

QUESTION TAKEN ON NOTICE

SUPPLEMENTARY BUDGET ESTIMATES – 20 OCTOBER 2014

IMMIGRATION AND BORDER PROTECTION PORTFOLIO

(SE14/435) PROGRAMME – 1.2: Visa and Citizenship

Senator Carr (Written) asked:

Designated Area Migration Agreements (DAMA)

- a) Can the department please provide more details on the Designated Area Migration Agreements (DAMA)?
- b) Is this a different program to the regional migration agreement proposal started under the former Labor Government?
 - (i) If so, what is the difference between this program and the former proposal?
- c) What visas are available for these workers entering Australia? Temporary or permanent or both?
- d) What controls are in place to ensure that businesses do not employ overseas workers in place of qualified Australians?
- e) Will the added endorsement by State and Territory governments slow down the processing of applications by employers to access a workforce?
- f) What was the reason for requiring this additional endorsement from States and Territories?
 - (i) Why is it necessary?
 - (ii) What measures are in place to ensure that prospective employers are not hindered by this additional step for employing overseas workers to fill their gaps?

Answer:

(a) A designated area migration agreement (DAMA) provides flexibility for states, territories or regions to respond to their unique economic and labour market conditions through an agreement-based framework, under which employers in areas experiencing skills and labour shortages can sponsor skilled and semi-skilled overseas workers. DAMAs are designed to ensure employers recruit Australians as a first priority.

A designated area migration agreement has a two-tiered structure:

- an over-arching agreement between a Designated Area Representative that is endorsed by a state or territory government and the Australian Government to bring overseas workers to a designated area; and
- individual agreements between employers and the Australian Government that allow employers to sponsor overseas workers to the designated area under the terms and conditions agreed to in the over-arching agreement.

The department has produced guidelines for requesting and managing a DAMA and these can be found at:

<http://www.immi.gov.au/Work/Documents/dama.pdf>

(b) & (b)(i) DAMAs have replaced regional migration agreements (RMAs). While they have some points of similarity, they are different programmes. Both address skill and labour shortages and must be endorsed by the state/territory government. Both require evidence of genuine recruitment efforts, although under the RMA this was limited to the use of the Jobs Board.

Key differences are as follows:

- The RMA guidelines provided for a maximum duration of an agreement of up to five years while DAMAs are valid for a maximum of three years.
- The RMA programme was only available to regions with: a population below 150,000; a downward trend in unemployment that was low by historical standards; a high participation rate by historical standards; and demonstrated growth in employment over the previous 24 month period. By comparison DAMAs are more flexible, and focus on defined, or designated areas experiencing skill or labour shortages. State/territory governments endorse: that a shortage in the occupations exist; that the numbers are consistent with that shortage; and that training and employment opportunities will not be undermined.
- Under the RMA programme, organisations were required to develop a regional training plan as part of their submission. This is not a requirement under DAMAs where training obligations are consistent with the standard Subclass 457 programme.

(c) The DAMA programme is targeted towards temporary entry. The guidelines provide, however, for permanent residency in limited circumstances, where agreed to by the minister. In these circumstances, designated area representatives would need to demonstrate a substantial, long term and ongoing need for skilled or semi-skilled workers that cannot be addressed from the Australian workforce and how access to permanent residency does not undermine Australia's skilled migration programme. Under the guidelines, permanent residency is only considered where the overseas worker has worked in the designated area as a subclass 457 visa holder for a minimum of two years.

(d) DAMAs are only entered into where the state/territory government endorses: that there is a skills or labour shortage in the occupations requested; the number of overseas workers requested is consistent with these shortages; the recruitment of overseas workers is only intended to supplement the Australian workforce; and that the proposed DAMA will not undermine employment and training opportunities for Australians.

All employers must demonstrate they have made genuine efforts to recruit Australian workers before a request will be considered. They must also provide information on any redundancies that have occurred within the last six months within the designated area.

(e) State/territory endorsement is obtained by the state/territory, regional or local designated area representative prior to requesting a DAMA. Employers are not required to obtain endorsement.

State/territory endorsement is intended to reduce the evidentiary burden required by designated areas representatives when requesting a DAMA.

(f) State/territory endorsement is a key feature of the DAMA model of shared state/territory and Commonwealth responsibility and management of the programme. Endorsement provides states/territory with an opportunity to ensure the proposed DAMA is consistent with state/territory workforce planning. Endorsement also replaces some of the more prescriptive eligibility criteria which were previously a feature of the RMA programme.

State/territory governments often have the best available information in relation to the skills and labour shortages within their own jurisdictions, as well as information about relevant infrastructure and community services to support overseas workers. Where this is available, endorsement is intended to reduce the evidentiary burden that would otherwise have been required from a designated area representative.