

## TEMPORARY SKILLED MIGRATION AND THE TEMPORARY SKILLS SHORTAGE VISA

TAA has been active in representing the accommodation sector with regards to the Commonwealth Government's changes to Australia's skilled migration programme – particularly in the abolition of the 457 visa and the introduction of policy settings to support the new Temporary Skill Shortage visa.

As members would be aware, the new Temporary Skill Shortage (TSS) visa will be split into two streams: a short-term stream (STSOL) and a medium-long term stream (MLTSSL). Occupations on the short term stream will be restricted to an initial stay of up to two years, with one renewal available to enable a further two-year stay. Occupations in the medium-term stream will be eligible for stays of up to four years, and there will be no restriction on the number of times a visa can be renewed for a further stay.

TAA's main concerns are:

1. That occupations on the short-term stream, by only having eligibility for an initial two year visa, will make employment in Australia in the hospitality industry less attractive to temporary skilled migrants.
2. The increased labour market testing requirements and the additional cost of employing a temporary skilled migrant through mandatory employer contributions to the Skilling Australians Fund becomes a significant impost to hotels.
3. The two-year work experience requirement for temporary skilled migrants limits pathways to permanent migration for international students and thus makes it harder for hotels to employ international student graduates.

While the positions of General Manager<sup>1</sup>, Financial Controller<sup>2</sup> and Chef<sup>3</sup> are on the MLTSSL and are less affected by the changes, TAA highlighted the following positions on the two-year list as likely to become increasingly difficult to fill with temporary skilled foreign workers.

Occupation	ANZSCO Classification	STSOL/MLTSSL
Executive Assistant Manager	Corporate Services Manager	STSOL
Rooms Division Manager	Hotel or Motel Manager	STSOL
Revenue Manager	Finance Manager	STSOL
Food & Beverage Manager	Hotel or Motel Manager	STSOL
Sales & Marketing Director	Sales and Marketing Manager	STSOL
Sales & Marketing Manager	Sales and Marketing Manager	STSOL
Human Resources Director	Human Resource Manager	STSOL
Cook	Cook	STSOL

<sup>1</sup> The occupation of General Manager is classified as a Corporate General Manager, and excludes positions with salaries less than \$180,000 unless the role is an ICT

<sup>2</sup> Financial Controller is classified as an Accountant and excludes positions in businesses with annual turnover less than \$1,000,000 or with fewer than 5 employees

<sup>3</sup> The occupation of Chef excludes positions involved in limited service restaurants.

## MEMBER BULLETIN

### **Intra Corporate Transfers (ICTs)**

In mid-2017, TAA flagged to Government that one unintended consequence of the new system was the risk that Intra-Corporate Transfers (ICTs) of Senior Managers and Department Heads would be unlikely to relocate to Australia for a period of two years. This would make it more difficult for accommodation hotels to fill these critical and high value vacancies that provide crucial mentoring and skills development to the local workforce.

In response, the Department of Home Affairs has now advised TAA that all ICTs of Executives and Senior Managers from [WTO countries](#) will have an initial stay of up to four years, even if the occupation is on the STSOL. A list of the occupations considered to be Executives and Senior Managers is available [here](#).

While this concession leaves Rooms Division Managers, Food & Beverage Managers and Cooks only eligible for an initial two-year visa, it is a welcome first-step. TAA understands that these concessions only benefit hotel chains with access to an ICT programme, and is continuing to advocate for further changes that can be implemented across the broader accommodation sector.

### **Further Departmental Advice**

The Department of Home Affairs has also advised TAA that due to existing international trade agreements, all ICTs from Thailand and Singapore are eligible for an initial four year visa regardless of whether the occupation is on the two-year list or the four-year list. All Chinese nationals, including non-ICTs and regardless of their occupation, are eligible for initial four year visas.

Additionally, the restriction to one onshore renewal in the short-term stream does not apply to ICTs from Singapore or Thailand, or to Executives and Senior Managers ICTs from [ASEAN nations](#).

### **Ongoing Advocacy**

TAA acknowledges that, at present, the ICT concessions from the Department of Home Affairs only benefit members with an international network and an ICT programme.

Since May 2017, TAA has made six separate submissions to the Commonwealth Government regarding policy settings for Australia's skilled migration programme. TAA will continue its advocacy in this space for Australia's temporary skilled migration programme to appropriately reflect the needs of the whole accommodation sector.

The *Migration Amendment (Skilling Australians Fund) Bill 2018* is currently before the Senate. A tightening of the provisions around labour market testing is likely to be incorporated into the legislation, and TAA will update members on this and the operation of the Fund post the passage of the bill in Parliament, which is likely to be in late March/April.

TAA is also continuing discussions with Government to reinforce that the two-year work experience requirement should not preclude international student graduates from future eligibility for a Temporary Skills Shortage Visa.

### **Further Information**

Australia's temporary skilled migration programme is a complex and detailed policy area, and any member seeking further clarification on the contents of this Member Bulletin should contact [taa@tourismaccommodation.com.au](mailto:taa@tourismaccommodation.com.au).