

DIMA response to the Committee Inquiry into workforce challenges in the Australian tourism Sector

The Australian Government offers a range of permanent and temporary visas to address long and short-term labour shortages experienced by Australian employers. Strategies have also been adopted to ensuring employment in regional and remote areas, e.g. through concessions for sponsored employment in such locations. Although the student visa and working holiday maker programmes are not primarily employment focussed, they too provide important streams of casual and short-term labour. Detailed information on the full range of options is provided below.

General Skilled Migration (GSM) Programme

In 2005-06, the Australian Government announced an additional 20,000 places in the Skill Stream of the Migration Programme to address skill shortages in existing and emerging industries. This brought the total number of Skill Stream Places to 97,500 which will be maintained in the 2006-07 programme year.

The General Skilled Migration (GSM) programme forms part of the “Skill Stream” component of the Migration Programme and is designed for people who are not sponsored by an employer yet have skills in particular occupations required in Australia including those in the tourism industry.

Applicants for a GSM visa must meet a number of threshold criteria including age (under 45 years of age), English language ability, and recent skilled work experience. An exemption from the recent skilled work experience requirement is available to overseas students who have recently completed an eligible Australian qualification as a result of at least 2 years full-time study in Australia.

In addition to the above criteria, applicants must also nominate an occupation listed on Australia's Skilled Occupation List (SOL) and provide evidence that the relevant Australian assessing authority has assessed their skills and qualifications as meeting the Australian standard for that occupation.

Targeting skills shortages through the Skilled Occupation List (SOL) and Migration Occupations in Demand List (MODL) lists

It should also be noted that within the GSM programme there are a number of mechanisms available to target skill shortages within particular industries. These include the addition to, or removal of, occupations on the SOL and use of the Migration Occupations in Demand List (MODL).

The SOL includes all occupations that require degree, diploma or trade qualifications except those:

- which are clearly in significant oversupply in Australia;
- in which new migrants would not be immediately employable in Australia; or
- which are already targeted through other visa categories such as the Business Skills and Distinguished Talent categories.

There are a number of occupations within the tourism sector included on the SOL thereby providing a migration pathway for persons with these skills/qualifications. These occupations include Hotel or Motel Manager (both degree level and diploma level), Chef (excluding Commis Chef), Baker, Cook and Pastry Cook,

Occupations with a lower than diploma level skill entry level, while not eligible under the GSM programme, may still be acceptable for other permanent and temporary visa categories. This is particularly the case where an applicant is intending to work in a regional or low-population growth metropolitan area in Australia.

Traditionally, lower level positions within the tourism sector have been filled by overseas students who are able to work up to 20 hours per week during semesters and full-time in the semester breaks and Working Holiday Makers (WHMs). Further information is provided on WHMs and students, separately, below.

The MODL is a list of occupations and specialisations that have been identified by the Department of Employment and Workplace Relations (DEWR) as being in significant national shortage. The MODL is reviewed twice a year to take into consideration existing and emerging skill shortages.

The underlining principle of the MODL is that only occupations or specialisations that are in widespread, persistent and ongoing shortage are targeted.

There are currently 81 occupations on the MODL including Chef (excluding Commis Chef), Baker, Cook and Pastry Cook. (See Attachment A)

Skill Matching Visa

The Skill Matching visa provides an opportunity for skilled people who do not meet the current pass mark under the Skilled Independent category to be included on the Skill Matching Database for possible nomination by an employer or a State or Territory Government.

This is achieved through the Skill Matching visa, which links skilled migrants with employers or State/Territory Governments who wish to nominate them for migration to Australia. People who apply for a Skill Matching visa have their details included on the department's Skill Matching Database, which is viewed by employers and State/Territory Governments who are looking to fill skill needs in Australia. They can contact and then nominate people that they identify who have the skills needed.

Regional and State-specific initiatives

There are a range of regional and State-specific initiatives used by State/Territory governments and employers in regional or low population growth areas of Australia, which are designed to help:

- address skill shortages;
- attract overseas business people to establish new or joint ventures in their regions;
- encourage a more balanced settlement of Australia's skilled migrant intake.

These initiatives include flexible criteria, which recognise the special circumstances of rural and regional areas, to help deliver young, skilled, English speaking migrants to areas of Australia where they are most needed. They receive priority processing and rely on the sponsorship of migrants by regional employers, State and Territory Governments, or family members. This enables State and Territory Governments and regional employers to influence the number and profile of skilled migrants settling in their areas in line with their skill needs and development objectives.

The Australian Government works closely with state, territory and local governments and regional authorities to provide regional migration programmes that support the skill needs of regional employers. These programmes include concessions to attract more people to live and work in regional Australia.

The Government's State-Specific and Regional Migration policy also provides an opportunity for each State and Territory Government to use immigration to support their development plans.

One initiative introduced to attract migrants to regional Australia was the introduction (1 July 2003) of an additional 5 points under the GSM points test for overseas students who had studied and lived in regional Australia or a low population growth metropolitan area for at least 2 years. The purpose of this initiative is to encourage overseas students who have studied and lived in regional Australia to remain and contribute their skills to the benefit of these areas after they complete their studies.

Other initiatives include:

1. Skilled Designated Area Sponsored (SDAS) visa;
2. Skilled Independent Regional (Provisional) (SIR) visa;
3. Regional Sponsored Migration Scheme (RSMS) visa.
4. State/Territory Nominated Independent scheme
5. Temporary Business Long Stay Visa (Regional 457)
6. Incentive To Study In Regional Australia
7. Investor Retirement Visa

1. Skilled Designated Area Sponsored (SDAS) visa

SDAS applicants, unlike other GSM visa applicants are not points-tested. They need only meet minimum requirements for skill, recent work experience (unless they have completed an Australian qualification in the 6 months before applying), age (under 45 at time of application), and English language provided they have a close family relative living in a designated area for at least 1 year who is willing and able to sponsor them.

Until recently, the SDAS was a permanent visa. On 1 July 2006, the SDAS visa became a two-stage visa to address concerns that successful applicants were not remaining in the designated from which they were sponsored. Successful applicants are now granted a 3-year provisional visa and are only eligible for the grant of a permanent visa once they have lived for 2 years and worked for 12 months in a designated area in the same state or territory as their sponsor.

The SIR visa was introduced on 1 July 2004. The purpose of this visa is to allow skilled workers who are unable to meet the criteria for a permanent visa the opportunity to eventually apply for residence in Australia. While the visa is points-tested, the pass mark is lower than that required for an Independent visa. Similar to the SDAS visa, applicants must live for 2 years, and work full-time for periods totalling at least 12 months in a regional or low population growth metropolitan area in Australia before being eligible for a permanent regional visa. Successful applicants are initially granted a 3-year visa to give them time to satisfy the residence and employment criteria.

Eligible overseas students who have studied at a regional campus applying for a SIR visa have the added advantage of being able to nominate a far wider range of occupations on the SOL than those who have completed their Australian qualification at a metropolitan campus.

2. Skilled Independent Regional (Provisional) (SIR) visa

To further enhance the attractiveness of the SIR visa, on 1 July 2005 the Australian Government announced the introduction of 10 additional “sponsorship” points available to SIR applicants who are sponsored by an authorised state or territory government agency or Regional Certifying Body. This effectively meant the passmark for the visa was lowered 10 points thereby opening the visa up to a much wider range of skilled migrants willing to live and work in regional areas.

SIR visa applicants cover a wide range of occupations and countries. The top four source countries for SIR applicants are: the United Kingdom; India; People’s Republic of China; and Malaysia.

3. Regional Sponsored Migration Scheme (RSMS) visa

The Regional Sponsored Migration Scheme (RSMS) is one of several government initiatives designed to attract migrants to regional or low population growth areas of Australia. The scheme covers all of Australia except Sydney, Newcastle, Wollongong, Melbourne, Brisbane, the Gold Coast, and Perth. The scheme allows Australian regional employers to recruit skilled overseas employees to fill permanent, full time positions that they have been unable to fill from the local job market.

Positions that require the appointment of a person with skills equivalent to an Australian diploma or trade certificate are acceptable. The position must be located in regional Australia and must provide full time

employment for at least two years. All positions being nominated under the RSMS must be certified by a local Regional Certifying Body to ensure that they meet these requirements.

Applicants must have a qualification of at least an Australian diploma or its equivalent, be less than 45 years of age and have functional English language skills.

For both Employer Nomination Scheme (see below for details) and RSMS, in certain circumstances, where a position is so unusual or highly specialised that the employer is unlikely to find anyone who meets the established criteria to fill the vacancy, exceptions to elements of the qualification requirement, and to the age and English language requirements can be made. This will depend on the circumstances that the employer outlines to demonstrate the special skills required and difficulties experienced filling the position from the Australian labour market.

Applicants applying for a state sponsored or regional visa or whose nominated occupation is on the MODL receive priority processing ensuring fast-track processing of their application.

4. State/Territory Nominated Independent Scheme

The State/Territory Nominated Independent Scheme (STNI) enables State and Territory governments to sponsor skilled migrants who are willing to settle in States and Territories where their skills are in demand. State and Territory governments participating in the scheme select applicants who have a sound chance of gaining employment within a short time of their arrival. Currently the ACT, New South Wales, South Australia, Victoria, Western Australia and Tasmania participate in STNI.

5. Temporary Business Long Stay Visa (Regional 457)

The Temporary Business Long Stay visa (Regional 457) incorporates flexible criteria to support Australian companies in regional areas seeking to sponsor skilled workers for up to four years. (See below for further information about the Temporary Business (457) visa).

6. Incentive to Study in Regional Australia

Under the points test for general Skilled Migration, applicants may be awarded five additional points for having lived and studied in regional Australia or a low population growth metropolitan area for at least two years.

7. Investor Retirement Visa

Introduced in July 2005, the Investor Retirement visa enables State and Territory Governments to sponsor self-funded retirees to settle in regional, rural and low population growth areas of Australia.

Temporary Business (Long Stay) visa subclass 457

Temporary Business (Long Stay) visa subclass 457 programme is the main visa to enable Australian employers to nominate skilled overseas workers to fill positions they have been unable to fill from the local labour market. There are three stages under this visa – employer applies to be an approved business sponsor, the employer nominates a skilled position to be filled under this visa, and the nominee applies for a visa to fill the approved position. The visa allows skilled workers to enter for up to four years. Skilled temporary workers can apply for further visas when in Australia. The principal applicant is to remain in the employment of the sponsor. However, they can change employers by applying for a new visa.

Skilled positions are specifically gazetted for this visa. Broadly they are equivalent to managers, administrators, professionals, associate professionals and skilled tradespersons. The skilled occupations relevant to the tourism industry include hotel/motel managers, restaurant and catering managers, chefs, customer service managers and travel agency managers. Positions must also provide for a minimum salary. This is presently \$41,850 and \$57,300 for ICT professions.

Employers sponsoring skilled overseas workers under this visa must agree to certain sponsorship undertakings and conditions. These include demonstrating a commitment to training Australians; paying minimum salary levels and complying with workplace relations laws; arranging for mandatory licensing where required; cooperating with monitoring of the sponsorship; and directly employing the sponsored worker only in the skilled position they were nominated to undertake. If these undertakings are not complied with, sponsorships can be cancelled and employers sanctioned. Employers are monitored to ensure that they are complying with their undertaking and to remind them of their commitments. In 25% of the cases, the sponsors are site visited to verify their compliance with the requirements as a sponsor.

The overseas worker must have the skills, qualifications and personal attributes and employment background suitable to undertake the duties of the position nominated and meet health and character requirements.

Recognising the special needs of regional Australia, arrangements are in place to allow employers operating out of regional areas to nominate positions requiring lower skill and salary thresholds than in metropolitan centres. These exceptional appointments are subject to certification by a regional certifying body the state/territory government has endorsed. Occupations within the tourism industry that could be supported through the regional arrangements include flight and travel attendants, travel agents, and some skilled hospitality workers.

The applications to be an approved sponsor, to nominate positions to be filled under this programme and visa applications can be made over the internet.

Special arrangements exist for tour guides. Under past agreed arrangements, tour guide workers would not have access to the 457 visa under the standard business sponsorship arrangements. Tour guides are subject to Labour Agreement provisions to ensure close monitoring, checks and conditions are in place for applications in this occupation.

Employer Nomination Scheme (ENS)

The Employer Nomination Scheme (ENS) enables Australian employers to nominate highly skilled overseas staff to fill positions that cannot be filled from within the Australian job market or through the employer's own training programmes. Skilled occupations are specifically listed for this visa. They generally relate to occupational groupings of senior managers, professions, associate professions and technicians, and tradespeople. The positions must also be available for at least three years, and attract a minimum salary for this visa. This is presently \$41,850 and \$57,300 for ICT professions.

Applicants may demonstrate their skill level in one of three ways: by having their qualifications assessed by the relevant assessing body plus having three years of relevant post-qualification work experience; or by attracting an executive salary of \$165,000; or by having spent two years working in Australia on a 457 visa, the last 12 months of which have been with the sponsoring employer.

Applicants should normally be less than 45 years of age and have vocational English language skills.

Labour Agreements

A Labour Agreement (LA) is a formal arrangement negotiated between the Commonwealth Government (Department of Immigration and Multicultural Affairs (DIMA) and the Department of Employment and Workplace Relations (DEWR) and an employer or an industry association.

LA's enable Australian employers to recruit a specified number of workers from overseas in response to identified or emerging labour market or skill shortages. Employees may come to Australia on either a temporary or a permanent basis.

LA's are appropriate where large numbers of staff, a range of occupations or unusual occupations that cannot be covered by the ENS or RSMS programmes are needed.

There are twenty five LA's in operation providing positions for the tourism and related industries. In all, these LA's allow for 1263 overseas staff to enter Australia in a variety of occupations. By Government decision, Labour Agreements provide the only avenue for overseas workers to be employed as Tour Guides in Australia.

Trade Skills Training visa (TSTV)

The Trade Skills Training visa (TSTV) is a temporary visa that has been developed as one of a number of responses to trade skills shortages faced by employers in regional Australia. The TSTV commenced on 1 November 2005 and allows overseas nationals to come to regional Australia to undertake apprenticeships, on a full fee paying basis, in trades that are in skill shortage. The TSTV is limited to regional Australia to recognise the special needs of employers to attract and retain apprentices in regional areas.

Overseas apprentices will be required to be sponsored by Australian organisation approved by DIMA – either an employer, or a body representing an industry or a region. The sponsor will take responsibility for supporting the apprentice and ensuring they successfully complete the apprenticeship. Overseas apprentices will undertake the apprenticeship training under the Australian Government's Australian Apprenticeships scheme (formerly known as New Apprenticeships) which provides legal contractual protections and quality assurance for the apprentice, and leads to a nationally recognised qualification.

An essential element of the TSTV is that no Australian will be displaced by an overseas apprentice and to achieve this DIMA requires that the apprenticeship vacancy is certified by a DIMA approved certifying body as being one that could not be filled by local recruitment.

To ensure that regional employers and their communities continue to benefit from their investment in training overseas apprentices, overseas apprentices will be encouraged to apply for permanent residence in the same region through any of the existing regional migration visas such as the Regional Sponsored Migration Scheme (RSMS), Skilled Independent Regional (SIR) or the State/Territory Nominated Independent (STNI).

As at 11 August 2006 12 sponsorships have been approved with no visas as yet being granted.

Occupational Trainee Visa

The Occupational Trainee Visa allows foreign nationals to undertake a supervised, workplace-based training programme in Australia. The training should provide additional skills in their occupation or field of expertise. Following the training programme trainees may be eligible to apply for other temporary employment visas or permanent migration. In 2005-06, 6,890 Occupational Trainee visas were granted across a range of industries including a small number in the tourism industry.

Working Holiday Maker Programme

Australia's Working Holiday Maker (WHM) programme plays an important part in meeting seasonal labour fluctuations. The Working Holiday visa allows young people from arrangement countries to have an extended holiday in Australia by supplementing their travel funds through incidental employment. Australia currently has 19 reciprocal working holiday arrangements in effect. The programme has experienced consistently strong growth, with 113,936 Working Holiday visas granted in 2005-06, a 9.2 per cent increase over the 104,353 visas granted in 2004-05.

The programme supports the Australian economy by providing supplementary labour for industries needing short-term casual workers to meet seasonal demands. Research in 2002 found that approximately 25 per cent of WHMs work in the hospitality sector, particularly as wait staff (source: Harding & Webster, 2002, *The*

working holiday maker scheme and the Australian labour market, University of Melbourne, Melbourne). The same research also found that WHMs have a positive effect on the Australian economy, spending over \$1.3 billion annually. As a result of their propensity to travel widely and visit remote destinations, this spending provides considerable economic benefits for the tourism industry and regional areas.

Since 1 November 2005, WHMs who have done at least three months of 'seasonal work' in regional Australia, have been able to apply for a second WHM visa (2,692 were granted second WHM visa between 1 November 2005 and 30 June 2006). Further, since 1 July 2006, the definition of 'seasonal work' has been expanded from harvest work to also include plant and animal cultivation, fishing, pearling, and tree farming and felling.

While the 1 July changes were not primarily directed at the tourism sector, WHMs who obtain a second Working Holiday visa would be able to work in any industry. The initiative therefore, will help address labour needs more generally and all employers and regions may potentially benefit.

These changes are part of a package of measures to help regional employers throughout the country. The changes aim to address specific shortages in regional areas that have been identified across Australia as serious and persistent.

Students

International students are eligible to seek permission to work while in Australia, and may use this work entitlement as an opportunity to gain experience in their chosen field of employment or to explore the Australian culture and way of life. In many instances they fill vacancies in areas where there is a shortage of workers.

International students who have been granted permission to work are able to work up to 20 hours per week while their course is in session. During vacation periods, there is no limitation on the number of hours they may work per week. The 20 hour limitation does not apply to work that was specified as a requirement of the course when the course particulars were entered in the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS).

To assist overseas students to remain in Australia, there are a range of permanent and temporary visa options available to them if they have completed an Australian qualification in Australia. A number of these can be applied for, and granted, without them leaving Australia.

As part of 2006-07 budget, the Government has announced further visa options for students. Once implemented, international students would be able to extend their stay, after the completion of their studies, to allow them to work for up to 18 months. These visa options will extend post-qualification work experience opportunities to overseas students who have completed post-secondary studies in Australia. A new temporary visa is to be formulated to attract graduates of prestigious overseas universities to work in Australia.

Attachment A

The table below is the current (as at 28 March 2006) Migration Occupation in Demand List (MODL).

1.Accountant	2211-11
2.Anaesthetist	2312-11
3.Chemical Engineer	2129-17
4.Civil Engineer	2124-11
5.Computing Professional - specialising in CISSP	2231-79
6.Computing Professional - specialising in E-commerce Security (non-programming)	2231-79
7.Computing Professional - specialising in Network Security	2231-79
8.Computing Professional - specialising in SAP	2231-79
9.Computing Professional - specialising in SIEBEL	2231-79
10.Dental Specialist	2381-13
11.Dentist	2381-11
12.Dermatologist	2312-13
13. Emergency Medicine Specialist	2312-15
14.General Medical Practitioner	2311-11
15.Hospital Pharmacist	2382-11
16.Medical Diagnostic Radiographer	2391-11
17.Mining Engineer (excluding Petroleum)	2127-11
18.Nuclear Medicine Technologist	2391-15
19.Obstetrician and Gynaecologist	2312-17
20.Occupational Therapist	2383-11
21. Ophthalmologist	2312-19
22. Paediatrician	2312-21
23. Pathologist	2312-23
24.Petroleum Engineer	2127-13
25. Physiotherapist	2385-11
26. Podiatrist	2388-11
27. Psychiatrist	2312-27
28. Radiation Therapist	2391-13
29. Radiologist	2312-29
30. Registered Mental Health Nurse	2325-11
31. Registered Midwife	2324-11
32. Registered Nurse	2323-11
33. Retail Pharmacist	2382-15
34. Specialist Medical Practitioners (not elsewhere classified)	2312-79

35. Specialist Physician	2312-25
36. Speech Pathologist	2386-11
37. Sonographer	2391-17
38. Surgeon	2312-31

Associate Professionals	ASCO Code
39. Chef (excluding Commis Chef)	3322-11(part)

Trades Persons	ASCO codes
40. Automotive Electrician	4212-11
41. Baker	4512-11
42. Boat Builder and Repairer	4981-13
43. Bricklayer	4414-11
44. Cabinetmaker	4922-11
45. Carpenter	4411-13
46. Carpenter and Joiner	4411-11
47. Cook	4513-11
48. Drainer	4431-15
49. Electrical Powerline Tradesperson	4313-11
50. Electrician (Special Class)	4311-13
51. Electronic Equipment Tradesperson	4315-11
52. Fibrous Plasterer	4412-11
53. Fitter	4112-11
54. Flat Glass Tradesperson	4982-11
55. Floor Finisher	4423-11
56. Furniture Upholsterer	4942-11
57. Gasfitter	4431-13
58. General Electrician	4311-11
59. General Electronic Instrument-Tradesperson	4314-11
60. General Plumber	4431-11
61. Hairdresser	4931-11
62. Joiner	4411-15
63. Lift Mechanic	4311-15
64. Mechanical Services and Air-conditioning Plumber	4431-19
65. Metal Fabricator (Boilermaker)	4122-11
66. Metal Machinist (First Class)	4112-13
67. Motor Mechanic	4211-11
68. Panel Beater	4213-11
69. Pastry Cook	4512-13

70. Pressure Welder	4122-13
71. Refrigeration and Air-conditioning Mechanic	4312-11
72. Roof Plumber	4431-17
73. Roof Slater and Tiler	4413-11
74. Solid Plasterer	4415-11
75. Sheetmetal Worker (First Class)	4124-11
76. Stonemason	4416-13
77. Toolmaker	4113-11
78. Vehicle Body Maker	4215-11
79. Vehicle Painter	4214-11
80. Wall and Floor Tiler	4416-11
81. Welder (First Class)	4122-15