

4 February 2011

The Director
Deregulation Strategy Section
PO Box 25
BELCONNEN ACT 2616

Re: Visa Simplification and Deregulation

Thank you for the letter of 20 December 2010 from Acting Assistant Secretary Susan Murray inviting me to comment on the Discussion Paper entitled 'Simpler Visas: Implementing a simpler framework for temporary residence work visas'.

In recent years the skill shortages in a number of sectors of the economy have meant the schemes that have enabled sponsorship of workers from overseas who possess skills in short supply within Australia, in particular the subclass 457 visa scheme, have been of significant benefit to Australian businesses. So much so that when AHRI conducted a survey of members on the issue early in 2009 we attracted 1044 responses to a wide range of questions from representatives of four groups:

- Persons from organisations that employ skilled migrants (65% of respondents)
- Employees working alongside skilled migrants
- Persons from organisations that have not employed skilled migrants
- Skilled migrants themselves.

In noting that the Proposed Temporary Residence Work visa framework set out in the Discussion Paper includes a Business (Long Stay) visa category, it would appear that the 457 visa category would still be operative under a new designation and would thus serve the business interests of the constituent group I represent; namely HR practitioners and people managers who are responsible for providing suitable recruitment solutions that contribute to meeting the objectives of their enterprise.

In the 2009 AHRI survey, more than 85% of respondents indicated a skilled migration scheme was necessary, and nearly 70% reported experiencing a skill shortage. Of the respondents whose organisations employed skilled migrants at that time, 95% reported that their organisation attempted to find the required skills in Australia first, and 96% reported benefiting from the scheme when the organisation decided to pursue that option.

The relatively small number of negative responses need to be seen in that context, with 50% of respondents wanting to change the medical obligations of sponsoring employers and 30% wanting to change the process as a whole. While the majority found migrants with the suitable

skills (76%), there was some concern expressed about the process taking too long and the business suffering in the interim. So, taking into account the proviso in the Discussion Paper that the skill sought cannot reasonably be found in Australia, a streamlined system that minimises delays is a high priority. I note that the new system allows for employer sponsorships and labour agreements, and that is to be applauded.

A positive finding in the survey was that 68% of employers who sponsored skilled migrants reported having no problems. Of the 32% who reported a problem, roughly a quarter (24%) cited English proficiency and 22% cited the migrant leaving before expiry of the visa. Assimilation with other workers was reported as a problem by 15% of respondents. By contrast, of the respondents whose organisations had *not* employed skilled migrants, 86% thought English proficiency would be a problem and 43% thought assimilation would cause concern, while 29% thought leaving before the visa expiry date would be a problem.

In deciding the greatest benefit of employing skilled migrants nearly half (48.5%) reported that they filled the skill vacancy, with another 15% reporting that the migrants were highly skilled, 9.8% reporting they had relevant skills and 7% saying that they passed their skills on to other workers. With more than eight out of ten respondents focusing on the skill factor, the capacity of the new framework to ensure that continues will be crucial to its success. Other benefits noted related to matters such as work ethic and diversifying the workforce but were not rated as highly as the sourcing of suitable skills.

I have taken the liberty of attaching the full research report for your information.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Serge Sardo', written over a white background.

Serge Sardo
Chief Executive Officer

Enclosed: *HRpulse Research Report: 'Australian experiences with skilled migration – perception and reality'*