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# Why Australia needs its 'gutsy' immigration review

*Home Affairs Minister Clare O'Neil has tasked a panel of experts with a four-month root and branch review of Australia's immigration settings. The challenge couldn't be more urgent.*

**Tom McIlroy** [[/by/tom-mcilroy-hverk](#)] *Political reporter*

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**W**hen Allah Noor first lodged paperwork to get permanent residency in Australia, he had no idea of the more than three years of delay and bureaucratic gridlock to come.

After arriving from New Zealand in 2015, the IT systems engineer has worked to get established in Melbourne. Along with his wife and young family, he expected a smooth path to living and contributing to the community permanently in Dandenong, helping to fill a gap in the local workforce.



Allah Noor at his home in Dandenong, Melbourne.

Instead, the country's struggling migration system and COVID-19 disruption swallowed up their applications, leaving the family in limbo. Medical checks and background information lodged in 2019 is now out of date and Noor is being asked to submit again – an expensive, time-consuming and frustrating process.

“If it's just you, or you're with a partner, it should be fine. But I've got four children and for a big family, it's tricky. It's hard to wait and it costs a lot,” he told *AFR Weekend*. “I had already completed my five years here. And then I launched my application, and it takes another three years. It's a long time.”

With record labour shortages and thousands of visa applications waiting to be processed, the Albanese government this week launched a four-month review of the immigration system. Having inherited antiquated technology, complex legal problems and hundreds of visa categories and sub-categories, getting the balance right politically will be a key challenge of Labor's first term in office.

Nearly six months after the election, millions of visas have been processed and business has pushed for faster entry of skilled workers. But how much progress can be made before the May 2023 federal budget, as Labor works to keep business and unions on side for reform?

For Allah Noor, the country's reputation as a welcoming and prosperous home for migrants might be at stake. Like thousands of other New Zealanders seeking pathways to permanent residency

[<https://www.afr.com/link/follow-20180101-p5bvoq>], he and members of the Oz Kiwi advocacy group are wondering when things will improve. "It seems easier in New Zealand. For migrants it is really tricky here," he says.

## 'Byzantine mess'

Announcing the review this week, Home Affairs Minister Clare O'Neil said an overhaul of the "byzantine mess" of immigration was badly needed. Australia kept its international border closed longer than other leading economies, and with labour shortages around the world, the fight for global talent is hot.

Wait times for some skilled worker visas can be as long as 15 months. That timeframe is untenable for some workers, and businesses want a greater role in determining what jobs should be prioritised.



Dr Joanna Howe, professor of law at the University of Adelaide

Former public service chief Martin Parkinson, University of Adelaide law professor and temporary labour migration expert Joanna Howe, and former Deloitte partner John Azarias will present recommendations from the review to the Albanese government by February, allowing proposals to be considered for the May 2023 budget.

O'Neil said everything was on the table. She said the process would be “gusty” and designed to reorientate the system for decades to come.

The review is likely to consider the \$53,900 temporary skilled migration income threshold, which is the minimum salary threshold for sponsoring a temporary skilled migrant. Labor has said it will increase the threshold [<https://www.afr.com/politics/federal/visa-backlog-cut-as-2m-applications-processed-20221013-p5bpey>], which has been frozen since 2013 and remains well below the \$65,000 it would be if it was indexed to wage growth over the past decade.

O'Neil wants an efficient system capable of attracting and retaining the best talent from around the world, with rules that are simple for migrants and employers to use, and that complements the skills of Australians.

Australia has more than 70 unique visa categories, each of which have their own criteria and subcategories, while there are also hundreds of labour agreements.

Cutting visa categories and reducing the wait time for skilled visa applicants would speed up immigration-based employment and help make Australia a more attractive destination for overseas workers.

## Short and long term fixes

The expert group has been commissioned to revisit and define the purpose of Australia's migration program, and propose changes to enrich productivity, population, participation, and address sovereign capability gaps.

The hardline Operation Sovereign Borders policy on boat turnbacks and other functions of the Australian Border Force are specifically excluded from the review's scope, along with debate about the size of Australia's population in decades to come.

It means the review will not be tasked with recommending whether to extend the government's one-off increase in the permanent intake to 195,000 into future years.



Home Affairs Minister Clare O'Neil says the immigration system is broken and needs an overhaul. **Alex Ellinghausen**

Dan Tehan, the opposition spokesman for immigration and citizenship [<https://www.afr.com/link/follow-20180101-p5bhci>], said the review had taken too long to get under way. He said Labor must explain how it would protect the values that make Australia a desirable destination for migrants, while dispersing the costs of immigration and banking the economic benefits. He said a plan for immigration in regional Australia was needed, challenging the government to get the balance right between temporary and permanent migration.

Parkinson, Howe and Azarias have their work cut out for them, according to former Department of Immigration senior official Abul Rizvi [<https://www.afr.com/link/follow-20180101-p5avut>]. He says the panel should split up achievable short-term fixes, and longer term systematic reform.

“Absolutely, employer sponsored visas will be in the first category,” he says. “The key to employer sponsored visas is three words: simplicity, speed, integrity.”

Rizvi expects employers to push for minimum wage levels to stay as low as possible. That can make simplicity harder to achieve, and adds the risk of worker exploitation and the risk of undermining wages for local workers.

Despite O'Neil's terms of reference, Rizvi says there needs to be a discussion about the size of Australia's intake. He says the current net annual migration rate of 235,000 people intake was arrived at by Treasury without public consultation.

"There is nothing that I can find that shows how they got to that number, what was behind the calculation. There's also no link between that number and visa policy settings."

"The two issues seem to be disconnected. If the committee is going to develop a long-term immigration strategy suitable for decades into the future, it's going to have to answer the question – is 235,000 per annum the right number? And if so, why? And have we got our immigration strategy aligned to deliver that number?"

## New ideas needed

Rizvi says O'Neil and Immigration Minister Andrew Giles appear genuinely open to new ideas, but politics could get in the way.

"I think the review panel has the opportunity to put forward fresh ideas, and I think they will be given the freedom to do so, but my worry is that it'll turn out like the Henry Tax Review."

The Henry review – commissioned by the Rudd government in 2008 – has become a byword for missed opportunity. Ambitious and far-reaching, its recommendations for major tax reform were quickly left in the political too-hard basket.

Australian National University vice chancellor Brian Schmidt is one of the country's migration success stories. The Nobel laureate welcomed moves to ensure immigration aligns effectively with Australia's education and training systems.

ANU pushed for the September jobs summit to better recognise the contribution international university students can make to Australia's productivity. Schmidt argues allowing more graduates to settle in Australia after graduation would boost the high-skilled and employment-ready workforce.

## Outcomes are key

He said the starting point should be a carefully chosen set of outcomes the country wants from its immigration system, which could then guide the design of changes.

“That would be preferable to a bunch of one-off policies from which something emerges by accident, giving you a bunch of disconnected things,” he says.

“It needs to be a precision immigration system. I think that is absolutely doable, and universities are going to be a very important part of that. We have the luxury here in Australia of a very large number of international students studying in areas where there are severe skill shortages,” he adds. “They are going to be able to work in Australia without displacing existing Australians.”

Professor Schmidt said about 85 per cent of overseas students go home, in part due to the uneven immigration rules. He proposes a national visa office for incoming overseas students, to boost consistency and convenience for a key market of migrants.



Professor Brian Schmidt at the jobs and skills summit. **James Brickwood**

“The system was a lot better 25 years ago. When I came, I got my visa in four days. When we hire people, our staff want to know the visa situation won’t be an issue.”

“The people we’re after have other offers. Some of them think, ‘Maybe I will go to MIT’ or a university overseas.”

Back in Melbourne’s multicultural south-east, Allah Noor is living proof of just how much potential for improvement the system has.

“I’ve been involved in this situation for the past three years now, and Australia has been welcoming refugees from wars overseas like Afghanistan and Ukraine. In my case, it has not been so welcoming.”



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