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Thursday, February 08, 2007

The Secretary
 Joint Standing Committee on Migration
 Parliament House
 CANBERRA ACT 2600
 Email: jscm@aph.gov.au

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Inquiry into temporary visitor visas.

The Australian Tourism Export Council (ATEC) is the peak national industry association representing Australia's inbound tourism industry, which earns \$19 billion in export income. We welcome the opportunity to make this short submission to the Joint Standing Commission Inquiry into temporary visitor (457) visas.

Like many other sectors of the economy, in particular the services sector, the tourism industry is struggling with severe labour shortages, relating both to traditional tourism and hospitality jobs and to the many trades services required to keep the industry turning over (e.g. refrigeration mechanics, drivers, etc).

We, along with other tourism industry organizations and companies, have provided detailed submissions on labour shortages in our industry to the following current parliamentary inquiries:

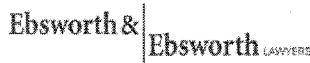
- The current and future directions of Australia's service export industries (Reps Economic, Finance and Public Administration)
- Inquiry into the workforce challenges in the Australian tourism sector (Reps Employment, Workplace Relations and Workforce Participation)
- Pacific Regional Seasonal Contract Labor (Senate Employment, Workplace Relations and Education)

Further, tourism industry labour issues are a standing item on the agenda of the Tourism Minister's Advisory Council (TMAC).

The issue of the 457 visa is a vexed one for the tourism industry and you will find considerable discussion about it in submissions by my colleagues in the first two parliamentary inquiries noted above. While it offers some hope as a part of the solution of the industry's labour shortages, the difficulty for the industry is that the minimum salary threshold(s) are higher than typical market rates (many with a precedent from historical award rates). For example, attached below are typical tourism and hospitality salaries for a typical accommodation and hospitality provider in a capital city:



PLATINUM PARTNER



PREMIUM PARTNER



PREMIUM PARTNER



Tourism New South Wales

PREMIUM PARTNER

Housekeeping*	annual base wages
Housekeeper - Level 2 – casual	\$ 37,444.00
Housekeeping Supervisor - Level 3 - casual	\$ 38,673.00
Housekeeper - Level 2 – PT	\$ 33,434.00
Housekeeping Supervisor - Level 3 - PT	\$ 34,530.00

Maintenance*	annual base wages
Handyperson - Level 3 – casual	\$ 38,673.00
Handyperson - Level 3 – PT	\$ 34,530.00

* falls under Motel, Hostel and Boarding flats
NAPSA

Conferencing **	
F&B attendant - Level 2 – casual	\$ 37,444.00
F&B supervisor - Level 3 – casual	\$ 38,673.00
F&B attendant - Level 2 – PT	\$ 33,434.00
F&B supervisor - Level 3 – PT	\$ 34,530.00

** falls under Hotel and Tavern Workers NAPSA

Front Office #	annual base wages
Receptionist - Level 2 – PT	\$ 34,098.00
Receptionist - Level 2 – casual	\$ 38,375.00
Reception Supervisor - Level 3 – PT	\$ 34,463.00
Reception Supervisor - Level 3 - casual	\$ 38,781.00

falls under Clerks(Hotels, Motels and Clubs)
NAPSA

As you can see, all base salary figures fall below the minimum metropolitan threshold of \$41,850. In regional areas, those who are able to pay incentives and allowances will do so; however the base salary rate for many roles is generally lower than the regional threshold of \$37,665. You will also note that all figures quoted are for part time and casual positions, which reflects the workplace reality of the tourism and hospitality sector. Full time rates for regional and remote areas will typically be less than those figures quoted above; however employers may provide any or all of lodging, meals, child-minding services, schooling, transport, medical services, leisure facilities and training.

In cooperation with the tourism industry, a range of other policy levers are being assessed by the Government to help ease the labour and skills shortages in the tourism industry. These include ongoing changes to the Working Holidaymaker (backpacker) Visa and education and training visas.

The purpose of this submission is to demonstrate that the 457 visa is, unfortunately, limited in its scope for the tourism sector as the thresholds are higher than current market rates.

Thank you for the opportunity to respond.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Matthew", with a long horizontal stroke extending to the right.

Matthew Hingerty
Managing Director