# human connections

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# New Minister outlines 457 reforms

he new Minister for Immigration and Citizenship, the Hon Brendan O'Connor MP has released a media statement regarding upcoming reforms to the subclass 457 visa program. While the timeframe and specific details are yet to be announced, the Minister outlined the following areas of reform:

- Employers must demonstrate that they are nominating positions where a genuine shortage exists.
- The English language requirements for certain positions have been raised.
- The enforceability of existing training requirements for businesses that use the program will be strengthened.
- The market salary exemption will rise from \$180 000 to \$250 000.
- On-hire arrangements of 457 visa workers will be restricted.
- Compliance and enforcement powers will be beefed up to stop employers who have routinely abused the 457 system.
- Stakeholders will be consulted to ensure market rate provisions more effectively protect local employment.

#### **Our view**

Although the specific details are yet to be announced, our initial view is that there will be a number of implications for Western Australian organisations.

There may be an introduction of labour market testing for selected occupations. This may result in employers being required to provide proof of job ads, etc. to demonstrate a genuine skills shortage.

- Given the recent focus on trade occupations, we may find that increases to English language requirements will be focused here. This may expand to include technical occupations such as mechanical engineering technicians.
- The 1% of total payroll used to train your Australian staff (or 2% contribution to an industry training fund) may be more closely and more frequently monitored.
- There may be further checks and balances in place for On Hire Labour Agreements, to ensure closer monitoring.

We will assist you with any reforms as further information becomes available.

#### Korean partnership

ISA Group and JBN Trade Korea have formed a partnership to source skilled South Korean workers across a range of occupations.

To assess skill levels and English capability, Judith Uren, our International Resourcing and Business Development Manager, and assessor Adam Adaszko recently travelled to Busan in South Korea. The trip was hosted by Dr Hong, Director of JBN Trade Korea.

Dr Hong arranged for ISA Group to assess and review 12 candidates in occupations such as Diesel Fitters, Welders, Metal Machinists and Metal Fabricators. Overall, the skill level was fair to good; all candidates had a good work ethic and applied themselves to the required tasks.

We believe Korea offers a great deal of potential and considerable overseas recruitment opportunities for Australian companies seeking skilled workers.



ISA Group's Judith Uren with JBN Trade Korea Director, Dr Hong and South Korean workers.

#### **ISA Group**

## Immigration, recruitment, HR and project management services

ISA Group helps businesses large and small to recruit skilled staff from overseas for short to long-term work assignments or projects.

We offer a comprehensive and complementary range of services that can be tailored to your specific needs and budget.

For more information, go to **isa.com.au**, or call us on **+61 08 9346 8888**.



See inside:

Kuya update - page 2
Visa tracking - page 2



### Uruguay added to Work & Holiday Visa

Young people from Australia and Uruguay now have the opportunity to visit and work in each other's countries through a work and holiday visa agreement.

This arrangement aims to strengthen relations and build on economic ties and links between the two countries.

University-educated Australians and Uruguayans aged between 18 and 30 are now allowed to work and holiday in each other's country for up to 12 months. The work and holiday visa differs from a working holiday visa as it requires applicants to have the support of their government, hold or be studying towards tertiary qualifications and to speak functional English.

There will be an annual limit of 200 work and holiday visas for both countries.

### Kuya update

In their first 6 months living away from home, Wilmer and Jeffrey, our first sponsored participants under the Kuya program have started well.

The boys have gone from being shy and nervous about leaving their families to becoming outgoing young men who have found true inspiration and dedication to their studies.

Wilmer finished his Flux-cored Arc Welding (FCAW) course last month

and has worked very hard to pass his assessment in Gas Metal Arc Welding.
Jeffrey was also delighted to pass his FCAW assessment proving to himself that success comes with hard work.

Both boys undertook their Shielded Metal Arc Welding exam on March 20 but unfortunately neither of them passed. Only one person passed the assessment out of their whole class, as the instructor was a very strict marker. He praised the boys for their efforts.

This month, they have started their training in Gas Tungsten Arc Welding and have found it very challenging.

The boys welcomed the Easter holiday break and the chance to spend time with their families. Wilmer was looking forward to meeting his new baby brother for the first time.



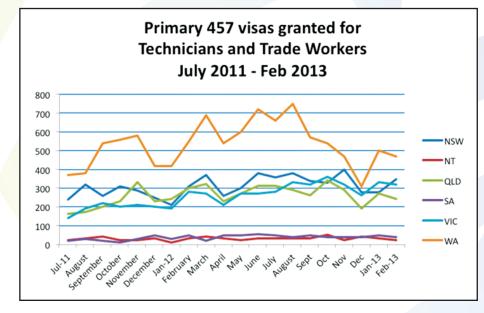
Kuya program participants Wilmer and Jeffrey.

## Visa tracking

As a 'blue collar' recruiter, ISA Group has been tracking 457 visas granted for Technicians and Trade workers since July 2011.

#### **Key points:**

- The number of subclass 457 visas granted in financial year 2012/13 (to 28 February 2013) is 4.8% higher than the same period last year.
- The downward trend in visa grants since August 2012 appears to have halted and we can see a significant lift since December, particularly in NSW, Victoria and Western Australia.



 The majority of subclass 457 visas granted for this period were for positions in NSW, Victoria and Western Australia. These states have been

the top three nominated locations for Technicians and Trade Workers since August 2012.