

QUESTION TAKEN ON NOTICE

SUPPLEMENTARY BUDGET ESTIMATES HEARING: 30 October 2006

IMMIGRATION AND MULTICULTURAL AFFAIRS PORTFOLIO

(94) Output 1.1: Migration and Temporary Entry

Senator Conroy asked:

Are employers required to increase rates of pay to 457 visa holders in line with increases in the minimum wage for 457 visa holders subsequent to the commencement of their employment?

Answer:

At this stage, this is not a formal requirement. However, any increase in the relevant industrial instrument, if that is the level a visa holder is being paid at and this level is already above the MSL for Sub-class 457, must be passed onto the sub-class 457 visa holder. This ensures that the 457 visa holders are paid at the same rate as similarly skilled Australians at the same workplace, if the Australians are also being paid according to the relevant industrial instrument. It should also be noted that surveys show many sub-class 457 visa holders negotiate, after arrival, higher rates of pay with either their existing employer or by moving to another employer who has sponsorship approval. Average base salaries paid to primarily applicants obtaining a sub-class 457 in the first quarter of 2006-07 were in excess of \$70,000.