Migration Amendment (Strengthening Sponsorship and Nomination Processes) Bill 2024 [Provisions] Submission 14



Inquiry into Migration Amendment (Strengthening Sponsorship and Nomination Processes) Bill 2024

29 July 2024

# **Migration Institute of Australia**

The Migration Institute of Australia (MIA) is the premier professional association representing migration professionals in Australia, being initially established as the Australian Migration Consultants Association in 1987, before changing its name to the MIA in 1992. Through its public profile the MIA advocates the value of migration, thereby supporting the wider migration advice profession, migrants and prospective migrants to Australia. The MIA represents its members through regular government liaison, advocacy, public speaking and media engagements. The MIA supports its members through its separate but interrelated sections: professional support; education; membership; communications; media; business development and marketing.

The MIA operates as a company limited by guarantee under the Corporations Act 2001 and complies with all Australian Securities and Investments Commission (ASIC) requirements. The MIA is not empowered under its Constitution to pay dividends. The MIA and its elected office bearers are guided by the legal framework set out in the Corporations Act 2001, the MIA Constitution and Rules, the Corporate Governance Statement and Board Charter.

MIA members hold a further responsibility to their clients and the Australian community to abide by ethical professional conduct and to act in a manner which at all times enhances the integrity of the migration advice profession and the Institute. MIA members are bound by both statutory Code of Conduct of the Office of the Migration Agents Registration Authority which sets the profession's standards of behaviour and the MIA Members' Code of Ethics and Practice.

## **Statement of Recognition**

The Migration Institute of Australia acknowledges the Traditional Custodians of the lands and waters throughout Australia. We pay our respect to Elders, past, present and emerging, acknowledging their continuing relationship to this land and the ongoing living cultures of Aboriginal and Torres Strait Islander peoples across Australia

Legal and Constitutional Affairs **Legislation Committee Australian Parliament House Canberra ACT** By email



### Attention Ms Sophie Dunstone – Committee Secretary

**Dear Ms Dunstone** 

- 1. The Migration Institute of Australia (MIA) welcomes this opportunity to provide feedback to the Legal and Constitutional Affairs Legislation Committee Inquiry into the Migration Amendment (Strengthening Sponsorship and Nomination Processes) Bill 2024.
- 2. The MIA is the leading Australian professional association for Registered Migration Agents and legal practitioners. MIA members provide a representative sample of the migration advice profession, operating across the range of practices in this unique sector from sole practitioner to large corporate migration advice organisations. This response submission relies on our members practical knowledge and experience in this field.
- 3. The MIA commends the Government's initiatives to improve Australia's migration system through the restructuring of visa programs to address labour force shortages, to combat migrant worker exploitation and to increase transparency and compliance within the migration program.
- 4. The MIA supports the establishment of the new Skills in Demand visa with the Core Skills pathway and Core Skills Income Threshold (CSMIT) of \$73,150 gross earnings, to be indexed annually in s140GB(2) of the bill.
- 5. The MIA supports the establishment of the new Skills in Demand visa with the Specialist Skills pathway and Specialist Skills Income Threshold (SSIT) of \$135,000 gross earnings, to be indexed annually in s140GB(2) of the bill.
- 6. The MIA also supports the extension of the specified labour market testing period from four months to six months as providing positive assistance in reducing the cost and administrative burden for sponsoring employers in s140GD of the bill.
- 7. The MIA is strongly opposed to the Section 140GE of the bill which proposes to publish the names and business details of all business sponsors. The MIA opposes this section for multiple reasons.
- 8. Businesses provide their extensive commercial in confidence information to the Department of Home Affairs when applying for approval to become a business sponsor. Current business sponsors have provided this information in good faith that it will remain confidential. Current business sponsors have not provided permission for their information to be published.

- 9. The MIA contends that a substantial proportion of currently approved business sponsors are small businesses and that a considerable number of these will sponsor only one or two migrant workers.<sup>1</sup> Publishing the details of these businesses will leave them open to identification and harassment by both offshore and onshore individuals contacting them wanting to be sponsored.
- 10. While the Explanatory Memorandum states that publishing the names of sponsoring companies will ... 'assist temporary migrant workers wanting to change employers'<sup>2</sup> ... the MIA argues that it is not within the remit of the Department of Home Affairs to function as a recruitment service to migrants or to encourage sponsored workers to leave their employers unless exploitation or non-compliance has occurred.
- 11. Sponsoring businesses invest a substantial amount to money in identifying suitable overseas recruits, in becoming approved as business sponsors and in paying the upfront Skilling Australian's Fund levy, which is only refundable in very limited circumstances. This cost levy alone can be up to \$7,2000 for many sponsoring businesses. To publish this list would allow less scrupulous businesses and recruiters to poach these visa holders, while leaving the debt with the original sponsor.
- 12. The MIA strongly disagrees that publishing sponsor details is ... 'consistent with the Department's effective administration of the employer sponsored program.' Instead the MIA argues that this will lead to increased, unnecessary and potentially negative, labour market churning within the sponsoring business cohort. This is of particular concern given other recent legislative changes that allows sponsored workers to leave their sponsor and work without sponsorship for up to six months without a new sponsor.<sup>3</sup>
- 13. In addition, commercial recruitment, labour hire, insurance and similar business providing companies are likely to view the published list as a source of business leads and spam these business sponsors. MIA members have real experience of this. All Registered Migration Agents (RMAs) have their details published on the <u>Office of the Migration Agents Registration Authority</u> website for 'consumer protection'. While the public register carries a warning that the information is not for commercial use this is largely ignored and RMAs constantly receive unsolicited emails and marketing materials on a daily basis. Much of this traffic comes from overseas and does not fall within the jurisdiction of Australia's spam laws. Publishing this list will unnecessarily expose these sponsors to this extra administrative burden.
- 14. The MIA also suggests that keeping this information updated on the Department of Home Affairs website is going to be onerous, given the number of these business sponsorships

<sup>&</sup>lt;sup>1</sup> The MIA relies on anecdotal evidence from its members in this assertion given that the short timeframe for response did not provide sufficient time to obtain these statistics through Freedom of Information or other means.

<sup>&</sup>lt;sup>2</sup> Explanatory memorandum p 11, item 51

<sup>&</sup>lt;sup>3</sup> Legislative Instrument, Migration Amendment (Work Related Visa Conditions) Regulations 2024

approved, which will require potentially as a minimum weekly updating to keep this information current.

15. The MIA recommends that the details of sponsoring companies *not* be publicly published. The Department of Home Affairs already has robust monitoring and compliance procedures in place and extensive information about the sponsors' businesses from their applications. Given the amount of information and the current processes for monitoring employer compliance, the MIA does not agree that the publishing of this list is required or would be ... 'consistent with the Department's effective administration of the employer sponsored program.'

#### **Recommendation 1**

The MIA recommends that the proposal in new s140GE of the bill, to publish the details of sponsoring business companies, be removed from the bill by parliamentary amendment before the bill is passed.

16. If new section 140GE remains in the bill, the MIA argues that it is sufficient that potential visa applicants be able to check the company is an approved business sponsor with just the inclusion of the name of the company, location and date of expiry of the sponsorship approval published. It is not required that the ABN, products and services, occupations and number of sponsored workers also be included as this is largely commercial in confidence information. There is already a precedent for this with publication of the names of those companies with approved company and industry labour agreements and approvals under designated area migration agreements on the Department of Home Affairs website.

### **Recommendation 2**

The MIA recommends that if the proposal in new s140GE of the bill, to publish the details of sponsoring business companies is to proceed, that only the name, location and expiry date be included in any list.

Reuben Saul National President Migration Institute of Australia 29 July 2024