

AMBER MIGRATION NEWSLETTER
11 May 2017

In this special Newsletter, we outline the major measures in the 2017-2018 Budget that will directly impact the users of the visa/sponsorship programs. We also summarise the Government's proposed Citizenship reforms.

2017-18 Budget

Training Benchmark overhaul

From March 2018, the **Skilling Australians Fund Levy** will replace the current **Training Benchmarks A and B** for employers sponsoring workers for a temporary or permanent skilled visa.

For businesses with annual turnover of less than \$10 million per year, they will be required to make:

- an upfront payment of \$1,200 per visa per year for each employee on a Temporary Skill Shortage (TSS) visa; and
- a one-off payment of \$3,000 for each employee being sponsored for an Employer Nomination Scheme (ENS Subclass 186) or a Regional Sponsored Migration Scheme (RSMS Subclass 187) visa.

Businesses with annual turnover of \$10 million or more per year will be required to make:

- an upfront payment of \$1,800 per visa per year for each employee on a TSS visa; and
- a one-off payment of \$5,000 for each employee being sponsored for a subclass 186 or 187 visa.

Funds paid into the Levy will be used to meet Australia's expected future skills needs, with a focus upon apprenticeships and traineeships. At this stage, no details have been provided as to how and when each payment will be made or monitored, or how Levy funds would be accessed.

Visa application charges (VAC) increase

From 1 July 2017 all visa application charges (except Second VACs) will **increase annually** in line with the forecast Consumer Price Index.

New Temporary Sponsored Parent visa

In November 2017 the new Temporary Sponsored Parent visa with a quota of 15,000 will be introduced. Parents of Australian citizens, Australian permanent residents and eligible New Zealand citizens can access a stay in Australia for up to three years (for \$5,000) or five years (for \$10,000). The visa may be renewed offshore to allow a cumulative stay of up to 10 years. The sponsoring child will have legal liability for public health expenditure incurred by the visa holders in Australia.

Age Pension and Disability Support Pension (DSP) eligibility

From 1 July 2018, stricter residency rules will be introduced for new migrants who wish to access Australian pensions. Most claimants will be required to have 15 years of continuous Australian residence before being eligible to receive the Age Pension or DSP.

Citizenship Reforms

Considerable changes have also been made to eligibility requirements for Australian citizenship. The main proposed eligibility changes include:

- *Increasing the general residence requirement:* applicants to have resided in Australia, as an Australian permanent resident, for at least 3 of the 4 years immediately before applying;
- *English language testing:* applicants to demonstrate competent language listening, speaking, reading and writing skills prior to their citizenship test. "Competent English ability" currently means an IELTS (or an equivalent test) score of 6 for each of the 4 test components;
- *Strengthening Citizenship test:* additional questions on Australian values, and the privileges and responsibilities of Australian citizenship. Applicants failing the test 3 times will be banned from re-applying for 2 years; and
- Requirement for applicants to demonstrate their *integration into the Australian community*.

The Government will table new citizenship legislation in the Parliament by end 2017, with a proposal to apply the above changes retrospectively, to applications received on or after the 20 April 2017.

457/186/187 1 July Changes - ACTION ITEMS

The **Amber Migration** team has been working closely with clients who are likely to be affected by the 457/186/187 changes reported in our last newsletter.

Below key changes that will take place on **1 July 2017** and **suggest you contact us immediately** if you somehow have not yet heard from us:

For 457 applications:

- **Occupation lists:** The current (since 19 April 2017) occupation lists will be further reviewed, which may or may not mean more occupations could be removed or caveated.
- **English language requirements:** the English language salary exemption threshold of \$96,400 will be removed – which will affect sponsored senior staff from a non-English speaking country.
- **Character:** Police clearance certificates will become mandatory – which could result in significant processing delays.

For 186/187 applications:

- **English language requirements:** 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.

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

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***Important:** Clients should not act solely on the basis of the material contained in this Newsletter. Items herein are general comments only and do not constitute or convey advice per se. Also changes in legislation may occur quickly. We therefore recommend that our formal advice be sought before acting in any of the areas. This Newsletter is issued as a helpful guide to clients and for their private information. Therefore it should be regarded as confidential and not be made available to any person without our prior approval.*

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