

28 July 2024

# THE MPN SUBMISSION



**»» The Multicultural Professional Network**

# INTRODUCTION

**Committee Secretary**

**Senate Legal and Constitutional Affairs Legislation Committee**

**PO Box 6021**

**Parliament House**

**Canberra ACT 2600**

Dear Committee Secretary,

**RE: Inquiry into the Migration Amendment (Strengthening Sponsorship and Nomination Processes) Bill 2024 [Provisions]**

The Multicultural Professional Network (MPN) is a People and Planet First Verified Social Enterprise. Our vision is to highlight the importance of hiring, retaining, nurturing, and upskilling diverse talent with a particular focus on executive sponsorship. The Multicultural Professional Network (MPN) welcomes the invitation and opportunity to provide a submission to the Senate Legal and Constitutional Affairs Legislation Committee's inquiry into the Migration Amendment (Strengthening Sponsorship and Nomination Processes) Bill 2024 [Provisions]

## **Overview of the Bill**

The Migration Amendment (Strengthening Sponsorship and Nomination Processes) Bill 2024 aims to amend the Migration Act to enhance the skilled migration framework in Australia. Key provisions include:

- Legislating income threshold requirements for skilled workers.
- Amending labour market testing provisions.
- Introducing a public register of approved sponsors.
- Establishing Core Skills Income Threshold (CSIT) and Specialist Skills Income Threshold (SSIT) for the new Skills in Demand visa.

These measures are intended to ensure fair remuneration, reduce exploitation, and enhance transparency and mobility for skilled migrant workers.



**The Multicultural  
Professional Network**

# SURVEY AND CONSULTATION FINDINGS



To ensure our submission accurately reflects the views and experiences of our members, we conducted a survey and consultation process. Below is a summary of the key findings:

## **Demographics and Employment Sectors**

- 75% of respondents were based in Queensland, with global responses from Ethiopia.
- Participants were employed in various sectors including retail, engineering, education, professional services, and healthcare.

## **Visa Sponsorship Experience**

- 50% of participants were on a TSS Visa, with 25% being Australian citizens and 25% currently overseas.
- 75% of respondents have not sponsored a skilled migrant worker before, while 25% have.

## **Challenges faced during the sponsorship and nomination process included:**

- Lengthy processing times (100%)
- Complex paperwork and requirements (100%)
- High costs (100%)
- Difficulty meeting income thresholds (33%)

***Explanations for responses highlighted challenges in securing employment, where comparable salaries to those in Uber driving or hospitality were offered, despite having qualifications and experience in technical fields***

# SURVEY AND CONSULTATION FINDINGS

## Income Thresholds (CSIT and SSIT)

- 50% of respondents were unsure if the proposed income thresholds are appropriate, 25% agreed, and 25% disagreed.
- Concerns were raised about perceived biases favouring certain ethnic groups, potentially discouraging interest in STEM fields.

## Impact on Workforce Diversity and Industry

- 50% were unsure about the impact on workforce diversity, while 25% believed it would positively impact, and 25% disagreed.
- 66.7% were unsure about the impact on their organisation or industry, while 33.3% anticipated no impact.

## Suggested Amendments to the Bill

### Labour Market Testing (LMT)

The Bill proposes extending the period for Labour Market Testing (LMT) from 4 months to 6 months. This extension is a step in the right direction as it allows for more comprehensive testing of the local labour market before employing visa holders. This change supports fair competition and gives local job seekers more opportunities to secure employment. To maximise the benefits of this extension, the process must be streamlined to reduce administrative burdens and ensure timely hiring. A more efficient process will help employers navigate the LMT requirements without unnecessary delays, ultimately benefiting both local and migrant workers.

### Income Thresholds

**Specialist Skills Income Threshold (SSIT):** The SSIT is set at \$135,000 for highly skilled specialists. This threshold is commendable as it aims to attract top talent, ensuring that Australia remains competitive in the global market. High-income thresholds also contribute to fair pay practices, ensuring that skilled migrants are compensated appropriately for their expertise. While the SSIT is beneficial, it may be prohibitive for some sectors. A more flexible approach, considering industry-specific economic conditions, would ensure that the threshold is fair and achievable across different sectors. This adjustment would support a broader range of industries in attracting the talent they need.

# SURVEY AND CONSULTATION FINDINGS

**Core Skills Income Threshold (CSIT):** The CSIT is set at \$73,150 for occupations in national shortage. This threshold helps address skill shortages by making it easier for employers to hire qualified migrants in critical areas. It also ensures that migrants are paid fairly for their contributions. To enhance fairness and accessibility, the CSIT should reflect the varying economic conditions and demands of different sectors. By tailoring the threshold to specific industry needs, the Bill can ensure that skilled migrants are fairly compensated while addressing the unique challenges of each sector.

**Essential Skills Workers:** The Bill proposes an income threshold for Essential Skills workers determined in accordance with Migration Regulations, unless specified by the Minister. This approach provides a framework for setting appropriate income thresholds for essential workers, promoting fair pay and treatment. To avoid ambiguity and ensure fair treatment of all workers, the income threshold for Essential Skills workers should be clearly defined and consistently applied. This clarity will help employers and migrants understand the requirements and ensure compliance with fair pay practices.

## Recommendations

The MPN advocates for equity and inclusivity in Australia's migration system. We believe the Bill should be refined to better support diverse professionals and businesses, ensuring zero wasted potential for talent currently in Australia. Our recommendations are based on survey findings, best practices in diversity and inclusion, and evidence-based research.

### 1. Clarify and Streamline Sponsorship Processes

Simplify paperwork and reduce processing times to make the sponsorship process more accessible and efficient. This could include creating a digital platform for document submission and status tracking.

- *Reference: OECD (2020), International Migration Outlook 2020, which highlights the importance of efficient migration systems.*

### 2. Adjust Income Thresholds

Consider industry-specific adjustments to the CSIT and SSIT to reflect varying economic conditions and skill demands. This flexibility would ensure thresholds are fair and achievable across different sectors.

- *Reference: Migration Council Australia (2015), The Economic Impact of Migration, which discusses the economic contributions of migrants in various industries.*

# RECOMMENDATIONS

### 3. Enhance Monitoring and Compliance

Implement robust monitoring procedures to ensure compliance with income thresholds and fair treatment of skilled migrants. This includes regular audits and a clear reporting mechanism for dispute resolution.

- *Reference: Australian Human Rights Commission (2019), Wages and Conditions for Migrant Workers in Australia, which underscores the need for effective oversight.*

### 4. Support Retention and Inclusion

Develop programs to retain skilled migrants, such as pathways to permanent residency for 485 visa holders and other skilled migrants. Fostering an inclusive workplace environment will improve retention and attract global talent.

- *Reference: Diversity Council Australia (2017), Cracking the Glass-Cultural Ceiling, which provides insights on retaining diverse talent.*

### 5. Review English Language Requirements

Reassess English language proficiency requirements to ensure they are fair and attainable, especially if native speakers struggle to achieve required scores. Consider alternative assessments or support programs.

- *Reference: Department of Home Affairs (2024), English Language Requirements for Skilled Migrants.*

### Conclusion

The MPN supports the intent behind the Migration Amendment (Strengthening Sponsorship and Nomination Processes) Bill 2024 but urges the Government to consider our recommendations to enhance its effectiveness. By addressing the challenges faced by skilled migrants and their sponsors, the Bill can better support workforce diversity, equity, and inclusion in Australia. Thank you for considering our submission. Please do not hesitate to contact me if you require further information.

Yours sincerely,

Nora Fraser

**Chief Executive Officer | The Multicultural Professional Network**

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The Multicultural Professional Network

A: Level 6, 200 Adelaide Street, Brisbane QLD 4000

[www.multiculturalprofessionalnetwork.com.au](http://www.multiculturalprofessionalnetwork.com.au)

[Connect with us on LinkedIn](#)

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# REFERENCES

## References

- *Australian Government. (2023). Migration Amendment (Strengthening Sponsorship and Nomination Processes) Bill 2024.*
- *The Multicultural Professional Network (MPN) Member Survey & Consultation, 2024.*
- *OECD (2020). International Migration Outlook 2020.*
- *Migration Council Australia (2015). The Economic Impact of Migration.*
- *Australian Human Rights Commission (2019). Wages and Conditions for Migrant Workers in Australia.*
- *Diversity Council Australia (2017). Cracking the Glass-Cultural Ceiling.*
- *Department of Home Affairs (2024). English Language Requirements for Skilled Migrants.*

**Thank you for considering our submission**



## Contact

**The Multicultural Professional Network**

Level 6, 200 Adelaide Street, Brisbane QLD 4000

[www.multiculturalprofessionalnetwork.com.au](http://www.multiculturalprofessionalnetwork.com.au)

[Admin@multiculturalprofessionalnetwork.com.au](mailto:Admin@multiculturalprofessionalnetwork.com.au)