



Department of Agriculture and Food
Government of Western Australia

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The Secretary
Joint Standing Committee on Migration
House of Representatives
PO Box 6021
Parliament House
CANBERRA ACT 2600

Dear Secretary

SUBMISSION TO THE INQUIRY INTO TEMPORARY BUSINESS VISAS

Thank you for the opportunity to provide an input into this inquiry into temporary business visas (henceforth 457 visas).

Due to the current significant economic growth in Western Australia, skilled migration is becoming increasingly important to our agriculture and food industry.

The agri-food industry plays a major role in the Western Australia's economic, social and rural wealth. It contributes more than \$8 billion to the Western Australian economy each year and creates employment for more than 9 per cent of the State's workforce.

In 2005/06, the Western Australian agri-food industry, including value added processed goods, was responsible for \$12.4 billion worth of products. Productivity growth of the sector in 2005/06 is estimated at 2.3 per cent, which is higher than the Australian average.

The agri-food sector directly employs an estimated 50,000 people. When related supply and service industries are included, the agri-food trade provides jobs for more than 92,000 people. Western Australia has approximately 14,000 agricultural businesses and 19 per cent of people in rural regions are employed directly by the industry.

Over the previous two decades the value of agricultural production has achieved a 4 per cent average growth and has the potential to improve further.

However the single biggest factor currently restricting the growth of the agri-food industry in Western Australia is the shortage of skilled labour. Traditional pools of agricultural labour are drying up due to intense competition from other industries.

In order to maintain current productivity levels, we estimated that, due to churning factors such as attrition and retirement, some 24,000 new skilled workers must enter the industry (including supply and service) annually.

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Due to the general skills shortage that is prevalent throughout Western Australia, more and more agri-food businesses are turning to 457 visas as a means of sourcing desperately needed skilled workers. Skills in particular demand at present are abattoir workers, mobile plant operators, mechanics and lorry drivers. The absence of workers with these skills is causing significant breakdown in the supply chain, which inevitably affects productivity and business viability.

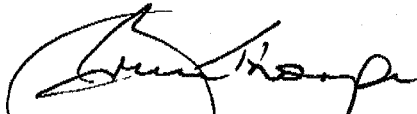
With Western Australia's skills shortage projected to continue into the foreseeable future, we envisage a further increase in the utilisation of 457 visas in the agri-food sector.

However, many agri-food businesses are finding the current system frustrating as it does not have the flexibility required to meet the needs of the industry. This is due to many agricultural skills not being recognised by Australian and New Zealand Standard Classification of Occupations (ANZSCO).

The Western Australia Department of Agriculture and Food views the 457 visa a significant, but by no means the only, tool in addressing the current skills shortage problem.

We recommend that the ANZSCO Codes are updated as they do not currently recognise the skills required by the agri-food industry.

Yours faithfully



Bruce Thorpe
DIRECTOR
FARM BUSINESS DEVELOPMENT