

QUESTION TAKEN ON NOTICE

BUDGET ESTIMATES HEARING : 23 May 2017

IMMIGRATION AND BORDER PROTECTION PORTFOLIO

(BE17/089) - 457 Changes - Employer levies - Programme 2.3: Visas

Senator Hume, Jane (L&CA 36 & 37) asked:

Senator HUME: Do employers have an existing financial obligation which requires them to train Australians?

Mr Wilden: They do, and it can be done in two ways. The first is under a category, which was called training benchmark A, which is a current requirement of a 457. If you select A, you have to be spending at least two per cent of the payroll into an industry training fund that operates in the same industry as the business. If you choose training benchmark B, that is expenditure equivalent to at least one per cent of payroll of the business on the provision of training two employees in the business.

Senator HUME: So does this new levy fully replace that existing obligation?

Mr Wilden: It does.

Senator HUME: And the levy is tax deductible—is that correct?

Mr Wilden: I will have to check that; off the top of my head, I cannot recall, .

Answer:

The Skilling Australians Fund levy will be tax deductible.