

QUESTION ON NOTICE

001 – Select Committee on Temporary Migration – 10 September 2020

Topic: COVID-19

Question submitted by the Committee

Question

Since the beginning of the COVID-19 pandemic, what has been the impact on Australia's national interest, especially regarding exports, foreign investment and economic growth and our international relationships?

Answer

The COVID-19 recession is Australia's first recession in almost 30 years, with real GDP contracting by a record 7.0 per cent in the June quarter 2020. This followed a fall of 0.3 per cent in the March quarter 2020, as a result of both the devastating bushfires and early stages of the COVID-19 pandemic. The Treasury forecasts real GDP to fall by 3.75 per cent in calendar year 2020, before growing by 4.25 per cent in calendar year 2021.

The global economy is experiencing the worst downturn since the Great Depression. The Treasury (October 2020) forecasts a 4.5 per cent contraction in the global economy in 2020. The IMF (October 2020) projects goods and services trade will fall by 10.4 per cent in 2020; the WTO (October 2020) projects merchandise trade will fall by 9.2 per cent in 2020.

While Australia's goods exports fell by 14.9 per cent (in US dollar terms) in the June quarter (compared to the June quarter in 2019), this was less of a fall than was experienced by many other countries (including Japan, Republic of Korea and the United States) and well below the OECD average fall of 25.3 per cent.

Australia's key services exports (tourism, education) experienced severe disruptions, with services exports for the June quarter down 25.5 per cent (in Australian dollar terms, for all service figures) compared to the June quarter in 2019. Travel and transport service exports collapsed over the June quarter, with these services (combined) 38.5 per cent lower than in the June quarter 2019. Recreational travel exports were 97.5 per cent lower in the June quarter (compared to the June quarter 2019) because almost no foreign travellers were permitted to enter Australia. Education travel exports were resilient, declining by just 2.7 per cent in the June quarter against the same period in 2019; the majority of international students who were in Australia when travel restrictions were introduced have remained in Australia. The total stock of foreign investment in Australia at 30 June 2020 was 3.0 per cent lower than at 30 June 2019.

To ensure appropriate oversight of foreign investment during the COVID-19 pandemic, on 29 March 2020 the government introduced a temporary measure to lower all monetary screening

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thresholds to zero dollars. This measure applies to all foreign investors, regardless of where they are from, and will remain in place for the duration of the pandemic.

The pandemic has underlined the importance of active Australian diplomacy and engagement with our regional and global partners. Australia has worked to strengthen our relationships with our Pacific and regional neighbours, including by immediately refocussing \$280 million of development assistance, from the FY 2019-20 Official Development Assistance budget, towards programs prioritising health, humanitarian and economic recovery responses to support the Pacific and Southeast Asia; allocating \$500 million over three years to provide safe and effective COVID-19 vaccines and support health security in the Pacific and Southeast Asia; and a new policy, *Partnerships for Recovery*, which ensures a focus on health, resilience and economic recovery as the basis for Australia's Whole-of-Government efforts across the region.

Australia continues to participate in plurilateral groupings with our partners at Prime Ministerial, Ministerial and officials level, to meet the challenges of the pandemic. We are actively engaged with regional institutions such as ASEAN, APEC and the East Asia Summit to promote dialogue and greater coordination to manage the strategic and economic implications of the crisis.

QUESTION ON NOTICE

002 – Select Committee on Temporary Migration– 10 September 2020
Topic: COVID-19

Question submitted by the Committee

Question

The department's submission (at page 6) highlights that temporary migration is an essential component of Australia's trade relationships and 'any changes to Australia's temporary migration program would need to be consistent with Australia's international trade obligations'. Has the department looked at how the COVID-19 pandemic may have changed Australia's trade relationships and how this in turn has impacted temporary migration?

Answer

The COVID-19 pandemic has not affected the fundamentals of Australia's trade relationships, with Australia continuing to honour its obligations on temporary migration.

However, COVID-19 has affected trade patterns, particularly for trade in services, with flow on effects to temporary migration. Travel restrictions implemented by Australia and many trading partners on health grounds have reduced temporary migration, with Australia's tourism and education exports both adversely affected. Tourism market research undertaken in July and August 2020 showed Australia's desirability as a destination increased, as well as improved perceptions of safety and security (key factors in choosing where to visit). Recovery in temporary migration flows will depend on the reopening of borders, and over the longer term on the economic recovery in our source countries and in Australia. During the three months April-June 2020, the Department of Home Affairs recorded 11,089 short-term visitor arrivals – around 0.5 per cent of the over 2.1 million arrivals in the same period in 2019. Further visitor arrival data is available from www.data.gov.au.

QUESTION ON NOTICE

003 – Select Committee on Temporary Migration– 10 September 2020
Topic: Foreign Investment

Question submitted by the Committee

Question

Can the department quantify how temporary migration has supported foreign investment and investor confidence in Australia?

Answer

Access to skilled labour is an important part of the business proposition for both Australian companies seeking to grow their operations domestically and foreign companies considering whether to invest in Australia.

Skilled migrants fill skills shortages in Australia in specific occupations. Many are also job creators as they bring technical and entrepreneurial skills and often intellectual property that enable us to develop industries that we could not develop from our domestic base. Skilled migrants also pay tax and contribute to Australian society.

The Temporary Skill Shortage (TSS) visa is used by businesses to transfer their international executive, management and technical staff to their Australian operations. They also use the TSS visa to sponsor workers recruited internationally to fill positions that cannot be filled locally. The majority of skilled migrants entering under the TSS program are managers (13.9%) and professionals (60.6%), so are highly qualified.

The Significant Investor Visa (SIV) attracts high net-worth migrants willing to make substantial foreign investment into the Australian economy. As of 29 February 2020, \$11.69 billion had been invested since the SIV program commenced in November 2012.

QUESTION ON NOTICE

004 – Select Committee on Temporary Migration – 10 September 2020

Topic: Australia's Reputation

Question submitted by the Committee

Question

In your submission you note (at page 3) that safeguarding workforce settings and protections is a cornerstone of Australia's temporary migration programs and it is 'critical to upholding and managing risks to Australia's international reputation'. What impact has wage theft and breaches of workplace rights and conditions for temporary migrants had on Australia's international reputation?

Answer

The Department is not aware of any specific formal representations from other countries on issues of workplace rights and conditions for temporary migrants.

a. Is the department aware of any changes in perception to Australia's international reputation since COVID-19 and the manner in which Australia has assisted temporary migrants during the pandemic?

The Department is aware of some academic research and media reporting relating to the experience of temporary migrants during the COVID-19 pandemic which includes perception surveys of affected workers. Tourism market research undertaken in July and August 2020 showed Australia's desirability as a destination increased, as well as improved perceptions of safety and security. The Department is not aware of any specific formal representations from other countries relating to the manner in which Australia has assisted temporary migrants during the pandemic.

Access to working opportunities in Australia retains strong support across all of our Pacific and Timor-Leste partner countries. All 10 participating countries have confirmed their engagement in the restart of the Pacific labour mobility. Partner governments have greatly appreciated the Department's efforts (in conjunction with industry and the Department of Education, Skills and Employment) to redeploy over 6,500 Pacific workers during the pandemic in order to continue workers' income and remittance opportunities has been greatly appreciated by partner governments.

QUESTION ON NOTICE

005 – Select Committee on Temporary Migration– 10 September 2020
Topic: Pacific Labour Scheme

Question submitted by the Committee

Question

Your submission (at page 12) states that the Pacific Labour Scheme is designed to promote growth and prosperity of Australian rural and regional communities by filling vacancies in industries that experience labour shortages. What impact has the COVID-19 pandemic had on the Pacific Labour Scheme?

a. How many Pacific Labour Scheme workers have returned to their Pacific island countries?

Answer

The COVID-19 pandemic has had a significant impact on the Pacific Labour Scheme including as:

- workers currently in Australia have been unable to return home to their families due to international travel restrictions. As a result many Pacific workers, particularly under the Seasonal Worker Programme, have worked in Australia for an extended time
- new workers could not commence roles in rural and regional communities due to domestic travel restrictions
- businesses affected by COVID-19 have in some cases stood down workers. Those workers have been redeployed where they wish to continue working in Australia
- restrictions put in place to help stop the spread of COVID-19 have required new ways of working and living for all workers.

As of mid October 2020, 24 PLS workers have been repatriated (of a total of 950 PLS workers in Australia at the time). The Department is aware of an additional 15 who are seeking to return home and is working to repatriate them on upcoming flights.

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006 – Select Committee on Temporary Migration – 10 September 2020

Topic: Pacific Labour Scheme

Question submitted by the Committee

Question

Your submission (at page 17) states that remittances through the Pacific Labour Scheme ‘are an important source of income and consumption in Pacific Island countries’. What evidence has the department collected, or research has it undertaken, into the impact of COVID-19 on the flow of remittances back to Pacific communities?

Answer

The Department of Foreign Affairs and Trade (DFAT) has been collecting information from a range of sources to monitor the impact of COVID-19 on remittances to the Pacific.

DFAT commissioned the World Bank to examine the economic impacts of COVID-19 on Pacific labour mobility workers and diaspora groups in key remittance sending countries, such as Australia, and the likely implications of COVID-19 on remittances to the Pacific. These findings are expected to be made available on the World Bank website by December 2020.

Analysis of electronic remittance levels to the Pacific shows that the average value of transfers has remained steady over the COVID-19 pandemic period. However, the cessation of flights and border closures has led to lower numbers overall of Pacific workers able to enter Australia, and remittance flows will be commensurately lower by total value compared to previous years.

However, evidence indicates digital remittances have increased. ANZ has significantly reduced, or scrapped, fees for remittance transfers.

QUESTION ON NOTICE

QoN Number 007 – Select Committee on Temporary Migration – 10 September 2020

Topic: Pacific Labour Scheme

Question submitted by the Committee

Question

What support has the department offered to assist Pacific Labour Scheme workers in Australia during the COVID-19 pandemic?

Answer

During the COVID-19 pandemic, Pacific Labour Scheme (PLS) workers in Australia have been able to access the following forms of assistance:

- Additional support to deal with welfare challenges specifically caused by COVID-19, including:
 - the provision of appropriate accommodation, food vouchers, assistance with accessing health services and ongoing welfare support to PLS workers stood-down and displaced
 - support for the redeployment of stood-down workers to new jobs, including employment readiness, interview facilitation and travel support (to new work locations)
 - face-to-face welfare visits with redeployed workers in their new work locations and employers
 - the delivery of worker resilience training to workers redeployed to aged-care sites in New South Wales and the Australian Capital Territory
 - communications materials for approved employers and workers (in Pacific languages) about how to practice social distancing and hygienic behaviours during the pandemic
 - repatriation support to vulnerable workers, including pregnant women, and
 - support for the screening of passengers returning to the Pacific
 - the PLF also piloted training and mentoring for specific workers as a means of improving their leadership capacity.
- The PLF has continued its pre-COVID welfare support, but modified it to address social distancing measures and state border closures:
 - virtual welfare incident management through Whatsapp and Messenger, for non-urgent worker support needs including on general health and taxation
 - critical incident management for more serious and urgent matters, including hospitalisation

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- support through the 24/7 worker welfare hotline
- targeted support to approved employers to increase their awareness and capacity to support to their PLS workers and
- ongoing facilitation of connections to community – including support for virtual church services.

As part of enhanced welfare support provided during COVID-19, the Pacific Labour Facility has provided supplementary support to Seasonal Worker Programme workers in addition to that already being provided by Approved Employers. Support includes welfare checks on workers' mental health and wellbeing, as well as information on visa arrangements, access to superannuation if required and connections with community support networks.

a. Has the department assessed the impact of these additional support services to identify those that could be extended beyond the COVID-19 pandemic?

The COVID-specific activities are being monitored. An assessment of the effectiveness of activities and suitability for extension will require additional data collection and review. In recent interviews for a PLF study, qualitative information from workers and approved employers found that welfare support provided to workers, including additional support provided during COVID-19, was well received by workers and approved employers.

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008 – Select Committee on Temporary Migration – 10 September 2020
Topic: Pacific Labour Scheme

Question submitted by the Committee

Question

The department's submission (at pages 15-16) outlines measures it has introduced around the protection of workers in the Pacific Labour Scheme, including working with Approved Employers and liaison officers and education and compliance activities. Has the department received any feedback from Pacific Labour Scheme workers on the effectiveness of these measures?

Answer

In mid-2020, 25 PLS workers from across five PLS industries in Australia – tourism and hospitality, fisheries, aged care, agriculture and meat processing, were interviewed as part of a research study commissioned by the Pacific Labour Facility (PLF). The study assessed, amongst other things, the effectiveness of support to workers.

The study found that pre-departure training and arrival briefings are highly valued by PLS workers; and they generally felt well-supported with site visits by the PLF and the PLF's engagement with Approved Employers.

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009 – Select Committee on Temporary Migration – 10 September 2020
Topic: Pacific Labour Scheme

Question submitted by the Committee

Question

In a media release from Senator the Hon Marise Payne on 21 August 2020, the Minister states that the resumption Seasonal Worker Programme (SWP) and Pacific Labour Scheme (PLS) was informed by the trial recruitment of Pacific workers in the Northern Territory to address labour shortages affecting mango farmers. What assessment has the department undertaken to measure the effectiveness of the NT trial?

Answer

A full assessment of the trial is being undertaken by the Department of Agriculture, Water and Energy.

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010 – Select Committee on Temporary Migration – 10 September 2020

Topic: Pacific Labour Scheme

Question submitted by the Committee

Question

With the resumption of the Pacific Labour Scheme, what aspects of the scheme have been changed to ensure it can operate effectively and safely in the current COVID-19 environment?

Answer

The health of Australian, Pacific and Timorese communities is a priority for the Australian Government as recruitments under the Pacific Labour Scheme and Seasonal Worker Programme recommence. The Australian Government has reached agreement with state and territory governments on a set of protocols and procedures to govern how workers will mobilise to Australia and the health conditions which will apply. State and territory Chief Health Officers are required to approve recruitment plans and will determine the quarantine and health settings which will apply in each jurisdiction for each recruitment, including quarantine settings.

The Department of Foreign Affairs and Trade, through the Pacific Labour Facility, has also incorporated a COVID-19 training module into pre-departure briefings for workers before they mobilise to Australia which educates workers on how to keep themselves, their workplaces and host communities safe and healthy. COVID-19 materials have been translated into Pacific and Timorese languages to ensure COVID-19 health measures are well understood, and the PLF has offered to assist workplaces in Australia to translate COVID-19 materials specific to particular workplace settings, such as meatworks and aged care.