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AUSTRALIA MEAT HOLDINGS PTY LIMITED

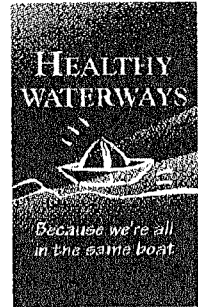
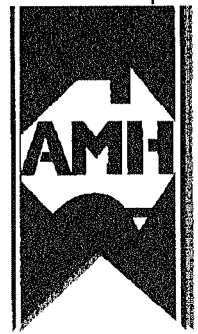
Incorporated in Queensland

A.C.N. 011 062 338

Head Office:

Submission No. 73

Date Received.....



The Secretary
Joint Standing Committee on Migration
P O Box 6021
Parliament House
CANBERRA ACT 2600

Dear Dr Sullivan

Inquiry into eligibility requirements and monitoring, enforcement and reporting arrangements for temporary business visas.

Overview

Australia Meat Holdings Pty Limited (AMH) operates four abattoirs in Queensland and four feedlots, two based in New South Wales and two in Queensland. We process approximately 1.4 million head of cattle per year, which is approximately 20 percent of the national kill and we are responsible for 27 percent of Australia's beef exports. We purchase livestock in Australian states and today we are feedlotting approximately 109,000 head of company owned cattle. We employ 4900 people with a payroll of approximately \$220 million in the 2006 financial year.

Currently, we employ at our Dinmore meat processing facility at Ipswich in Queensland 129 Chinese workers under the Temporary Business (Long Stay) 457 Visa (known as the 457 Visa Program). We also offer employment opportunity to their spouses.

We believe that we were one of the last in the Australian Meat processing industry to recruit labour under the 457 Visa Program.

AMH along with the Queensland Government became a signatory to the 'Labour Agreement for Entry of Skilled Meat Workers in the State of Queensland' known as the Labour Agreement on 23 February 2007. The Commonwealth signed the Labour Agreement on 28 February 2007.

We understand that AMH is the only meat processing company in Australia able to sponsor skilled meat workers under the terms of that Labour Agreement, the content of which was agreed to by the three major meat processing companies in Australia.

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AMH worked closely with the Departments of Immigration and Citizenship (DIAC) and Employment and Workplace Relations (DEWR) through participation in an industry based negotiation team, which after several months stalled. However, those negotiations formed the basis for the formulation of the Labour Agreement, which ultimately was supported by both the Commonwealth and Queensland Governments.

Executive Summary

In summary, we support the objectives of a 457 Visa Program, which provides access to 'skilled meat workers' with skills commensurate with Certificate III in Meat Processing as defined within the Australian Meat Industry National Training Package (MTM 00).

The 457 Visa Program is for skilled workers and should not accommodate the use of skilled workers in unskilled roles in any industry. We support the need for ongoing integrity in the program and propose that the Labour Agreement which we have signed along with the Commonwealth and State Governments provides for:

- Protection of the Australian Worker against exploitation by the abuse of overseas workers.
- Protection of visa holders against exploitation and abuse by sponsors.
- Mandatory skills and experience requirements.
- A requirement on the sponsor to continue to recruit locally and train and develop the skills of Australians.
- Monitoring of the training program by the sponsor to up skill Australians whilst overseas workers are employed

There are clear deficiencies between the Migration Act, the Workplace Relations Act 1996 and Industrial Instruments in terms of enforcement provisions and cross Government agencies. These deficiencies must be addressed to ensure compliance by sponsors and place effective monitoring and reporting requirements on sponsors in order to strengthen the integrity of the 457 Visa Program.

The following is the submission from AMH to the Joint Standing Committee in accordance with the Terms of Reference.

1. **Enquire into the adequacy of the current eligibility requirements (including English language proficiency) and the effectiveness of monitoring, enforcement and reporting arrangements for temporary business visas, particularly temporary business (Long stay) 457 visas and Labour Agreements.**

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1.1 Adequacy of current eligibility requirements including English language proficiency.

- AMH has a multi cultural workforce with a significant number of different nationalities. We are also active in employing refugees under the Humanitarian Program, which is also a requirement of the Labour Agreement. Many of these refugees do not have English language skills. We have addressed these issues through a comprehensive induction program using interpreters, international signage and safety programs.
- We propose that 457 Visa holders pose no greater difficulty to us in terms of their effectiveness and safety within the workplace. As a party to the Labour Agreement we accept the requirement to train 457 Visa holders to IELTS 4 level within 9 months of arrival, however the contradiction between this requirement for Visa holders compared to that for humanitarian refugees and Australian workers is obvious.

1.2 Effectiveness of monitoring, enforcement and reporting arrangements for temporary business visas, particularly Temporary Business (Long Stay) 457 visas and Labour Agreements.

- The current 457 Visa Program does not have sufficient legislative support to ensure integrity in the enforcement process and does not require any worthwhile reporting regime on the part of the Sponsor to satisfy compliance with the existing legislative obligations. This makes it impossible for the Government to properly monitor and enforce the Program and therefore enables the Program to be abused by those sponsors who seek to exploit the situation.
- The solution to this problem is for the Program to have appropriate legislation that is enforceable and imposes on the sponsor appropriate monitoring and reporting arrangements that can be properly assessed to ensure that abuses do not occur.
- This is a skilled worker Program. Therefore, the skill requirement should be linked to a skill level of Certificate III in the National Training Packages and not to the ASCO/ANZSCO occupational classifications.
- We propose that these principles should apply across all industry sectors in Australia.

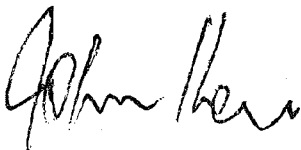
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2. Identify areas where procedure can be improved.

- As previously stated there is a need to strengthen compliance by sponsors of their legislative requirements in relation to 457 Visa holders. The deficiency in enforcement powers for breaches enables sponsors to abuse the Program without fear of punitive measures.
- The key to enforcement which rests with the Commonwealth Government is for legislation to be introduced, which ensures that the requirements of the legislation can be effectively enforced by the relevant government agencies.
- Labour Agreements can provide an acceptable alternative only if their terms and conditions protect both the Visa holder and Australian worker and are capable of being enforced by the Commonwealth and its Agencies.
- AMH contends that the regional rates of pay which discount the MSL by 10 percent should not be available to sponsors in a skilled worker program. The basis on which regional areas are determined and the consequential application of regional rates is neither logical or equitable.
- Increases to the MSL that applies to 457 Visa holders should flow to those already in Australia to effectively remove the wage freeze that currently exists for the duration of the persons' visa.
- The legislation should provide for Visa holders to be paid the full MSL or the relevant Industrial Instrument Rate whichever is the higher.

We look forward to appearing before the Joint Standing Committee to expand on the content of this submission.

Yours sincerely



John Keir
Chief Executive Officer