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Dear Mr Wilden

We write in response to the current review of the compulsory RCB Advisory process that forms part of the legislated Regional Sponsored Migration Scheme (RSMS) Direct Entry stream employer nominated decision-making requirements.

Regional Development Australia – (NSW) acts as the Regional Certifying Body on behalf of the Department of Immigration and Border Protection and NSW Trade & Investment in the State of NSW. The collective view of the NSW RDA's who undertake this role on behalf of the government, is included in the following response.

It is clear that the Commonwealth Government is seeking to remove some of the regulatory burden on business, with a view to cutting red tape. We respectfully ask that our submission be considered in your liaison with the Office of Best Practice Regulation, reviewing the legislated RCB requirements specified under RSMS regulation 5.19(4)(h)(ii)(F).

Of concern to NSW RCB officers is the announcement of the cessation of the Regional Outreach Officer Network from 1 July 2014. We believe this will further impact regional employers who have previously relied on this Network for information that falls outside the jurisdiction of the RCB role.

The RCB Advisory process plays an important role in filling the significant skills shortages across regional NSW and Australia and as such, we present our views for consideration.

LOCAL KNOWLEDGE

RCB's are local people who have on the ground knowledge of their region and of the various industries and businesses within that region. Local labour markets vary greatly and specific regional knowledge is critical when making an assessment about the appropriate skills needed within a region and whether the RSMS nominated position is a genuine skill shortage in the region or not.

The labour market is dynamic. It is often extremely difficult to obtain current labour market data at a regional level in a timely manner. Data obtained through the Australian Bureau of Statistics, Census, Department of Employment and Industry is often only presented at a National or State Level. There is a significant time delay from when the data is collated to when the reports are released. It is often the case that the labour market changes in the time between the collection of the data and the publication of the



report.

RDA RCB's regularly review and monitor national, state and regional employment and skills shortages data to provide a comprehensive knowledge of the areas of genuine need. This is carried out in consultation with business, RTO's, JSP's and industry sectors to ensure the information we use to provide advice to DIBP is current and reflective of current and future labour force requirements.

SUPPORT MECHANISM

BUSINESS/EMPLOYERS

The RCB is often the first point of contact for a regional employer looking to employ someone who is not an Australian citizen or permanent resident, in order to fill a skilled position within their business on a permanent basis.

From experience, we have observed that the majority of regional employers are not aware of the procedural requirements involved in an RSMS application and often describe the anxiety and confusion they experience when first faced with the requirements.

Local RDA RCB's assist in alleviating some of the stress experienced by the employer and are viewed as being easily accessible. Having the opportunity to make multiple calls without extensive waits online, and being able to talk with someone face to face who understands their needs and directs them to the information they require, alleviates a great deal of physical, emotional and financial strain and assists in resolving issues in a timely manner.

While the role of the RCB officer is not to provide migration advice, for those employers who are not "tech savvy", assistance in navigating the Department's website is a common service we provide. Demystifying the RSMS process and providing direct hyperlinks to the relevant website pages reduces the burden on both the employer and in turn DIBP customer service officers.

RDA RCB's also often play an informal educatory role in terms of employment documents and recruitment processes, particularly with regard to employment contracts and the need for compliance with NES and Modern Awards where relevant. The informal education role we perform contributes to ensuring that the proposed position offers equal terms and conditions as would be offered to an Australian citizen or permanent resident and in turn reduces the incidence of inaccurate or incomplete submissions to DIBP for processing.

BENEFITS AND COST EFFICIENCIES

COST EFFICIENCIES

Cost savings and efficiencies are paramount for any business. The RDA RCB processing fee is charged on a cost recovery basis and on average costs \$500 excl GST. The majority of employers believe this fee to be reasonable when taking into consideration the level of service and assistance we provide and that the one-off payment covers any pre and post application enquiries they may have in relation to the application. We are advised by local businesses that our fee structure is insignificant and represents real value for money when compared to those of the Department, Migration Agents and metropolitan recruitment firms.

Research and experience has indicated that the cost of utilising a Migration Agent for the RSMS process ranges between \$2000 - \$5000. Questions asked of an agent outside of the formal service agreement are priced at approximately \$100 for two questions.

Taking into consideration the flat fee charged by RDA RCB's and the unlimited availability and engagement offered to the RSMS employer, we believe we provide a cost efficient service to the employer when considered in conjunction with the administrative assistance and educational role we play in the recruitment and employment process as detailed above.

While not undermining the role of Migration Agents, we believe that the role of RDA RCB's reduces the burden on many employers, particularly those with limited means, from the expense incurred in using a Migration Agent for the nomination process. For many regional employers, the agency fee is cost prohibitive to the RSMS process and they rely on the RCB role to assist them in navigating the nomination process.

Removing the RCB role, we believe, would necessitate local employers either expending beyond their means, submitting incomplete or inaccurate applications, or avoiding the nomination process altogether. The potential flow on effects to DIBP could see an increase in incomplete applications or non-compliant employment documents, such as the employment contracts and a subsequent increase in application processing times.

STREAMLINING PROCESS

We believe the role of the RCB is important in contributing to streamlining the business process and maximizing the success of genuine applications.

The assistance by RDA RCB's extends to providing directions to tools or templates to assist in developing basic administration documents, including cover letters, employment contracts and resumes, to name a few. This provides a cost saving to many businesses who don't have the resources or in house ability to source this information themselves.

The majority of RDA RCB's process RSMS application and provide advice to DIBP within one to three weeks. During this process, inconsistencies and omissions are often identified and communicated to the employer, which in turn enables the employer to submit a more accurate or complete application when proceeding to the online submission stage, again potentially reducing the incidence of incomplete applications and processing times.

INTEGRITY

The addition of paragraph 5.19(4)(h)(ii)(F) *Migration Amendment Regulations 2005 (No 1)* to amend the *Migration Regulations 1994*, was "intended to enhance the integrity of the RSMS". (Item [12] – Paragraph 5.19(4)(e))

Our communities and local businesses rely on regional RCB's to ensure that local Australian Citizens and Permanent Residents, including new graduates and suitably qualified applicants, are not disadvantaged through the RSMS program and have equal opportunity to gain employment.

RCB's provide an additional level of protection to the integrity of the RSMS visa program, reducing the potential and opportunity for non-genuine employers to abuse the program or to potentially exploit migrant workers. For visa recipients who experience mistreatment, RCB's provide a point of contact and the ability to direct to appropriate government agency and support services.

Our RCB advice provides confidence to visa processing officers that the employer has made a genuine attempt to employ from the local labour pool and that there is genuine skills shortage of that occupation in the region. We provide support to the validity of the application through our "on the ground" local knowledge of the business/employer presence and any disparity that may exist in relation to documented claims as opposed to physical operating reality.

We believe the removal of RCBs (and, by extension, the regional decision making on the provisions associated with the RSMS visa subclass) would present as a major blow for regional employers. The regions face significant skills shortages, above those in metropolitan areas. Retaining decision making at a regional level is vital to ensuring the regions have the skills and workers to ensure prosperity into the future.

Our collective experiences of the Regional Sponsored Migration Scheme (RSMS) subclass 187 visa, and Skilled – Regional Sponsored (Provisional) subclass 489 Visa have provided great value to regional

provisional visa subclasses provide in addressing skills gaps not able to be filled from the local labour market.

The RSMS program is seen as an effective way for the Australian Government to support the regions to address the skills gaps and, in addressing these, facilitate regional economic development and growth. It is the belief of RDA NSW RCB officers that removing the RCB function, and therefore this level of regional knowledge and research, would have a devastating effect on those businesses that utilise this labour stream.

The RCB role also provides the Department with critical information about regional employment conditions, skills needs and local labour market. To remove the RCB service to the client and the Department, in our view, would increase the red tape burden for employers leading to underutilisation; transfer the burden to and further impact the Department's wait time; have significant impact on local businesses and miss the opportunity to provide much needed stable skills to regional Australia.

NSW RCB's have a network of RDA's that work collaboratively and who are keen to further develop the state network to ensure a consistent approach is taken to assessing applications. NSW could provide a model that could be adapted to suit other states, appreciating that each state may operate within slightly different parameters.

Maintaining decision making at a regional level is vital to ensure regions have the necessary skills and people to foster economic growth and prosperity without adversely affecting the ability for Australian Citizens and Permanent Resident's to seek employment opportunities now and into the future.

We thank you for your consideration of this submission and thank you in the anticipation of your further advice.

Yours sincerely

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Chief Executive Officer



Michael Williams
Chief Executive Officer



Barbara Hull
Chief Executive Officer



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