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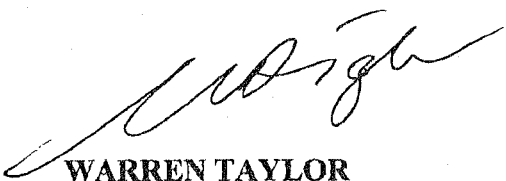
BY: mig



Submission No. <u>67</u>
Date Received.....

**JOINT STANDING COMMITTEE INQUIRY INTO
TEMPORARY BUSINESS VISAS**

**SUBMISSION BY AUSTRALIAN QUEENBEE
EXPORTERS P/L**



WARREN TAYLOR
Managing Director

INTRODUCTION

The Company

Australian Queenbee Exporters is a small Company based in Bathurst NSW, dealing in the breeding and export of Australian Queenbees and the production and sale / export of Australian Honey. The company is owned by Mr Warren Taylor and has been in operation for the last 35 Years. It is responsible for around 90% of Australian Queenbee exports.

Company Sponsorship of Temporary Skilled workers

For over 18 years Mr Taylor and his Company have been dealing with DIAC and DEWR (or their predecessors) to obtain the entry of Temporary Skilled Workers as Queen bee Breeders in Regional Australia. In some areas such as Labour Market Testing, there has been a relaxing of eligibility requirements over this time which has benefited the Company in its attempts to bring in Skilled workers for important Rural activities. Since 1988 the Company has initiated three Business Sponsorships two Negotiated Arrangements and one Labour Agreement. It is currently negotiating a second Labour Agreement.

For the whole of this period there has been a dire shortage of skilled Australian Queen bee breeders. The reasons for this have never changed. Australians are not interested in working or being trained as Queenbee breeders because of the itinerate, often uncomfortable nature of the work. This applies particularly to younger Australians who do not like sleeping "out" and being stung by bees. Added to this is the fact that for many years, including now, there have been no Rural Training Courses for Queen bee breeders.

Another factor is that there is considerable "poaching" of our temporary resident employees by other companies in what is a small pool of skilled workers. This has a very negative effect on our operations.

Summary of Issues

- Over the last 18 years the Company has been at the cutting edge of Government processes and requirements to bring in much needed skilled workers for rural or regional employment. In this time the
- Regional unemployment has always been an issue but with skilled unemployment in Australia now at only 2% it is now a major obstacle to business survival and growth in the Country. The Government's Regional initiatives relating to Temporary Residence policy are positive and welcome but there needs to be continued emphasis on the need for special flexibility in these policies
- There should not be a tightening of eligibility requirements for Temporary Business Visas. There is no need to introduce higher English requirements for all Temporary Residents, particularly those working in

Regions and increased emphasis on Labour Market Testing and Training obligations are not necessary

- Labour Agreements should be reviewed in terms of the speed of their processing and whether or not, given their requirements, they are of any real benefit to employers in regional areas

Current Eligibility Requirements

These should not be made more rigorous. Current requirements are considerable, and in the case of training requirements, quite onerous for small companies in regional areas. Current eligibility requirements appear to be contributing to processing delays. To make them more demanding will penalise bona fide employers through greater bureaucracy and more delays.

English Language

Our company has successfully employed temporary residents having limited English. We have not experienced Occupational health and safety problems because of this, and have always made an effort within the Company to help employees with communication problems.

Many of our temporary resident Queen Bee Breeders are Filipinos who we have successfully assisted in understanding safety issues despite some communication problems.

Some of our temporary resident employees might not pass a vocational English test, but they can communicate more than adequately to do their work safely and they have proved that they can successfully interact with the Australian community.

In our view, the question of English in the workplace; particularly in rural Australia, should be regarded flexibly. Our experience tells us that English language requirements can be adequately handled by employers according to circumstances of the workplace.

Training arrangements

Our company finds that the current training requirements for standard business sponsorships and especially for Labour Agreements, are quite burdensome.

We are a small company with a limited budget which has to place a very high premium on using its available time and resources effectively. The training requirements involved with sponsoring temporary residents make what amount to considerable demands on our finances and time.

We have a particular problem with the training requirements involved with our Labour Agreement. In that case, where there have been no appropriate Queen Bee Breeding training courses in NSW for many years, we are being asked to provide a training regime for our employees which is beyond our capacity. We do not have the time to create training courses and liaise with outside training organizations to the extent expected under our Labour Agreement.

In these circumstances, we strongly submit that there should be no increase in the training requirements related to regional sponsors.

Labour Market Testing

Apart from the fact that there is a chronic shortage of skilled workers in regional areas, we have never been able to supply our requirement for skilled Queen Bee Breeders from the Australian Labour Market. We suspect that the same sort of thing applies to numerous other regional industries. In these circumstances, we certainly do not believe that Labour Market testing should be reintroduced for either regional temporary residence nominations or standard business sponsorships. We understand that the lack of a Labour Market testing requirement for Employment Nominations has been successful.

Salaries

We emphasise that there should be flexibility in the imposition of minimum salaries for regional nominations. We understand that the current minimum salary for regional nominations is based on information from the Australian Bureau of Statistics which does not take into account important agricultural statistics. Also the MSL does not appear to take into account the considerable non monetary benefits available to rural employees by way of accommodation, meals etc.

The MSL for regional nominations results in our Company effectively having to pay temporary residents more than we would have to pay Australian recruits. We could employ Australian for \$10,000 less than we have to pay Temporary residents.

We believe that the regional MSL should be reviewed to more accurately reflect the reality of employment in regional areas.

Allowance for "Seasonal" Leave during period of Temporary Residence

We understand there are many regional employers whose operations depend on "seasonal" factors. We are one of those. We are aware that 457 business visa policy does allow for periods of leave without pay etc up to three months at a time. We submit however, that there should be special allowance for regional

Nominees to take three to four months "home leave" away from employment with their Sponsor if there is a downturn because of seasonal factors. The Employer could continue to pay an appropriate percentage of the employee's wages for the period of absence. This would solve the problem for regional employers of having to re-sponsor employees who return home during seasonal downturns.

Labour Agreements

While we believe that Labour agreements can be good for regional employers our experience with them has been mixed to say the least.

We have found the processes involved to be highly bureaucratic, fraught with delays and very demanding. Labour Agreements allow for flexibility but this has not been our experience. Rather, the required outcomes and monitoring processes involved are quite onerous and sometimes beyond the normal 457 SBS requirements.

Our current Labour Agreement negotiations have been bogged down with DEWR and DIAC since October and we understand that since September 2006, only a couple of many Labour Agreements have actually been finalised and approved.

One of the requirements of the Labour Agreement suggested by DEWR is that we be responsible for the cost of our Nominees fares to Australia, schooling for children and English language training. These are not costs which are currently the obligation of employers under 457 regulations/policy.

Under the Labour Agreement, our Company is being held responsible for not only our own internal training of potential Queen Bee Breeders, but for the development of external training programs which the Government has not provided for many years. The Company does make a significant contribution to the ongoing discussions related to appropriate rural training programs, but cannot be responsible for the lack of government action in this area.

Our experience is that Labour Agreements take too long to establish and are too onerous, even though they are supposed to allow for flexibility. In these circumstances, and because of the delays with our Labour Agreement, we have been forced to avail ourselves of standard business sponsorships involving regional nominations. This way, at least we have been able to secure the services of some people in a timely fashion.

The Company believes that the information tendered with this Submission also reflects the experience of many other Regional businesses and that this should be taken into account when considering this Submission.