

QUESTION TAKEN ON NOTICE

ADDITIONAL BUDGET ESTIMATES HEARING: 21 FEBRUARY 2011

IMMIGRATION AND CITIZENSHIP PORTFOLIO

(38) Program 1.1: Visa and Migration

Senator Cash (L&CA 45) asked:

In relation to the risky cohorts of 457 visas where exploitation has occurred, provide details of the analysis of the investigation of sponsor monitoring and compliance undertaken in 2008 and 2009.

Answer:

The department's approach to monitoring of sponsors stems from program integrity reviews conducted in 2008 by industrial relations expert, Barbara Deegan, and the Skilled Migration Consultative Panel. The review noted that from an exploitative and integrity perspective, visas holders in the ASCO 4-7 group (semi-skilled occupations) were of particular concern and that people with lower levels of English language skills were more vulnerable to exploitation. Since then, the minimum English language requirement for Subclass 457 visa holders has been increased.

Monitoring of sponsors targets those where there is a higher risk of non-compliance and where sponsored employees are at greater risk of exploitation. The risk factors taken into account include: industry; citizenship of visa applicant; salary and occupation. The risk factors are based on analysis of historical rates of non-compliance.

The table below shows sanction activity by industry for 2007-08, 2008-09, 2009-10. The sanction activity taken by the department is either a decision to bar and/or cancel a sponsor from the program. Sanction activity is highest in the Accommodation and Food Services, Construction, Manufacturing and Retail Trade. These industries typically employ sponsored overseas workers at high risk of exploitation (i.e. from high-risk countries and semi skilled occupations).

Industries with highest rates of sanction activity 1 July 2007- 30 June 2010

Sponsor Industry	Sponsors sanctioned 2007-08	Sponsors sanctioned 2008-09	Sponsors sanctioned 2009-10
Accommodation and Food Services	61	66	64
Construction	29	36	19
Manufacturing	26	22	17
Retail Trade	22	20	19
Other	54	46	45
TOTAL	192	190	164