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BY: *MB*

Submission No. *78* 20/04/2007
Date Received

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

Dear Ms Towner,

Submission to the Parliamentary Joint Standing Committee on Migration

We thank you for your letter of 22 March 2007 and your offer for our company to respond to the Australasian Meat Industry Employees' Union's submission which included statements referring to our company. We will also take the opportunity to put before the Committee the reasons for our participation in the Federal Government's Temporary [Long Stay] Business Sponsor [457 Visa] Program as well as the difficulties we have experienced.

To that end, please find attached our submission. Again we thank you for this opportunity and we would be pleased to have the opportunity to make an in person submission to the enquiry.

Yours faithfully,

Brian Victorsen
Assistant General Manager

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Tabro Meat Pty Ltd**Submission to the Parliamentary Joint Standing Committee on Migration
Inquiry into Temporary Business Visa's**

Tabro Meat Pty Ltd is an export registered meat processing company located at Lance Creek in South Gippsland Victoria. Our company processes beef cattle and exports almost all of our production to Asian and United States of America markets.

In early 2004 our company took the decision to expand our business by approximately 50%. At that time our Slaughter Floor had the capacity to facilitate this expansion but a large investment in plant and equipment was required to upgrade the Boning Rooms. The company has always had a training program and this was upgraded to prepare the workforce for the increase in skilled and unskilled people. In the latter half of 2005 when the first stage of the expansion was nearing completion it became obvious that the employees under training would not satisfy our requirements. The reasons were assessed as retention of skilled employees, availability of suitable people to train in the region as well as lack of applicants to train. To satisfy the MINTRAC Certificate III [MTM 30100] in meat processing the scheduled training time is 2 years not a compressed short period of time. In South Gippsland, despite our best efforts, we are simply unable to recruit and train sufficient local employees. We then identified 20 positions that we would in all likelihood be unable to fill in the Boning Rooms.

While maintaining our training program Tabro applied for approval as a Sponsor under the 457 visa program. 20 nominations were also lodged for Butchers with a skill level Tabro required and clearly identifying the duties to be performed. The nominations were also signed by the Regional Certifying Body, Regional Development Victoria requesting the regional allowance for wages. The nominations were approved by DIMIA as it was then known.

In February/March 2006 457 visa applications were lodged with the Department for a total of 9 applicants all from Brazil being a major beef producer. We sourced applicants only from Brazil to ensure they had the skills required for our operation. To this end part of our application procedure was that they be accredited to the MINTRAC Certificate III [MTM30100] or higher as stated in our position nominations. Tabro also received video footage of all the applicants actually processing beef so that we could personally assess their ability prior to selecting successful applicants to offer the positions to. We scheduled their arrival at intervals so that we could integrate them into our workforce successfully ensuring we would be able to provide the support they would require.

This worked very successfully with the Brazilians being smoothly integrated into our workforce.

In June 2006 Tabro was confident to take the next step in our expansion plan and commenced the process of locating a further 11 applicants to round out our program. Tabro considered that by the time that visas were processed and the successful applicants arrived our refurbished Cold Boning Room would be complete and the new season of cattle would be coming on stream. The same process was implemented and the first visa application was lodged in late June 2006. The application proceeded up to the stage of the medical results being received by the Department in late August 2006. During this period we were advised by the company performing the recruitment on our behalf that their Brazilian office had been advised by the Department that 457 visas were no longer to be processed. Tabro approached the Department to find out if this was true and was advised that a MINTRAC audit must be undertaken. The Department through it's Deputy Secretary Mr A Rizvi had sent out a "request" for companies to undertake an MINTRAC

audit but when the CEO of MINTRAC was contacted we were advised that they had not agreed to conduct audits and we are led to believe that it is only this year that they are in a position to contract out that function. The Terms of Reference for the audit extend well beyond the sponsorship agreement between Tabro and the Department and attempts to redefine the terms of a company's sponsorship. The "Labour Agreement" referred to in the Department's same letter and that they offer as a solution to the woes of the Meat Industry has not been accepted by the industry and would inflict greater costs on regional small businesses like Tabro that would make them uncompetitive. It totally ignores the regional allowance and adds greater costs onto a business that is trying to compete in the export market place. Tabro has always maintained that we would comply with the terms of our sponsorship agreement with the Department and only employ 457 visa holders to perform the duties agreed in the nomination forms. We also maintain that obviously in addition to these requirements we would ensure that the Federal Meat Industry [Processing] Award 2000 would underpin the conditions required and in fact are exceeded by Tabro. In an endeavour to satisfy the Department that Tabro was in no way breaching its agreement or conditions for 457 visa workers a meeting was held at Tabro with the Department's Director of Business & Family Migration, Mr S Russell on 25 September 2006. At this meeting all documents were provided that related to our sponsorship and also copies of the video's of the applicants performing their duties in Brazil before they were offered a position with Tabro. These videos also included those applicants that Tabro considered did not have the skill level required by our company and had therefore been rejected. Pay records were made available and an offer was made to provide whatever the Department required to satisfy itself that Tabro was operating in an ethical and moral way. All to no avail. The Department maintained what could only be considered a demand that a MINTRAC audit be undertaken before it would process any further visas. This, even though MINTRAC had clearly advised in writing, that they were not in a position to undertake this process. This also included the secondary visas for the families of visa holders already in Australia. Fortunately after representation by Tabro on behalf of the 457 employees that wanted their families to join them after some 8 or 9 months of separation the Department relented and allowed those secondary visas applications to be processed.

Tabro has over the 6 months that the Department has refused to process visas suffered extensive financial loss as well as lost opportunities to expand overseas export business. This was because of our inability to process the cattle that have been available and also being unable to utilise the assets that have recently invested in. Not only would this have provided greater exports but for every skilled worker employed at Tabro 2.5 positions would have been created for semi and unskilled workers. That is a loss to our immediate area of approximately 30 Australian jobs not counting the flow on to the region that would result.

Tabro has at no time breached its sponsorship agreement and was more than satisfied to have the Department scrutinise its operation. This, when the MINTRAC audit were not available. Should Tabro request the Department for a new Sponsorship agreement in the future then it will abide by the requirements it may agree to at that time. All we have ever asked is to complete the process that was agreed to with the Department in December 2005. That is, have the Department assess and process 457 visa applicants on their merits against the sponsorship agreement and position nominations that were processed and accepted in December 2005 rather than impose additional conditions and costs.

Tabro considers that the Department has acted against the best interests of the industry and the country and has derided our company and misrepresented MINTRAC in its correspondence. The Minister, The Hon Kevin Andrews MP, stated in a letter to our Federal Member, Mr Russell Broadbent MP, who had endeavoured to assist our company, that the Department had written to Tabro "*advising them of the serious allegations of inappropriate usage of the programme*". We find that inference offensive and hope it was poor grammar and not their assessment of Tabro's

use of 457 visas. The Minister also went on to say that we had *"been approached by the Department of Employment and Workplace Relations (DEWR) to participate in their job placement programme but have expressed no interest in pursuing Australian workers through this programme."* We were approached by DEWR to participate in their job placement programme but their Director of Industry Strategies Taskforce advised when pressed, that DEWR could not assist with skilled workers as it was outside their ambit. All they could do was to facilitate a meeting with the regional job placement agencies that we were already in contact with and propose a "steering committee" made up of these agencies to do what they were doing, that is responding to vacancies. These agencies also acknowledged that there was very little to no chance that they could obtain skilled meat workers in our region.

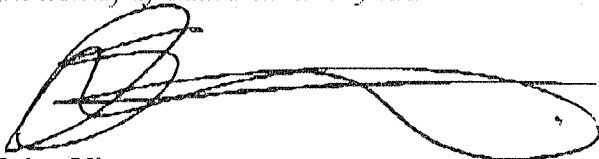
A number of letters and e-mails of support were kindly written by customers of Tabro to the previous Minister conveying their knowledge of the production limitations that our company had and the fact that we had by necessity been unable to supply the export product they required. It is a sad state of affairs when a company has to refuse export orders when it has the plant and equipment but not the skilled labour to produce the product. Responses from the Department to these customers in the main were similar to the response to Mr Broadbent MP. The inference was there that Tabro was inappropriately using the program. We find that totally unacceptable by the Department.

In conclusion we state that the Department, in all its correspondence with Tabro since August 2006, continues to seek to impose conditions on our company in excess of the 457 visa requirements, remove the Regional Allowance to which we qualify and to propose a prohibitive labour agreement to which the Victorian State Government must be a signatory, which they refuse to be. An agreement that would make a company like ours less competitive. We are not large but for the South Gippsland/Bass Coast Shire we offer significant employment opportunities that are only limited by the lack of skilled meat workers. They also continue to denigrate our industry and by inference our company without providing any supportive documentation while purporting to understand the desperation of the meat industry to obtain skilled workers. 6 months of inaction and procrastination is all we have had from the Department.

We thank the Joint Standing Committee on Migration for allowing us the opportunity to respond and continue to assert that Tabro has and continues to operate in accordance with the Department of Immigrations guidelines for 457 visa holders, the terms of our sponsorship agreement and the approved regional nomination requirements. We only ask that the Department do the same.

We would be pleased to have the opportunity to provide more details in person should the Committee require.

Yours faithfully
On Behalf of Tabro Meat Pty Ltd



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Assistant General Manager

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