



19 December 2018

Committee Secretary
Senate Legal and Constitutional Affairs Committee
Canberra ACT 2600

By email: legcon.sen@aph.gov.au

Dear Committee Secretary

Effectiveness of the temporary skilled visa system in targeting skills shortages

We do not believe that the temporary skills visa system helps small business deal with skill shortages due to the limited range of skills covered and impediments in the processes to apply for a temporary skilled visa. Regardless of business size and location, if skilled staff are not identified after an appropriate advertising program, then the option of sponsoring a migrant worker must be available in a timely and efficient manner.

The most significant obstacle for small businesses considering making a Temporary Skills Shortage (TSS) application is the upfront cost. In addition to the application fee there is also the Skilling Australia Fund (SAF) contribution. These must be paid upfront with no guarantee of fulfilling the visa.

The complexity and red tape of the application process creates additional burdens for small business. Small businesses do not have dedicated human resources staff and often need to engage immigration lawyers to assist them to make and application and navigate the process, increasing the cost. The time then taken to process an application means that identified candidates often accept alternate opportunities.

From cases raised through our assistance function, small businesses cannot afford to use, or wait, for application for a TSS to be approved and processed. We believe this explains the significant drop off in TSS applications. Small businesses that have struggled with the visa system in the past are no longer prepared to take this path.

We believe the impediments that must be addressed are:

- Upfront costs and stage payments - reduce to match visa participant engagement;
- The classification system – expand the skilled occupation list;
- Permanent residency – a TSS visa must be a pathway to permanent residency to attract the best candidates; and
- Labour market testing – remove. It is expensive and time consuming and wrongly assumes that businesses do not first seek to employ locally.

Thank you for the opportunity to comment. If you would like to discuss this matter further, please contact Jill Lawrence

Yours sincerely

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