10 May 2024

Jobs and Skills Australia Department of Employment and Workplace Relations GPO Box 9828 Canberra ACT 2601 Australia

Dear Commissioner,

### Submissions on the draft Core Skills Occupation List (CSOL)

Thank you for the opportunity to provide our submissions on this imperative matter.

### Introduction

Founded by immigration lawyer Chris Johnston, Work Visa Lawyers is one of the largest migration firms in Australia providing quality immigration services to clients.

Chris became a Migration Lawyer in 2006 and worked for two of the largest migration advice businesses in South Australia between 2006 and 2011. During this time, he gained extensive experience in the areas of employer sponsored migration, business skills visas, partner visas and reviews before the MRT/AAT and judicial reviews. He started Work Visa Lawyers in July 2011. He has served as SA State President for the Migration Institute of Australia (MIA) from October 2017 to October 2019 and a Director on the National Board of the MIA. The MIA is the peak professional body for migration professionals. As an active member of the MIA, Chris presently serves on its South Australian Committee and its Regional Migration Advisory Panel and is a passionate advocate for regional employers and businesses. Chris has recently been elected as a member of the South Australian Law Society Council. His prolific industry experience has given Chris unique insights into the issues that confront Australia's migration program.

Work Visa Lawyers advises a large number of individuals, families and corporate clients throughout Australia and overseas in a variety of migration matters. We have lent our immigration expertise to employers and workers in a wide array of industries including medical services, pharmaceutical and medical research, agricultural producers, hospitality, mining and manufacturing, among others. Being based in



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This firm participates in The Law Society of South Australia's limitation of liability scheme. Liability limited by a scheme approved under professional standards legislation. South Australia, Work Visa Lawyers has extensive experience in regional migration and has worked with clients in the aforementioned industries.

With a dedicated team of 12, Work Visa Lawyers has provided migration assistance in thousands of visa applications, merits review and judicial review matters. We have firsthand experience in relation to current migration policy settings and its real-world implementation.

### SUBMISSIONS

### The need for a comprehensive Core Skills Occupation List

Research by the University of Adelaide's South Australian Centre for Economic Studies, *The Potential Benefits of Reforming Migration Policies to Address South Australia's Needs* (2017)<sup>1</sup> found that the Employer Nominated Scheme (ENS) and the Temporary Work (Skilled) visa are relevant for addressing the skill shortages faced by South Australian employers. The research further states that the ENS, in particular has proven effective in meeting these skills shortages.

Further, according to the Migration Review (2023), one of the five core objectives that underpin Australia's migration system is "making the system work by being fast, efficient and fair for migrants and employers". The Australian Government's Review of the points test Discussion Paper (April 2024) notes changes to the points test as recommended by the Migration Review "would support a clearer delineation" between the Skilled Independent visa program which focuses on long-term prosperity and the Employer Nominated program which focuses on meeting immediate skills needs.

Considering the above, we submit that the Employer Nominated Scheme plays an important part in Australia's long-term economic progress. And if the needed occupations are not on the CSOL will not be able to meet the needs of the employers. The needs of businesses vary greatly between industries and between major cities and regional areas and a wider CSOL is needed so that the employers can get the employees/workers they need.

In addition to the Public Interest Criterion (PIC) 4020 provision applicable to all visa applications, i.e., criterion that provides that a visa application might be refused if the applicant provides

<sup>&</sup>lt;sup>1</sup> South Australian Centre for Economic Studies. *The Potential Benefits of Reforming Migration Policies to Address South Australia's Needs.* Report 3: Policy Solutions. Commissioned and funded by: Migration Solutions, Thomas Foods International, RDA Murraylands and Riverland, Shahin Enterprises, Local Government Association of SA, Education Adelaide, The Population Institute of Australia, The Urban Development Institute of Australia, The Property Council SA, BDO Australia. Report prepared by: The South Australian Centre for Economic Studies, University of Adelaide. <u>September 2017</u>

Bogus Documents or False/Misleading Information, there are a number of measures in place to protect and promote the integrity of the employer-sponsored program, including specific provisions under migration law prohibiting payment for sponsorship, Departmental monitoring and imposition of sanctions for breaches of sponsorship obligations and the genuine position requirement. The genuine position requirement for example is designed to help filter out applications which are not designed to fill labour shortages, but which are being used for the purpose of migration outcome. Such a genuine position requirement should also be built into the core skill visa.

There is nothing inherently better about having a shorter or more restricted list. With the significantly higher Temporary Skilled Migration Income Threshold (TSMIT) currently set at \$70,000 a year, to be indexed going forward, employee sponsored visas are no longer focused on low paid occupations.

The Review of the points test Discussion Paper stated that "[n]early a quarter of skilled migrants work in a job below their skill level. ENS visa holders are least likely to work in a job below their skill level as they have to be employed in an occupation that matches their qualification and work experience.

Designated Area Migration Agreements (DAMAs) are useful, but the DAMA occupation lists do not include many key occupations and do not cover all regional Australia. For example, Tasmania does not have a DAMA.

### Needs of Regional Industries and Australians living in regional areas

The current starting point of the Confident On CSOL list seems to be heavily weighted towards jobs in large Australian cities and against regional located occupations. This is contrary to the needs of Australia. Australia's export industry is mostly based in the regional areas and therefore there is a genuine need for the services of the skilled workers in regional Australia.

The Temporary Skill Shortage visa (subclass 482) currently has three occupation lists which are:

- Medium and Long Term Strategic Skills List (MLTSSL)
- Short Term Skilled Occupation List (STSOL); and
- Regional Occupational List (ROL).

The Core Skills Visa is only planning to have one list, the Core Skills List. This means that that introduction of the Core Skills Visa leads to the abolition of the sc-482 Regional Occupational

List (ROL). The needs of regional Australia continue and the Core Skill List needs to incorporate the occupations that were on the ROL.

Abolishing the Regional Occupation List means that regional occupations need to be built in the CSOL. There is currently congestion at major cities, i.e., Melbourne, Sydney and Brisbane.

### **Risks of a restrictive CSOL List**

We believe the currently proposed very narrow Core Skills List has been influenced by the arguments of the Grattan Institute.

The Grattan Institute in March 2022 released a report, *Fixing Temporary Skilled Migration: A Better Deal for Australia,* where the institute provided their recommendations to address the issues relating to skills shortages, etc. The Grattan Institute recommends, among other things, that temporary sponsorship should be reserved for higher-wage jobs in any occupation. We submit that this recommendation poses risks for Australia's migration program as a whole as discussed below.

## Grattan Institute's recommendations pose a major barrier and could create or worsen skills shortages

The Grattan Institute is far too narrowly focused on the economic value of migrants through tax. Their model is to attract younger, higher-skilled migrants who earn high incomes and pay substantial taxes, in order to generate long-term fiscal dividends. Serious danger lies in adopting this model for our migration program as a whole.

Rather than focusing on meeting current labour-driven demands, the Grattan Institute advocates for granting permanent residency to migrants in higher-earning jobs who are expected to pay more tax over their lifetime. Based on economic modelling, the Grattan Institute contends this reform would consequently boost the federal and state budgets by billions over the next decade.

Adaption of the Grattan Institute's recommendations could supply Chief Executives (ANZSCO 111111) and Taxation Accountants (ANZSCO 221113) to work in large cities while the regions are unable to access Disability Service Officers (ANZSCO 411712), Refugee Workers, Emergency Services Workers (ANZSCO 441211) and Motor Mechanic (General) (ANZSCO 321211).

Realistically, it will also severely worsen Australia's housing, infrastructure and skills shortages problems.

# Risk 1: Creating more skills shortages by focusing on high-skilled and high-earning occupations which will leave Regional Australia with crippling skills shortages while filling major capital cities with an influx of high-earning professionals

The Grattan Institute inspired migration policy focused on high earning occupations, works well to fill leafy areas of Melbourne and Sydney with highly paid professionals, while simultaneously depriving regional Australia of crucial workers. In the end this will only worsen massive skills shortage for aged care, childcare and agricultural workers.

Migrants of varying skill levels have a great deal to contribute to the workforce, economic and social fabric of Australia. Their intrinsic value does not boil down to income and generated tax revenue. The recommendations put forward by the Grattan Institute are wholly antithetical to the aims of the migration program and would exacerbate, rather than solve, major challenges Australia faces today.

The emphasis should not just be on high skills, but on the jobs that need to be done. If the Grattan Institute's inherently short-sighted policies are implemented, the reality is hard-hit industries namely aged and disability care, childcare and agriculture will continue to unduly suffer. This is all the more problematic for regional Australia, which has long grappled with challenges in attracting and retaining skilled workers.

## Risk 2: Rendering Australia exposed to significant challenges and weakening its sovereign capabilities in many aspects such as food production and transport

Adopting an overly narrow CSOL poses a serious threat to Australia's sovereign capabilities.

Australia's ability to feed its people relies on resources and infrastructure in regional Australia. Agriculture is the lifeblood of our nation. At the most fundamental level, we are reliant on the agricultural industry to meet our basic needs for food and produce. Labour shortages lead to diminished production and wasted yields, with the end result being higher prices for goods. Inflation in turn significantly impacts the cost of living for everyday Australians.

We do not accept the notion that the primary aim of the migration program is to increase and maximise tax revenue for the government through income tax generated from migrants, as is being championed by the Grattan Institute. The Grattan Institute's approach relies on the assumption that everything important to Australia's economy is founded upon a high salary. This

is an unequivocally false assumption; many essential services in our society are provided through lower paid occupations which contribute to our health and wellbeing as well as food security, trade and the ongoing supply of vital goods.

### List lag behind industry needs

The lists can often lag behind the needs of industry and businesses in terms of occupations. This can particularly be in relation to ICT related occupations that are constantly developing.

We are finding a strong demand from industry for the occupation of User Experience Designer (ANZSCO 261113). We recommend the inclusion of User Experience Designer (ANZSCO 261113) on the CSOL.

### Continued need for separate regional focused visas (sc-491 and sc-494)

It is useful to be given an opportunity to make submissions on occupations to be included for the upcoming Skills in Demand Core Skills Visa. However, it should be noted that there is still an important role for regional focused visas with generous lists which extend beyond the Core Skills Visa.

The subclass 494- Skilled Employer Sponsored Regional (Provisional) visa is a regional focused visa and while it has a generous list it is currently hamstrung by having the need for a skills assessment for all applicants and three years of relevant experience. These sc-494 requirements make it more demanding than the current sc-482 or the new proposed core skills visa.

For regional locations to have access to skills, sc-494 needs to be reformed to lessen the requirements, so that they are in line with those required for the core skill in terms of relevant qualifications and two years of experience, with no need for a skills assessment for the Core Skills Visa in most circumstances.

### Detailed occupation suggestions

### **Draft CSOL Targeted for Consultation**

There are a large number of farm management level positions which are currently on the "Targeted for Consultation" list. We have previously done a range of these occupations for family businesses and for larger businesses that desperately needed skilled management personnel due to their regional locations with the following occupations having been important, i.e., Dairy Cattle Farmer (ANZSCO 121313) and Winegrape Grower (ANZSCO 121617).

As a country that has an agricultural industry worth about AUD\$100 billion (in 2022-23)<sup>2</sup>, Australia can benefit from having agriculture and production related professional occupations and therefore should be on the list including an Agricultural Consultant (ANZSCO 234111), Agricultural Research Scientist (ANZSCO 234114), Food Technologist (ANZSCO 234212), Wine Maker (ANZSCO Code 234213).

Further, AgTech related occupations include Agriculture and Aggregate Technician (ANZSCO 311111), Animal Husbandry Technician (ANZSCO Code 311113), Agriculture and Fisher Technician (ANZSCO 311112), Irrigation Designer (ANZSCO Code 311115), Pharmacy Technician (ANZSCO 311215) should also be on the list.

Similarly, Meat Inspector (ANZSCO 311312) and Primary Product Quality Assurance Officer (ANZSCO 311314) should also be on the list. We recommend that all the farm management level positions be placed on the list.

There is a housing shortage in Australia and there is also a large number of civil construction and infrastructure projects underway. This is in addition to the current skill shortage in the industry, as Infrastructure Australia reported there is a 229,000 public infrastructure workers shortfall<sup>3</sup>. There are a number of occupations related to the building and construction in the CSOL Targeted for Consultation List such as: Project Builder (ANZSCO 133112) , building related occupations of Architectural Draft Person (ANZSCO 312111), Building Associate (ANZSCO 312112) , Construction Estimator (ANZSCO 312114), Plumbing Inspector (ANZSCO 312115), Mechanical Engineering Draftsperson (ANZSCO 312511), Building and Engineering Technician, nec (ANZSCO 312999) that should be included in the Confident On List.

South Australia has a growing manufacturing industry<sup>4</sup> and we recommend that Production Manager (Manufacturing) (ANZSCO 133512) be on the list.

<sup>&</sup>lt;sup>2</sup> Australian Government Department of Agriculture, Fisheries and Forestry website, *Snapshot of Australian Agriculture 2024,* < <u>https://www.agriculture.gov.au/abares/products/insights/snapshot-of-australian-agriculture#agricultural-production-is-growing</u> > accessed 30 April 2024

<sup>&</sup>lt;sup>3</sup> Infrastructure Australia, Infrastructure Market Capacity 2023

https://www.infrastructureaustralia.gov.au/listing/media-release/infrastructure-market-capacity-2023-0 <sup>4</sup> South Australia Department for Industry, Innovation and Science, South Australia's innovative manufacturing sector <

We recommend that health related occupations being included on the list including Medical Administrator (ANZSCO 134211), Nursing Clinical Director (ANZSCO 134212), Primary Health Organisation Manager (ANZSCO 134213).

We found that the hospitality industry is underrepresented and there are a number of hospitality related occupations which are very important to regional Australia including Hotel or Motel Manager (ANZSCO 141311) and Accommodation and Hospitality Manager nec (ANZSCO 141999). These occupations are required by many hospitality businesses' business model.

Australian Hotels Association SA chief executive officer Anna Moeller stated that ""*Skills* shortages are one of the biggest issues our hotel members are facing today and, in particular, the chronic shortage of cooks and chefs.<sup>5</sup>" This skills shortage in the hospitality business is a real threat to South Australia's renowned restaurant, bar and café industry.

It is certainly important to regional cities and towns and to Australian tourism generally that Cooks (ANZSCO 351411) and Chefs (ANZSCO 351311) be included on the Core Skills List.

In relation to general business, the occupation of Retail Manager General (ANZSCO 142111), is important to regional locations that often have trouble filling these roles.

There are range of ICT and STEM roles which should be included including Data Scientist (ANZSCO 224999, ICT Account Manager (ANZSCO 225211) and ICT Sales Representative (ANZSCO 225213). ICT roles including ICT Business Analyst (ANZSCO 261111) and System Analyst (ANZSCO 261112) Multimedia Specialist (ANZSCO 261211) and Web Developer (ANZSCO 261212) are important to the creative film industry and should be included.

The occupation of Helicopter Pilot (ANZSCO 231114) is important not only to agriculture but also to tourism and hospitality, and therefore it should be included.

For research in health and pharmaceuticals, Medical Engineer (ANZSCO 233913), Life Scientist (General) (ANZSCO 234511), Biotic Technologist (ANZSCO 234514), Marine Biologist (ANZSCO 234516), Life Scientist nec (ANZSCO 234516) should be included.

https://industry.sa.gov.au/manufacturing#:~:text=Manufacturing%20is%20currently%20South%20Australia's,%25%20of %20industry%20value%2Dadd .> accessed 30 April 2024

<sup>&</sup>lt;sup>5</sup> InDaily, Hospitality giants fight to keep SA kitchens from the chopping block, 27 Sep 2023 < <u>https://www.indaily.com.au/news/2023/09/27/hospitality-giants-fight-to-keep-sa-kitchens-from-the-chopping-block</u> >

Our firm represents some research bodies and we have nominated seven or more Life Scientist nec (ANZSCO 234599) this year under the sc- 482 which are going into high-paid research roles. There remains a need in this area, and were this occupation not listed, these businesses would be unable to fill important roles that underpin employment of Australians in the science sector.

The frequently nominated occupation of Marketing Specialist (ANZSCO 225113) for the sc-482 should also be available for the new list. They should also be extended to Content Creator (ANZSCO 225114), and Digital Marketing Analyst (ANZSCO 225115).

There is often difficulty in filling teaching roles in regional areas and we recommend teaching roles to be included including Middle School Teacher (ANZSCO 241311).

We also recommend that occupations that will provide assistance to those with disabilities or special needs should be included, and we are surprised that they are not already included on the list. We recommend the inclusion of Teacher of the Hearing Impaired (ANZSCO 241512), Teaching of the Site Impaired (ANZSCO 241513), Registered Nurse (Developmental Disability) (ANZSCO 254416).

There can be a serious shortage of trades in the regions, and this consistently been a shortage of Motor Mechanics and we recommend that Motor Mechanics (General) (ANZSCO 321211) being included. This is our second most frequently nominated occupation over the last 10 years and it is essential for it to be included.

### Response to the draft CSOL Confident Off List

There are a large number of farm management related occupations which are on the Confident Off List. We recommend that they are all included to allow the regional businesses to fill these positions and to help them not just survive but thrive. Of particular importance to South Australia is the occupations of Beef Cattle Farmer (ANZSCO 121312) and Vegetable Grower (ANZSCO 121616). South Australia is one of the largest producers of vegetables for Australia and the international market and it is essential that the occupation of Vegetable Grower is included.

According to the data from the South Australian Department for Industry, Innovation and Science, "[m]anufacturing is currently South Australia's largest sector, accounting for around 17% of total state output by revenue<sup>6</sup>." Thus, it is important for South Australian businesses that manufacturing related roles including Manufacturer and Production Manager

<sup>&</sup>lt;sup>6</sup> Ibid.

(ANZSCO133512) are included in the list.

Regional areas often have problems filling childcare related roles, and the childcare related occupations are Childcare Centre Manager (ANZSCO 134111) and well should be included. Accessing social services and community support is also difficult and the occupation of Welfare Centre Manager (ANZSCO 134214) should be included.

We also note that welfare workers such as, Community Worker (ANZSCO 411711), Disabilities Services Officer (ANZSCO 411712) and Child or Youth Worker (ANZSCO 411716) are in the Off List. This is disappointing as this would affect some of Australia's most vulnerable residents'/citizens' access to necessary care and services. It is already difficult to fill these positions from local labour and taking these off the list would just add to the issue.

Hospitality related roles should be included including Cafe Restaurant Manager (ANZSCO 141111), Caravan Park and Camping Ground Manager (ANZSCO 141211), Bed and Breakfast Manager (ANZSCO 141911), Conference and Event Organiser (ANZSCO 149311). Again, these occupations are necessary for the businesses to operate, and it is widely accepted in the hospitality industry that is difficulty to fill these positions especially in the regions.

For the creative arts and video and film industries the occupation of Media Producer (ANZSCO 212112) is important.

To provide services to migrants the occupation of Teacher of English to Speakers of Other Languages (ANZSCO 249311) should be included.

### **Summary Points**

- While we recognise that the skilled occupations list needs to be reviewed and amended to adapt to Australia's current and long-term skills shortages, we submit that we should not lose sight of the core objectives of Australia's migration system.
- There is a need for an effective wide skilled occupation list to meet the Australian businesses needs and so that they can get the employees they need especially in the regions.
- 3. There is a need for separate regional focused visas and regional focused skilled occupation list.
- 4. The skilled occupation list should not just be heavily focused on high-skilled or highearning occupations.

 Occupations with a long and proven history of skill shortages such as Cooks, Chefs and Motor Mechanic and those occupations needed to provide key services services such as health and teaching should be on the list.

We thank you again for this opportunity to provide our submissions. We would be happy to discuss the issues raised herein and we are open to the opportunity to have a meeting or attend hearings or consultations on this matter.

Should you have any enquiries regarding this submission, please contact Chris at <u>chris@workvisalawyers.com.au</u>

Yours sincerely,

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