AUSTRALIAN GOVERNMENT REVIEW OF THE MIGRATION SYSTEM



Overview

Migration is a central element of Australia's national identity. The contribution of migrants has built the richly diverse, dynamic and multicultural Australia of today. Migration has also been critical to driving economic prosperity, helping Australia become one of the safest, most prosperous countries in the world. As we look ahead, our country faces challenges and uncertainty. Australia's population is ageing. Productivity growth is declining. Our geostrategic environment is difficult, and we suffer severe skills shortages.

FCIA has been working with the Department of Home Affairs and migration agents to assist members to attract and sponsor overseas installers through the Skilled Visa program. The process is complicated, time consuming and inefficient. In late April, the Australian government released a 195-page review of the Australian migration system together with a discussion paper outlining the Government's proposed migration strategy. Copies of these papers are available by contacting FCIA on info@FCIA.org.au.

The outcomes of the review and the government's key strategies are summarised below.

Current situation

Australia's migration program is not fit for purpose. The objectives are unclear, and successive governments have used piecemeal reforms which have not addressed underlying issues. Australia now has a migration program that fails to attract the most highly skilled migrants and fails to enable business to efficiently access workers. In the Flooring Industry skilled workers can only obtain temporary visas to work in regional areas for 3-5 years and must separately apply for permanent residency in order to stay in Australia. This process can take up to a year before the worker can start work.

Government Response

Alongside domestic recruitment and training strategies, Australia's migration system could be a powerful force to help us manage skills and labour challenges. Key policy strategies include:

Prioritising the people we need to enhance economic prosperity and security

- Abolishing skilled occupation lists and focusing on core skills in demand.
- Raising temporary migration income thresholds to attract highly skilled workers to Australia.
- Streamlining pathways to attract specialised workers to drive innovation in the economy.
- Improving pathways to permanent residency by reforming the "Points Test" and reshaping criteria for the "Global Talent and Business Innovation Programs".

Making it simple and efficient for employers and migrants

- Simplifying visa categories and red tape to improve access by employers and migrants.
- Making the system less complex and more efficient through IT, data and staff capabilities.
- Helping small business by switching to monthly fees and charges rather than up-front investment
- Establishing a formal role for Jobs and Skills Australia in defining Australia's skills needs.
- Formalising linkages between the migration and education and training systems to ensure labour shortages are dealt with in a comprehensive, planned manner.

AUSTRALIAN GOVERNMENT REVIEW OF THE MIGRATION SYSTEM



Delivering outcomes for Australians and migrants post-arrival

- Aligning Commonwealth/State/Territory Government investment in infrastructure, service provision and housing including ensuring joint action across governments to address barriers to increasing housing supply.
- States and Territories to have a greater role in identifying migration needs and priorities, especially in our regions.
- Increasing mobility to allow temporary migrants to move employers, and enforce their workplace rights, without jeopardising their ability to stay in Australia.
- Improving the job readiness and outcomes of migrants, including international students.
- Reforming the policy settings that drive exploitation to provide greater protections for all migrants, and therefore local workers.

Restore integrity, fairness and inclusion at the heart of each stage of the system

- Detect and prevent post-arrival exploitation of wages and conditions (e.g. use of Tax File Numbers by migrant workers).
- Strengthening the regulation of registered migration agents.
- Clarify migrant prospects for permanent residence (i.e. staying here or returning home).
- Resolving some of the biggest caseloads of "permanently temporary" people such as New Zealand citizens and Temporary Protection (TPV) and Safe Haven Enterprise (SHEV) Visa holders.
- Improving and streamlining skills recognition, to help more migrants, including secondary applicants, enter the labour market in line with their qualifications.

Next Steps

Consultation:

During May and June 2023, the Commonwealth Government will consult with State and Territory governments and key stakeholders (unions, business groups, and civil society) on the outline of the Strategy and critical policy changes. The Government plans to release the final Migration Strategy in late 2023. FCIA proposes to set up a focus group to prepare a formal submission to this process.

FCIA focus Group:

FCIA members are invited to participate in an industry stakeholder group to workshop the current issues with Skilled Visas and promote solutions to overcome complexities and inefficiencies of the migration system for the flooring sector.

The Focus Group meeting will be conducted via video conference in early June. Nominations are to be forwarded to <u>info@fcia.org.au</u> by COB 29 May 2023. Agenda and proposed dates will be publicised via FCIA Member Bulletin and social media. For further information contact Garry Thomas, Company Secretary, FCIA Group on 0420 921 396.