

QUESTION TAKEN ON NOTICE

ADDITIONAL ESTIMATES - 25 FEBRUARY 2014

IMMIGRATION AND BORDER PROTECTION PORTFOLIO

(AE14/220) PROGRAMME – 1.1: Visa and Migration

Senator Carr (Written) asked:

The department's 457 statistical summary report for 31 December 2013 shows that in the 6 months to 31 December 2013, the leading industry for 457 visa applications lodged was "Other services" with 14.3 per cent (3,340) of all 457 visa applications lodged?

Please explain which particular industry sub-sectors and occupations are responsible for 457 visa applications lodged within "Other services". What concerns (if any) does the department have about the integrity of 457 applications in this sector, and if so, what is the department doing to address these concerns?

Answer:

As per the Australian and New Zealand Standard Industrial Classification (ANZSIC), developed by the Australian Bureau of Statistics and Statistics New Zealand, the Other Services Division includes: a broad range of personal services; religious, civic, professional and other interest group services; selected repair and maintenance activities; and private households employing staff. Units in this division are mainly engaged in providing a range of personal care services, such as: hair, beauty, diet and weight management services; providing death care services; promoting or administering religious events or activities; or promoting and defending the interests of their members.

Also included are: units mainly engaged in repairing and/or maintaining equipment and machinery (except ships, boats, aircraft, or railway rolling stock) or other items (except buildings); as well as units of private households that engage in employing workers on or about the premises in activities primarily concerned with the operation of households.

In 2013, the department implemented a number of reforms to ensure subclass 457 visa nominations and applications, including those lodged for occupations within the "Other Services" industry, meet the intent of the subclass 457 programme. These reforms included:

- the requirement that sponsors demonstrate that there is a genuine position that needs to be filled by a subclass 457 visa holder;
- an extension of the English language requirements to certain positions;

- the strengthening of the department's capacity to ensure that sponsors nominate and pay subclass 457 visa holders at the market rate so that these workers cannot be engaged to undercut Australian workers (if the market salary rate for an occupation is below the Temporary Skilled Migration Income Threshold (TSMIT), which is currently set at \$53 900 and indexed annually, an employer cannot nominate the position to be filled by a subclass 457 visa holder); and
- the requirement for sponsors to undertake labour market testing before being approved for the nomination of certain occupations.