



## Labor plans to triple cost of temporary work visas to ensure Australians are hired first

**Opposition says it would also introduce new visa to ensure highly skilled migrants are still attracted to Australia**

**Gabrielle Chan**

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Labor has promised to triple the cost of temporary work visas to ensure employers look locally for workers, while setting up a new visa to ensure Australia will remain a destination for the “best and brightest”.

The opposition has also pledged not to sign any trade deals that waive labour market testing and set up an independent labour market testing body that would restrict temporary workers’ visas to skills shortages.

Bill Shorten made the announcement in a speech to the progressive thinktank the McKell Institute just weeks after Malcolm Turnbull replaced the 457 temporary worker visa and reduced the occupations eligible to ensure “we’ll no longer let 457 visas be passports to jobs that could and should go to Australians”.

But Shorten described the government’s changes as a con job.

“Malcolm Turnbull’s proposed changes to 457 visas are little more than a con job that barely make a difference,” Shorten said. “Under the Liberals, too many local workers are being left at the back of the queue for local jobs.”

It comes as the government and the opposition race to claim credentials for putting Australian workers at the front of the queue - mirroring rhetoric by the former prime minister Julia Gillard and the then opposition leader, Tony Abbott, before the 2013 election.

Under the promise, Labor plans to increase a two-year visa from \$575 a year to about \$1,600 a year or \$6,400 for a four-year visa. The change would represent an increase to 3% of the temporary skilled migration income threshold. The money raised would be put into a training fund.

“This is a strong price signal to employers that they should be looking for local workers first,” Shorten said. “Under Labor, putting local workers first won’t just be fairer - it will be cheaper.”

But, at the same time, Labor would introduce a new “Smart” visa for what it calls world leaders in science, medicine, academia, research and technology to ensure highly skilled migrants were still attracted to Australia.

An Australian Skills Authority would be responsible for creating a single skills shortage occupations list and advise government on current skills shortages and future skills needs.

Migration expert Henry Sherrell, of the Crawford School of Public Policy at the Australian National University, has previously proposed an increase in fees to ensure temporary workers are only used when an alternative was unavailable.

“Price signals are much more likely to change employer behaviour when it comes to workforce planning and hiring decisions,” he said.

“Other regulatory controls, like labour market testing and specifying occupations, are much harder to enforce as they are complicated and employers are able to circumvent the policy goal.

“It’s an open question whether \$6,400 for a four-year visa will have a big effect on 457 visas. I’d expect to see it change the trends in industries like hospitality and construction but perhaps less so in IT and finance where salaries are higher.”

He warned that rhetoric around visa programs should acknowledge the benefits of immigration, particularly while trying to attract skilled workers from overseas.

“That means accepting temporary migration has a place in our migration framework and working out the best policy settings,” Sherrell said. “Rhetoric is important and potential migrants are following this debate closely from overseas.”

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