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Planning Australia's 2024–25 permanent Migration Program

Discussion paper

Consultation process

In planning Australia's annual permanent Migration Program (the Migration Program), the Australian Government seeks to maximise benefits to Australia to continue to advance our longer-term national interests. A Migration Program that sets the right balance contributes to our ongoing economic and social success, and we want you to be part of the discussion.

To support the planning of the Migration Program, the Department is conducting a consultation process to enable all Australians to have a say. We are committed to engaging with you to ensure that planning of the 2024–25 Migration Program considers real-world impacts to our industries and communities, and delivers strong, evidence-based solutions.

This discussion paper provides context and detail on key issues for consideration in the Government's deliberations. The Department welcomes views on the issues and questions raised in this paper.

Providing a submission

As part of our long-standing annual consultation process, we are pleased to invite public submissions to inform the planning of Australia's Migration Program for 2024–25.

When providing your submission please draw on your own unique expertise, experience and perspective to consider the **primary question**:

*What is the ideal **size** and **composition** of Australia's 2024–25 permanent Migration Program and why?*

We also welcome your views on **supplementary questions** about Australia's migration settings:

- How can migration policy settings better support social cohesion outcomes in Australia?
- How can migration policy settings support Australia's ongoing economic prosperity and fairness?
- How should we factor in the impact and opportunities of migration on Australian communities, including in terms of access to services such as health, education, housing and infrastructure?

Please upload your submission via this [webform](#). Submissions close on **17 December 2023**.

We welcome your ideas and look forward to receiving your submissions.

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Australia's permanent Migration Program

As a proudly multicultural country, immigration is a vital feature of Australia's national story and identity. Our rich history of welcoming migrants from around the world has contributed greatly to the prosperity and cohesion we enjoy today. Australia's Migration Program helps to secure these interests, and is designed to meet our ongoing economic, demographic and community needs.

The Migration Program is comprised of three streams: Skilled, Family and Special Eligibility. Note that Partner and Child visa categories are demand driven, and therefore have nominal planning levels and operate within the Migration Program for planning purposes. Details of these visa streams is at **Attachment A**.

The Australian Government decides the number of places available across the three streams in the Migration Program as part of the annual Budget process, taking into account a range of factors including the key issues outlined in this discussion paper, your views and public submissions, and the number of on-hand visa applications across visa streams. **Attachment B** sets out the Migration Program planning levels and program outcomes in recent years.

The Humanitarian Program is separate, to provide a clear balance between Australia's international humanitarian objectives and the domestic, social and economic goals of the Migration Program.

Objectives of the Migration Program

Economic benefits

Migration is a key contributor to Australia's economic prosperity, fostering growth and resilience in an increasingly interconnected world. Migrants contribute to both Australia's total GDP and GDP per person, and play an important role in both the demand and supply side growth of our economy¹. Skilled migration in particular can support productivity growth by offsetting Australia's ageing population, improving labour force participation, and helping businesses to source skills that are difficult to develop at short notice. Migration should not be a substitute for investing in the skills of Australians, however a well-targeted migration system can improve productivity for Australian businesses and workers by complementing skills, improving connections to international markets and boosting innovation.

Social benefits

The Migration Program plays an important role in delivering positive social outcomes for our community and our nation as a whole. Family reunification through migration strengthens social bonds by not only ensuring the unity of loved ones, but also promoting a sense of belonging and support amongst our multicultural communities. Australia is one of the most successful multicultural societies in the world. We enjoy high levels of social cohesion and broad public support for our immigration program. We benefit greatly from the people-to-people links generated by migration, leading to the exchange of ideas, traditions and experiences that contribute to social cohesion and harmony.

Population planning

Permanent migration plays a crucial role in Australia's ability to plan for population growth and address specific demographic challenges, helping set Australia up for a stronger, more prosperous and sustainable future. This includes an opportunity for regional Australia to meet growing economic needs through skilled migration. In particular, migration can position both regional and metropolitan areas of Australia to better meet the challenges of an ageing population. The 2023 Intergenerational Report highlights how migration can help slow population ageing. In 2021–22, 76 per cent of new migrants were of working age (15 to 34 years) compared to 27 per cent of the incumbent population². The Government is also working with state, territory and local government to develop a national Population Plan to detail how government will work together to plan for future population change and address housing, infrastructure and service needs.

¹ [Shaping a Nation - Population growth and immigration over time](#)

² [Intergenerational Report 2023 \(treasury.gov.au\)](#)

Environmental scan

Migration reform

On 2 September 2022, the Minister for Home Affairs, the Hon Clare O’Neil MP, announced Dr Martin Parkinson AC PSM, Professor Joanna Howe and Mr John Azarias would lead a comprehensive review of Australia’s migration system. The 2023 Review of the Migration System (the Review), which was finalised in March 2023, provided comprehensive insight into current challenges and options for future reform for Government consideration, including regarding the planning of the permanent Migration Program.

Currently, our Migration Program is planned annually. The Migration Review found that Australia needs long-term and holistic migration planning. A longer term planning horizon would enable us to better plan for and respond to strategic challenges, in close partnership with states and territories as well as through private sector investment.

During 2023, National Cabinet has agreed to better coordinate Australia’s migration settings to ensure migration meets the local needs of communities across the country. This includes through the development of a principles-based multi-year planning model for migration, with greater collaboration with states and territories. Extending the outlook of Australia’s Migration Program will help enable our nation to better align migration planning with population, infrastructure, housing and services investment across all levels of government. It is expected that preferred options for a multi-year planning model will be considered by Government for possible implementation from 2025–26.

Net overseas migration

Net overseas migration (NOM) is a demographic concept to determine who is counted as part of the Australian Bureau of Statistics (ABS) population statistics. It includes Australian citizens, and temporary and permanent migrants. Recent NOM outcomes have been higher than forecast at Budget but is expected to moderate over subsequent years.

The high NOM for the 12 months to 31 March 2023 partly reflects a one-off catch-up from the net outflow caused by the pandemic. It has been driven largely by the recovery of international student arrivals, record skilled labour shortages, and low unemployment. The size of the permanent Migration Program has not increased since 2022–23 and it is not the reason for the recent increases in NOM.

The Intergenerational Report 2023 notes that future NOM is dependent on several factors, but is expected to account for 0.6 percentage points of Australia’s average annual population growth, falling from 1.0 percentage points in 2024–25 to 0.6 percentage points by 2062–63³.

Housing

Migration can impact both supply and demand dynamics of our housing and rental markets, and should be considered alongside other relevant factors influencing housing availability. While the permanent Migration Program does have some impact on the demand for housing, it also helps to increase supply by addressing skills shortages that restrict the availability. The construction industry has reported challenges in finding enough locally-trained qualified trades people to meet demand, and highlighted skilled migration as a mechanism to address labour supply issues⁴.

Australian Bureau of Statistics data and Reserve Bank of Australia research indicates that the Australian population ‘spread out’ during COVID such that the housing vacancy rate and the average number of occupants per dwelling were both lower when borders fully reopened in February 2022, than before COVID. A compounding factor is that new housing approvals were declining before COVID, thus creating the environment for housing shortages in 2022-23.

³ [Intergenerational Report 2023 \(treasury.gov.au\)](https://www.treasury.gov.au)

⁴ [ACA Submission Migration Review December-2022.pdf \(constructors.com.au\)](https://www.constructors.com.au)

International competition

Australia continues to attract migrants by providing strong social cohesion, high-quality education and pathways to permanent residency. In the OECD Indicators of Talent Attractiveness (ITA) 2023, highly educated workers ranked Australia as the fourth most desirable working location in the world following New Zealand, Sweden and Switzerland⁵. Many OECD countries are continuing to enhance their migration policies to attract skilled migrants amidst global accelerating skills shortages. Australia must innovate and respond to remain relevant in the context of global focus on migration planning to attract skilled migrants.

Planning levels – international comparison



Australia's 2023–2024 Permanent Migration Program was set at 190,000 places. Since the early 2000s, our Migration Program has adopted a pattern of 70/30 split between the Skill and Family streams (with the exception of 2020–21 and 2021–22 due to the impacts of COVID-19).

Canada adopted its Provincial Nominee Program (PNP) as part of its 2023–2025 Immigration Levels Plan. Targets for new permanent residents for Canada's multi-year planning currently sit at 465,000 for 2023, 485,000 for 2024 and 500,000 for 2025⁶.



New Zealand does not have a formal limit on its annual intake of skilled migrants under its Skilled Migrant Category Resident Visa and announced changes from October 2023 to allow for a new simplified points system that sets a clearer threshold for residence, including the requirement for visa applicants to have a job offer. This will allow highly skilled migrants to gain permanent residency within a shorter period of time while setting a clearer threshold and additional pathways for lower skilled migrants.

The **United Kingdom** avoids specifying levels or targets for legal migration, instead focusing on who can migrate to the UK via a points-based system, which requires visa applicants to have a job offer⁷. Since 2021, the UK's points-based immigration system has prioritised skilled migrants by removing the limit of skilled workers who can migrate to the UK and tightening control to reduce other pathways.⁸



The *Immigration Act 1990* allows the **United States of America** to grant up to 675,000 permanent migrant visas annually, with 140,000 dedicated to Employment-Based visas 480,000 Family-Based visas and 55,000 dedicated to the Diversity Visa Program for migrants from countries with low immigration rates into the US.⁹

⁵ [Talent & diversity | Global Australia](#)

⁶ [Notice – Supplementary Information for the 2023-2025 Immigration Levels Plan - Canada.ca](#)

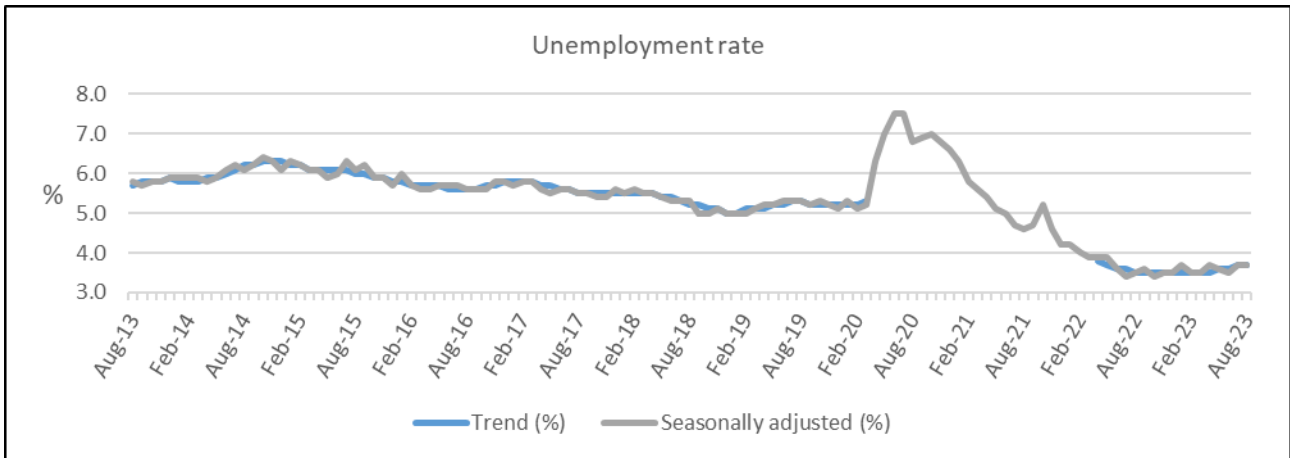
⁷ [New Plan for Immigration: legal migration and border control \(accessible\) - GOV.UK \(www.gov.uk\)](#)

⁸ [Policy Primer: The UK's 2021 points-based immigration system - Migration Observatory - The Migration Observatory \(ox.ac.uk\)](#)

⁹ [How the United States Immigration System Works | American Immigration Council](#)

Workforce needs

The labour market in Australia has tightened significantly following COVID-19. As at August 2023, the national unemployment rate was 3.7 per cent, suggesting that the supply of workers available to employers is constrained¹⁰.



Source: Australian Bureau of Statistics, Labour Force, Australia August 2023

At the same time, the demand for workers is continuing to increase. As at August 2023, job vacancies were 71.5 per cent higher than they were pre-pandemic, and the proportion of business reporting at least one vacancy had increased to 21.7 from 11.0 in February 2020¹¹. The largest number of vacancies were in health care and social assistance, and professional, scientific and technical services.



Source: Australian Bureau of Statistics, Job Vacancies, Australia August 2023

Towards a National Jobs and Skills Roadmap Annual Jobs and Skills Report 2023 shows that skills shortages in Australia remain elevated. 36 per cent of occupations assessed (332 out of 916) were in national shortage—five percentage points higher than the 2022 Skills Priority List¹².

Migrants in Australia can play a significant role in meeting these short to long-term labour and skills shortages. As such, the permanent Migration Program maintains a focus on the skills Australia needs, with over 70 per cent of the total program being made up of skilled migrants in 2023–24. The composition of the Migration Program seeks to address immediate skills gaps, build resilience and boost productivity, while building the domestic pipeline of highly skilled Australian workers.

¹⁰ [Labour Force, Australia, August 2023 | Australian Bureau of Statistics \(abs.gov.au\)](https://abs.gov.au)

¹¹ [Job Vacancies, Australia, August 2023 | Australian Bureau of Statistics \(abs.gov.au\)](https://abs.gov.au)

¹² [Towards a National Jobs and Skills Roadmap | Jobs and Skills Australia](https://abs.gov.au)

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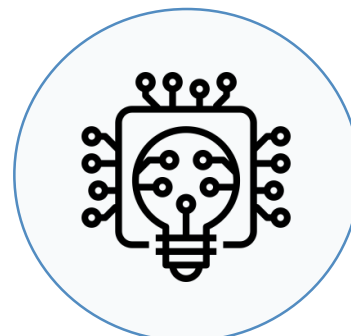
Working Future, the Australian Government's White Paper on jobs and opportunities (2023) and *Towards a National Jobs and Skills Roadmap Annual Jobs and Skills Report 2023* explore the types of skills Australian workforces need to meet the challenges of a changing economy. This includes in the health and care sector, clean energy industries, and digital and high tech skills:



The Employment White Paper highlights the **health and care** sector as an example of successful permanent skilled migration. While the proportion of health occupations in shortage remains high at 82 per cent in 2023, migration has proven an effective tool in meeting higher demand¹³. Migrants make up approximately 40 per cent of care workers in Australia, complementing the domestic workforce^{14 15}. This helps to address immediate skills gaps, however the competition for skilled migrants is expected to continue to increase due to ageing populations globally.



The economic transition to meet **net zero** emissions targets is generating greater demand for specialist skills and expertise. Deloitte projects that occupations key to the **clean energy** workforce will need to increase by around 30 per cent—or 213,000 workers—by 2033¹⁶. Approximately 26 per cent of Australia's current clean energy workforce were born overseas, and skilled migration will continue to be an important lever in addressing existing and anticipated skills gaps¹⁷. Migration will also support transfer of specialist skills and knowledge to local workers in emerging fields where Australia is starting from a lower base.



Specialist **digital and high tech** skills are becoming increasingly important to Australia's economy¹⁸. The Government and the Tech Council of Australia have a target of 1.2 million tech-related jobs in Australia by 2030¹⁹. However, the Productivity Commission found that more jobs would be created in digital and high tech than could be filled locally over the next 10 years²⁰. Skilled migration will be key in addressing immediate workforce gaps. Skilled migrants can also transfer skills that are difficult to develop locally to help grow Australia's technology workforce.

Regional needs

Population growth has varied significantly across cities and regions over time as a result of both net overseas migration and net internal migration. During the pandemic, the population of regional Australia grew by 70,900 people in 2020–2021, compared to a decline of 26,000 people in capital cities²¹. This possibly reflects changing lifestyle preferences and increasing opportunities for remote work, as well as

¹³ [Towards a National Jobs and Skills Roadmap | Jobs and Skills Australia](#)

¹⁴ [Working Future \(treasury.gov.au\)](#)

¹⁵ [Care Workforce Labour Market Study \(nationalskillscommission.gov.au\)](#)

¹⁶ [Working Future \(treasury.gov.au\)](#)

¹⁷ [The Clean Energy Generation | Jobs and Skills Australia](#)

¹⁸ [Towards a National Jobs and Skills Roadmap | Jobs and Skills Australia](#)

¹⁹ Tech Council of Australia, 'Getting to 1.2 million: Our roadmap to create a thriving Australian tech workforce', Digital Employment Forum, (2022)

²⁰ [Advancing Prosperity - 5-year Productivity Inquiry report - Productivity Commission \(pc.gov.au\)](#)

²¹ [More growth in the regions during the pandemic | Australian Bureau of Statistics \(abs.gov.au\)](#)

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COVID-19 related international border closures and NOM outflows. We know that migrants generally settle in Australian capital cities—as at the 2021 Census, only 13 per cent of migrants lived outside of capital cities²². While net movement to regional Australia remains above pre-pandemic levels, uneven growth patterns between regional and metropolitan Australia remains a challenge for all levels of government.

The Australian Government's White Paper on jobs and employment and the Annual Jobs and Skills Report found that skills and labour shortages are often felt particularly strongly in regional communities, which tend to have older populations and tight labour markets^{23 24}. This is especially relevant when considering growing demand for aged care, and agricultural workers. Regional communities experiencing less than optimal population growth can benefit greatly from migration to boost local economic activity, support demographic priorities and meet workforce needs.

In 2023–24, the Migration Program's regional visa category was allocated 32,300 places. The Commonwealth Government is committed to working closely including with states and territories to ensure that migrants are able to live and work where they are most needed.

Visa programs can support regional economic growth, but are not the only solution. Consideration of specific needs of regional communities and a multi-faceted approach is needed to deliver the best economic, growth and settlement outcomes.

ATTACHMENTS

A: Migration Program streams and categories

B: Migration Program planning levels and program outcomes, 2020–21 to 2023–24

²² [Permanent migrants in Australia, 2021 | Australian Bureau of Statistics \(abs.gov.au\)](https://abs.gov.au)

²³ [Working Future \(treasury.gov.au\)](https://treasury.gov.au)

²⁴ [Towards a National Jobs and Skills Roadmap | Jobs and Skills Australia](#)

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Attachment A: Migration Program streams and categories

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	Supports regional businesses and states and territories to nominate skilled migrants to fill skills shortages in regional Australia.
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.
Child	Allows Australia citizens, permanent residents or eligible New Zealanders to sponsor their dependent or adopted child or an orphaned relative.
Other Family	Allows family members to sponsor carers, remaining relatives or aged dependent relatives to live in Australia.

Special Eligibility stream

This stream covers visas for those in special circumstances, including permanent residents returning to Australia after a period overseas.

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Attachment B: Migration Program planning levels and program outcomes, 2020–21 to 2023–24

Category	2020–21 Planning Levels	2020–21 Program Outcome	2021–22 Planning Levels	2021–22 Program Outcomes	2022–23 Planning Levels	2022–23 Program Outcomes	2023–24 Planning Levels
Employer Sponsored	22,000	23,503	24,000	26,103	35,000	35,000	36,825
Skilled Independent	6,500	7,213	6,500	5,864	32,100	32,100	30,375
Skilled Regional	11,200	13,585	17,700	18,223	34,000	33,944	32,300
State/Territory Nominated	11,200	14,268	17,700	19,376	31,000	31,000	30,400
Business Innovation and Investment Program	13,500	11,198	13,500	10,496	5,000	5,000	1,900
Global Talent ²⁵	15,000	9,584	10,000	8,776	5,000	5,000	5,000
Distinguished Talent	200	269	200	225	300	300	300
Skill total	79,600	79,620	89,600	89,063	142,400	142,344	137,100
Partner ²⁶	72,300	72,376	62,300	46,288	40,500	40,500	40,500
Parent	4,500	4,500	4,500	4,500	8,500	8,500	8,500
Other Family	500	496	500	500	500	500	500
Child ²⁷	3000	3,006	3,000	3,006	3,000	3,000	3,000
Family total	80,300	80,378	70,300	54,294	52,500	52,500	52,500
Special Eligibility	100	54	100	199	100	160	400
Total Migration Program	160,000	160,052	160,000	143,556	195,000	195,004	190,000

Source: Department of Home Affairs, 2023

²⁵ Commenced in the 2019–20 program year.

²⁶ For 2023–24, delivery of the Partner visa category is demand driven, with indicative planning levels only.

²⁷ For 2023–24, delivery of the Child visa category is demand driven, with indicative planning levels only.