

AMBER MIGRATION NEWSLETTER
19 April 2017

Further to our newsflash of 18 April 2017, we summarise in this newsflash the Government's staged changes to the employer-sponsored skilled migration program (including 457, 186 and 187 visas).

Temporary Employer-Sponsored Skilled Migration changes (457/TSS)

Immediate changes – from 19 April 2017

From 19 April 2017, for the existing 457 visa:

- **Occupation lists:** The occupation lists that underpin the 457 visa will be significantly condensed from 651 to 435 occupations, with 216 occupations removed and access to 59 other occupations restricted.
- Of the 435 occupations, access to 24 occupations has been restricted to regional Australia (e.g. occupations relating to farming and agriculture).
- The Consolidated Sponsored Occupation List (CSOL) will also be renamed as 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) will be renamed the new **Medium and Long-term Strategic Skills List (MLTSSL)**.
- **Validity period:** The maximum duration of 457 visas issued from this date for occupations that are on the STSOL will be two years. Occupations on the MLTSSL will continue to be issued for a maximum duration of four years.

These changes apply also to 457 applications that were lodged with DIBP on or before 18 April 2017 but are still pending a decision. Applicants whose nominated occupations have now been removed will be given the opportunity to withdraw their applications and obtain a refund of DIBP fees.

Changes from July 2017

From 1 July 2017, for the existing 457 visa:

- **Occupation 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:** the English language salary exemption threshold, exempting applicants whose salary is over \$96,400 from the English language requirement, will be removed.
- **Training benchmarks:** Policy settings about the training benchmark requirement to be made clearer.
- **Character:** Police clearance certificates will become mandatory.

Changes by December 2017

Before 31 December 2017, for the existing 457 visa:

- DIBP will commence the collection of Tax File Numbers for Subclass 457 visa holders (and other employer sponsored migrants), and data will be matched with the ATO's records to ensure that visa holders are not paid less than their nominated salary.

- DIBP will commence the publication of details relating to sponsors sanctioned for failing to meet their sponsorship obligations.

Changes from March 2018

The Subclass 457 visa will be closed to new applications and be replaced by the dual-stream TSS.

The **Short-Term stream** will include the following criteria:

- **Renewal:** capacity for only one onshore visa renewal;
- **Occupations:**
 - For non-regional Australia, the STSOL will apply;
 - For regional Australia, the STSOL will apply, with additional occupations available to support regional employers.
- **English language requirements:** a requirement of an IELTS (or equivalent test) score of 5, with a minimum of 4.5 in each test component.
- **Genuine entry:** a genuine temporary entrant requirement.

The **Medium-Term stream** will include the following criteria:

- **Renewal:** capacity for onshore visa renewal and a permanent residence pathway after three years;
- **Occupation lists:**
 - For non-regional Australia - the MLTSSL will apply;
 - For regional Australia - the MLTSSL will apply, with additional occupations available to support regional employers.
- **English language requirements:** a requirement for a minimum of IELTS 5 (or equivalent test) in each test component.

Eligibility criteria for both streams will include:

- **Work experience:** at least two years' relevant work experience;
- **Labour market testing (LMT):** LMT will be mandatory, unless an international obligation applies;
- **Minimum market salary rate:** employers must pay the Australian market salary rate and meet the Temporary Skilled Migration Income Threshold requirements;
- **Character:** mandatory police clearance certificates to be provided;
- **Workforce:** a non-discriminatory workforce test to ensure employers are not actively discriminating against Australian workers;
- **Training requirement:** a strengthened training requirement for employers to contribute towards training Australian workers.

[Employer-Sponsored Skilled Migration changes \(186 ENS & 187 RSMS\)](#)

Immediate changes – from 19 April 2017

At this stage, it appears that eligibility for applicants applying for 186/187 permanent residence under the Temporary Residence Transition stream remain unchanged. Until March 2018, those applying under the Direct Entry stream will be required to nominate an occupation on either the STSOL or MLTSSL in force at that time. It is expected that these lists will be updated every 6 months.

There has been no indication that applications pending a decision at DIBP as of 19 April 2017 will be in any way affected.

Changes from July 2017

From 1 July 2017:

- **English language requirements:** a requirement for an IELTS (or equivalent test) score of 6 in each test 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:

- DIBP will commence the collection of Tax File Numbers for applicants and data will be matched with the ATO's records to ensure that visa holders are not paid less than their nominated salary.
- DIBP will commence the publication of details relating to sponsors sanctioned for failing to meet their sponsorship obligations.

Changes from March 2018

From March 2018, for both ENS and RSMS applications:

- **Occupations:** The MLTSSL will now apply, 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.
- **Residency:** the eligibility period will be extended from two to three years (Temporary Residence Transition stream).
- **Work experience:** at least three years' relevant work experience.
- **Age:** all applicants must be under the maximum age requirement of 45 at the time of application.
- **Training requirement:** a strengthened training requirement for employers to contribute towards training Australian workers.

We are currently reviewing all client files to identify those clients (employers and individuals) likely to be affected by these changes and will make contact shortly to discuss strategies. In the interim, please don't hesitate to contact us if you have any specific queries or concerns.

If you have any questions concerning the information provided in this newsletter, please contact:

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