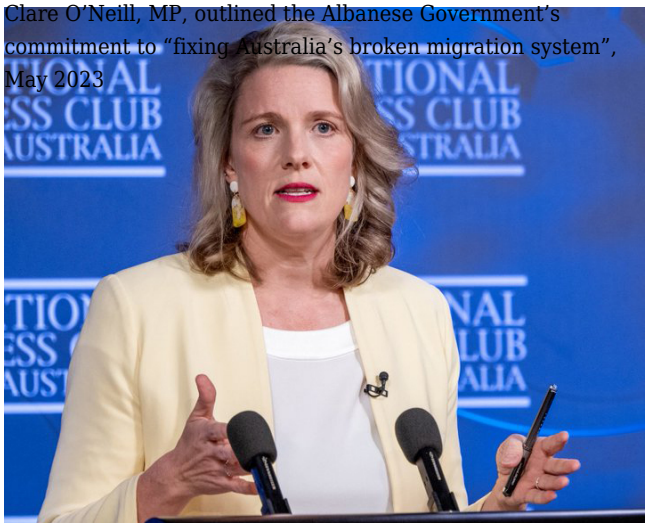

Clare O'Neill, MP, outlined the Albanese Government's commitment to "fixing Australia's broken migration system", May 2023

The migration review and Pacific migration

By Stephen Howes
15 May 2023

What does the new *Review of the Migration System* by the Australian Department of Home Affairs mean for migration from the Pacific and Timor-Leste?

For a start, the review endorses the Pacific Engagement Visa (the new Pacific window into the permanent migration program). It usefully says that Australia's migration program is non-discriminatory (only) in terms of "race, religion and ethnicity" and that this "allows Australia to preference people from particular countries, such as special treatment offered to our New Zealand cousins or members of our Pacific family".

When I suggested on the ABC just two years ago that Australia "step up its Pacific migration agreements", Home Affairs dismissed this by saying that "Australia had a non-discriminatory migration policy". I'm glad that argument has now been rebutted.

What about the Pacific temporary migration schemes? The report has little to say directly on PALM (Pacific Australia Labour Mobility), just a few paragraphs on page 164 where it notes the benefits of the scheme and the risks around brain drain.

The review is also agnostic on whether Australia should have a low-skill migration scheme. At the end of its chapter on that subject, whether "migration is an appropriate response to the need for lower paid labour" is explicitly left as an open question. (That said, the government has in fact just announced a new aged care visa. More on that in a separate blog.)

Some of the review's broader recommendations could nevertheless have an impact on PALM. A lot of the review is about international students, and in her Press Club speech Minister for Home Affairs Clare O'Neill talked about wanting to "lift the requirements for international students to enter and study in Australia". Since many students take unskilled jobs while studying, fewer students will certainly increase the demand for PALM workers,

though given the dependency of the education sector on a large intake of international students, that is a big if. The budget actually announced an extra two years of post-study work rights for international graduates with particular degrees.

The other big competing source for PALM workers is working holidaymakers. The review recommends the abolition of the second-year and third-year backpacker visas, which are currently given in return for work in regional areas in the first and second years respectively. However, there has not been a single mention of this issue by the government since the release of the report, suggesting that this is one reform recommendation that the government will not be following up on.

Another way in which the review could influence PALM is via its argument, which the government has endorsed, that there should be no permanently temporary workers. Minister O'Neill said that by the end of 2023 "all temporary skilled workers will have a pathway to permanent residency". It is unclear whether any similar intent will be announced for temporary low-skilled workers.

The review also recommends that it be made easier for temporary migrants to move between employers. The new outline strategy commits to "mobility for temporary migrants in the labour market". One implication of this is surely that PALM workers, at least the non-seasonal ones, should be able to instigate movement between employers.

Finally, there are specific implications for meat workers, who make up about 70% of the PALM non-seasonal workforce. The hiking of the minimum income threshold for skilled workers – which the review recommended and which the government has already announced – will make temporary skill shortage (TSS) workers less popular in the meat industry, and will make it less likely that workers will convert from PALM workers into TSS visa holders with a pathway to permanent residence. So, more demand for PALM workers, but less access to an existing pathway to permanency.

In summary, although there are no PALM-specific recommendations to come out of the migration review, there could be major positive implications for the scheme if the review's recommendations are implemented: less competition from students, backpackers and TSS meat workers; and more emphasis on pathways to permanency and worker mobility.

While none of these are certain, or likely to be quick to appear, and indeed some of them look unlikely, each of them would certainly be impactful.

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