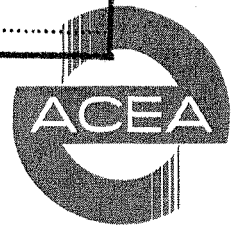


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ASSOCIATION OF CONSULTING ENGINEERS AUSTRALIA

# INQUIRY INTO TEMPORARY BUSINESS VISAS

FEB 2007

Joint Standing Committee on Migration  
Parliament of Australia

ACEA SUBMISSION

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The Association of Consulting Engineers Australia (ACEA) is an industry body representing the business interests of firms providing engineering, technology and management consultancy services.

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## INTRODUCTION

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The Australian Government's temporary business visas assist the consulting engineering industry with the current professional skills shortage issue facing this country. The Association of Consulting Engineers Australia (ACEA) welcomes the opportunity to reply to the Joint Standing Committee on Migration's *Inquiry into Temporary Business Visas*.

The following paper has been prepared to outline the ACEA's opinion on the current process and utilisation of the temporary business visas and how the visas are making an impact on the Australian consulting engineering industry.

## ABOUT THE ACEA

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The Association of Consulting Engineers Australia (ACEA) is an industry body representing the business interests of firms providing engineering, technology and management consultancy services. We represent over 250 firms - from large multidisciplinary corporations to small niche practices across a range of engineering fields. Our member firms include such companies as: Arup, Connell Wagner, Sinclair Knight Merz (SKM), URS Australia and GHD. Currently, 120,000 Australians are employed in the consulting engineering industry.

ACEA presents a unified voice for the industry and supports the profession by upholding a professional code of ethics and enhancing the commercial environment in which firms operate through strong representation and influential lobbying activities. ACEA also supports members in all aspects of their business - including risk management, contractual issues, professional indemnity insurance, occupational health and safety, procurement practices, workplace/industrial relations, client relations, marketing, education and business development.

## ACEA'S POSITION ON SKILLS SHORTAGES

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The ACEA is deeply concerned about the skills shortages among professional and paraprofessional staff in Australia. ACEA firms believe that skills shortages have and will continue to substantially impact on the development of current and proposed infrastructure projects in Australia. While long term solutions to this shortage must address the development of home grown engineering professionals, the temporary business visa regime plays a critical role in contributing to a range of short term solutions which enables consulting engineering firms to service Australia's growing infrastructure needs.

The ACEA's position on skills shortages is as follows:

- Professional skills in consulting engineering firms are in short supply
- A significant number of specialist skills are in critically short supply
- Project work and infrastructure development nationally will suffer from delays and cost blowouts
- Two thirds of our member firms are either delaying infrastructure projects or are declining to bid on projects because they simply don't have the staff available
- Critical shortages will extend over the next 5 years

## **ACEA'S SKILLS STRATEGY - INCREASING SKILLED MIGRATION**

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The ACEA's skills strategy embraces initiatives geared towards enabling firms to bring talent in from overseas more readily to cope with the immediate skills shortage crisis. A number of initiatives are being pursued including;

- Working with government to expand the Department of Employment and Workplace Relations (DEWR) Skills Shortage List and the Department of Immigration and Citizenship (DIAC) Migration Occupations in Demand List (MODL) to better reflect current skill shortages and to be more explicit about the detail of skills required and ensure these lists are updated on a regular basis.
- Working with DIAC to streamline entry processes for internationally recruited staff through an out posted DIAC Officer (IOO) to ACEA.
- Working with the Australian Tax Office (ATO) to investigate providing relief on FBT related to the Living Away From Home Allowance (LAFHA).
- Improving education regarding the Government Information Portal.

## **ACEA'S RECOMMENDATIONS ON THE TERMS OF REFERENCE**

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### **1. INQUIRE 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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Due to the current skills shortages in consulting engineering, recruitment activity is increasingly moving offshore. Firms of all sizes are using international recruitment agencies, running graduate recruitment programs and participating in careers fairs and forums overseas. Numerous ACEA firms are recruiting up to 100 consulting engineers per year from overseas to make up for shortfalls in domestic human resources supply.

The temporary business visas are used extensively by ACEA firms to get staff on board for project work quickly and efficiently. This is especially needed in the consulting industry due to the project based nature of the work and the specialist skills sets required for project delivery. ACEA strongly supports the continuation of the temporary business visas as an effective means of addressing critical skills shortages in Australia.

Increased utilisation of temporary business visas encourages transfer of knowledge between the visa holder and the sponsoring company and this is advantageous to the applicant, the member firm and the Australian consulting engineering industry. It also facilitates future business opportunities between the country of origin of the visa holder and the sponsoring firm.

In 2005, the DIAC (Department of Immigration and Citizenship) IOO (Immigration Outreach Officer) was made available to the ACEA to provide a direct point of contact for firms and to assist them in bringing in skilled professionals from overseas. The DIAC IOO has proved to be a strong liaison mechanism between the ACEA, our member firms and DIAC. Having the DIAC IOO located in the ACEA office has been of benefit as it has helped improve relations between DIAC and industry and has provided us with a better understanding of immigration processes and resources. The DIAC IOO initiative has proved to be a most effective conduit for streamlining the entry process and fast-tracking temporary business visa applications. However, the success of the IOO program will diminish if the visa processing time continues to blow out.

For ETA country applicants, the visa processing time used to be approximately 10 days. It has now blown out to 6-8 weeks. We are strongly recommending that the visa processing time is immediately streamlined. For non-ETA country applicants, the visa processing time for subclass 457 visas remains around 13 weeks.

The following facts should be taken into consideration when looking at the Australian consulting engineering industry and how it uses temporary business visas:

- Consulting engineers have a high level of English and communication skills and the highest standard of tertiary education and experience as a professional in commercial consulting engineering firms.
- Large consulting engineering member firms have their own human resources teams who have extensive visa application experience. The member firms provide applicants with a mentoring program that helps them with settlement issues and adjusting to the Australian business and social environment.
- Over 70% of our temporary business visa applicants are from ETA countries - including Japan, South Korea, Singapore, the UK, North America and the majority of Western Europe. Therefore, the turnaround of visa processing time should be shorter and more streamlined than those applications from non-ETA countries.
- Consulting engineering member firms support the Minimum Salary Levels (MSL) currently imposed on the subclass 457 visas, and moreover, our firms are paying applicants well above the MSL minimum wage requirement.
- Our industry has no intention of utilising Labour Agreements for its member firms.
- Once in Australia, many of the applicants move onto an ENS program (Permanent Residency Status), therefore, providing Australia with future residents and citizens who are knowledgeable, intelligent, highly skilled and make a significant contribution to the Australian society and economy.

## **2. IDENTIFY AREAS WHERE PROCEDURES CAN BE IMPROVED**

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For the above reasons, it is essential for the Australian Government to ensure that the temporary business visas are processed in a timely manner. It is important that the visa requirements remain clear and concise and minimise the compliance burden on business and industry.

The hearing of the Senate Estimates Committee on 22 May, 2006 already identified a joint approach by government agencies, such as DEWR, ATO and DIAC. Other than the recent changes on Form 1196 (acknowledgement of sharing of information between agencies), it is not apparent how this has been implemented.

While the ACEA agrees that the temporary business visa process should be monitored for abuse, employers are concerned that the outcomes of any such investigation should not result in additional regulatory burden that would add cost and delay for employers wishing to utilise the visas. The consulting engineering firms continue to comply, and in fact, exceed the temporary business visa requirements. Therefore, why should consulting engineering firms be penalised because of the actions of a few?

The sponsorship undertakings into which businesses are required to enter are already onerous. Compliance activity should be more sharply focused on the small percentage of non-compliant business and special status should be accorded to those sponsors with a proven track record.

ACEA is concerned about an increase in red tape for temporary business visas. An increased compliance burden will lead to longer processing times and this is highly problematic for firms who require staff quickly in order to respond to tender and project demands. Since the increased media activity surrounding the misuse of the subclass 457 visas, ACEA member firms have noticed a more sluggish response to visa applications and a slower turnaround of the 457 visa processing timeframe.

When a temporary business visa applicant applies for a relevant engineering vacancy, the mechanisms for getting that individual into Australia needs to be quick and efficient. The target should be to get prospective temporary business visa holders to work in Australia within a few weeks of application.

It would also be most beneficial if the Department of Employment and Workplace Relations (DEWR) could review the occupational classification codes for temporary business visas, including subclass 457 visas. ACEA would encourage more substantive consultation and communication regarding the methodology used to form the occupational classifications for the skills shortage list.

ACEA would encourage improved communication with visa holders and sponsors as it increases understanding of needs and paves the way for more successful integration of visa holders into their new environment. ACEA believes that the relocation process would be far less challenging for both visa holders and firms if more support was available from the Australian Government.

## CONCLUSION

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The ACEA strongly believes that increasing red tape for the temporary business visa process will place further financial and time demands on member firms and ultimately, will inhibit the current and effective visa procedure – such as subclass 457 visas. We support expediting and enhancing the temporary business visa process for potential visa holders, not injecting it with further regulations.

Temporary business visas – such as subclass 457 visas, has offered assistance to the current acute skills shortages in consulting engineering. Streamlining the business visa process is essential for our member firms' business activities but it will also make a substantial contribution to Australia's social, environmental and economic advancement.

## ACEA CONTACTS

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