

23rd October 2023

Department of Employment & Workplace Relations

By Email: aapa@dewr.gov.au



Dear Department of Employment and Workplace Relations,

Re: Best Practice Principles and Standards for Skilled Migration

About Us:

The Restaurant and Catering Industry Association (R&CA) is a national industry body representing the interests of over 57,000 restaurants, cafes, and catering businesses in Australia. The café, restaurant & catering sector is vitally important to the national economy, generating over \$37 billion in retail turnover each year as well as employing 450,000 people. Over 92 per cent of businesses in the café, restaurant and catering sector are small businesses, employing 19 people or less.

R&CA delivers tangible outcomes to small businesses within the hospitality industry by influencing the policy decisions and regulations that impact the sector's operating environment.

R&CA is committed to ensuring the industry is recognised as one of excellence, professionalism, profitability, and sustainability.

This includes advocating the broader social and economic contribution of the sector to industry and government stakeholders, as well as highlighting the value of the hospitality experience to the public.

We thank you for the opportunity to provide a submission in response to the skills assessment framework for migrant workers.

Our Response:

Migration is an essential tool to boost Australia's skills base, foster innovation, economic investment and growth, and fill gaps within the Australian labour force.

The Federal Government must ensure that migrant skills are complementary to the needs of the Australian labour force, which provides a broader benefit to the Australian economy.

Since the COVID-19 pandemic, significant labour shortages have drawn attention to the critical role of overseas' workers within the foodservice economy.

In addition to this, the pandemic has altered employment expectations of Australian workers. With the lowest level of unemployment in Australian since the 1970s, ¹workers are benefiting from the competitiveness among employers to attract and retain staff.

Of further concern, lower levels of vocational training, and increasing levels of non-completion among apprentices and trainees have left a significant skills gap within the hospitality industry. ²

Within the context of the hospitality industry, hospitality roles are of low demand among Australian jobseekers, with the relevant qualifications and skills lacking considerably among the domestic talent pool. These factors have exacerbated the skills shortage crisis and influenced the demand for international talent.

The R&CA commends the Department of Employment and Workplace Relations efforts to amend the current system of assessing skills among migrant workers. In order for Australia to address current and future skills needs, the migration system must be able to effectively assess international talent in a structured and timely manner.

Our Response:

Principle 1: User-friendly and migrant-centric experience

The R&CA believes that a user-friendly structure that is responsive to the needs of prospective migrants and employers, will ensure Australia remains competitive in acquiring international talent.

¹ Australian Bureau of Statistics (2023) Employment and unemployment

² National Skills Commission (2023) 2022 Skills Priority List: Key Findings Report

The R&CA supports the use of interactive guides, easy-to-navigate platforms and the use of visual aids and simplified English charts, questionnaires, flow charts and fact-sheets as a measure to ensure prospective migrants receive easily comprehensible and accessible information.

Principle 2: Reasonable and justified fee structures

The R&CA supports a reasonable and justified fee structure, that is transparent and cost competitive. The R&CA believes that when fee-setting there must be consideration for employers who take on visa sponsorship costs. High upfront costs have generally prevented small businesses from engaging with the international labour market, particularly regional businesses who risk being financially disadvantaged should the sponsored employee seek other employment.

The R&CA calls for the sponsorship fee structure to be paid via monthly installments, with these costs being transferred if applicable. Our members have expressed concern for the high cost of sponsorship, and the financial disadvantage they face if the migrant employee seeks other employment.

Principle 3: Evidence based occupational assessment standards

The R&CA supports the review of assessment standards, so they are aligned with industry needs. Qualification requirements should not exceed the skill level or remuneration needed for employment in an Australian industry. In order to safeguard accurate standards, qualification requirements should be subject to review in consultation with the relevant industry body and their nominated Registered Training Organisation.

Principle 4: Fair and Equitable assessments

The R&CA supports an unbiased assessment of migrant applications, and that standards remain consistent and fair. A clear and fair procedural appeals process

would hold assessing authorities accountable if their assessment is biased or inconsistent with assessing standards.

Principle 5: Timely and Efficient skills assessment delivery

The R&CA supports a timely and efficient skills assessment process, with clear timelines and regular communication between clients and case manager to avoid 'bottlenecking' and duplications of assessment processes.

Principle 6: Meaningful Employment Outcomes are enabled

The R&CA supports post-assessment assistance to monitor and review conditions and employment outcomes for migrant workers. The R&CA believes that such intelligence gathering is essential for peak industry bodies and Jobs and Skills Australia, to support migration planning. This data will be essential in considering future market needs and gaps within the system.

Principle 7: Integrity and transparency in operations

The R&CA supports the transparency of assessing authorities in their operations to ensure skills assessments are consistent, fair and free from bias and fraudulent activity. Jobs and Skills Australia or any other advisory body to the government to update or amend the skilled migration occupation list must justify the removal or transferable of ANZCO codes to the skilled occupational lists. Transparency around consultation processes and research methodology surrounding final decisions will support the integrity of the migration system.

1) Which standards will improve outcomes? Why or why not?

The R&CA strongly supports implementing a reasonable and justified fee structure with timely and efficient skills assessment delivery. The skills shortage crisis requires a responsive and accessible skilled migration system that is reliable and delivered consciously of industry requirements and cost.

2) Which standards are achievable? Why or why not?

- Evidenced based occupational assessment standards that do not go beyond Australian industry requirements. Industry bodies and other core stakeholders have the capacity to assist in regular review of the occupational assessment standards.
- The removal of labour market testing, which is a redundant activity considering employers already have a strong financial incentive to employ suitable local talent. It would also remove a barrier to mobilizing international labour and ensure that Australia's migration system is responsive to current and future skill needs.
- The standard for fair and equitable assessments is difficult to achieve if special provisions are also offered to eligible applicants. The threshold for these provisions, the balance between meeting Australia's skills needs and humanitarian obligations will likely be difficult to manage

3) What have we missed?

- Skilled migration planning should take into consideration the role of student visa holders and meeting Australia's future skills needs. Implementing caps only limits their opportunities to both study and work in their field of training to aid a more seamless transition into the Australian workforce post-study.
- The need to review the Skilling Australians Fund levy to prevent it from becoming a potential cost impediment on employers who sponsor foreign workers.
- The occupational shortage lists based upon ANZSCO codes, restricts Australia's ability to respond to a rapidly changing workforce with emerging skills needs.
- Clearer pathways to permanent residency and longer visa terms as a means to attract and retain talent.
- Dedicated case manager for employers and their sponsored employees to provide advice and guidance through Australia's complex migration system.

- Including an assessment of a migrant worker's corresponding 'level' under the relevant industry award to remove obstacle in employers determining the correct amount of pay. This will also prevent wage underpayment through clearly communicating the expected rate of pay. It would also allow employers to employ international talent upon the basis of their businesses 'skills needs.

Given the current skills deficiency in the Australian labour market, the R&CA strongly recommends that the federal government assists R&CA in establishing a skilled migration portal that is specific to our sector with the purposes of connecting businesses with suitable migrant talent.

Sincerely,



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Restaurant
& Catering