

QUESTION TAKEN ON NOTICE

SUPPLEMENTARY BUDGET ESTIMATES HEARING : 19 October 2015

IMMIGRATION AND BORDER PROTECTION PORTFOLIO

(SE15/058) - World Trade Organization rules or obligations that apply in this area for labour market testing - Programme 2.3: Visas

Senator Canavan, Matthew (L&CA 129) asked:

Senator CANAVAN: Just finally, I presume that there are some World Trade Organization rules or obligations that apply in this area for labour market testing?

Mr Wilden: There are, but the holders of those—

Senator CANAVAN: Do they constrain what we do in those free trade agreements? Mr Wilden: They do constrain the negotiations as they start, under the General Agreement on Tariffs and Trade, I think it is. The last one we signed up to was quite some time ago. Doha is in debate but not signed. You would have to check with the Department of Foreign Affairs, because they own that intersection and what those obligations actually are.

Answer:

The World Trade Organization (WTO) General Agreement on Trade in Services (GATS) provides that Free Trade Agreements (FTAs) must, in the sectors they cover, eliminate existing discriminatory measures and/or prohibit new or more discriminatory measures. Thus, FTAs may liberalise further than Australia's commitments in the GATS, but cannot introduce new or more discriminatory measures without triggering WTO processes for modification of schedules of commitments, which includes compensation. Australia has committed in the WTO and in most of our FTAs not to apply labour market testing to certain categories of temporary skilled foreign workers in Australia.