



Submission to Migration Review

21 December 2022

Australian dairy farms require labour across a range of skill levels. For many years the industry has found it difficult to fill these positions. Currently one in four farms are unable to find labour or access the skills they need for their operations.

The nature of work in the dairy industry requires a long term, stable workforce. While there is occasional need for short term labour, in the main, dairy is different to horticulture where the workforce is seasonal. This context means that visas which have a pathway to permanent residency are more desirable than temporary visas. While the dairy industry are low users of migrant labour relative to the horticulture and beef sectors, there is a growing number of larger family farms and corporate farms becoming reliant on migrant labour for growth.

Many dairy farm businesses are small, particularly when compared with horticulture. As such many do not have HR/IR departments within their business to manage the logistics and costs associated with sponsoring migrants to fill their labour shortages.

Key issues:

1. The process of sponsoring and navigating through the immigration website is onerous and complex.
2. Farmers tend to be reliant on using immigration agents to manage the complexity of the process which adds costs without any guarantees of a successful outcome.
3. The process is time consuming and once the application is submitted there is no defined timeline to get a result leaving both parties in limbo for many months or longer.
4. The ANZSCO classifications that can be applied for temporary and permanent skilled migration for the dairy industry are narrow and limit the opportunity to attract people who could bring wider and more varied skills which would add value to an industry that continues to grow in complexity and wishes to embrace and develop technologies that will improve productivity and profitability into the future. Degrees or skills in technology, Arts, Engineering etc demonstrate the ability to think independently and problem solve. These are essential skills for agriculture. In most instances practical skills can be taught to people who have thinking skills.
5. Dairy farmers want to know why this process is so expensive. Where does the money go? And where is the skills training in the regions that should be coming from the skills training levy paid as part of the sponsorship costs?

Due to the costs, the length of time to approval, the difficulty to find a pathway to permanent residency and the continued extra costs for temporary migrants once in Australia (health and education in particular) the dairy industry is no longer always a preferred choice for migrants.

Solutions to resolve these issues are:

1. Visa costs need to be reduced and be competitive with those in other countries competing to attract migrants e.g. Canada and EU.
2. The process needs to be simplified. For example, why do businesses have to spend so long proving they are in business? Can't there be a process of linking an ABN with the ATO and get a tick that the business has been lodging tax returns and STP? If a sponsorship approval has lapsed it should be a simple renewal process rather than starting the whole application again.
3. Visa costs should be spread over at least the first year of the visa for both employee and employer, thus removing another barrier to both. Allowing the sponsorship costs to be paid with the fortnightly wage (as per a HELP debt but carried by the employer) would also help with portability of migrants between employers. Currently, an employer pays all of the costs up front, and the visa holder may move on to another employer within weeks or months of arrival. This leaves the initial employer bearing all of the costs and time to sponsor a migrant to fill workplace shortages.

Skills training is just as important for both temporary and permanent migrants as it is for Australians.

Key issues:

1. Temporary visa holders find it difficult to qualify for places in skills training and often have to pay more for these places. Training providers are often unclear and unhelpful when employers approach them to provide training for temporary migrants. In some instances, they will provide the training but will only provide certificates of accomplishment to Australians who complete the training. Without recognition of this training, it may be difficult or impossible for these temporary migrants to achieve permanent residency.
2. Spoken English is a high requirement and can be developed through both immersion on the job and English language courses. However, achieving IELTS level 6 for written English is not a requirement for skilled migrants engaged in farm work.
3. Many migrants are young and looking to make a future for themselves and their families in Australia. They may have young families and wish to have more children. If migrants are paying taxes, contributing to Australia's economy and supporting rural communities they should be eligible to the benefits of living in Australia if we are to entice them to see Australia as a good place to live and raise a family. The alternative is that they send the money to their home country, and we lose that economic activity. Education and health care cost more for temporary migrants and some migrants consider sending their families back to their home country because they can't afford health and education costs.
4. Rural communities have been facing population decline for decades. This has a negative impact on services offered and quality of life, which makes attracting and retaining farm workers that much harder. Integrating migrant families into rural communities has several success stories and has helped to rejuvenate some rural communities.

Solutions to resolve these issues are:

1. Culturally and linguistically diverse (CALD) training programs need to be developed in regional and rural Australia to help employers understand the specific needs of their workforce; for migrants to understand and integrate into rural communities; and to provide appropriate opportunities for skills development.
2. Provide access to English language training in regional and rural areas to help migrants achieve permanent residency, understand workplace regulations and to take advantage of training opportunities. This should be complemented by a review of the level of English competency required.
3. There is a developing understanding of what factors lead to success in integrating migrants into rural communities. This requires an integrated approach from farming at an industry level, local government input as well as both state and federal support.