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Australia Raises Third-Year Working Holiday Visa Cap to 25,000

After employers warned of labor strains, officials set a 120-day regional work rule for second-year renewals from March 1, 2027

Tuesday, November 17, 2026

Australia will raise the number of third-year working holiday visas to 25,000 for the 2026-2027 program year, a fivefold increase from the 5,000 places it had proposed in September, the federal government said Tuesday, November 17.

The change is part of a broader overhaul of the Working Holiday Maker program led by Tony Burke, Australia's minister for home affairs, immigration and citizenship. The Department of Home Affairs said the revised settings followed consultations with industries that rely on working holiday visa holders, including hospitality and other employers in regional areas where qualifying work can lead to a visa extension.

Under the new plan, the cap for third-year visas will rise by 20,000 places compared with the earlier design released in September. The cap for second-year visas will remain at 45,000.

At the same time, the government is tightening one of the main rules for people seeking a second-year visa through the revised route. The amount of qualifying regional work required will increase to 120 days from 88 days, an increase of 32 days. The new conditions will take effect on March 1, 2027.

That means the government is expanding access to a third year in the program while asking applicants to spend more time in regional jobs before they can move into a second year under the updated system. Those settings matter for employers in regional Australia, especially in hospitality and other sectors that depend on short-term overseas workers during busy periods or where local labor is hard to find.

The Working Holiday Maker program allows eligible young travelers to spend an extended period in Australia while taking temporary jobs. In practice, many employers in regional towns use the program as a source of seasonal or short-term labor, particularly in tourism-related businesses, restaurants, accommodation and other service industries. Visa renewals are often tied to work completed in specified regional areas or approved sectors.

The Department of Home Affairs said people who complete the required work and lodge a valid application before March 1, 2027, will still be assessed under the current arrangements. That transitional rule creates a window for current participants who were planning their work and visa applications under the existing 88-day threshold.

The government also said the new regional work guarantee for visa renewal will include an exception for British citizens. The department did not present that exception in the summary of the announcement as a broad change for all nationalities, indicating that the rule will continue to vary depending on nationality and the terms of bilateral arrangements.

Burke presented the changes in an official statement and at a press conference on Tuesday, November 17. The department framed the decision as a response to feedback from employers and sectors that use working holiday visa holders, signaling that the original September proposal had been reconsidered after concerns about labor availability and the design of the renewal system.

The increase in third-year places is significant because it reverses what would have been a relatively narrow pathway under the earlier plan. A cap of 5,000 would have sharply limited access to a third year for eligible workers. Expanding that figure to 25,000 gives many more participants a chance to remain in Australia for an additional year, provided they meet the conditions attached to the program.

For employers, the larger third-year quota could help retain workers who are already in the country and familiar with regional jobs and local workplaces. That is especially relevant in hospitality, where turnover is often high and businesses in remote or tourism-heavy areas can struggle to fill shifts. For visa holders, however, the higher 120-day work requirement for a second-year renewal raises the amount of qualifying labor needed before they can continue in the program.

The government’s decision leaves the second-year cap unchanged at 45,000, suggesting that officials were more focused on adjusting the length of regional work needed for eligibility than on expanding the total number of second-year places. In effect, the revised package broadens the potential pool for third-year stays while making the route to a second year more demanding under the new rules.

The measures announced Tuesday, November 17, come amid continuing debate in Australia over how temporary migration programs should balance labor market needs, regional workforce shortages and protections against overreliance on short-term foreign labor. The Working Holiday Maker program has long sat at the center of that debate because it serves both as a travel visa and as a labor source for sectors with fluctuating staffing needs.

The Department of Home Affairs said the new settings will apply from March 1, 2027, giving current and prospective visa holders several months to adjust their plans. Until then, applicants who meet the present requirements and submit valid applications before that date can continue to use the existing process. The announcement makes clear that the government has chosen to revise its September design in two important ways at once: by sharply increasing the third-year quota and by extending the amount of regional work required to qualify for a second-year renewal.