



The 2009–10 skilled migration program

The arrangements for the 2009–10 skilled migration program announced in the 2009–10 Budget build upon the recent changes introduced by the Government to ensure the program is tightly targeted on the skills needed in the current economic conditions.

Previous changes to the skilled migration program

These changes recognise that the skilled migration program includes three distinct elements:

- The employer-sponsored pathway, where skilled migrants are sponsored into jobs that cannot be filled locally. Many of those granted an employer-sponsored visa are already in Australia working on a temporary visa.
- The government-sponsored pathway, where applicants are sponsored by state or territory governments to address skill shortages specific to the jurisdiction.
- The independent skilled pathway, where applicants are not sponsored and do not necessarily have a job to come to.

In the wake of the global financial crisis and the subsequent slowdown in the Australian economy, on 1 January 2009, the Government introduced the following measures:

- The processing of employer-sponsored skilled visa applications will be fast-tracked, as these visas reflect the skills currently needed by employers.
- State and territory governments have been given greater scope to sponsor the skills needed in their jurisdiction.
- Where people seek to migrate to Australia without a sponsor, they will only be given priority if they have an occupation on the critical skills list (CSL), which is focussed on medical and IT professionals and engineers.

Following those changes, on 16 March 2009, the Government announced the 2008–09 skilled migration program would be capped at 115 000. This cap applied to the independent skilled (non-sponsored) portion of the program, with employer-sponsored and government-sponsored visas remaining uncapped.

2009–10 Budget announcements

The priority arrangements implemented on 1 January 2009 will remain in place for the 2009–10 skilled migration program, which has a cap of 108 100 places.

This will ensure that employer-sponsored and government-sponsored visas continue to be fast-tracked and will remain uncapped.

The CSL will remain in place for those people seeking to migrate to Australia without a sponsor.

These arrangements ensure that only those with a job offer or skills in critical need will be given priority in the current economic climate.

In addition to those priority arrangements, the Government has also announced a tightening of the non-sponsored independent skilled pathway for trades occupations.

- The English language threshold will be increased from 5 IELTS to 6 IELTS, which means they will need to demonstrate a competent level of English. This change will apply from 1 July 2009 for people applying offshore and from 1 January 2010 for people applying onshore.
- A job readiness test will be introduced to complement the testing arrangements already in place for offshore applicants in some trades. This will ensure that applicants have the skills claimed. This change will apply from 1 January 2010.

Both of these measures recognise that a skilled migrant coming through the non-sponsored pathway must compete in the local labour market when they arrive (hence the need for higher language skills) and have demonstrated that they have the skills claimed.

Note, that under the priority arrangements, fewer trades-level occupations will be granted a visa in 2009–10.

All of these changes are in line with the Government's longer-term goal to shift the balance of the skilled migration program. Historically, the employer-sponsored and government-sponsored streams of the skilled migration program have collectively represented just 20 to 25 per cent of the skilled migration program while the majority entered through the non-sponsored independent skilled stream.

The Government has sought to shift that balance. In the 2008–09 skilled migration program, the employer-sponsored and government-sponsored streams will represent 43 per cent of the visa grants. In the 2009–10 skilled migration program, it is likely that the two sponsored streams will represent close to 50 per cent of visa grants, with a corresponding decline in the proportion of non-sponsored visa grants.