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**Community & Public Sector Union** 

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2<sup>nd</sup> February 2007

The Secretary Joint Standing Committee on Migration Parliament of Australia

By Email: jscm@aph.gov.au

Dear Sir/Madam

# Re: Inquiry into eligibility requirements and monitoring, enforcement and reporting arrangements for temporary business visas

The PSU Group of the Community and Public Sector Union welcomes the invitation to make a submission to the Inquiry into eligibility requirements and monitoring, enforcement and reporting arrangements for temporary business visas on behalf of our members in the Department of Immigration and Citizenship.

Yours Sincerely,

Stephen Jones L National Secretary Community & Public Sector Union

### Introduction

The Community and Public Sector Union (CPSU) is the registered union for Department of Immigration and Citizenship employees. This submission details CPSU concerns regarding eligibility requirements and monitoring, enforcement and reporting arrangements for temporary business visas.

CPSU believes current legislation and regulations do not have adequate requirement for verification of documentation provided by sponsors or visa applicants. Our members are unable to check the background of sponsors or applicants and must accept information provided on face value alone.

CPSU strongly recommends that the current legislation be strengthened to require verification of information provided for by sponsors and visa applicants. Secondly, that DIAC be provided with increased resources for enforcement of regulations.

CPSU also believes the terms of reference for this submission are narrow. For example, they do not consider the effect of temporary business visas on the skill development of Australian citizens, specifically young Australians in regional areas. Nor do they allow for discussion about pay equity between regional and non-regional areas. CPSU considers these issues relevant and cause for concern and, as such, will discuss them in this submission.

# Current employer eligibility requirements

CPSU is concerned about the general absence of legislative requirements, regulations or sanctions covering sponsors (employers), migration agents, labor hire companies and overseas workers on 457 Visas.

Migration agents dominate the 457 Visa application process which has been simplified and streamlined so that most applications are processed on-line via DIAC's "e-VISA" program. The use of pro-forma applications and ready-made job descriptions that comply with the exhaustive list of skills shortages by migration agents is both common-place and an acceptable process.

While CPSU does not condone an increase unnecessary restrictions and "red tape", we believe the current system of employer self regulation and self assessment does not provide sufficient checks and balances in the 457 Visa system. This lack of accountability, as evidenced by the numerous cases where employers have abused the system, must be rectified.

**Recommendation** – The balance of power in the regulatory system should be shifted from employers back to the public service. DIAC employees should be allocated the time and resources to produce a thorough assessment of employers using 457 visas, to ensure unfair, dangerous or illegal practices are not occurring.

#### Increase in resource allocation for DIAC to focus on assessment

Currently, the Federal Government requires DIAC to facilitate businesses who seek to sponsor overseas workers under the 457 Visa scheme - applications are processed rather than assessed against stringent criteria. While the number of 457 Visas being approved has increased in recent years (by 42 per cent in 2005-06, to 39,800), increases in DIAC staffing and resources has not increased to match. Heavy workloads and inadequate staff resources are a feature of the current system. While 457 visas are for four years, site checks were conducted on only 18 per cent of employers hiring migrants on the s457 visas.

**Recommendation** – CPSU recommends DIAC continue to assess and inspect sponsors, skills shortages and overseas worker qualifications. More resources should be allocated to allow DIAC employees to fully inspect, monitor and assess the growing number of 457 visas.

# Pay and skills equity around Australia

The current 457 visa system allows certain employers to apply for reduced minimum skill and salary levels if a position is located in the defined 'regional or low population growth areas' in Australia. CPSU believes there is no justification for the difference in requirements across Australia.

**Recommendation** – The reduction in skill/salary levels for regional employers be abolished.

## Impact on skilled Australian workers

CPSU is concerned that 457 visas are undermining pay and conditions in Australian industries. Specifically, that increases in 457 visas does not improve the skills profile of the Australian workforce and does not add to the stock of skills within Australia.

**Recommendation** – Employers who is granted approval for the use of temporary skilled labour must engage an equal number of local trainees or apprentices to ensure that Australian workers are being trained in the skill area.

## **Regional Certifying Bodies**

The Migration Act delegates all functions relating to 457 Visas to DIAC employees engaged under the Public Service Act. CPSU believes this should continue along with extra funding for resources to enable DIAC employees to assess and monitor the regulatory process effectively and efficiently.

**Recommendation** – That all functions relating to 457 Visas are conducted by DIAC employees and not by external bodies. Regional Certifying Bodies should be abolished and skills shortages should be assessed by the Department on a case by case basis.