government to support the implementation of the Committee's key recommendations.

### *Travel restriction exemption applications*

As another Christmas approaches with families and friends still separated, employee wellbeing remains a consideration.

Fully vaccinated Australian citizens and permanent residents will soon be eligible to leave Australia without an outward travel exemption. However, as no date is set in some circumstances requesting an exemption for certainty may be preferred.

For non-Australian visa applicants overseas, including those vaccinated with a recognised vaccine, an inward travel exemption request for travel in the near future is advised. In EY's experience, approval of an inward travel exemption will trigger a decision on a visa application providing further assurance. Similarly, EY advises that temporary visa holders in Australia planning to depart and return in the near future, consider requesting an inward travel exemption.

EY will continue to keep you informed of developments regarding easing of Australia's international border restrictions, implementation of the industry-led quarantine hub and recommendations of Inquiry into Skilled Migration.

Contact your EY advisor to discuss the issues raised in this alert.

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