



[https://www.aph.gov.au/About\\_Parliament/Parliamentary\\_departments/Parliamentary\\_Library/Budget/reviews/2024-25/Immigration](https://www.aph.gov.au/About_Parliament/Parliamentary_departments/Parliamentary_Library/Budget/reviews/2024-25/Immigration)

# Immigration

## Budget Resources

Dr Susan Love

### Net overseas migration and migration planning levels

The budget papers provide forecasts for net overseas migration (NOM), with the figure expected to decline from the outcome of 528,000 in 2022–23 to 395,000 in 2023–24 and 260,000 in 2024–25 (*Federal financial relations: budget paper no. 3: 2024–25*, p. 130).

NOM is the difference between arrivals to Australia and departures from Australia and includes both migrants and Australians. Migrant arrivals to Australia are counted in NOM if they are in Australia for a total of 12 months or more during a 16-month period. The forecasts for NOM are produced by the [Centre for Population](#) within the Treasury, and outcomes are calculated by the [Australian Bureau of Statistics](#). Outcomes figures are revised as the ABS updates its calculations of arrivals and departures over the relevant 12-out-of-16-month period – the figure of 518,000 for 2022–23 in its December release has since been updated to 528,000.

NOM differs from the number of places available in the permanent Migration Program. NOM includes both permanent and temporary migrants (including [New Zealand citizens](#)) as well as Australians entering and leaving Australia. **The Migration Program is decided by the government each year and sets the number of permanent visas to be granted** across Skill, Family and the small Special Eligibility categories (not including the [Humanitarian Program](#)).

Many people granted visas in the permanent Migration Program are already in Australia at the time of visa grant, and will already have been counted in NOM. The Department of Home Affairs' [2022–23 Migration Program report](#) shows that over the 11 years to 2022–23, as an average of the annual proportions, 60% of Skill stream visas and 42% of Family stream visas were granted to people who had applied in Australia rather than overseas (Parliamentary Library calculations based on pp. 26–27; proportions were higher during the COVID-19 pandemic when travel restrictions prevented many new migrants from coming to Australia).

People in Australia who are granted permanent visas will have entered on a temporary visa. Temporary visa holders are the largest contributing group to [migrant arrivals](#), and most temporary visa categories are demand-driven (not capped). International students are the largest group of migrant arrivals, accounting for some 283,000 out of 737,000 arrivals in 2022–23. **The government is proposing to limit the numbers of international students by legislating to provide the Minister for Education with the power to determine caps for international students for an institution, location or course** – refer to the *Budget review 2024–25* article 'Australian Universities Accord'.

Due to the impact of travel restrictions during the COVID-19 pandemic, [NOM was negative](#) in 2020–21 (-85,000). Migration patterns have not yet returned to a pre-pandemic pattern, with the [Centre for Population noting](#) that flows of temporary migrants in particular are reflecting a ‘catch-up’ trend. Because there are more recent temporary migrants, there are also fewer migrants departing. The [ABS predicts](#) that:

Many of those now arriving on temporary visas however, such as international students, will start to leave as their studies finish over the coming years, which will have a downward impact on net overseas migration in the future.

The forecasts in the budget papers project that NOM will return to the historical trend of 235,000 by 2026–27 (*Budget paper no. 3*, p. 130).

Debate continues over planning for migration levels, with post Budget [media reports citing a range of experts](#) debating how migration policies may or may not influence NOM, economic growth and housing shortages. The Opposition Leader Peter Dutton in his [Budget in reply speech](#) announced a Coalition policy to cut the permanent Migration Program by 25% to 140,000 places for each of the first 2 years of its prospective term of government, before increasing it to 150,000 and 160,000 places in subsequent years.

## Implementing the Migration Strategy

The government released its [Migration strategy: getting migration working for the nation](#) (the Migration Strategy) in December 2023. The Migration Strategy was developed in response to the [Review of the migration system](#) (the Migration Review, also known as the Parkinson Review), released in March 2023.

The 2024–25 Budget contains measures to continue the implementation of the 5 core objectives and 8 key actions as set out in the Migration Strategy (pp. 12–13) and to respond to the recommendations of the [Rapid review into the exploitation of Australia’s visa system](#) (the Nixon Review) presented to the government in March 2023. A range of resourcing measures to support the new initiatives and the ongoing work of the Department of Home Affairs are also provided for. Other elements of the Migration Strategy are still in development, with the government’s [action plan](#) for the strategy giving indicative timeframes for implementation throughout 2024.

## Migration Program

The Migration Strategy committed to a multi-year planning model for the permanent Migration Program (pp. 79–80). As noted above, Migration Program planning figures are currently set each year and the overall level is announced as part of the Budget. [A breakdown of the allocations to visa categories, as well as nomination allocations for applicable visas to state and territories, is published on the Home Affairs website.](#) The budget measure ‘Permanent Migration Program – 2024–25 planning levels and multi-year planning’ (*Budget measures: budget paper no. 2: 2024–25*, p. 8) states that multi-year planning will take effect from 2025–26 and will extend over a time-frame of 4 years.

The [planning level](#) for 2024–25 is 185,000 places, a slight decrease from the 2023–24 level of 190,000 which was in turn a slight decrease from the 2022–23 level of 195,000 (*The administration of the immigration and citizenship programs, 11th edition*, p. 24). The budget measure is expected to reduce both receipts (by \$70.0 million) and payments (by \$102.7 million) over the forward

estimates (*Budget paper no. 2*, p. 8). The reduction in revenue is largely due to reduced taxation from fewer migrants, but it would also be expected that there would be fewer migrants accessing certain government services. In addition, the measure states that the multi-year planning model ‘will enable better cross-government planning in the future’ (p. 8), perhaps resulting in efficiencies.

With the multi-year model not due to begin until 2025–26, the budget measure does not give any detail on how this will be implemented. The Migration Strategy stated that the new model will be designed and managed in consultation with the states and territories through an annual Ministerial Migration Roundtable in order to give them:

... a greater role in determining their migration needs, especially in the regions, and demonstrate the commitment of governments at all levels to planning in the national interest and to supporting cohesive policy efforts. (p. 80)

Possible models for multi-year planning include Canada’s [Immigration Levels Plan](#), under which permanent resident admissions targets for the forthcoming 3 years are planned on a rolling basis, with the ‘notional targets’ beyond the first year to be ‘confirmed or adjusted by November 1 of each year’. The Canadian Government conducts annual consultations on the planning levels. The [2024 round of consultations](#) includes a proposal to include temporary resident arrivals in the plan as well as permanent resident admissions.

### **Migrant workers and skills**

[Budget paper no. 2](#) notes that the Migration Program allocates about 70% of places to the Skill stream for 2024–25 (p. 8). This is broadly consistent with recent years, except for during the COVID-19 pandemic when places were more orientated to the Family stream (see the *Budget review 2023–24* article ‘[Immigration](#)’).

The ‘Migration system reforms’ budget measure (*Budget paper no. 2*, p. 136) covers a number of initiatives relating to migrant workers drawing on the Migration Strategy but stemming from earlier reviews and recommendations.

In February 2024, parliament passed the [Migration Amendment \(Strengthening Employer Compliance\) Act 2024](#), which implemented a number of measures aimed at protecting temporary migrant workers from exploitation, including through implementing recommendations 19 and 20 of the 2019 [Report of the Migrant Workers’ Taskforce](#) which target employers of migrant workers. The legislation was part of a package of measures on migrant worker exploitation [announced in June 2023](#) and built upon in the Migration Strategy. Key action 4 of the Migration Strategy on ‘tackling worker exploitation and the misuse of the visa system’ (pp. 72–77) included an item on ‘helping migrants understand their workplace rights to reduce worker exploitation’. The budget measure provides \$15.0 million over 3 years from 2024–25 for information and education activities to progress this item.

The [Mid-year economic and fiscal outlook 2023–24](#) had already provided a number of measures, including additional resourcing for the Department of Home Affairs and other agencies, for ‘Migration system integrity’ and ‘Migration system reforms’ (pp. 271–273). The ‘Migration system integrity’ measure included \$10.2 million over 4 years from 2023–24 to enhance the investigative capacity of the Office of the Migration Agents Registration Authority (p. 271). The Migration

Strategy included a commitment on ‘better regulated migration agents to crack down on unscrupulous activity’ (p. 75), a response to the [Nixon Review’s](#) findings on exploitative behaviour by migration agents (pp. 10–14).

A recent [Australian National Audit Office report](#) found that the Department of Home Affairs’ regulation of migration agents ‘is not effective’ (p. 8), suggesting further reform is necessary. The report’s recommendations centre around the department improving its planning and strategic processes and making greater use of the powers provided to it by the [Migration Act 1958](#).

The Migration Strategy flagged development of a new ‘innovation’ visa (p. 59), which it suggested would replace both the existing [Global Talent visa](#) – which provides a small number of migration places for very highly skilled and talented migrants – and the [Business Innovation and Investment visa program \(BIIP\)](#). The budget measure ‘Migration system reforms’ includes \$1.4 million in 2024–25 to close the BIIP and implement a new National Innovation visa ‘to target exceptionally talented migrants who will drive growth in sectors of national importance’ (*Budget paper no. 2*, p. 136).

While some [stakeholders in the financial sector](#) have been [supportive of the BIIP](#), in particular the Significant Investor stream, criticism of the effectiveness of the program has been sustained over a number of years. In 2016, the [Productivity Commission](#) found that:

some components of the Business Innovation and Investment Programme (BIIP) contribute to economic activity, but there is no evidence to suggest it is greater than other programs. Moreover, **the BIIP does not appear to achieve its trade and innovation goals.** (p. 435)

A [Grattan Institute report in 2022](#) compared the BIIP with other categories in the permanent skilled migration program on factors including earnings, age, and skills and qualifications. It drew on Treasury modelling to show that ‘on average, each BIIP visa-holder costs the Australian taxpayer \$120,000 over their lifetimes because they tend to be older when they arrive here and earn much less than other skilled migrants’ (p. 51). The report recommended abolishing the BIIP in favour of allocating more places to other skilled visas in the Migration Program (p. 52). The [Migration Review](#) noted these findings and recommended reconsidering the BIIP’s settings, potentially retaining some elements of the Significant Investor stream (p. 64–66).

Given the lead-up to the budget announcement, the business and investment sector has likely been prepared for the closure of the BIIP. The Migration Strategy had noted that pending development of the new innovation visa, ‘the Government will not provide any new allocations for the BIIP visa’ (p. 59). Allocations of migration places to the BIIP have been significantly reduced in recent years – 1,900 places were allocated in 2023–24, down from 5,000 the year before and down from a pandemic-era high of 13,500 places prior to that ([The administration of the immigration and citizenship programs, 11th edition](#), p. 24).

All online articles accessed May 2024

For copyright reasons some linked items are only available to members of Parliament.

[https://www.aph.gov.au/About\\_Parliament/Parliamentary\\_departments/Parliamentary\\_Library/Budget/reviews/2024-25/Immigration](https://www.aph.gov.au/About_Parliament/Parliamentary_departments/Parliamentary_Library/Budget/reviews/2024-25/Immigration)

<https://immi.homeaffairs.gov.au/what-we-do/migration-program-planning-levels>

# Migration Program planning levels

On 14 May 2024, the Australian Government announced that the planning levels for the 2024–25 permanent Migration Program (Migration Program) will be set at 185,000 places.

The permanent Migration Program will help fill skills shortages in priority sectors and **prioritise visa processing for regional Australia** while we are building the domestic pipeline of highly skilled workers.

The 2024–25 Migration Program also recognises the strong contribution all migrants make to social cohesion. It focuses on strengthening family and community bonds in Australia.

A well-targeted, skills focussed Migration Program supplements the cohort of working-age people. It helps boost participation rates and the size of the labour force.

The 2024–25 permanent Migration Program has the following composition:

- **Skill stream** (132,200 places, approximately 71 per cent of the program) – This stream has been designed to improve the productive capacity of the economy and fill skill shortages in the labour market, **particularly those in regional Australia**.
- Family stream (52,500 places, approximately 28 per cent of the program) – This stream is predominantly made up of Partner visas, enabling Australians to reunite with family members from overseas and provide them with pathways to citizenship. Of this stream:
  - 40,500 Partner visas are estimated for 2024–25 for planning purposes, noting this category is demand driven.
  - 3,000 Child visas are estimated for 2024–25 for planning purposes, noting this category is demand driven.
- Special Eligibility stream (300 places) – This stream covers visas for those in special circumstances, including permanent residents returning to Australia after a period overseas.

Migration Program planning levels as announced as part of the 2023–24 and 2024–25 Federal Budgets

<b>Visa Stream</b>	<b>Visa Category</b>	<b>2023–24 Planning levels</b>	<b>2024–25 Planning levels</b>
<b>Skill</b>	Employer Sponsored	36,825	44,000
	Skilled Independent	30,375	16,900
	Regional	32,300	33,000
	State/Territory Nominated	30,400	33,000
	Business Innovation & Investment	1,900	1,000
	Global Talent (Independent)	5,000	4,000
	Distinguished Talent	300	300
	<b>Skill Total</b>	<b>137,100</b>	<b>132,200</b>
<b>Family</b>	Partner <sup>1</sup>	40,500	40,500
	Parent	8,500	8,500
	Child <sup>1</sup>	3,000	3,000
	Other Family	500	500
	<b>Family Total</b>	<b>52,500</b>	<b>52,500</b>
	Special Eligibility	400	300
<b>Total Migration Program</b>		<b>190,000</b>	<b>185,000</b>

<sup>1</sup> Delivery of the Partner and Child visa categories are demand driven, with indicative planning levels only.

## 2024–25 permanent Migration Program planning levels

The 2024–25 permanent Migration Program has been set at a planning level of 185,000 with an approximate 70:30 split between the Skill and Family streams.

### Employer Sponsored visa category

The Government has increased the planning level for Employer Sponsored from 36,825 visas in 2023–24 to 44,000 visas for the 2024–25 permanent Migration Program.

This planning level builds on the expanded pathway to permanent residence introduced by the Government from November 2023. It will allow a greater proportion of temporary migrants to secure permanent residence in a timely manner through the Temporary Residence Transition Stream.

### State/Territory Nominated visa category

The Government has increased the planning level for the State/Territory Nominated category to 33,000 visas, and the planning level for the Regional category to 33,000 visas for the 2024–25 Migration Program.

Together these categories, which both contain visas nominated by state and territory governments, account for 36 per cent of the overall planning level and 50 per cent of the Skill stream.

Increasing the planning levels for the State and Territory Nominated and Regional categories will allow jurisdictions to attract skilled migrants to meet their specific economic and labour force challenges. Increases to the Regional category planning level will also support key commitments in the Migration Strategy to support regional Australia, in addition to priority visa processing.

### Skilled Independent visa category

In the 2024–25 Migration Program, the Government has allocated 16,900 places for Skilled Independent visas. This is a decrease compared to the 2023–24 program allocation of 30,375 places, but still well above the COVID-era planning levels of 7,500 and 6,500 places in 2020–21 and 2021–22 respectively.

### Business Innovation and Investment Program (BIIP) visa category

The Government has reduced the planning level for the BIIP from 1,900 visas in 2023–24 to 1,000 visas for the 2024–25 permanent Migration Program.

As part of the Migration Strategy, the Government announced that it would **not provide any new allocations for the BIIP** while a new talent and innovation visa was considered. This new visa – to be called the National Innovation visa – will be available at the end of 2024.

**The BIIP will be closed permanently from July 2024 and new applications for the Business Innovation and Investment (Provisional) (subclass 188) visa will no longer be able to be lodged.** The Migration Review concluded that **the BIIP is delivering poor economic outcomes for Australia.** This has been supported by other studies, including work undertaken by the Treasury, Productivity Commission and the Grattan Institute.

Subclass 188 BIIP visa applications that have been lodged will continue to be processed in line with Government priorities and the Migration Program planning levels. BIIP policy guidance will be tightened to ensure that all business migrants coming to Australia through this program have overall had a successful business career and will bring an economic benefit to Australia.

Those who hold a subclass 188 visa and meet the relevant criteria for the grant of the Business Innovation and Investment (Permanent) (subclass 888) visa will still be able to continue on this pathway after July 2024.

Reducing the planning level for BIIP will ensure the 2024–25 permanent Migration Program is focussed on highly-skilled individuals who will help to support a stronger, more robust, economy.

## **Global Talent visa category**

The Government has slightly reduced the planning level for the Global Talent Visa Program to 4,000 visas for the 2024–25 Migration Program.

This planning level aligns with the Government’s broader reforms around talent and innovation, and accounts for the last year of the Global Talent visa program as it transitions to new arrangements using the forthcoming National Innovation visa. Through the new visa, the Government will provide a permanent visa pathway for the most exceptional talented migrants – such as high performing entrepreneurs, major investors and global researchers. **National Innovation visas granted in 2024-25 will be counted within the Global Talent visa Program.**

Home Affairs will manage the transition to the new National Innovation visa to ensure applicants, including existing applicants of the Global Talent visa, are supported in the application process. Existing Global Talent visa applicants will not be adversely affected by the transition. Visa applicants will be assessed against the eligibility criteria at the time of their application.

## **Family stream**

The Government has maintained the size of the family stream. Family migration is an important element of Australia’s migration system. It allows Australian citizens and permanent residents to reunite with their family members and contribute to stronger social cohesion outcomes. The Australian Government recognises that immigrant parents can make valuable social contributions to their families and local communities.

The Partner visa category is the largest component within the family stream. From 2022–23, the Partner program moved to a demand driven model which:

- recognises the social, economic and demographic benefits of family reunification and the Partner visa program in particular
- provides the flexibility to adjust the program in line with expected demand and help to reduce the Partner visa pipeline and processing times for many applicants.

The Parent visa program has been maintained at 8,500 places while the Other Family (including Aged Dependent Relative, Remaining Relative and Carer programs) visa category has been maintained at 500 places.

The Child visa program allows Australian residents to sponsor their dependent or adopted child or an orphaned relative. The Child program is demand-driven and remains set at 3,000 places for planning purposes only. The Australian Government prioritises the reunification of a child with an



Australian parent or family sponsor. This ensures we uphold our international obligations to consider the best interest of a child as a primary consideration.

## **2024–25 permanent Migration Program consultation**

The size and composition of the Migration Program is set each year alongside the Australian Government's Budget process.

To inform the planning levels and policy settings of the 2024–25 Migration Program, consultation occurred with:

- state and territory governments
- academia
- industry
- unions
- community organisations.

When planning the Migration Program, the Australian Government considers the following:

- Public submissions
- Economic and labour force forecasts
- International research
- Demand for permanent visa programs
- Net overseas migration
- Economic and fiscal modelling.

The Department invites public submissions as part of the planning process for future Migration Programs. Submissions to inform the 2024–25 Migration Program have now closed. For more information, see [Australia's 2024–25 Migration Program](#).

## State and territory nominated visa categories – nomination allocations

Under the Migration Program settings, nomination allocations are available to states and territories in the following visa categories:

- Skilled – Nominated (subclass 190)
- Skilled Work Regional (Provisional) (subclass 491)

States and territories each assess eligible applicants against criteria unique to their jurisdiction.

Further information on state and territory nomination requirements can be found at:

- ACT – [Migration](#)
- NSW – [Visas and migration](#)
- VIC – [Live in Melbourne](#)
- QLD – [Business & Skilled Migration Queensland](#)
- NT – [Migrate](#)
- WA – [Business Migration Western Australia](#) (BIIP) or [Skilled Migration Western Australia](#) (190 and 491 visas)
- SA – [Move to South Australia](#)
- TAS – [Migration Tasmania](#)

The Department processes existing on-hand applications and new applications nominated by a state or territory in line with the permanent Migration Program planning levels and [skilled visa processing priorities](#).

## 2024–25 state and territory nomination allocations

Nomination allocations are the number of new primary applicants each state or territory can nominate in a program year. New applications are added to the existing on-hand caseload in these visa categories.

Nomination allocations do not reflect the total number of visa applicants in these categories and do not limit the number of visas able to be granted in these visa categories.

The Department of Home Affairs will publish the nomination allocations for each jurisdiction for the 2024–25 Migration Program in due course. Nomination allocations for the 2023–24 Migration Program are included below.

### 2023–24 state and territory nomination allocations

State	Skilled Nominated (Subclass 190) visa	Skilled Work Regional (Subclass 491) visa	Business Innovation and Investment Program (BIIP)*
ACT	600	600	0
NSW	2,650	1,500	0
NT	250	400	0
QLD	900	650	0
SA	1,100	1,200	0
TAS	600	600	0
VIC	2,700	600	0
WA	1,500	850	0
<b>Total</b>	<b>10,300</b>	<b>6,400</b>	<b>0</b>

\* No new allocations have been given for the BIIP.

The Department has enough applications on-hand to meet the 2023–24 planning level for the BIIP.

## **Net overseas migration – relationship with the permanent Migration Program**

The permanent Migration Program is only one component of net overseas migration (NOM). NOM includes temporary migration, such as Working Holiday Makers and Students. It also includes Australian citizens, New Zealanders and Humanitarian migrants.

The size of the permanent Migration Program has decreased since 2022–23 and it is not the cause of recent volatility in NOM. Around 60 per cent of visas under the permanent Migration Program are granted to migrants already onshore and in the community, residing in established households at the time of visa grant. This minimises the permanent Migration Program’s near-term impact on housing, infrastructure and services.

You can find further details about NOM on the [Australian Bureau of Statistics website](#). Details about NOM projections are at the [Centre for Population’s National Projections](#).

## **Multi-year planning model for migration**

From 2025–26, the Migration Program will move to a multi-year planning model, extending the Program planning horizon to four years from the current twelve month cycle.

Extending the outlook of Australia’s Migration Program will enable migration planning to better align with longer-term infrastructure, housing and services planning across all levels of government. The multi-year approach will incorporate housing supply as one of the key factors to shape the broad direction of long-term migration planning.

Public consultation on the size and composition of the first four-year cycle (covering 2025–26 to 2028–29) will commence later this year.