

Accommodation Australia national policy and advocacy update 15 November, 2023

- Improved pathways to permanency for existing temporary skilled migrants
- Submission to Treasury on Payday Super
- Update on IR Closing Loopholes Bill
- Reminder on ABS occupation review for hospitality jobs
- Improving engagement with China
- Major international tourism summit for WA in 2024
- Overseas arrivals continue to climb
- Wage increases at historical highs

Improved pathways to permanency for existing temporary skilled migrants

The Federal Government has confirmed its commitment to ensuring all current temporary skilled migrants have a pathway to permanency by providing details of the proposed transition which is expected to apply to all employer sponsored applications for permanent residency (PR) after 25 November 2023. Those holding "short-term" visas which previously had no PR path, can now be sponsored for permanency including applying while onshore, provided their temporary (TSS) visa did not expire before the 25th of November. The nominated person would need to have held their TSS (or 457) visa for 2 out of the last 3 years. Occupations of nominated temporary skilled migrant for PR will no longer have to be on any shortage list provided the temporary migrant will continue to be working in the job they were nominated for in the first place. The period of time working with their sponsoring employer before nomination for PR has been reduced to 2 out of the last 3 years.

Submission to Treasury on Payday Super

In the 2023/2024 Federal Budget, the Government announced it will legislate for employers to pay their employees Superannuation Guarantee (SG) contributions at the same time that they pay salary and wages, i.e. 'payday super' and also increase penalties relating to superannuation guarantee payments. The CEO of AHA Stephen Ferguson, on behalf of both AHA and AA, has made a submission to Treasury (viewed here) that says that, in the current payments system, payday super is unachievable. Instead, the government is encouraged to set up an industry reference group to examine how the system could operate better before finalising a date due that is more achievable. Our submission highlighted many factors that cause delay in payments including in the onboarding administration as well as issues such as within the clearance house such as the Bulk Electronic Clearing System (BECS) which most employers still use being slower than the emerging National Payments Platform (NPP), some larger employers having to manage multiple payrolls due to different awards, pay cycles (weekly, fortnightly) changing super funds and complexities with the ATO contribution matching process. The AHA also urged that there should be no penalty on employers for factors beyond their control such as clearance house delays or incorrect detail provided by the employee.

Update on IR Closing Loopholes Bill

The Government's major IR reform Bill has hit further roadblocks and the original aim of passage through parliament by year's end is unachievable given both the progress of the Senate Inquiry into the legislation as well as a proposed separation of the Bill by the Senate. On 9 November 2023, Senators Jacqui Lambie and David Pocock secured support in the Senate for four private senators' bills that bring forward sections of the Closing Loopholes Bill relating to First Responders, Asbestos Safety, Small Business Redundancy exemptions and discrimination. The carving out of these largely non-contested elements of the Bill, ironically bundled into the much bigger reforms of the Bill in order to secure the Bill's passage through the Senate, will only work to further delay the more controversial parts of the Bill relating to casuals, criminalisation of intended underpayment, labour hire and gig workers. We continue to watch this space closely. At the very least, thanks to the successful work of the AHA IR team led by Stephen Ferguson, we have



assurances from the Government that the casual provisions will not be as bad as originally drafted. Stay tuned - this story is nowhere near finished.

Reminder on ABS occupation review for hospitality jobs

As mentioned in my last update, the Australian Bureau of Statistics (ABS) is conducting a review of hospitality occupations in the Australian and New Zealand Standard Classification of Occupations (ANZSCO). ANZSCO is a critical piece of data architecture that is used extensively by the ABS as well as Jobs & Skills Australia and many other labour market statistical organisations. Users of the migration program would be very familiar with ANZSCO as its coding system is fundamental to accessing sponsored migrants. I have compiled the relevant occupations into the one document which can be seen here. If you would like to participate in the current member review taking place on the job descriptions, you can either send me comments on the descriptions contained in the document or attend one of the two consultation sessions being and on line option to be held this Friday afternoon at 2.30 pm or next Tuesday at the AA head office in Sydney. If you are a member and would like to participate in one of the two sessions, send me an email and I will forward you the outlook calendar invite with more details.

Improving engagement with China

In good news for international education and tourism, the Australian Government continues to improve its engagement with China. Last week, coinciding with the important visit of the PM to China (the first in seven years), the Minister for Trade and Tourism along with the PM headed to Shanghai at the invitation of the Chinese Minister for Commerce to attend the China International Import Expo. Over 250 Australian businesses are exhibiting, and the Minister places promotion of tourism and education high on his list. Amongst this optimism, the only downside was that the speech of the PM at the Expo in mentioning a number of industries important in trade between China and Australia (natural resources, ag, health, education, tech and energy), did not make any reference to tourism. On the positive side, he did address a subsequent event hosted by Tourism Australia, saying "Few things help .. better than travel to each other's countries. To get a glimpse into each other's lives and cultures, to see the places we have built, and the landscapes that have helped to shape us. That is just one of the reasons tourism is so important." The positive visit was capped off by an announcement of new reciprocal three to five-year multi-entry visas to better facilitate business travel and help bring more Chinese students and tourists to Australia.

Major international tourism summit for WA in 2024

Perth has been selected as the host of the World Travel & Tourism Council Global Summit in October 2024. It is the first time that the event has been held in Australia. The invitation-only event has seen world leaders engage on tourism issues, with past attendees including American Presidents, UN Secretary General and heads of state.

Overseas Arrivals for September

According to ABS data released this week, short term visitor arrivals for September at 584,620 were well up on last year's 371,850, but more importantly only 16% less than the 694,960 that arrived in September 2019 - so the gap is closing. The three leading source countries where visitors came from remain as New Zealand (128,820), China (59,080) and the USA (36,400). In September 2023 there were 45,090 international student arrivals to Australia, an increase of 9,540 students compared with the corresponding month of the previous year but 0.5% lower than the pre-COVID levels in September 2019. This indicates that the recent surge in numbers is starting to normalise.

Quarterly wage growth at a historical high

The Wage Price Index (WPI) rose 1.3 per cent in September quarter 2023, and 4.0 per cent for the year, according to seasonally adjusted data released today by the Australian Bureau of Statistics (ABS). This is the highest quarterly growth in the 26-year history of the WPI. The annual growth, at 4.0 per cent, is the highest for the WPI since March quarter 2009. According to the ABS commentary, in the private sector, higher growth was mainly driven by the Fair Work Commission's annual wage review decision, the application of the Aged Care Work Value case, labour market pressure, and CPI rises being factored into wage and salary review decisions. The public sector was affected by the removal of state wage caps and new enterprise agreements coming into effect following the finalisation of various bargaining rounds. Our accommodation and food services sector was highlighted as having both the highest quarterly



and annual growth rates of all industries of 3.2 per cent and 5.5 per cent respectively. Many hospitality jobs received two award increases over the year, driving the higher-than-usual annual growth for this industry.

Drop me an email at policy@accommodationaustralia.org or give me a call on 0418 277 919 if you have any national policy issue that you think AA should be following up.

Kind Regards

Jenny Lambert National Policy & Research Advisor Accommodation Australia