



# Planning Australia's 2021-22 Migration Program

## Migration in Australia

Australia owes much of its economic and social success to migration. As well as providing access to skilled workers who bring innovation, establish international connections, and boost the economy as consumers, migration has contributed to the diversity and social cohesion that has become a key part of Australia's national identity.

Australia's permanent Migration Program aims to maximise the economic and social benefits to Australia. Each year, Migration Program planning levels are set with Australia's immediate and longer-term needs in mind. This can be seen in the planning levels for the 2020-21 Migration Program which was targeted to support Australia's immediate response to the COVID-19 pandemic, while paving the way for future economic growth as we proceed into the post-pandemic recovery phase.

Traditionally, permanent migration has benefitted the economy by focussing on attracting skilled migrants who contribute to higher workforce participation rates and are less likely to draw on government services. The link between temporary and permanent migration is an important one as temporary visa holders establish social and employment links in Australia that may lead them to apply for a permanent visa.

A carefully balanced Migration Program will help Australia to recover from the impacts of the global COVID-19 pandemic and contribute to Australia's long term economic and social outcomes.

## Planning the permanent Migration Program

The Migration Program is planned annually, with program settings announced as part of the Federal Budget each year. [Attachment A](#) sets out the 2020-21 Migration Program planning levels, and the 2019-20 and 2018-19 Migration Program planning levels and program outcomes. Historical planning levels from 2008-09 to 2020-21 are set out in [Attachment B](#).

The Migration Program is currently managed through three streams – Skilled, Family and Special Eligibility. Skill and Family streams are made up of a number of visa categories (see [Attachment C](#) for a description of these categories). The Migration Program also includes a separate Child category which is demand driven and not subject to a planning ceiling.

- **Skill stream** improves the productive capacity of the economy and fills skill shortages in the labour market, including those in regional Australia.
- **Family stream** allows Australian citizens and permanent residents to reunite with close family members, including partners, and certain dependent relatives.
- **Special Eligibility stream** provides visas for those in special circumstances that are not provided for in other streams, including former residents, and visas granted under Ministerial Intervention.
- **Child category** allows parents to sponsor their child who is outside Australia to come to Australia.

## The 2020-21 Migration Program

The 2020-21 Migration Program was announced on 6 October 2020 alongside the Federal Budget. The 2020-21 Budget was delayed to ensure it could take into account the impacts of COVID-19 on Australia's changing economic needs.

The Migration Program planning ceiling for 2020-21 was retained at 160,000 to maximise flexibility for program delivery, allowing the program to accelerate or brake as required in response to the unpredictable trajectory of COVID-19 and uncertain economic conditions.

Planning levels across the 2020-21 Migration Program are:

- 79,600 places for the Skill stream;
- 77,300 places for the Family stream;
- 100 places for the Special Eligibility stream; and
- 3,000 places for Child visas managed outside the program ceiling.

Flexibility was also introduced into the Skill stream, with the Minister for Immigration, Citizenship, Migrant Services and Multicultural Affairs able to redistribute places across the Skill stream of the Migration Program in response to changing health, border and economic conditions.

Within the Skill stream priority was given to visa cohorts that drive economic growth and investment into Australia:

- the Business Innovation and Investment Program;
- the Global Talent Program; and
- the Employer Sponsored Program.

In 2020-21 the Skilled Independent category was reduced in order to focus on skilled migrants who would address immediate labour and economic needs. While Skilled Independent migrants have historically settled well and have been good contributors to Australia, sponsored skilled migrants have had stronger employment outcomes in the short-term, achieving higher rates of employment and labour force participation at the six month stage of settlement.<sup>1</sup>

## Considerations for planning the 2021-22 Migration Program

### ***Migration and population planning***

Migration offsets the challenges posed by our aging population, a trend that is expected to continue due to continued falls in the fertility rate and increasing life expectancy.

Net Overseas Migration (NOM) is linked to GDP growth, with a 2016 report by the Productivity Commission estimating that GDP per capita would be around 7 per cent higher by 2060 if NOM is maintained at 0.6 per cent of population, compared to a zero NOM scenario.<sup>2</sup>

Migration Program settings for 2021-22 will also take into consideration the Government's population planning objectives, including reducing pressure on Australia's major cities while allowing for improved city planning and infrastructure to be put in place, boosting development of regional and low-populated areas and managing sustainable population growth across Australia.

<sup>1</sup> Department of Home Affairs, *Continuous Survey of Australia's Migrants (CSAM)*, Cohort 5, 2018

<sup>2</sup> Productivity Commission 2016, *Migrant Intake into Australia*, Inquiry Report No. 77, Canberra.

The Department of Home Affairs will continue to engage with States and Territories to ensure that Migration Program settings are designed to fill genuine skill shortages and are sufficiently flexible to support the specific needs of jurisdictions.

### ***Attracting migrants to Australia***

As Australia navigates the impacts of COVID-19, a key challenge will be remaining competitive in attracting the skilled migrants required to support economic recovery in the wake of the global pandemic.

Given worldwide conditions, potential migrants will factor in a range of considerations in their planning.

Temporary migrants are a major source of permanent Skill stream visa applications in Australia. In 2019-20, 80 per cent of primary visa applicants within the Skill stream of the Migration Program were already in Australia at the time of application.

### ***Regional migration***

Migration has played an important role in the development of regional Australia. Providing opportunities for migrants to live and work in regional areas helps to ease pressure on infrastructure, housing, services and the environment in major cities. Regional Australia also offers employment opportunities, with ongoing skills shortages in regional areas. This led to the Government introducing two new skilled regional provisional visas in 2019 to encourage migrants to live and work in regional areas.

In 2020-21, the Migration Program's regional visa category was allocated 11,200 places to allow regions to benefit from migration, reduce congestion in major cities and assist in meeting regional labour shortages.

### **Seeking feedback**

When planning Australia's permanent Migration Program, the Australian Government aims to balance economic, social and demographic objectives and priorities. Setting the right balance depends on the quality and strength of the evidence available. We invite public submissions to inform the migration planning process, to help strengthen Australia's Migration Program and ensure it delivers strong outcomes for all Australians over the long term.

The Department of Home Affairs also welcomes views on how we can more effectively conduct public consultation on the permanent Migration Program in future program years.

The Department of Home Affairs invites submissions to [migration.policy@homeaffairs.gov.au](mailto:migration.policy@homeaffairs.gov.au) by **10 February 2021**.

### ***Questions for consideration in developing your submission***

1. How can the Migration Program settings facilitate economic growth while promoting Australian jobs, and enhance social cohesion, in the context of the challenges posed by the global pandemic?
2. To what extent can Australia's Migration Program's settings influence Australia's attractiveness as a destination for migrants with critical skills to assist Australia's economic recovery? What approach to these settings should the Government take?
3. How do we best support regional migration in order to meet the needs of Australia's regions?

## Attachment A: Migration Program 2018-19 to 2020-21 Planning Levels and Program Outcomes

Category	2018–19 Planning Levels	2018–19 Program Outcomes	2019–20 Planning Levels	2019–20 Program Outcomes	2020–21 Planning Levels
Employer Sponsored <i>Employer Nomination Scheme</i> <i>Regional Sponsored Migration Scheme (replaced)</i>	48,250	42,012 33,025 8,987	30,000	29,261	22,000
Skilled Independent	43,990	34,247	16,652	12,986	6,500
State/Territory & Regional Category* <i>State/Territory Nominated</i> <i>Skilled Regional</i>	28,850	25,993 25,346 647	49,968 24,968 25,000	44,867 21,495 23,372	22,400 11,200 11,200
Business Innovation and Investment Program	7,260	7,261	6,862	4,420	13,500
Global Talent Program**	N/A	N/A	5,000	4,109	15,000
Distinguished Talent	200	200	200	200	200
<b>Skill Total</b>	<b>128,550</b>	<b>109,713</b>	<b>108,682</b>	<b>95,843</b>	<b>79,600</b>
Partner	47,825	39,918	39,799	37,118	72,300
Parent	8,675	6,805	7,371	4,399	4,500
Other Family	900	524	562	444	500
<b>Family total</b>	<b>57,400</b>	<b>47,247</b>	<b>47,732</b>	<b>41,961</b>	<b>77,300</b>
Special Eligibility	565	115	236	81	100
<b>Total Migration Program</b>	<b>186,515</b>	<b>157,075</b>	<b>156,650</b>	<b>137,885</b>	<b>157,000</b>
Child ( <i>outside the Migration Program ceiling</i> )	3,485	3,248	3,350	2,481	3000
<b>Total permanent migration places</b>	<b>190,000</b>	<b>160,323</b>	<b>160,000</b>	<b>140,366</b>	<b>160,000</b>

\* From 2019-29 regional category consists of the new skilled regional visas (Skilled Employer Sponsored Regional (Provisional) (subclass 494) visa and Skilled Work Regional (Provisional) (subclass 491) visa) and the previous regional visas (Regional Sponsored Migration Scheme (subclass 187) visa and Skilled – Regional (Provisional) (subclass 489) visa). Visa applications for the subclass 187 and subclass 489 visas that were lodged prior to 16 November 2019 will continue to be processed and resulting visa grants will be counted towards places in the Regional category.

\*\* Global Talent (Independent) category commenced in the 2019–20 program year.

## Attachment B: Historical Migration Program planning levels and outcomes

Program Year	Planning Level	Program Outcome
2008-09	171,330	171,318
2009-10	168,700	168,623
2010-11	168,700	168,685
2011-12	185,000	184,998
2012-13	190,000	190,000
2013-14	190,000	190,000
2014-15	190,000	189,097
2015-16	190,000*	189,770
2016-17	190,000	183,608
2017-18	190,000	162,417
2018-19	190,000	160,323
2019-20	160,000	140,366**
2020-21	160,000	-

\*Planning level changed from a planning target to a planning ceiling.

\*\*From March 2020 the introduction of travel restrictions related to COVID-19 limited the number of arrivals in Australia, affecting Program outcomes for the 2019-20 year.

## Attachment C: Migration Program Streams and Categories

The Skill and Family streams consist of a number of categories. The following table outlines the descriptions of each of the categories in the 2019-20 Migration Program.

Skill stream – visa categories	
Employer Sponsored	Fills identified skill shortages in the medium to long-term.
Skilled-Independent	Addresses Australia's long-term labour market needs by expanding its human capital through young, highly skilled migrants with advanced English language proficiency.
State/Territory Nominated	Supports labour market needs by providing skilled migration specifically for states and territories.
Regional <i>Skilled Employer Sponsored Regional</i> <i>Skilled Work Regional</i>	Supports regional businesses and states and territories to nominate skilled migrants to fill skills shortages in regional Australia.  Visa applications for previous regional visas (subclass 187 and subclass 489 visas) that were lodged prior to 16 November 2019 will continue to be processed and resulting visa grants will be counted towards places in the Regional category.
Business Innovation and Investment Program	Encourages economic activity by increasing entrepreneurial talent and diversifying business expertise in Australia.
Global Talent Program	Benefits Australia by seeking specialised individuals who are at the top of their field in growth industries and can provide opportunities for businesses, entrepreneurs and individuals to share innovative ideas, skills and experience.
Distinguished Talent	Benefits Australia by attracting individuals who have an internationally-recognised record of exceptional and outstanding achievement in a profession, a sport, the arts, academia and research.

Family stream – visa categories	
Partner	Allows Australian citizens, permanent residents or eligible New Zealanders to sponsor their partner to live in Australia. This is the largest category in the Family stream.
Parent	Allows Australian citizens, permanent residents or eligible New Zealanders to sponsor their parents to live in Australia.
Other Family	Allows family members to sponsor carers, remaining relatives or aged dependent relatives to live in Australia.