

457 Abolition and Replacement

Abolition and replacement of the 457 visa – Government reforms to employer sponsored skilled migration visas [Read More](#)

On 18 April 2017, the Government announced that the Temporary Work (Skilled) visa (subclass 457 visa) will be abolished and replaced with the completely new Temporary Skill Shortage (TSS) visa in March 2018.

The TSS visa programme will be comprised of a Short-Term stream of up to **two years** and a Medium-Term stream of up to **four years** and will support businesses in addressing genuine skill shortages in their workforce and will contain a number of safeguards which prioritise Australian workers.

This new visa is part of the Government's significant reform package to strengthen the integrity and quality of Australia's temporary and permanent employer sponsored skilled migration programmes.

Key reforms include:

- Introducing the temporary skill shortage visa with new requirements, including but not limited to:
 - new, more targeted occupation lists which better align with skill needs in the Australian labour market
 - a requirement for visa applicants to have at least two years' work experience in their skilled occupation
 - employers must pay the Australian market salary rate and meet the Temporary Skilled Migration Income Threshold (TSMIT), which ensures that overseas workers cannot be engaged to undercut Australian workers
 - mandatory labour market testing, unless an international obligation applies,
 - capacity for only one onshore visa renewal under the Short-Term stream
 - capacity for visa renewal onshore and a permanent residence pathway after three years under the Medium-Term stream
 - the permanent residence eligibility period will be extended from two to three years
 - a non-discriminatory workforce test to ensure employers are not actively discriminating against Australian workers
 - strengthened requirement for employers to contribute to training Australian workers
 - the Department of Immigration and Border Protection will collect Tax File Numbers and data will be matched with the Australian Tax Office's records, and
 - mandatory penal clearance certificates to be provided.
- Tightening eligibility requirements for employer sponsored permanent skilled visas, including but not limited to:
 - tightened English language requirements
 - a requirement for visa applicants to have at least three years' work experience
 - applicants must be under the maximum age requirement of 45 at the time of application
 - strengthened requirement for employers to contribute to training Australian workers, and
 - employers must pay the Australian market salary rate and meet the Temporary Skilled Migration Income Threshold (TSMIT).
- Concessions for regional Australia will continue to be available:
 - Employers in regional Australia will continue to have access to occupations under the temporary and permanent visas, to reflect their skills needs.
 - Existing permanent visa concessions for regional Australia, such as waiving the nomination fee and providing age exemptions for certain occupations, will be retained. Consideration will be given to expanding the occupations in regional Australia that are exempt from the age requirement.
- Significantly condensing the occupation lists used for skilled migration visas, including the subclass 457 visa, from 19 April 2017.

The implementation of these reforms will begin immediately and will be completed in March 2018.

Further information on reforms is available:

- A joint media release with the Prime Minister regarding the changes is available at [Minister for Immigration and Border Protection](#) website.
- Fact sheets that provide more detail about the reforms are available at:
 - [Fact sheet one: Reforms to Australia's temporary employer sponsored skilled migration programme – abolition and replacement of the 457 visa \(447KB PDF\)](#)

- [Fact sheet two: Reforms to Australia's permanent employer sponsored skilled migration programme \(494KB PDF\)](#)
- Detailed information on changes to occupations is available. See: [List of eligible skilled occupations](#)

Further information on different aspects of the reforms will be published in due course.

¹Set at \$53,900 as at 12 April 2016.

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