



Australian Government

Australian Government response to the
Senate Legal and Constitutional Affairs References Committee report:
Effectiveness of the current temporary skilled visa system in targeting
genuine skills shortages

APRIL 2024

Recommendations

Recommendation 1:

2.95 The committee recommends that the Australian Government continue to monitor the trajectory of visa applications and grants under the Temporary Skills Shortage (Subclass 482) visa over the next six months, with a view to making any necessary adjustments to the overall settings for this visa subclass in 2020.

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 2:

2.100 The committee recommends that the Australian Government increase the Temporary Skilled Migration Income Threshold (TSMIT) to a minimum of at least \$62,000, and mandate that the rate of the TSMIT be indexed annually in line with the average full-time wage.

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 3:

2.105 The committee recommends that the Department of Home Affairs review and update its policies regarding health assessments of temporary visa holders, to ensure that visa applications will not be rejected on health grounds in cases where there is no possibility of health and social services costs accruing to the Commonwealth or state and territory governments.

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 4:

3.83 The committee recommends that the Australian Government publish, in future updates to the skilled migration occupation lists, its reasons for including new occupations, moving occupations between the different lists, or removing occupations altogether that were included in previous iterations of the lists.

Response:

The Government **notes** this recommendation. In the 2022-2023 budget, Government funded the ABS to work with a range of stakeholders to update the ANZSCO Framework. This update is scheduled for release in December 2024, in time to support its use by the 2026 Census of Population and Housing. A program of rolling maintenance of the ANZSCO Framework will commence in early 2025.

Recommendation 5:

3.89 The committee recommends that the Australian Bureau of Statistics prioritise its review of the ANZSCO framework.

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 6:

3.91 The committee recommends that the current skills assessment regime for the skilled visa system be strengthened by:

- **ensuring all testing is performed by an appropriate industry body and not by immigration officials;**
- **guaranteeing that workers who currently require an occupational license must successfully complete a skills and technical assessment undertaken by a Registered Training Organisation approved by Trades Recognition Australia before being granted a visa;**
- **introducing a risk based approach to assess and verify that workers are appropriately skilled for occupations that do not require an occupational licence; and**
- **introducing a minimum sampling rate of visas issued in order to verify that migrant workers are actually performing the work the employer has sponsored them to perform.**

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 7:

3.96 The committee recommends that the Australian Government consider the establishment of a new independent tripartite authority to provide advice and recommendations to government on skilled migration issues.

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 8:

4.85 The committee recommends that the Australian Government introduce more stringent evidentiary requirements for labour market testing to ensure that the intent of labour market testing arrangements is achieved and Australian employment opportunities are protected.

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 9:

4.88 The committee recommends that the Australian Government resolve not to enter into any future free trade agreements that would involve labour market testing waivers.

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 10:

4.92 The committee recommends that the Australian Government undertake a review of the use and effectiveness of labour agreements under Australia's skilled migration program, and implement any necessary changes to ensure that:

- **labour agreements are only entered into where there is publicly demonstrated evidence of a genuine skills shortage that cannot be addressed by the Australian workforce;**
- **all relevant stakeholders are genuinely consulted during the process of finalising labour agreements and provided with appropriate feedback in relation to concerns raised; and**
- **the Department of Home Affairs' reasons for entering into a labour agreement (or a renewal of any labour agreement) are made publicly available.**

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 11:

5.62 The committee recommends that the Australian Government guarantee adequate, additional funding if the income from Skilling Australians Fund levies does not meet the needs of industry and the vocational education sector to provide high-quality training to apprentices and trainees.

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 12:

5.72 The committee recommends that the Australian Government commit to increasing overall funding levels for TAFE and vocational education and support a comprehensive and thorough commission of inquiry into Australia's post-secondary education system.

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 13:

5.74 The committee recommends that the Australian Government consider ways in which to encourage better information sharing between industry, vocational education and training providers, and potential students in order to encourage student uptake and local employment in industries experiencing skills shortages.

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 14:

5.79 The committee recommends that the Department of Education and Training be required to present a report to Parliament bi-annually on the progress of the National Partnership Agreement on the Skilling Australians Fund and the extent to which it is achieving the outcome of addressing skills shortages in the Australian labour market.

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 15:

5.81 The committee recommends that the Australian Government work with the Australian Bureau of Statistics and the National Centre for Vocational Education and Research to investigate and establish a research instrument to enable analysis of employer investment in the development and training of their workforces.

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 16:

6.68 The committee recommends that the Australian Government implement all recommendations from the Report of the Migrant Workers' Taskforce as soon as practicable.

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 17:

6.69 The committee recommends that the Australian Government increase funding for Taskforce Cadena—or a similar taskforce—to ensure that the Taskforce is adequately resourced.

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 18:

6.70 The committee recommends that the Australian Government require that employers pay wages for temporary visa holders into an Australian bank account.

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 19:

6.71 The committee recommends that the Australian Government propose amendments to the relevant law to make it unlawful for temporary visa workers, including persons on student visas and working holiday visas, to apply for or to hold, an Australian Business Number (ABN).

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 20:

6.72 The committee recommends that the Australian Government consider amending the Fair Work Act 2009 and the Migration Act 1958 to grant unions standing, where appropriate, to commence civil actions for breaches of those Acts in relation to visa work conditions.

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 21:

6.73 The committee recommends that the Australian Government ensure that unions have standing to complain to the Fair Work Ombudsman or the Department of Home Affairs about concerns relating to the exploitation of temporary visa workers, even if that worker is not a union member.

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Dissenting report of Government Committee Members

Recommendation 1

1.46 The Government members of the committee recommend that the Skilling Australians Fund be operated in regional locations in a manner that takes into account and is responsive to specific local needs.

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 2

1.47 The Government members of the committee recommend that the relevant Departments take mechanical, technological and social advancements into consideration and consider updating occupation lists to include new occupations (such as Drone Pilot) and evolving work environments and circumstances.

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 3

1.48 The Government members of the committee recommend that Government continues to support regional growth by incentivising skilled Australian workers to fill identified skilled shortages in regional Australia.

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 4

1.49 The Government members of the committee recommend that regional skilled visas, and employers who are deemed 'low-risk', are prioritised in the application processing.

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.

Recommendation 5

1.50 The Government members of the committee recommend that a Government-led review of the TSMIT be conducted and that it specifically consider the challenges faced by regional and remote employers.

Response:

The Government **notes** this recommendation. However, given the passage of time since the report was tabled, a substantive Government response is no longer appropriate.