

LABOR'S PLAN TO REPLACE TEMPORARY WORKERS WITH SKILLED AUSTRALIANS

In Australia today, with underemployment at record highs and young people across the country struggling to find work, it is only fair that Australians get the first crack at local jobs.

Yet unfortunately, too many employers are turning to temporary work visas to bring in cheap overseas labour, rather than hiring local workers.

This needs to change.

Australia needs a real plan to skill up Australian workers and connect them with local jobs – reducing the need for business to rely on temporary workers from overseas.

That is why Labor has a plan to crack down on the 457 visa rorts and invest in skills and training – so more Australians have access to the jobs they need to build a decent life for themselves and their families.

Malcolm Turnbull's 457 Con Job

Malcolm Turnbull's much-hyped changes to the 457 visa system was little more than a con job.

As usual with this government, the political stunt wasn't backed by policy substance – just a rebranding of 457 visas to give them a new name.

Only eight per cent of visas granted would be affected under Malcolm Turnbull's con job.

Malcolm Turnbull is cracking down on goat herders and antique dealers, while jobs like cooks, bricklayers and café managers – jobs that could easily be filled by local workers – will still be available to overseas workers.

At least 18 of the occupations being removed from the list have not had visas issued in the last decade and 46 have not had visas issued in the last year.

This proposal provides no speed limits on visas for more than 400 occupations.

In addition, Malcolm Turnbull's proposal carves out any international trade agreements which exclude Labor Market Testing – like the China Free Trade Agreement – leaving massive loopholes in the system.

At the same time, Malcolm Turnbull is ripping money out of skills and training – so it's harder and harder for Australians to get these jobs, even when they are made available.

Under the Liberal National Coalition, \$2.5 billion has been cut from skills and training, and Australia now has around 130,000 fewer apprentices and trainees than when the Coalition Government came to office in 2013.

You can't have a plan for local jobs if you don't invest in the skills and training that people need to get those jobs.

Instead of developing a highly skilled Australian workforce, Australia has been relying on temporary workers, and Malcom Turnbull's con-job will do nothing to fix the issue.

Labor's Plan

Labor will always put local workers first.

Labor will:

- Ensure employers have to make genuine attempts to find local workers first.
- Ensure temporary work visas are only available for filling jobs in areas with a genuine skills shortage.
- Establish an independent labour market testing authority to advise Government on current skill shortages and future skill needs.
- Increase the cost of a visa to provide a genuine price signal to employers that they should look local first.
- Establish a new SkillUP Training Fund to support Labor's agenda in skills and training that will fill skills shortages.
- No labour market testing loopholes. Labor will not waive labour market testing requirements for any new Free Trade Agreements.
- Introduce a new Science, High Tech and Research Visa allowing for continued access to the best specialists to collaborate with their Australian counterparts.

This is on top of Labor's previously announced plans ensure that employers are putting local workers first.

Restricting Temporary Workers to Genuine Skill Needs

Labor will establish a new, independent, labour market testing body – the Australian Skills Authority – to determine genuine skills needs and restrict temporary work visas to those areas.

The Australian Skills Authority will be responsible for creating one Skills Shortage Occupations List in consultation with industry, unions, higher education and TAFE sectors and State and Local Governments.

Temporary skilled visas will only be available when a genuine skills gap cannot be met with local workers and will only be available for occupations listed on the Skills Shortage Occupations List.

For all skills on the visa list, a Labor Government will implement a plan and timeline to train sufficient Australians, with the aim over time to get as many of the occupations off the list as possible.

The Australian Skills Authority will also:

- provide advice to Government on current skills shortages;
- project Australia's future skills shortages;
- identify circumstances preventing local workers from meeting Australia's skill needs and provide advice on skill bottle-necks;
- regularly review the SSOL to add or remove occupations in response to changes in Australia's skills and job market.

Consistent with *Robust New Foundations*, a review into 457 visas lead by John Azarias, Labor will abolish the Ministerial Advisory Committee on Skilled Migration and instead establish the independent authority.

Investing in skills and training to fill skill gaps

Overseas workers should not be a cheap alternative to training local workers to meet Australia's skill needs.

To ensure Australia's continued growth and prosperity, we must set a clear price signal to employers wanting to use temporary overseas workers ahead of training locals.

Currently, the fee for employers who import skilled workers is \$330. Under the Government's rebadged 457 visas, that fee will be increased to \$575 a year for the 2 year visa.

This equates to just over \$10 a week – not enough to drive a change in business behaviour.

Under a Labor Government, the relevant fees will be increased to 3 per cent of the Temporary Skilled Migration Income Threshold, for each year the visa is in place. That means \$1,617 a year – or around \$6,400 – for a four year visa.

This will provide a stronger incentive for business to employ local workers first.

Under Labor, employing locals first won't just be fairer – it will be cheaper.

Revenue raised from the fee increase will establish a SkillUP Training Fund to be used to fund Labor's agenda in skills and training.

This is training that will last a lifetime, lead to real jobs with decent wages, and ensure our business have access to the skills they need to thrive in our modern economy.

Labor will continue to outline our agenda in skills and training in the lead up to the next election.

Stopping the rorts

Labor has introduced legislation that would put in place stronger safeguards to ensure that Australian employers seek to hire local workers first through labour market testing.

Labor will strengthen the penalties for those employers who are abusing the system and temporary skilled visa workers. Labor took a policy to the last election to increase penalties for employers who exploit temporary work visa holders including in relation to employers asking for payment for visas.

Compliance with visas will be monitored by the Department of Immigration and Border Protection, the Fair Work Ombudsman, and civil society organisations.

Protecting local jobs in new Free Trade Agreements

Labor will not do deals to trade away local workers' chances of getting a job.

As part of important Labour Market Testing requirements, employers must first test the local labour market to make sure there is no suitably qualified local worker who can fill that position.

This test is important for ensuring local workers get the first chance at a job.

The Coalition has waived Labour Market Testing requirements in trade deals with China, Japan and South Korea.

The ill-fated Trans-Pacific Partnership would have seen the Coalition agree to remove Labour Market Testing for workers coming into Australia from Brunei, Canada, Malaysia, Mexico, Peru and Vietnam.

In government, Labor will not waive Labour Market Testing requirements in new Free Trade Agreements.

A new SMART visa

By putting local jobs first, Labor is not closing the door to bringing the best and brightest talent to Australia when that will help build our economy. Labor wants to make sure that it is still possible to access the talent we need in certain industries.

For Australia to remain a world leader in innovation, medical and scientific research and high tech industries, we need to have access to the very best minds from all around the world.

Labor will introduce a new four-year visa, with appropriate salary safeguards, for world-leaders in Science, Medicine, Academia, Research and Technology. The new SMART visa will allow universities, research institutes, medical, scientific and advanced technology industries and companies and public research agencies to bring the best and brightest here.

The SMART visa will provide a pathway to permanent residency for educators, innovators and researchers of global standing.

Labor will take advice from the Australian Skills Authority, as well as industry, to determine the skills and areas of speciality available for this visa. The minimum income level for the SMART visa will be set in consultation with industry.