

Sent: Friday, 24 July 2015 4:06 PM
To: Committee, JSCFADT (REPS)

AIDN ANSWERS TO QUESTIONS ON NOTICE FROM PUBLIC HEARING 31 OCTOBER 2015

I will now respond the questions on took on notice:

CHAIR: My understanding from your submission here is that essentially you are saying that we do not have the option to choose just to use an Australian contractor because of FTAs, whereas people in America do. I am not sure that is the case. But if you would like to take that on notice—if there is an FTA where you think that is the case—we would certainly welcome you providing that to the committee.

Mrs Smith: I will follow up on that for you

AIDN certainly believes that under the US FTA that it is not a level playing field. For example if you an a female, indigenous person and a war veteran there are huge loadings on any tender you submit to the US government. Whereas this is certainly not the case in Australia.

CHAIR: Okay. You mentioned 489 visa restrictions in your submission when an Australian company can demonstrate that they are undertaking a training program in another country. Could you just expand a bit on that and why that is an impact for exports in the space of exports for services? I am happy for you to take that on notice if you do not have the detail to hand.

Mrs Smith: I would prefer to take that one on notice, thank you

Skilled Migration Visas

There are problems with the skilled migration program concerning the 489 visa. The issue here is that a member had an opportunity to sell specialist consulting services to a company in the UAE in the defence sector but was unable to do so due this visa restriction. This situation would not be so bad for a domestic business opportunity, but this is an opportunity in an international market that would bring export income to Australia. This particular visa has a restriction known as '8549 - MUST STAY IN DESIGNATED AREA' and the Department of Immigration basically stuck to the bureaucratic position that the individual could not leave the country for a period of more than a few days. The particular engineer had unique skills relating to military vehicle design, which do not exist elsewhere in Australia. In other words the company had a person working for them and they were unable to leave Australia to support the companies consulting vehicle services in the UAE.

Mr NIKOLIC: No, you said that the Prime Minister announced something in relation to the purchase or procurement of Japanese submarines. I am not sure that is right; that is the point I was making. I also am interested in the 489 visa restrictions, as is the chair, and you have taken that on notice. Could I provide a couple of other things for you to take on notice? Firstly, I would be interested to know how the restrictions of the 489 visa program hinder the SMEs, so specifically relating to the comment in your submission. Secondly, how common is the problem? I know there is a reference in your submission in relation to a general case study, but how common is the problem in your view among SMEs in Australia? Thirdly, if you could take on notice what changes specifically do you recommend to the 489 visa regime? Could you be good enough to take those on notice?

The 849 visa prevented an SME from being able to undertake the work they had tendered for in the UAE. This is probably an isolated incident but in fairness to the member concerned thought it should be raised with this Committee.

I can't make any recommendation in relation to the 849 visa situation because I am not familiar with this particular visa.

I trust that the above is of assistance in meeting the questions that were asked of AIDN.