



CHAMBER OF
COMMERCE &
INDUSTRY
QUEENSLAND

Review of the Permanent Employer Sponsored Visa Categories:

Employer Nomination Scheme
Regional Sponsored Migration Scheme
Labour Agreement

Director, Sponsored Skilled Migration Policy Section
Department of Immigration and Citizenship
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**A Chamber of Commerce and Industry Queensland
Submission to the
Department of Immigration and Citizenship**

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Invigorating
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1.0 Introduction

- 1.1 The Chamber of Commerce and Industry Queensland appreciates the opportunity to provide input to the review of the permanent employer sponsored visa categories. As the state's peak business organisation, CCIQ recognises the importance of skilled and semi-skilled migration to Australia's population and productivity agenda.
- 1.2 CCIQ represents the interests of 25,000 businesses across Queensland, many of which operate in rural and regional areas where skill shortages are particularly acute. CCIQ is supportive of migration policies and frameworks that generate employment, increase productivity and improve the ability of businesses to meet their skills and labour needs as well as addressing ongoing shortages.
- 1.3 CCIQ anticipates that skills and labour shortages will be prevalent throughout Australia over the coming decades as our population continues to age and as competition for highly skilled labour intensifies in both domestic and international markets. As the natural population growth rate declines and new entrants to the workforce stagnates and even declines, overseas migration is likely to play an increasingly important role in expanding the nation's workforce. More specifically, factors which have affected Queensland's long term stock of skills include:
- Rapidly expanding businesses and economy;
 - Falling numbers of new entrants to the workforce;
 - The ageing of the existing workforce;
 - The changing role of public and private enterprises in skill formation;
 - The impact of production demands on the time available to train; and
 - Structural changes within industry sectors.
- 1.4 Irrespective of the most recent economic downturn there are currently statewide recruitment difficulties in a number of trades and professions, and in many regional areas skill and labour shortages, recruitment and staff retention continue to be a significant challenge. The shortage of workers within Queensland is a true and real impediment to the economic growth of Queensland. The economic cost of skill and labour shortages is significant and these shortages are a complex problem requiring a considered response hence the importance of employer sponsored migration.

2.0 Objectives of the Review

- 2.1 CCIQ is particularly interested in the following objectives of the review:
- consider whether these programs are meeting the skill needs of Australian employers in an effective and efficient manner;
 - ensure people migrating to Australia through these programs have the skills and experience that employers need;
 - help businesses in regional, remote and low population growth areas in Australia to recruit the skilled workers they need to manage and grow their operations; and
 - ensure these programs meet the government's commitment to simplify the visa structure and create a robust visa program that will reduce bureaucratic red-tape for employers, as well as make the visa process easier to understand for employers and visa applicants.

CCIQ Response to Questions

How can the government best facilitate access to skilled and semi-skilled migrants in the areas they are most needed while maintaining employment and training opportunities for Australian workers? For example:

3.0 Should there be multiple pathways to sponsor semi-skilled workers?

- 3.1 CCIQ is supportive of multiple pathways to sponsor permanent skilled and semi-skilled workers. Namely skilled workers through the Employer Nominated Scheme and the Regional Sponsored Migration Scheme and semi-skilled workers through Labour Agreements including Enterprise Migration Agreements and Regional Migration Agreements.
- 3.2 The case for skilled migration is widely recognised however there exists considerable demand for semi-skilled workers as well. This is largely as a result of the resource projects attracting semi-skilled labour in the regions leaving a vacuum of unfilled positions with little likelihood of attracting domestic workers to the bush.
- 3.3 Currently there are many circumstances where semi-skilled or unskilled workers cannot be found within Australia to meet labour needs. CCIQ believes that there continues to be significant need for immigration programs for unskilled low skilled workers, with more arrangements for industry support and facilitation. We understand these programs require careful management, but relying on working holiday arrangements alone has not been effective.
- 3.4 CCIQ supports the use of labour agreements for industry sectors and large employers. These agreements allow companies to have stable, on-going arrangements in place to employ appropriately skilled migrant workers over time, as part of their workforce planning strategies. However, these agreements take an inordinate amount of time to finalise. There is a strong case to provide the relevant departments additional resources to ensure these agreements are negotiated in a timely manner. The Chamber is heartened by the Federal Government's statement that it will promote and encourage the wider use of Labour Agreements for larger projects that are in the national interest and are of significant economic benefit.

4.0 What additional protections are needed when sponsoring semi-skilled workers?

- 4.1 CCIQ is keen to protect the integrity of the employer sponsored visa programs. We support a co-operative approach between governments and industry to investigate breaches at national and state levels. We also support the sanctioning of employers who deliberately breach their obligations.
- 4.2 However, employers continue to be unclear about the overlap between the Department of Education, Employment and Workplace Relations and the Department of Immigration and Citizenship legislative requirements, and the extent to which either can over-ride the other. In order to resolve this issue we believe that the Government should supply a clear and simple statement on employers' rights and obligations under the employer sponsored visa programs. The Department's Industry Outreach Officer program has also been highly regarded by employers as a means of ensuring employers are aware of their rights and obligations under the three programs and should continue.

- 4.3 CCIQ currently notes there is a significant focus on the rights for the immigrant employee but at the same there needs to be some surety for the employer that the visa holders actually meet their obligations of the visa program under the RSMS and ENS. There needs to be a lever for the Department to use to keep overseas workers in the region and under the arrangements of their initial visa.

5.0 How can the government ensure that employer sponsored migrants perform well in the labour market and are not exploited? For example, what is the role for English language requirements, skills assessments, salary thresholds and age restrictions?

5.1 English Language:

CCIQ has historically expressed concerned over the formal English language requirements of visa holders. This has partially compromised the flexibility and intent of the visa arrangement. Business recognises the need for English language capabilities in the workplace particularly for workplace health and safety reasons. However, we note that many businesses encourage and or offer assistance for intensive English language classes for their workers as a matter of course. The requirement that visa applicants need to have proficiency in English to at least an average band score of 4.5 across the four test components in the International English Language Testing System (IELTS) test is not in itself an issue although CCIQ maintains the opinion that this is excessive. CCIQ believes the difficulty is that this requirement slows down the application process significantly as prospective employees often have to wait considerable lengths of time before being able to take the test.

5.2 Salary Thresholds:

CCIQ believes there are a number of problems associated with the lack of consistency across schemes in relation to wage thresholds. CCIQ's overarching principle in this issue is that there should be parity between the employment terms and conditions of visa holders and Australian citizens/residents. Employers overwhelmingly feel that the industrial relations system should have primacy over setting the wages and conditions of visa holders as it does Australian workers. The primary determinant of salary and employment conditions for all workers should be the relevant industrial instrument.

5.3 Skills Assessments:

5.3.1 CCIQ would welcome a reduction in the number of skill lists. Businesses looking to skilled migration to alleviate the impact of significant skills shortages are confronted with a complex and confusing array of skills lists, making it increasingly difficult to identify whether or not particular visas would meet their needs. Small businesses in particular are often time-poor and the complexity of the system can act as a significant barrier.

5.3.2 CCIQ has previously expressed significant concerns in relation to the methodology applied in determining occupations for inclusion in the skilled occupations lists. We have also questioned whether the lists adequately reflects the skills needs of Queensland's small to medium sized businesses and the needs of regional and remote areas. Current methodology makes a judgement of the relative value of particular occupations and skills to the Australian economy, which is a highly subjective process that is made even more complex by the diverse and regional nature characterising Australian industry. In particular, CCIQ does not wish to see an outcome where SMEs are disadvantaged

because the skill shortages they are faced with are not classified as being of “high economic value to Australia”.

5.3.3 Niche occupations and small industries, which are largely overlooked in Australia’s migration programs, are also unlikely to be included in a SOL. For example, occupations within creative or emerging industries as well as occupations that are more specialised such as computer programmers or irrigation technicians. Although these occupations or industries may not be seen as providing high economic value to Australia, many are providing a significant contribution to Australia’s competitive edge by enhancing Australia’s productivity growth and innovative capacity.

5.3.4 Unfortunately, SOL omit many professional “business” skill areas such as entrepreneurship, small business management, and commerce, which are skills vitally important to the growth of our economy and, with the aging population, are skills increasingly in shortage across all industries and regions.

5.4 Training:

The issues of commitment to training must continue to be assessed in a flexible way, to ensure that it does not disadvantage any sector, occupation or region.

6.0 What concessions or flexibilities are needed to support positive economic and social outcomes in regional and low-growth areas, and how could these be implemented? For example: Are lower salary thresholds or English requirements appropriate?

6.1 CCIQ has provided a detailed response to this question in sections 5.1 and 5.2 of this submission.

7.0 Is there a role for provisional visas that require migrants to stay in the region for a set period of time?

7.1 CCIQ believes that unless the overseas worker is no longer needed by the sponsoring employer then there should be an expectation that the migrant stay in the region for the period of that agreement. Furthermore the Department or employer must have some form of leverage for this outcome to be ensured.

8.0 Would the continued use of local certifying bodies and/or exceptional circumstances provisions provide more integrity when assessing individual applications?

8.1 CCIQ believes that Regional Certifying Bodies (RCBs) must have a local presence and a comprehensive knowledge and understanding of the local labour market in the region for which they are certifying.

8.2 CCIQ feels that RCBs can perform an important role in raising awareness of the visa options available to employers and provide a valuable link to the Department of Immigration and Citizenship in regional and rural areas.

8.3 Chambers of Commerce have proven over time that they can constructively perform these duties, delivering valuable services to the business community. CCIQ strongly supports the departmental monitoring of RCB approvals, (which already occurs), to ensure arrangements

being approved are in line with local workforce availability. Furthermore there should be continued feedback on this monitoring with the opportunity for continuous constant improvement.

- 8.4 CCIQ wishes to recognise the importance of the Industry Outreach Officer for CCI in ensuring consistency of arrangements across all CCIQ Office RCBs.

9.0 Other Issues

9.1 Skills recognition

Prospective migrants overseas, and those already in Australia with skills or training obtained overseas, should have access to a system, delivered both overseas and within Australia, which would:

- assess the training they have already undertaken, formal or otherwise;
- assess their skills; and
- document all of this.

CCIQ supports the COAG proposal for a one-stop, offshore process for the recognition of overseas qualifications. This process must be designed to maintain the integrity of the qualifications system, and protect employer and consumer confidence in the workers' skills.

9.2 Electronic Lodgement:

CCIQ supports the activities of the Department of Immigration and Citizenship to reduce the regulatory burden and simplify the processes of the Business Skills Visa Program. However there continues to be a need to have options outside of electronic lodgement such as paper lodgement.

9.3 Time to Adapt

CCIQ highlights that should there be significant change then business needs sufficient time to adjust to any changed arrangements.

10.0 Conclusion

- 10.1 This review inquiry is of significant interest to CCIQ as a significant number of our members are using skilled workers from overseas, under the employer sponsored visa categories, as a means of addressing prevailing skills shortages that exists in many industries and regions across the State.
- 10.2 CCIQ believes that skilled and semi-skilled migration is an important component of the skills shortages agenda as it can deliver workers for immediate or emerging shortages in relatively short timeframes. However, CCIQ recognise that skilled and semi-skilled migration is only part of a wider population and workforce policy approach.
- 10.3 These issues are of significant importance to the Queensland business community and CCIQ would be happy to expand upon the issues raised within this correspondence.

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Chamber of Commerce & Industry Queensland (CCIQ) represents over 25,000 businesses in Queensland. We are committed to ensuring our customers have the right tools to achieve real results in their business.

At CCIQ we harness the results of our research, lobbying and policy achievements to offer the best possible business support solutions to invigorate growth statewide, nationally and globally. By joining CCIQ you support the organisation that supports the Queensland business community.

Membership also ensures you are an integral part of an organisation dedicated to providing first class services to assist Queensland industry with relevant and practical business solutions. Not only is membership your connection to information, industry best practice, training and consultancy services, it also allows you to take advantage of the many benefits CCIQ offers.



Our success is success for all Queensland businesses.

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