

QUESTION TAKEN ON NOTICE

BUDGET ESTIMATES HEARING: 22 May 2006

IMMIGRATION AND MULTICULTURAL AFFAIRS PORTFOLIO

(89) Output 1.1: Migration and Temporary Entry

Senator Webber asked:

1. What steps are being taken to determine whether a company has any plan to reduce their reliance on 457 holders?
2. What steps does the Department take to ensure that skills transference is taking place?

Answer:

1. Use of the Subclass 457 programme by employers reflects the current low levels of skilled unemployment in Australia and the demand for particular skills that are not readily available in the Australian labour market. Minimum skill and salary thresholds and the additional costs associated with sponsoring foreign workers act as a strong incentive for business to seek skilled workers from the Australian labour market wherever possible.
2. To be approved as a sponsor, employers must demonstrate that they will be introducing new technologies or business skills to Australia; that they have a history of training Australians; or that they will commit to the future training of Australians in the business operations. This commitment is tested through monitoring arrangements.

“About 95 per cent of respondents in both surveys answered positively to the questions about whether they were obtaining useful skills or were passing on their skills to Australian workers. A very high percentage (98 per cent) of those who did not change employer or occupation indicated at the follow-up survey that they were passing their skills to Australian workers.”¹

¹ Khoo S, McDonald P and Hugo G. August 2006. *Temporary Skilled Migrants' Employment and Residence Outcomes: Findings from the follow-up survey of 457 visa holders.*