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Committee Secretary
Senate Legal and Constitutional Affairs Legislation Committee
PO Box 6100
Parliament House
Canberra ACT 2600

Inquiry into the Migration Amendment (Temporary Sponsored Visas) Bill 2013

The Australian Industry Group (Ai Group) is pleased to contribute to the Senate Inquiry into **the Migration Amendment (Temporary Sponsored Visas) Bill 2013**.

Ai Group has made submissions to a number of inquiries into the immigration program including around the increasingly frequent changes to the subclass 457 visa.

Our response always comes from the starting point that we strongly believe that the training of our workforce should be our first priority, but that skill shortages persist in our economy and the 457 program has long proven to be a highly flexible and effective means of addressing such shortages.

The current debate over the program has unfairly focused on the relatively few employers who do not meet their obligations. In our view, those employers should face whatever sanctions are available. However, no evidence has been presented which points to widespread or systemic abuse and we strongly object to the tone of the public debate which has had the effect of vilifying both employers and those who themselves hold 457 visas.

In terms of the current inquiry, this legislation deserves to be rejected on the basis that it's rushed, it's hasty, and there is no evidence provided to support the claims that are behind it.

The people who use these visas work in our regional hospitals which are desperate to obtain doctors and nurses; they work on regional construction projects often allowing major resource projects to proceed in areas where skill shortages are intense or which cannot attract the local skilled workers they need from other regions; they work in skilled technical and engineering roles which we need to source overseas because of our failure to train our own workforce and give them the science, technology, engineering and maths skills that our economy needs; and they work in our global and globally connected companies in roles ranging from sophisticated ICT positions which transfer their skills to Australians to the CEOs themselves.

Our specific concerns were put in a joint letter we signed with the Business Council of Australia and the Migration Council to all Parliamentarians which made the following points:

- There was a lack of supporting evidence underpinning the proposed and unnecessary changes to the 457 visa program;
- Consultation across business and the community to build up the case for such changes has been minimal;
- The absence of a supporting Regulatory Impact Statement for the new costly and ineffective labour market testing requirements in the Bill is unacceptable;
- Unwarranted additional regulation of the 457 visa scheme risks penalising all employers and their employees, and undermining investment, skills transfer and development and broader job creation, to address a relatively small number of instances that may be better dealt with through other means.

We have asked all MPs to reject the Bill.

The Bill also includes a number of other changes to the 457 visa scheme announced over the past few months that have not been properly tested.

We have no problem with some elements of the Bill including the provisions for extending a 457 visa holder's period without employment from 28 to 90 days, and enabling Fair Work Commission inspectors to investigate compliance and uncover breaches. It has long been our view that if employers do the wrong thing that they should be dealt with but that the instances of abuse are marginal. This could be accomplished through other legislative means.

While I am happy to add to these comments further, I am currently overseas and Ai Group's Director Public Affairs and Government Relations, Tony Melville will be available to speak to the Committee if required.

Yours sincerely

Innes Willox
Chief Executive