



Report on 457 visa inquiry

A new report, released today by the Parliamentary Joint Standing Committee on Migration, makes recommendations to strengthen the integrity of Australia's temporary business visa program, maintain the program's effectiveness to meet the needs of business, and ensure fair conditions for overseas and Australian workers.

The report, *Temporary Visas ... Permanent Benefits: Ensuring the Effectiveness, Fairness and Integrity of the Temporary Business Visa Program*, makes 25 recommendations on Australia's temporary skilled migration arrangements, with a particular focus on the 457 visa.

Media conference today

The Committee will hold a media conference, following tabling, at approximately 5.30pm, Wednesday 12 September 2007, in Committee Room 2R1, Parliament House, Canberra.

"These recommendations reinforce that it is in Australia's interests to strengthen the effectiveness, fairness and integrity of this important program in terms of ensuring a continued benefit to local businesses, overseas and Australian workers and the broader Australian community," Committee Chairman Don Randall said.

"Unlike the 'guest worker' programs of some other countries, Australia's temporary skilled migration program also offers 'permanent benefits' in providing a pathway for skilled workers to apply for permanent residence at the completion of their nominated role.

"The temporary skilled migration program seeks to provide business with access to the global skilled labour market to fill proven skills shortages in key industry sectors and ensure the continued growth of the Australian economy, while safeguarding employment and training opportunities for Australian workers.

"The Committee emphasises in its report that the highest priority must be placed on providing Australians with job opportunities and training. However, given the strong economy and low unemployment rate of skilled Australians at the present time, temporary skilled migration represents a way of addressing short-term skills needs in some areas."

Mr Randall said the report's recommendations complement measures recently announced by the Australian Government to improve monitoring and compliance under the temporary skilled migration program.

"People need to know that Australia's temporary business visa program is effective and fair," Mr Randall said. "The report emphasises that the majority of employer sponsors of temporary workers under the program are 'doing the right thing' and complying with their sponsorship obligations. However, abuses of the system should and will be met by strong penalties and withdrawal of their access to the program."

The key recommendations in the report are as follows:

Ensuring program integrity

The Committee recommends that DIAC ensure adequate resources are allocated to the implementation and enforcement of compliance arrangements under the 457 visa program (**Recommendations 17 and 18**). DIAC and DEWR should also investigate the adequacy of the salary system under the program, underpinned by the minimum salary level, to identify if viable alternatives exist for calculating salary levels (**Recommendation 6**). Further, DIAC, together with the Australian Federal Police, should review the character requirements of the 457 visa program to ensure its integrity and the safety and security of the Australian community (**Recommendation 1**).

Ensuring the working conditions of overseas workers

The Committee recommends that DIAC introduce a more comprehensive, confidential complaints mechanism so that 457 workers are able to report potential breaches of visa requirements without provoking retaliatory action, with this mechanism to be widely promoted. **(Recommendation 19)**. DIAC should also provide clear guidelines for 457 sponsors and visa holders on their rights and obligations, and on the process that follows employment cessation **(Recommendations 20 and 22)**.

Protecting employment and training opportunities for Australian workers

To ensure that the 457 visa program is limited to skilled occupations where there are demonstrated skills shortages and that there is no negative impact on Australian jobs, the Committee recommends that DIAC and DEWR regularly review the gazetted list of approved occupations under the program and, where appropriate, work with industry and other stakeholders to trial a limited labour market testing process to agreed standards for certain identified occupations **(Recommendation 12)**. DIAC should also work with stakeholders to ensure effective training objectives under the program that uphold the commitment to training Australians **(Recommendation 14)**.

Streamlining processes for business

To ensure the effectiveness of the program in meeting the needs of business, the Committee recommends that the Australian National Audit Office examine the administration of the 457 visa program to ensure fast-tracked visa processing times are met **(Recommendation 24)**. DIAC should also improve its visa electronic lodgement procedures **(Recommendation 25)** and work with stakeholders to ensure an effective migration option to meet the short-term temporary employment needs of business **(Recommendation 3)**.

Further, DIAC should commission research into sectoral usage of the 457 visa program to ensure that it meets specific industry sector needs **(Recommendation 2)**. DIAC and DEWR should also work with business to improve the process of negotiating Labour Agreements and the operation and transparency of such agreements **(Recommendation 15)**.

Improving arrangements for regional Australia

The Committee recommends that DIAC commission an independent review of the Regional Certifying Bodies and the 'regional' 457 visa to further improve arrangements for regional Australia **(Recommendations 10 and 11)**.

Communicating program requirements

The Committee recommends that DIAC undertake a comprehensive communication campaign to ensure that employers fully understand their sponsorship obligations under the 457 visa program, including regarding deductions, and are adequately informed of changes to the program **(Recommendation 21)**.

Other recommendations and comments:

- national process for skills assessment of overseas trained doctors (Recommendation 4)
- Occupational Trainee visa (subclass 442) (Recommendation 5)
- indexation of 457 workers' salaries (Recommendation 7)
- Australian and New Zealand Standard Classification of Occupations (ANZSCO) (Recommendations 8 and 9)
- English language proficiency (Recommendation 13)
- future review of 457 visa program (Recommendation 16)
- data and statistics on 457 visa program (Recommendation 23)
- labour hire industry (chapter 2)

Copies of the report can be obtained by contacting the Committee Secretariat on **(02) 6277 4560**, from the Committee's website at <http://www.aph.gov.au/house/committee/mig/457visas/report.htm> or by emailing jscm@aph.gov.au.

For media comment, contact the Committee Chairman, Don Randall MP, on (02) 6277 2090 (Canberra) or (08) 9390 1211 (electorate office).

For background information, contact the Committee Secretariat on (02) 6277 4560 or visit the inquiry website at <http://www.aph.gov.au/house/committee/mig/457visas/index.htm>.