

QUESTION TAKEN ON NOTICE

SUPPLEMENTARY BUDGET ESTIMATES – 20 OCTOBER 2014

IMMIGRATION AND BORDER PROTECTION PORTFOLIO

(SE14/330) PROGRAMME –

Senator O'Neill (L&CA 25) asked:

Senator Cash: Senator O'Neill, if your allegation is that the department or the government does not take compliance and integrity seriously, I wholeheartedly refute that. In particular, I will ensure that, on notice, the department provides to you the figures which confirm that, under this government, there has been a significant increase in the number of compliance activities that have been undertaken. We take all allegations—as I would have hoped the former government did—very, very seriously. In particular, in relation to this report, questions have been placed on notice, and they are currently being worked through by the department, bearing in mind that this is a report of the Fair Work Ombudsman.

Senator O'NEILL: Thank you, Chair. That is very kind of you. I want to know what the department has done as a result of the report, discovering that, in addition to the ones that have gone missing, there were 300 of the 1,800 investigated where concerns about salary and occupation were identified as problems. I would like to know what investigations have been done about that. I would also like to know if the department is taking any legal proceedings against any of the 1,800 employers that were investigated, or was it asked to investigate specific employers based on some sort of risk assessment?

If the answer to the first question is that you did provide this, what were the parameters around the random sampling procedure—and some detail, particularly about this non-locatable sponsors? I think people would be very concerned, and I am concerned about the time gap between this becoming public and the department not being able to respond today with detail.

Mr Pezzullo: Sorry, Senator: it is a function of me not personally being aware of Senator Cameron's interest in the matter. There is a whole machine that sits under me that is beaver away and doing all sorts of things. When I get a level of assurance, I can confidently respond to your question.

It is not as though done anything simply because we were not monitoring some other committee. Lots of people have been diligently working on the issue. What I am just saying is—and again I am embarrassed; I did not know about a social media campaign before and I was not aware of Senator Cameron's interest in the matter. I will see to it myself about what has gone on here and I will personally clear the answers. But the imputation that we have done nothing, which is one of the premises—

Senator O'NEILL: I do not really want to create that impression.

Ms Perkins: Thank you.

Senator O'NEILL: I would like to know what has happened—

Ms Perkins: And we will respond on notice.

Answer:

The department receives a monthly report from Fair Work Ombudsman (FWO) regarding the 457 monitoring work that they have conducted under the terms of the Memorandum of Understanding.

It should be noted that the FWO report reflects the number of visa holders, while departmental data focuses on sponsors. Departmental records indicate that the 1,800 visa holders mentioned above corresponds to 1,265 sponsoring employers of which 258 employers were referred with concerns about salary and/or occupation.

The department examines all findings that are referred by the FWO through their audit activity. If a sponsorship breach is identified the following options are available: a bar preventing further sponsorship for a specified period of time; cancellation of sponsorship; an infringement notice or warning letter may be issued to the sponsor; or the sponsor can be counselled and monitoring finalised as 'unsatisfactory'.

Of the 258 sponsoring employers who were referred by FWO with concerns about salary and occupation, as at 30 September 2014, 66 were finalised as satisfactory, four were barred from sponsoring further 457 visa holders, one employer had their sponsorship cancelled, four were finalised as unsatisfactory 113 were still being examined.

As mentioned above the department examines all findings that are referred by the FWO. The report identifies sponsors who may have breached 457 sponsorship obligations. This is a trigger for the department to conduct a more thorough audit. As a result of this scrutiny, the department may or may not find a breach of the sponsorship obligations under the Migration Act.

The department is not currently involved in any legal proceedings in relation to the cases referred to in the FWO report.

The FWO report identified 56 sponsors pertaining to 106 visa holders that could not be located up until 30 September 2014. Where it is confirmed that the business is no longer operating the department considers cancellation of the sponsorship and associated visas.