

# ACCI Submission to Senate Education and Employment References Committee Temporary Work Visa Programs

April 2015

**The Australian Chamber of Commerce and Industry  
is the leading voice of business in Australia**

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## SUMMARY OF RECOMMENDATIONS

The Australian Chamber of Commerce and Industry (ACCI) strongly advocates in favour of the need for a responsive and well-designed temporary work visa program. In this submission ACCI expresses concern that the inquiry's Terms of Reference are entirely focused on the (perceived) negative implications of temporary work visas, rather than seeking a balanced view through considering the substantial benefits. Also, an examination of temporary migration programmes should not be undertaken independent of permanent migration as the connections are very strong. It is politically expedient in the extreme to support permanent migration but oppose temporary migration.

The scope of the inquiry in its broadest interpretation calls into question the reciprocal work rights of New Zealanders, as well as the work rights for international students and working holiday makers (WHM). In relation to temporary student and WHM visas which have a primary purpose other than work, no inquiry should only focus on the perceived negative impact without assessing the benefit, including the significant jobs creation role of international education and backpacker tourism.

In relation to 457 visas, there has already been substantial change either made or proposed that will address a range of issues including improving the obligations on sponsors and strengthening the effort on compliance. The timing of this inquiry would have been better if it had awaited a proper assessment of the impact of these changes.

Finally, and most importantly, ACCI calls on the Parliament of Australia to raise the public perception of migration which has taken such a battering through negative messages of migrants "taking Australian jobs". The message that migration creates jobs is in desperate need of reinforcement.

### **Recommendation 1: Support Current Changes and acknowledge current reviews**

That the Senate Committee acknowledges the significant work that has been undertaken in the last few years to review temporary work visa programmes, and seeks to reinforce the direction of change rather than disrupt it.

### **Recommendation 2: Restore confidence in Australia's Migration Programme**

The Parliament of Australia needs to show leadership and reinforce the benefit of migration, including temporary migration, as a job –generator not a job taker. Temporary visa programs such as student visas and working holiday makers have primary purposes other than work, and generate enormous economic benefit to Australia.

**Recommendation 3: Temporary Migration is connected to Permanent Migration**

Particularly given the strong connections between temporary and permanent migration, it is politically convenient, not logical or evidence-based, that permanent migration is good but temporary is not.

**Recommendation 4: Migration is a two-way Street**

The Senate Committee should take into account the value of reciprocal arrangements, and the benefit that Australians obtain by working overseas.

**Recommendation 5: (Re)Establish a Ministerial Advisory Council**

Reinforce the importance of a Ministerial Advisory Process that brings key stakeholders together to examine evidence of trends and issues around the economic migration programme.

**Recommendation 6: Address compliance through complaints not regulation**

Given the substantial changes made and proposed changes to improve compliance, the Senate Committee should encourage those expressing concerns about instances of suspected non-compliance to complain to the DIBP and FWO so that the circumstances can be appropriately dealt with.

**Recommendation 7: Consideration of 457 Visas needs to have a factual base**

Ensure the 457 programme and its very modest impact on the labour market is put in proper perspective and is weighed against the economic benefit of growing businesses which are accessing skilled labour when they need it.

**Recommendation 8: Labour market testing requirement should be removed from 457 programme**

Labour market testing should be removed as a requirement from all parts of the 457 programme and replaced with evidence-based analysis which will identify areas of distortion or other concern.

**Recommendation 9: The economic benefit of Student and WHM Visas**

The Senate Committee shall not make recommendations to change these important visa arrangements without making due consideration as to the broader economic and society benefits of such programmes.

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## 1. INTRODUCTION

In framing this submission, the Australian Chamber of Commerce and Industry (ACCI) has chosen not to address the specific elements of the Terms of Reference as to do so would be to acknowledge that the questions raised are new or have not been adequately addressed in recent inquiries and responses. Instead, taking the terms of reference holistically in relation to the impact of Australia's temporary work visa programmes, ACCI has sought to reinforce the importance of these programmes to our economy and society more broadly. There is an urgent need for the Parliament of Australia, and all parties and independents represented in it, to reassure the community that a balanced and responsive migration programme, including programmes for temporary migrant workers, operating with integrity is a strong contributor to economic wellbeing and creates jobs for Australians. Complementary to this vitally important message, ACCI also mounts a case for an evidence-based approach to commentary on the migration programme.

## 2. TIMING OF THIS INQUIRY

ACCI is concerned as to the effectiveness of this inquiry given that it is occurring so soon after a significant number of recent inquiries into 457 visas and other temporary work visas and before many of the changes and recommended changes have had full effect, or have even commenced implementation.

The relevant inquiries include:

- Strategic Review of the Student Visa Program 2011 (Knight Review), 30 June 2011
- June 2013 – Senate Committee Inquiry into the Current Framework and Operation of Subclass 457 Visa, Enterprise Migration Agreements and Regional Migration Agreements.
- June 2013 – Senate Committee Inquiry into Migration Amendment (Temporary Sponsored Visas) Bill 2013
- September 2013 - Implementation Of Labour Market Testing In The Standard Temporary Work (Skilled) Visa Program
- September 2014 – Robust new Foundations – An Independent Review into Integrity in the Subclass 457 programme
- Skill Migration Programme Review – commencement of consultations on the skilled migration and 400 series visa programmes

Given its timing, ACCI is forced to presume that the motivation of the Inquiry is not to examine effective policy options based on evidence of the results of changes made or proposed, but to generate more attention to the issue based on perceived concerns many of which have either been shown by evidence as not valid, or where valid, have been addressed or proposed to be addressed. In other words, the inquiry is being held during a period of significant change with little acknowledgement of the

work in progress or reviews underway. This is particularly the case for the 457 visa programme, which appears to be, again, a key focus of the terms of reference.

The fact that **not one of the terms of reference seeks to explore the positive benefits of the temporary work visa programme** reinforces the perception of its purpose.

The most effective path forward for the Senate Committee is to support the changes being undertaken, and not seek to recommend further change until the outcomes of the proposed changes have been properly assessed.

**Recommendation 1: Support Current Changes and acknowledge current reviews**

That the Senate Committee acknowledges the significant work that has been undertaken in the last few years to review temporary work visa programmes, and seeks to reinforce the direction of change rather than disrupt it.

### 3. MIGRATION CREATES JOBS

ACCI remains critically concerned that the Australian migration programme has been undermined by commentary and ongoing inquiries that create and/or reinforce community perceptions that employment is a zero-sum game – that jobs can be “taken” by overseas workers. Australia’s economic performance over its life, and the growth in the workforce over that time, has proven beyond doubt that a balanced migration programme has been good for jobs growth of Australians and has enhanced and not detracted from opportunities for Australians. ABS 2011 Census data reveals that almost a quarter (24.6 per cent) of Australia's population was born overseas and 43.1 per cent of people have at least one overseas-born parent. If it was true that migrant workers, whether they be permanent or temporary, take Australian jobs then, given this level of migration, our unemployment rates would exceed the worst of the world’s employment rates.

The graph<sup>1</sup> below illustrates this high impact of migration on our population compared with other countries. Further, Professor Hugo from Adelaide University estimates that without post-WWII migration, our population would be 13 million.<sup>2</sup> What message is being sent to almost half of the Australian population who were either born overseas or one of their parents were about the benefit of migration if language such as “overseas workers take Australian jobs” continues to drive inquiry after inquiry into migration?

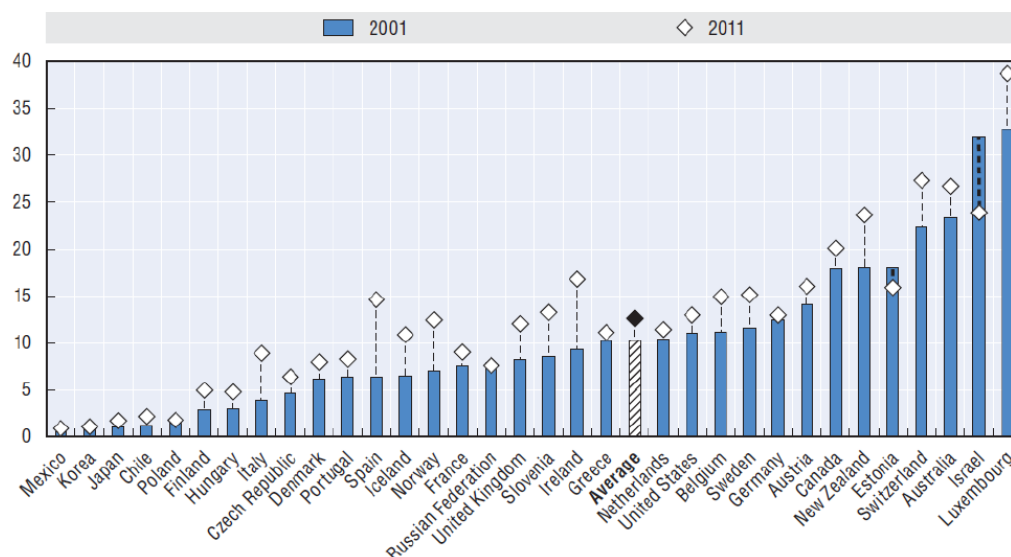
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<sup>1</sup> HUGO, G. Professor (2014), Presentation to 2014 Migration Update Conference, Adelaide 11th September, 2014

<sup>2</sup> Ibid.

## Foreign-born population, 2001 and 2011, Percentage of the total Population

Source: OECD 2013, p.37



This contribution to economic and employment growth is not only true of the past it is true of the future. The recently released economic impact of migration by the Migration Council predicts that Australia's projected population will be 38 million by 2050 and migration will be contributing \$1,625 billion (1.6 trillion) to Australia's GDP. Specifically, the Migration Council (2015, p 2) states:

*Over the next 35 years, migration will drive employment growth. As migrants are concentrated in the prime working age group and are relatively highly educated they have a positive impact on the employment rate. By 2050, the percentage gain in employment of 45.1 per cent outstrips the population gain of 37.0 per cent. Further, migration will ensure Australia remains a highly skilled nation, as it will have led to a 60.4 per cent increase in the population with a university education.*

In the case of the focus of this inquiry, being temporary workers, the critical economic issue is that temporary skilled migration through the 457 programme provides a skilled workforce that is not available to the employer at the time they need to expand or replace a worker who has left. Without this option, the business is detrimentally affected, and the combined effect is that the economy suffers. With other temporary work visa programs, such as student visas or working holiday makers, although the primary objective of the programmes is not work, the inclusion of work rights is a significant enhancement to a programme that creates economic benefit. Not surprisingly, that economic benefit, whether it be through a growing education or tourism sector, creates jobs for Australians.

Also, temporary work visa programmes provide an effective feeder into permanent migration. In the most recent data on the 457 Visa programme, 15,550 temporary skilled migrants were accepted as permanent migrants in the Employer Nomination



Scheme over the six months to 31 December 2014, and a further 3,780 were successful in being accepted under the independent skilled visa scheme. Figures reproduced in the report of the Independent Review Panel into the Integrity of the 457 Visa programme indicate that around 6000-8000 students also transition to permanent residency each year either through the student or graduate visa. This direct connection of temporary to permanent migration means that it is imperative that the impact of temporary work visa programme cannot be viewed in isolation. It is not acceptable for some stakeholders to suggest that permanent migration is fine but temporary is not – it is not logical as to impact, and ignores the direct connection, indeed, the positive benefit, of someone coming temporarily in advance of making a permanent commitment. In short, an argument that permanent migration is fine, but temporary is not is one of political convenience rather than logical and evidence-based.

**Recommendation 2: Restore confidence in Australia's Migration Programme**

The Parliament of Australia needs to show leadership and reinforce the benefit of migration, including temporary migration, as a job –generator not a job taker. Temporary visa programs such as student visas and working holiday makers have primary purposes other than work, and generate enormous economic benefit to Australia.

**Recommendation 3: Temporary Migration is connected to Permanent Migration**

Particularly given the strong connections between temporary and permanent migration, it is politically convenient, not logical or evidence-based, that permanent migration is good but temporary is not.

## 4. MIGRATION IS A TWO WAY STREET

The terms of reference for this inquiry, like so many inquiries before it, fail to include the calling for evidence about the prevalence and value of Australians, whether born in Australia or otherwise, travelling overseas to work either temporarily or permanently.

In the 12 months to September 2014<sup>3</sup>, 150,000 Australians left for stays up to 12 months (temporary) for employment, 85,000 Australian residents departed permanently and 73,000 left for over 12 months (likely combination of both work and travel).

The propensity for Australians to travel and work overseas, both temporarily and permanently is part of a worldwide trend. The world is on the move, with an estimated 232 million migrants in 2013<sup>4</sup>.

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<sup>3</sup> ABS (2014) 3401.0 - Overseas Arrivals and Departures, Australia, Sep 2014

<sup>4</sup> Hugo, op cit.

In an increasingly connected global labour marketplace, Australians including those born and educated here, are taking the opportunity to experience work overseas, and in many cases cementing that as a permanent decision.

**Recommendation 4: Migration is a two-way Street**

The Senate Committee should take into account the value of reciprocal arrangements, and the benefit that Australians obtain by working overseas.

## 5. EVIDENCE-BASED APPROACH IS VITAL

Stakeholder and public commentary around migration can quickly degenerate into vitriol and clichés. The best way to counter this is to ensure that the stakeholders and the public is as well informed as possible about the trends in and impact of migration.

In “*Robust New Foundations*”<sup>5</sup>, the independent panel recommended as one of its core solutions the reinstatement of a Ministerial Council which is inclusive of key stakeholders including employer and union representatives and is serviced by a dedicated labour market analysis resource. This mechanism enables a proper examination of trends and issues arising out of the migration program, including temporary work visas, and identifies and recommends to the Minister possible action to address any concerns, and to promote the benefits. It would be useful for this inquiry to reinforce the need for such a consultative mechanism and encourage to Government to introduce it without further delay.

It is noted that a Ministerial Council is prescribed in the *Migration Act*. During consultations of the Integrity Panel, its work was strongly supported amongst stakeholders according to the Panel’s final report. The Government has indicated its support for its re-establishment, and needs to be encouraged to put the Council in place as soon as possible.

**Recommendation 5: (Re)Establish a Ministerial Advisory Council**

Reinforce the importance of a Ministerial Advisory Process that brings key stakeholders together to examine evidence of trends and issues around the economic migration programme.

In relation to 457 visa programme, the public submissions to the Independent Panel inquiry showed there is a strong common ground as to the objectives of the programme:

- Enable businesses to sponsor a skilled overseas worker if they cannot find an appropriate skilled Australian citizen or permanent resident to fill a skilled position;

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<sup>5</sup> Azarias, J. et al. (2014) *Independent Review into Integrity in the Subclass 457 Programme*, Department of Immigration, September 2014.

- Ensure that working conditions of sponsored visa holders are no less favourable than those provided to Australians, and that overseas workers are not exploited.<sup>6</sup>

Most of the issues raised in the Inquiry's Terms of Reference are directly relevant to the second objective, but yet the need for compliance and a better understanding of obligations and entitlements is common ground. There is no contention amongst stakeholders. Instead, there is unanimous support for the work of the DIBP and the Fair Work Ombudsman to undertake effective compliance. There are also specific recommendations, including the cross matching of the Tax File Number, in the Panel report that the Government has accepted and is still to be implemented which will assist in compliance to a great extent.

The Parliament needs to allow the enforcement changes to have an effect through targeted compliance. Most importantly, when concerns are raised about individual instances that appear to be non-compliant, the first recourse should not be a political solution through regulatory change, but a complaint to the enforcement agencies of FWO and DIBP so that action can be taken.

**Recommendation 6: Address compliance through complaints not regulation**  
Given the substantial changes made and proposed changes to improve compliance, the Senate Committee should encourage those expressing concerns about instances of suspected non-compliance to complain to the DIBP and FWO so that the circumstances can be appropriately dealt with.

## 5.1 457 Visa Programme – Key facts

In examining the submissions to this inquiry, the Senate Committee is asked to keep in mind the following important facts about the programme:

- Although the number of applications lodged increased in the 6 months to 31 December 2014 compared to the previous year, the number of primary visas granted during the first six months of 2014-15 was 6.6 per cent lower than the same period the previous year.
- The number of primary visa holders in Australia as at 31 December 2014 was 90,040, 0.8 percent lower compared with the previous year.
- 71.1 percent of 457 visa grants in the 6 months to December 2014 were for either professionals or managers. Only 23.8 per cent of grants were for technicians and trades workers.
- Only three trades level (Grade 3) occupations are in the top 15 nominated and granted occupations – being Cook, Chef and Mechanical Engineering Technician, with these three accounting for almost 9% of the total grants. This means that visas granted in all other trades, including in construction,

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<sup>6</sup> Ibid. page 27.

electrical, plumbing etc only totalled 15% of the visas granted, or 3,830 workers.

- As compared with the last census of total number of workers in Australia, of the Grade 3 (trade) occupations, only “draftpersons and technicians” (mechanical, civil and electrical engineering roles) make it into the top 30 of occupations where 457 visa holders make up over 3% of the population. For most trade occupations, the figure is under 1%.<sup>7</sup> Cooks and chefs over time has been a growing part of the programme, but it needs to be taken into account that these roles are often not interchangeable – eg. an Italian chef is not often readily adaptable to a Vietnamese restaurant.
- Construction employs approximately 1,055,000 persons (ABS trend data), full time and part time, which is around 9.1 per cent of the total workforce. Over the past five years, employment in the industry has increased by 7.3 per cent.<sup>8</sup> As at 31 December 2014, there were 7,820 primary 457 visa holders in Australia or 0.7%. Even for Accommodation and Food Services, with the highest number of visa holders at 14,440, this is only 1.7% of the 823,000 employed,<sup>9</sup> and this in an industry that is not only servicing a wide range of cuisine styles and tastes (see above) but also inclusive of a long standing global hotel sector where career paths of management are strongly international.

This small but significant selection of facts reinforces the case that the impact of the 457 visa programme on overall employment is insignificant in almost all occupations and in all industries. However, for an individual business who cannot find a skilled worker needed to grow or run their business, the impact can be huge not just on their own livelihood, but for the livelihood of the other workers they employ. This is the strongest justification for the importance of a temporary skilled migration programme.

**Recommendation 7: Consideration of 457 Visas needs to have a factual base**

Ensure the 457 programme and its very modest impact on the labour market is put in proper perspective and is weighed against the economic benefit of growing businesses which are accessing skilled labour when they need it.

## 5.2 Labour Market Testing for 457 Visas

As this is one area where there is no further Government changes are proposed, ACCI will make the following comments:

- Labour market testing only works in the same way that asking employers to walk through wet cement does. It provides a regulatory burden that means

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<sup>7</sup> Azarias et al, op cit. pages 37 and 38

<sup>8</sup> Department of Employment, Labour market Information Portal at <http://lmip.gov.au/default.aspx?LMIP/IndustryInformation/Construction>

<sup>9</sup> Ibid. <http://lmip.gov.au/default.aspx?LMIP/IndustryInformation/AccommodationandFoodServices>

that some will not be bothered. This is not good policy as it does not allow the programme to be responsive to need.

- Evidence that the visa granted for trade occupations has fallen since labour market testing was introduced does not take into account other significant influences such as the introduction of the “genuiness” test, the work of the FWO and DIBP in ramping up compliance and a drop off in economic conditions in industries that were accessing the programme including mining.

ACCI concurs with the recommendation of the Independent Panel that Labour Market Testing should be removed from the 457 Programme for the reasons outlined in the Report.<sup>10</sup>

**Recommendation 8: Labour market testing requirement should be removed from 457 programme**

Labour market testing should be removed as a requirement from all parts of the 457 programme and replaced with evidence-based analysis which will identify areas of distortion or other concern.

### 5.3 Skilled Migration in Perspective

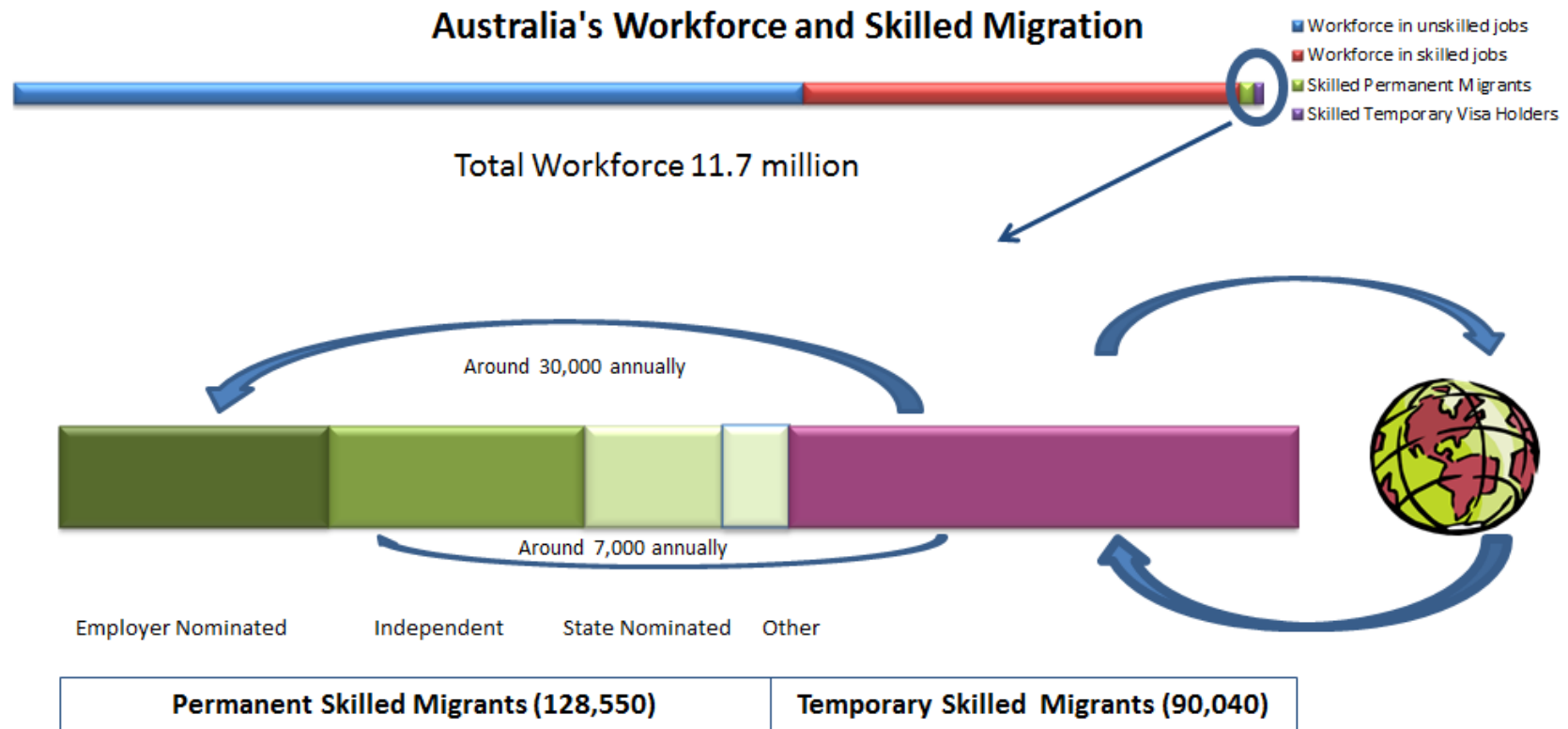
Figure 1 puts the skilled migration programme in perspective, both in terms of the total workforce, and the skilled workforce. Using the ANZSCO occupational codes most relevant to the 457 Skilled Migration Visa, it is estimated that the workforce defined as skilled in Australia is around 4.2 million people. The 90,040 primary 457 visa holders in Australia is only around 2.1 per cent.

The diagram also shows the interconnection between temporary and permanent skilled migration. The temporary skilled migration programme should be seen as the responsive end of the total skilled migration programme. It enables the fulfilment of immediate needs, and if those needs are temporary, then the worker returns to their own country. If the need is permanent they are sponsored or apply independently to stay.

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<sup>10</sup> Azarias, et.al pages 44ff

Figure 1: Australia's skilled migration programme in perspective



## 5.4 Working Holiday Makers – Key Facts

The working holiday maker scheme brings tremendous economic benefit to Australia. The aim of the scheme is to foster closer ties and cultural exchange with partner countries. When entering into the agreement, Australia looks at the potential for reciprocity so that Australians can obtain a similar benefit of working and travelling overseas.

In 1997, the Joint Standing Committee on Migration conducted an inquiry into Working Holiday Makers<sup>11</sup> and stated the following which is as true for today:

*The working holiday program provides a range of cultural, social and economic benefits for participants and the broader community. Those benefits show that the program is of considerable value to Australia and should continue to be supported.*

*Young people from overseas benefit from a working holiday by experiencing the Australian lifestyle and interacting with Australian people in a way that is likely to leave them with a much better understanding and appreciation of Australia than would occur if they travelled here on visitor visas. This contributes to their personal development and can lead to longer term benefits for the Australian community.*(at page xv)

Working Holiday Makers are also an important source of unskilled labour at peak times in remote and regional tourism and in horticulture.

Facts and figures:

- As at December 2014 there were 34 partner countries, and a further 16 agreements being negotiated.<sup>12</sup>
- In the six months to 31 December 2014, a total of 120,686 Working Holiday Maker (417 and 462) visas were granted, a 9.5 per cent reduction compared to the same period in 2013-14.
- There were 10% less WHM visa holders in Australia as at 31 December 2014 (160,941) compared to 31 Dec 2013. The UK remains the largest country of origin, accounting for 19% of all visa holders in Australia.
- WHM account for around 30% of the backpacker tourism market and generates over \$3 billion in economic benefits.<sup>13</sup>
- Working holiday makers spend 60% of their expenditure on accommodation, transport and education.<sup>14</sup>

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<sup>11</sup> Joint Standing Committee on Migration (1997), *Working Holiday Makers: More Than Tourists*, Parliament of the Commonwealth of Australia, AGPS, August 1997

<sup>12</sup> Dept of Immigration (2015), *Working Holiday Maker Visa Programme Report to 31 December 2014*. <http://www.immi.gov.au/pub-res/Documents/statistics/working-holiday-report-dec14.pdf>

<sup>13</sup> Aust Tourism Export Council (2012) *The Importance of the Working Holiday Maker Visa*, Position Paper, February 2012

<sup>14</sup> Tan, Y, Richardson, S, Lester, L, Bai, T, Sun, L. 'Evaluation of Australia's Working Holiday Maker (WHM) Program' Department of Immigration and Citizenship, Canberra, 2009.

- It is estimated that each WHM program visitor spends over four times the average international tourism in Australia over an average 8-month stay.<sup>15</sup>

## 5.5 Student Visas – Key Facts

It is not clear if the Terms of Reference incorporate Student Visas with work rights. Assuming that it does, the focus of ACCI's commentary is that the benefits of international education are very important to the economy, and work rights attached to the visa is an important component in Australia's attractiveness as a destination for international education. There are seven types of student visa including the most common by far being those for Vocational Students and Higher Education Students coming to Australia to study, both of which have work rights of 40 hours per fortnight.<sup>16</sup> In addition there are two streams in Visa 485 that relate to post graduate work: the Graduate Work stream and the Post-Study Work stream.<sup>17</sup>

Key facts and figures:

- Total student visa lodgements continue to grow. In the December 2014 quarter there were 73,186 student visas lodged – an increase of 2.8 per cent compared to the same period last year. This was the highest December quarter in the last six years.<sup>18</sup> The Higher Education sector experienced significant growth with 35,063 visas granted in this quarter, an increase of 19.2 per cent when compared with the same period last year.
- On 31 December 2014 there were 19,506 Subclass 485 visa holders in Australia which was over 20% lower than 31 December 2013 when there were 24,663 visa holders in Australia.
- There were 303,000 student visa holders in Australia as at 31 December 2014, 60 per cent of which are in higher education, followed by VET with 24%.<sup>19</sup> The total workforce in Australia is 11.7 million
- Surveys indicate that international students work between 12 and 18 hours per week, with variations in semester and holiday periods.<sup>20</sup> 31 per cent work in the hospitality sector, and 19 per cent in retail.<sup>21</sup>
- Education exports are Australia's fourth largest export, following iron ore, coal and gold and generating some \$15 billion in revenues each year. They

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<sup>15</sup> Ibid.

<sup>16</sup> The seven types are: 1)English Language Intensive Course for Overseas Students (ELICOS) sector (subclass 570) visa; Schools sector (subclass 571) visa; 3)Vocational Education and Training sector (subclass 572) visa; 4)Higher Education sector (subclass 573) visa; 5)Postgraduate Research sector (subclass 574) 6)Non Award sector (subclass 575) visa; and,7)Foreign Affairs or Defence sector (subclass 576) visa. Source: Dept of Immigration BP (2015) *Student visa and Temporary Graduate visa programme quarterly report*, Quarter ending at 31 December 2014

<sup>17</sup> Ibid.

<sup>18</sup> Ibid

<sup>19</sup> Ibid

<sup>20</sup> Institute of Social Science Research (ISSR) (2010), *Obtaining a Better Understanding of the Student and Skilled Graduate Visa Programs, Final Report*, The University of Queensland,

<sup>21</sup> Ibid.



are Victoria's largest export, and second largest export for NSW and the ACT.<sup>22</sup>

- Over the past five years alone, international students have provided Australian universities with \$18.5 billion. These funds are used to employ teaching and support staff, fund research and invest in new buildings and infrastructure.<sup>23</sup>
- A survey by Tourism Research Australia found that international students were frequently visited by friends and family from abroad. The study found that for every 10 international students, 3 family members and 2 friends would visit from abroad each year. Based on current enrolments, this implies that international students in higher education are responsible for attracting an additional 160 thousand overseas tourists. It is further estimated that when visiting friends and family, tourists of this type will typically spend around \$2,000 during their stay. International students are also highly likely to return to Australia after they graduate.<sup>24</sup>

**Recommendation 9: The economic benefit of Student and WHM Visas**

The Senate Committee shall not make recommendations to change these important visa arrangements without making due consideration as to the broader economic and society benefits of such programmes.

## 5.6 New Zealanders

It is alarming that recent commentary by the ACTU around this inquiry has incorporated numbers of visa holders that relate to the rights of the 650,000 New Zealanders that work in Australia (and by extension Australian's rights to work and live in New Zealand). Given this issue has not been a source of contention in any recent public discourse, it can only be assumed that the inclusion of this group of visa holders is to make the otherwise modest temporary work visa numbers appear large. The close connection with New Zealand and the economic and social opportunities that connection affords should rule out any changes in this area.

## 6. PUBLIC CONFIDENCE IS KEY

In recent times, and in particular over the last three years, public concern has unnecessarily been raised through stakeholder agitation and a parliamentary response that has reinforced a perception that migration, particularly temporary migration, has a negative impact on society as it "takes jobs from Australians" or "undercuts the rights and pay of Australian workers". There is no evidence of the former and evidence only at the compliance margins of the latter and this should be

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<sup>22</sup> Group of 8, *Policy Note International students in higher education and their role in the Australian economy*, March 2014

<sup>23</sup> *ibid*

<sup>24</sup> *ibid*

made clear in commentary from our country's leadership being the Parliament of Australia.

The Senate Committee inquiring into the temporary work visa program should exceed expectations by **reinforcing the benefits** of these schemes. It should note that Australia has achieved a balance driven by the objectives which are to focus on economic need and effective compliance of regulation that makes it clear that the work of temporary migrants is subject to the same or even more stringent requirements than Australian workers. Assurances should be provided that the Government has recently undertaken change, and with more still to be implemented, that will continue to ensure that the approach to temporary work visa programs is balanced and only has a minimal impact on the Australian workforce.

Further, they should dispel the myth that labour market testing is an effective mechanism for ensuring that an employer only accesses a skilled overseas worker if they cannot find an appropriate skilled Australian citizen or permanent resident to fill a position.

Most importantly, and particularly given the enormous controversy that has engulfed the asylum seeking component of migration, all parties in the Parliament should make the effort to support our migration programme in other areas so as to encourage public confidence in the benefit of migration.

## 7. CONCLUSION

It is deeply disappointing that the terms of reference for this inquiry focus on the negative aspects of temporary migration and not encourage an examination of the benefits of temporary work visas. It is further disappointing that the inquiry was launched at a time of significant change particularly for the 457 visa, but also noting that not long ago the student visa was fully reviewed and changes made.

Migration, including temporary migration, which is responsive to economic need and with appropriate safeguards and enforcement, creates jobs for Australians. ACCI looks forward to this inquiry exceeding expectations by heralding the benefits of these programmes and improving the public perceptions of the importance of migration by emphasising that it is a vital part of Australia's future wellbeing.

If compliance issues and obligations are the main areas of concern, then time, effort and resources would be better spent by stakeholders and the Department in making and investigating complaints rather than on changing the regulatory framework so frequently that it is almost impossible to be current in educating the participants as to what is required. The Senate should not distract those responsible for compliance from their task.

## 8. ABOUT ACCI

### 8.2 Who We Are

The Australian Chamber of Commerce and Industry (ACCI) speaks on behalf of Australian business at a national and international level.

Australia's largest and most representative business advocate, ACCI develops and advocates policies that are in the best interests of Australian business, economy and community.

We achieve this through the collaborative action of our national member network which comprises:

- All eight state and territory chambers of commerce
- 29 national industry associations
- Bilateral and multilateral business organisations.

In this way, ACCI provides leadership for more than 300,000 businesses which:

- Operate in all industry sectors
- Includes small, medium and large businesses
- Are located throughout metropolitan and regional Australia.

### 8.3 What We Do

ACCI takes a leading role in advocating the views of Australian business to public policy decision makers and influencers including:

- Federal Government Ministers & Shadow Ministers
- Federal Parliamentarians
- Policy Advisors
- Commonwealth Public Servants
- Regulatory Authorities
- Federal Government Agencies.

Our objective is to ensure that the voice of Australian businesses is heard, whether they are one of the top 100 Australian companies or a small sole trader.

Our specific activities include:

- Representation and advocacy to Governments, parliaments, tribunals and policy makers both domestically and globally;
- Business representation on a range of statutory and business boards and committees;

- Representing business in national forums including the Fair Work Commission, Safe Work Australia and many other bodies associated with economics, taxation, sustainability, small business, superannuation, employment, education and training, migration, trade, workplace relations and work, health and safety;
- Representing business in international and global forums including the International Labour Organisation (ILO), International Organisation of Employers (IOE), International Chamber of Commerce (ICC), International Chamber of Commerce and Industry Australia (ICCA) Business and Industry Advisory Committee (BIAC) to the Organisation for Economic Co-operation and Development (OECD), Asia-Pacific Economic Cooperation (APEC) through the Australian ASEAN Business Council, Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI) and Confederation of Asia-Pacific Employers (CAPE) and Indian Ocean Rim Association (IORA) through the Indian Ocean Business Alliance (IORBA);
- Research and policy development on issues concerning Australian business;
- The publication of leading economic business surveys and other information products; and
- Providing forums for collective discussion amongst businesses on matters of economic and policy reform.

## ACCI MEMBERS

**ACCI CHAMBER MEMBERS:** BUSINESS SA **CANBERRA BUSINESS CHAMBER** CHAMBER OF COMMERCE NORTHERN TERRITORY **CHAMBER OF COMMERCE & INDUSTRY QUEENSLAND** CHAMBER OF COMMERCE & INDUSTRY WESTERN AUSTRALIA **NEW SOUTH WALES BUSINESS CHAMBER** TASMANIAN CHAMBER OF COMMERCE & INDUSTRY **VICTORIAN EMPLOYERS' CHAMBER OF COMMERCE & INDUSTRY** **ACCI MEMBER NATIONAL INDUSTRY ASSOCIATIONS:** ACCORD – HYGIENE, COSMETIC AND SPECIALTY PRODUCTS INDUSTRY **AIR CONDITIONING & MECHANICAL CONTRACTORS' ASSOCIATION** AUSTRALIAN BEVERAGES COUNCIL **AUSTRALIAN DENTAL INDUSTRY ASSOCIATION** AUSTRALIAN FEDERATION OF EMPLOYERS & INDUSTRIES **AUSTRALIAN FOOD & GROCERY COUNCIL ASSOCIATION** AUSTRALIAN HOTELS ASSOCIATION **AUSTRALIAN INTERNATIONAL AIRLINES OPERATIONS GROUP** AUSTRALIAN MADE CAMPAIGN LIMITED **AUSTRALIAN MINES & METALS ASSOCIATION** AUSTRALIAN PAINT MANUFACTURERS' FEDERATION **AUSTRALIAN RETAILERS' ASSOCIATION** AUSTRALIAN SELF MEDICATION INDUSTRY **BUS INDUSTRY CONFEDERATION** CONSULT AUSTRALIA **HOUSING INDUSTRY ASSOCIATION** LIVE PERFORMANCE AUSTRALIA **MASTER BUILDERS AUSTRALIA** MASTER PLUMBERS' & MECHANICAL SERVICES ASSOCIATION OF AUSTRALIA (THE) **NATIONAL BAKING INDUSTRY ASSOCIATION** NATIONAL ELECTRICAL & COMMUNICATIONS ASSOCIATION **NATIONAL FIRE INDUSTRY ASSOCIATION** NATIONAL RETAIL ASSOCIATION **OIL INDUSTRY INDUSTRIAL ASSOCIATION** PHARMACY GUILD OF AUSTRALIA **PLASTICS & CHEMICALS INDUSTRIES ASSOCIATION** PRINTING INDUSTRIES ASSOCIATION OF AUSTRALIA **RESTAURANT & CATERING AUSTRALIA** VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE