

## CHANGES TO THE GENERAL SKILLED MIGRATION PROGRAM

The General Skilled Migration program (GSM) consists of the visas available to skilled migrants who do not have an Australian employer to sponsor them – often referred to as “independent” or “points tested” migrants.

Changes to the GSM visas will be introduced on 1 September 2007. People who have made an application for a skilled visa on or before 31 August 2007 will not be affected by the changes.

Changes will include:

- increasing the English language threshold for GSM visa applicants
- rewarding GSM visa applicants who have very good English language proficiency
- greater emphasis on skilled work experience
- introduction of a new temporary work visa for graduates
- simplifying the GSM visa structure.

The threshold level of English language proficiency will be raised from an International English Language Testing System (IELTS) score of 5 (vocational) to 6 (competent) on all four components. However, applicants applying for trade occupations will be required to meet the current threshold of an IELTS score of 5.

Under the points test system, bonus points will be given to applicants who achieve English language scores above the threshold level and additional points will be allocated for skilled work experience in Australia.

**Note:** Migration Occupation in Demand List (MODL) points will only be awarded to applicants with at least 12 months experience in their nominated occupation or one that is closely related.

To ensure skilled migrants have the skills Australian employers need, there will be tighter requirements on links between study, work experience and nominated occupation.

International students who are unable to meet the new requirements for a *permanent* skilled visa will have an opportunity to apply to stay in Australia on a *temporary* visa for 18 months to build on their skills and work experience. This Skilled-Graduate (subclass 485) visa will have unrestricted work rights.

The changes aim to ensure that overseas students who decide to stay on in Australia after completing their studies have a much better chance of competing for jobs in their chosen vocation.

There are currently 15 GSM visa subclasses. Under the new visa structure, this will be reduced to nine visa subclasses - four offshore and five onshore. This new structure enables applicants to more easily identify the visa subclass best suited to their circumstances.

## BACKGROUND

The *Evaluation of the General Skilled Migration categories* examined the efficiency and effectiveness of the current structure and operation of the GSM visa categories and the associated points test in selecting skilled migrants who will address skilled labour needs and strengthen and augment the Australian labour force.

The full report is available from the Immigration Department's website at:  
<http://www.immi.gov.au/media/publications/research/gsm-report/index.htm>

The Evaluation was undertaken to test whether current GSM visa categories are addressing skill shortages by selecting people who have skills and attributes which will enable them to integrate quickly into our labour market and use the skills that they have gained.

The Evaluation was undertaken by three prominent independent academics – Dr Bob Birrell from Monash University, Associate Professor Leslyanne Hawthorne from the University of Melbourne and Professor Sue Richardson from Flinders University.

[Summary of changes to General Skilled Migration \(Independent or “Points Tested” visas\)](#)

The changes will take effect from 1 September 2007. They can be divided into two main categories:

### 1. Changes recommended by the Evaluation:

- Increase the English language threshold requirement for all GSM visas.
- Make the recent work experience requirement uniform across all offshore GSM visas
- Adjust the points test to:

(i) benefit applicants with:

- strong English language skills;
- Australian skilled work experience; and
- advanced Australian tertiary qualifications;

and

(ii) limit MODL points to applicants with work experience;

- Allow overseas students with 50 point occupations to apply for GSM in Australia;
- Create a temporary visa to enable overseas students to:
  - gain skilled work experience;
  - improve their English language skills; or
  - undertake a Professional Year

## 2. Other changes to improve the efficiency and effectiveness of the GSM program:

- simplify of the GSM visa structure

### Impact on Australian business and industry

The changes will benefit Australian businesses and industry as they will ensure that applicants with attributes which make them attractive to employers are those eligible for a GSM visa.

## VISA RESTRUCTURE

There are currently 15 different General Skilled Migration visas for migration to Australia.

During the course of the consultations on the Evaluation, there was strong support for simplifying the current visa structure. This will reduce the number of visa subclasses, making it easier for clients to identify the best visa option for their circumstances.

Under the new visa structure, the current 15 visas will be reduced to nine visa subclasses – four offshore and five onshore. From 1 September 2007, the new structure will enable applicants to easily identify the visa subclass best suited to their circumstances.

Old visa	New visa
Skilled - Independent (subclass 136) Skilled	Independent (subclass 175)
Skilled - State/Territory Nominated Independent (subclass 137)	Skilled – Sponsored (subclass 176)
Skilled - State/Territory Nominated Independent (subclass 137) – as permanent visa pathway from SIR	Skilled – Regional (subclass 887)
Skilled - Australian-sponsored (subclass 138)	Skilled – Sponsored (subclass 176)
Skilled – Independent Regional (subclass 495) <b>OFFSHORE</b>	Skilled – Regional Sponsored (subclass 475)
Skilled – Independent Regional (subclass 495) <b>ONSHORE</b>	Skilled – Regional Sponsored (subclass 487)
Graduate - Skilled (subclass 497) Skilled	Graduate (subclass 485)
Skilled – Designated Area-sponsored (subclass 496)	Skilled – Regional Sponsored (subclass 475)
Skilled – Onshore Independent New Zealand Citizen (subclass 861)	Skilled – Independent (subclass 175)
Skilled – Onshore Australian sponsored New Zealand Citizen (subclass 862)	Skilled – Sponsored (subclass 176)
Skilled – Onshore Designated Area sponsored New Zealand citizen (subclass 863)	Skilled – Regional Sponsored (subclass 475)
Skilled – Independent Overseas Student (subclass 880)	Skilled – Independent (subclass 885)
Skilled – Australian-sponsored Overseas Student (subclass 881)	Skilled – Sponsored (subclass 886)
Skilled – Designated Area-sponsored Overseas Student (subclass 882)	Skilled – Regional Sponsored (subclass 487)

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New visa: for applicants who have studied at recognised educational institutions overseas and who have skills that are in high demand	Skilled – Recognised Graduate (subclass 476) visa.

## POINTS TEST CHANGES

### English language – 25 / 15 points

In recognition of the importance of English language skills, the Points Test will be adjusted to award more points to applicants with very strong English language skills.

- Applicants with **proficient** English (a minimum score of IELTS 7.0 in each of the four components) will receive **25 points**
- Applicants with **competent** (a minimum score of IELTS 6.0 in each of the four components) or **vocational** English where the applicant has nominated a trade occupation (a minimum score of IELTS 5.0 in each of the four components) will receive **15 points**
- Applicants for a Skilled – Regional Sponsored visa with **Concessional competent English** (an average band score of IELTS 5.5) and who pay fees for English language tuition in a participating State or Territory will receive **15 points**

### Australian work experience – 10 points

Applicants will be able to claim **10 points** where they have recently completed a total of at least 12 months skilled Australian work experience:

- working in a paid position
  - at a skilled level
  - in the nominated occupation or in a closely related occupation on the Skilled Occupation List (SOL)
- OR
- completed a professional year for a total of at least 12 months in the past 48 months

Professional development courses acceptable for migration purposes will be listed on the Department's website closer to the implementation date.

### Australian educational qualifications – 25 / 15 points

The points for Australian education qualifications are being amended to better reflect the value of completing advanced studies in Australia.

Applicants who have completed an Australian **doctorate** as a result of at least two years study will now be eligible for **25 points**.

Applicants who have completed a total of **three years study** in Australia will be eligible for **15 points** if they have completed:

- a Bachelor degree and a Masters degree; or
- a Bachelor degree and Honours (at least second class (division 1)); or
- a Bachelor degree with Honours (at least second class (division 1)).

Applicants who have an **Australian degree, diploma or trade qualification** and who meet the two year study requirement will continue to be eligible for **five points**.

## Migration Occupations in Demand (MODL) points

Currently applicants receive 15 or 20 MODL points if their nominated occupation is on the MODL at the time they apply or at the time their visa is granted.

Under the new Points Test, to claim 15 MODL points applicants will also need a total of at least 12 months skilled work experience in that occupation or a closely related occupation.

Additional points will still be awarded where they also have a full-time job offer in that MODL occupation or a closely related occupation, provided the job offer is made by an organisation that had at least 10 full-time employees at all times in the 24 months immediately before the day on which the application was made.

#### Occupation and age points

Points for occupation and age are not changing under the new Points Test.

#### Combining points for Australian Work Experience / specific work experience / MODL

A person who has worked

- in a MODL occupation
- in Australia for a total of at least 12 months

may claim both MODL **and** Australian work experience points.

If they have worked

- in a MODL occupation
- in Australia
- for a total of at least three years

they may claim MODL **and** Australian work experience **and** specific work experience points.

If they have worked

- in their nominated occupation
- in Australia
- for at least three years

they may claim Australian work experience **and** specific work experience.

#### Points required for the new visa subclasses

The Minister is currently considering the settings for the new pass and pool marks for the new visa subclasses.

### ENGLISH LANGUAGE THRESHOLD

Applicants with better English language skills often find employment more quickly, are paid more and are more likely to be working in a skilled occupation.

From 1 September 2007, the English language threshold for all GSM visas will be increased from **vocational** English (minimum score of 5.0 in each of the four components of an International English Language Testing System (IELTS) exam) to **competent** English (minimum score of 6.0 in each of the four components of an IELTS exam).

Exceptions will apply for applicants who have nominated a **trade** occupation, or who have applied for a Skilled – Regional Provisional visa and have paid a fee to attend English language tuition in a participating state or territory.

Applicants who have a suitable skills assessment in a trade occupation will not be affected by the increase in the English language threshold requirement. They will still meet the English language threshold with **vocational** English.

#### More points for 'proficient' English

From 1 September 2007, the GSM points test will be adjusted to award 25 points to those who have proficient English (minimum score of 7 in each of the four components of the IELTS exam). Applicants who meet the English language threshold will be awarded 15 points.

#### Sponsored applicants

Applicants for the Skilled – Regional Sponsored (subclass 487 or 475) visa will meet the English language threshold if they have:

- competent English
- vocational English for applicants who have nominated a trade occupation (ASCO 4 occupation); or
- concessional competent English (achieving an overall band score of IELTS 5.5 and having paid the fee to attend English language tuition in a participating state or territory).

## Who is affected

As of 1 September 2007, applicants for

- all permanent GSM visas
- the new temporary Graduate -Skilled (subclass 485) visa ( a temporary visa that will allow students to remain in Australia for 18 months after completing their studies)
- the new temporary Skilled – Recognised Graduate visa – for students from overseas educational institutions recognised by the Minister with skills in high demand in Australia

will need

- **competent** English

or

- **vocational** English if they have a trade occupation (ASCO 4 occupation).
- Applicants for the provisional Skilled – Regional Sponsored visa (subclass 475 or 487) can have **concessional competent** English if they have paid the fee for English language tuition in a participating state or territory.

## WORK EXPERIENCE

The Evaluation revealed that, as well as requiring skilled workers with very good communication skills, Australian employers highly value skilled work experience. This has been reinforced during consultations with business and employer groups. Work experience and familiarity with the Australian labour market are considered to be strong indicators of students' job readiness. From 1 September 2007, GSM applicants who have completed at least 12 months skilled work experience in Australia in their nominated occupation or a closely related occupation will be awarded 10 points

As of 1 September 2007, the recent work experience requirement for offshore GSM visa will be the same for all applicants. Unless applicants have met the two year study requirement in the past six months, they will need to demonstrate that they have been employed in a skilled occupation for a total of 12 out of the past 24 months. As is currently the case, applicants will need to show that they have been working for at least 20 hours per week in a paid position. Under the new requirements applicants will not be considered to be 'employed' during extended periods of leave without pay, such as maternity or paternity leave. This will require applicants to show they have at least 20 hours per week in a paid position at a skilled level. (Work undertaken before completing their degree, diploma or trade qualification will not be considered unless they already had other qualifications in that field.)

From 1 September 2007, applicants will only be able to claim MODL points if they have been employed in that occupation or a closely related occupation for at least 12 months in the past four years. Not all overseas students will need to undertake additional work experience in Australia, if they do not need the additional points to pass the points test. They will be eligible to apply upon completing their studies, but if they do not have enough points, then they may find that an additional time spent working in Australia may improve their work and language skills so that they can obtain enough points to stay permanently.

## What is a professional year?

A professional year is a formally structured programme that usually involves both study and work experience. It serves to provide graduates with an introduction to their chosen occupation. In recognition of the value of these programmes in assisting former overseas students to become job ready, the Minister will specify certain professional year programmes as being acceptable for migration purposes.

Not all occupations will have a professional year that is recognised for migration purposes. Applicants who have completed a specified professional year in their nominated occupation or a closely related occupation will be awarded 10 points under the GSM points test. Under the GSM points test an applicant can be awarded points for completing either a recognised professional year, or undertaking 12 months skilled work experience in Australia – they cannot get points for both.

## SKILLED - GRADUATE VISA

### New Skilled – Graduate (subclass 485) temporary visa

This visa will be for overseas students who have completed at least two years study in Australia and who do not yet meet the requirements for a permanent GSM visa.

It will give these students an opportunity to remain in Australia for up to 18 months to gain the additional skills (eg English language or work experience) they need. The visa will assist former overseas students as it will allow them to work and live in Australia, enhancing their cultural awareness and giving them greater exposure to the Australian labour market.

Skilled – Graduate visa holders may choose to focus on improving their English language skills or gaining skilled work experience in the Australian labour market.

Alternatively they may choose to complete a professional year that has been specified by the Minister (where available in their chosen occupation).

Those applicants who can demonstrate at least 12 months Australian work experience in their skilled occupation or a closely related skilled occupation will be awarded 10 points under the points test. An example of working in a 'closely related' occupation would be if an applicant has nominated 'social worker' as their skilled occupation but has 12 months post-graduate work experience as a 'counsellor'. This will replace the 5 points currently awarded for six months Australian work experience. Applicants who do not have 12 months local skilled work experience but who have completed a professional year instead will also be awarded 10 points.

The Skilled – Graduate visa will not have any conditions restricting work or study.

The Skilled – Graduate visa will be valid for 18 months. There are no provisions to extend this visa beyond 18 months and visa holders who are unable to meet the requirements for another visa will be expected to leave Australia.

Skilled – Graduate visa holders can apply for an employer sponsored temporary or permanent visa, or an independent (points tested) visa at any time while they are on the Skilled – Graduate visa.

Employers may employ a Skilled – Graduate visa holder in any job, under normal Australian wages and conditions, for any period during their 18 month visa. If the worker is satisfactory, the employer can offer to sponsor them for a temporary or permanent visa. If an employer prefers not to sponsor the worker, but to make them a job offer, they can suggest the worker apply for an independent skilled visa once the worker has a high standard of English and enough work experience to get the points they need.