

## QUESTION TAKEN ON NOTICE

### BUDGET ESTIMATES HEARING: 28 MAY 2008

#### IMMIGRATION AND CITIZENSHIP PORTFOLIO

#### **(85) Output 1.1: Migration and Temporary Entry**

Senator Boswell asked:

- (1) Can you explain why there are 42 000 "457" visa holders that remain unaffected by the 3.8 percent increase? What are the reasons for them remain unaffected?
- (2) Can you outline the total amount of people for each of the four "457" visa categories that will remain unaffected?
- (3) Of those that will receive the 3.8 percent increase, do we know how many of the 24 000 visa holders work within the meat industry in an abattoir?
- (4) How many "457" visas have been approved for foreign workers to work in the meat industry and in particular abattoirs in the last two years?
- (5) Of the 642 that received "457" visas prior to 2 years ago that you have already said will remain unaffected, how many of these work in the meat industry?

*Answer:*

(1) The Minimum Salary Level (MSL) indexation of 3.8 percent that will commence from 1 August 2008 will not impact all Subclass 457 primary visa holders. The Department is unable to determine exactly how many people will be impacted by this change as it is dependent on the individual circumstances of each visa holder. Each visa holder's circumstances may not be notified to, or known by, the Department.

Circumstances where a current Subclass 457 primary visa holder will remain unaffected by the MSL indexation can include a visa holder who:

- on 1 August 2008 (when the indexation takes effect), will be receiving a salary in excess of the indexed MSL;
- entered under a regional concession arrangement that applied prior to 1 July 2006. Due to arrangements that applied prior to this time, no separate MSL applies to this group;
- entered under a Labour Agreement that specified a fixed salary arrangement.

The Department estimates that over 40 000 may be unaffected by this change.

(2) There are four MSL “categories”: standard non-ICT; standard ICT; regional non-ICT and regional ICT. The answer to question one includes an estimate of those unaffected by this change. Within this cohort, Departmental records indicate that:

- around 91 percent of those Subclass 457 primary visa holders who will be paid a salary higher than the 1 August indexed MSL are in the standard non-ICT category;
- around 8 percent are in the standard ICT category; and
- the small remainder are in the regional non-ICT or regional ICT categories.

(3) It is possible to identify Subclass 457 primary visa holders who are working in the “meat industry” but it is not possible, outside Labour Agreements, to readily disaggregate this figure to identify those persons working in abattoirs.

(4) In the time available it has not been possible to analyse available data. To the extent possible, separate information will be provided.

The number (rounded to the nearest 10) of Subclass 457 primary visa grants where the sponsor is in the meat industry is:

- 150 for the financial year 2006-07;
- 220 for the financial year 2007-08, to 31 March 2008.

(5) Of the 690 Subclass 457 primary visa holders granted under the regional concession, prior to the introduction of the Regional Minimum Salary Level (MSL) on 1 July 2006, approximately 260 were employed in the meat industry. If any of these 260 persons seek a further Subclass 457 primary visa to work in an abattoir under the Meat Industry Labour Agreement, they must be paid at least the current MSL as varied from time to time.