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BY: MIG

2 February 2007

Committee Secretary
 Joint Standing Committee on Migration
 Department of House of Representatives
 PO Box 6021
 Parliament House
 CANBERRA ACT 2600
 Australian

Dear Secretary

By fax: 02 6277 8506

The Australian Meat Industry Council (AMIC) represents the post farm gate meat industry. As such AMIC represents some 2,500 members and in excess of 25,000 direct employees.

AMIC represents its members in many areas, in particular Industrial and Employee Relations.

AMIC Involvement in Migration

AMIC has been involved in matters relating to the Temporary Business (Long Stay) 457 visas and Labour Agreements since June 2006. Members have been using the 457 labour for several years with few issues and have benefited from this source of labour in what are difficult labour conditions.

The Department of Immigration and Indigenous Affairs (DIMA) ceased to process applications for additional 457 labour around March 2006. This was not formally advised to members but became apparent when approved applications were not forthcoming.

There have been certain allegations made about the use and abuse of 457 labour, some of which have been leveled at the meat industry. Information provided from various sources has not supported these allegations as they apply in the meat industry. Some of these allegations relate to an error in the Australian Standard Classification of Occupations (ASCO) particularly that known as Boners and Slicers.

It is believed that DIMA stopped processing 457 labour applications partly because of the allegations and partly about other unspecified concerns about the type of labour used in the meat industry.

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In an attempt to resolve the various issues AMIC took advice that it should enter into negotiations to develop a Labour Agreement for the meat industry. It was suggested that this would take between 6 and 8 weeks but in fact 28 weeks later the industry remains without a Labour Agreement despite many meetings and versions of draft documents.

AMIC continues to attempt to resolve these issues with DIMA.

Current Eligibility Requirements

The current eligibility requirements relate to the ASCO classifications and a demonstrated shortage of labour. The meat industry, as with other rural and regional industry, has been able to meet these requirements. The exception relates to the error in ASCO as it relates to Boners and Slicers which makes this labour technically ineligible.

A major issue in negotiating the Labour Agreement for the meat industry has been the additional requirements inserted into the draft in relation to eligibility. Many of these are either impractical or will add considerable cost to sourcing such 457 labour from certain countries.

Effectiveness of Monitoring and Reporting

From reports received from other industries there have been cases where labour has been used inappropriately or outside the terms of the 457 visa system. Allegations about the meat industry have been substantially incorrect but have served to demonstrate that monitoring is inadequate.

The Labour Agreement under negotiation has rigorous reporting commitments which support the view that the current 457 labour monitoring should be modified.

Procedures

Clearly the procedures in DIMA have contributed to the allegations leveled against 457 labour sponsors in that there may have been inadequate understanding of applications, employment roles and approvals granted by State offices of DIMA not in keeping with the intent of the 457 visa system.

The Labour Agreement under negotiation has been delayed by matters included in the draft document which should have been covered by standard DIMA procedures. This would support a conclusion that a procedures review may be necessary to ensure appropriate controls are in place and matters of concern in relation to 457 labour are appropriately addressed.

Conclusions

AMIC and its members have been exposed to many issues which have resulted in access to 457 labour being denied since March 2006. The meat industry has 457 labour accessed prior to this date but has not been able to supplement these numbers since.

Attempts to resolve issues delaying access to 457 labour have been unsuccessful and clearly demonstrate that the system is not working for the meat industry.

AMIC supports this enquiry into temporary business visas and requests that it be included in further consultation on this matter.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Kevin Cottrill', with a stylized flourish extending from the end.

Kevin Cottrill
Chief Executive Officer