

**For Official Use Only (FOUO)**

Australian Government

Department of Immigration and Border Protection

**Submission**

For information

PDMS Ref. Number SB17-001686

**To** **Minister for Immigration and Border Protection**

**Subject** **Submission to the Senate Education and Employment Legislation Committee – Migration Amendment (Skilling Australians Fund) Bill 2017 and Migration (Skilling Australians Fund) Charges Bill 2017**

**Timing** *Please action by 15 December 2017 in order to meet the Committee's deadline for response (submissions are due to the Committee by 15 December 2017).*

**Recommendations**

That you:

1. note the Senate Selection of Bills Committee's reasons for referral of the Bills to the Senate Education and Employment Legislation Committee and principal issues for consideration; and noted / please discuss
2. note the Department's submission to the Senate Education and Employment Legislation Committee (at **Attachment A**). noted / please discuss

**Minister for Immigration and Border Protection****Signature**.....**Date**...../...../2017
 Released by Department of Home Affairs  
 under the Freedom of Information Act 1982
**For Official Use Only (FOUO)**

## For Official Use Only (FOUO)

Minister's Comments				
<b>Rejected</b> Yes/No	<b>Timely</b> Yes/No	<b>Relevance</b> <input type="checkbox"/> Highly relevant <input type="checkbox"/> Significantly relevant <input type="checkbox"/> Not relevant	<b>Length</b> <input type="checkbox"/> Too long <input type="checkbox"/> Right length <input type="checkbox"/> Too brief	<b>Quality</b> Poor 1.....2.....3.....4.....5 Excellent <b>Comments:</b>

### Key Issues

1. The purpose of this submission is to inform you of the Department's submission to the Senate Education and Employment Legislation Committee (the Committee) in relation to the *Migration Amendment (Skilling Australians Fund) Bill 2017* (the Amendment Bill) and the *Migration (Skilling Australians Fund) Charges Bill 2017* (the Charges Bill).
2. The Department's proposed submission to the Committee for your information is at **Attachment A**.

### Background

3. You introduced the Amendment Bill and the Charges Bill into the Parliament on 18 October 2017.
4. The Bills were referred to the Committee by the Senate Selection of Bills Committee on 16 November 2017 for inquiry and report by 9 February 2018. The reasons for referral and principal issues for consideration by the Committee were identified in the Selection of Bills Committee Report No. 13 of 2017 (the relevant extract of the Report is at **Attachment B**). Submissions to the Committee are due by 15 December 2017.
5. The purpose of the Bills is to impose a nomination training contribution charge (the Skilling Australians Fund (SAF) levy) and to amend the *Migration Act 1958* to require that the levy is paid by employers who nominate a worker under the temporary and permanent employer sponsored migration programs. The SAF levy supports a new national partnership with the States and Territories on skills, administered by the Department of Education and Training. If the Skilling Australians Fund levy is established, through the passage of the Bills, the national partnership agreement will commence in 2017– 18.
6. The Amendment Bill also makes amendments to the nomination and labour market testing provisions that support the proposed Temporary Skill Shortage (TSS) visa.

 Released by the Department of Home Affairs  
under the Freedom of Information Act 1982

## For Official Use Only (FOUO)

7. The nomination training contribution charge (SAF levy) is expected to generate revenue of \$1.2 billion over the forward estimates. Expected expenditure from the SAF over the forward estimates is \$1.47 billion.

### Home Affairs Impacts

8. Not applicable.

### Consultation – internal/external

9. This submission has been prepared by Economic Policy Branch in consultation with Legislation Branch.
10. The Department of Finance and Department of Education and Training were consulted during drafting of the Bill.

### Consultation – Secretary/Commissioner

11. The Secretary has not been consulted in relation to this submission.

### Client service implications

12. There are no client service implications arising from this submission.

### Sensitivities

13. N/A

### Financial/systems/legislation/deregulation implications

14. s. 34(1)(c)

### Attachments

**Attachment A** Department's proposed submission to the Senate Education and Employment Legislation Committee.

**Attachment B** Extract of Senate Selection of Bills Committee *Report No 13 of 2017*

Released by the Department of Home Affairs  
under the *Freedom of Information Act 1982*

<b>Authorising Officer</b>
Cleared by:
David Wilden First Assistant Secretary Immigration and Citizenship Policy Division
Date:    /    /2017
Ph: s. 22(1)(a)(ii)

**Contact Officer** Michael Willard, Assistant Secretary, Economic Policy Branch, Ph: s. 22(1)(a)(ii) .

**Through** s. 22(1)(a)(ii) , A/g Assistant Secretary, Legislation Branch

- CC**
- Secretary
  - A/g Commissioner
  - A/g Deputy Secretary, Policy Group
  - General Counsel

Released by the Department of Home Affairs  
under the *Freedom of Information Act 1982*

# **SELECTION OF BILLS COMMITTEE**

## **REPORT NO. 13 OF 2017**

*16 November 2017*

## MEMBERS OF THE COMMITTEE

Senator David Bushby (Government Whip, Chair)

Senator Anne Urquhart (Opposition Whip)

Senator Brian Burston (Pauline Hanson's One Nation Whip)

Senator Derryn Hinch (Derryn Hinch's Justice Party Whip)

Senator Skye Kakoschke-Moore (Nick Xenophon Team Whip)

Senator Rachel Siewert (Australian Greens Whip)

Senator John Williams (The Nationals Whip)

Senator Sam Dastyari

Senator David Fawcett

Senator Katy Gallagher

Senator the Hon Mitch Fifield

Secretary: Rachel Callinan



s. 22(1)(a)(ii)

## SELECTION OF BILLS COMMITTEE

## REPORT NO. 13 OF 2017

1. The committee met in private session on Wednesday, 15 November 2017 at 7.18 pm.
2. The committee recommends that—
  - (a) the Australian Broadcasting Corporation Amendment (Fair and Balanced) Bill 2017 be *referred immediately* to the Environment and Communications Legislation Committee for inquiry and report by 9 February 2018 (see appendix 1 for a statement of reasons for referral);
  - (b) the Australian Broadcasting Corporation Amendment (Rural and Regional Measures) Bill 2017 be *referred immediately* to the Environment and Communications Legislation Committee for inquiry and report by 16 February 2018 (see appendix 2 for a statement of reasons for referral);
  - (c) the *provisions* of the Financial Sector Legislation Amendment (Crisis Resolution Powers and Other Measures) Bill 2017 be *referred immediately* to the Economics Legislation Committee for inquiry and report by 9 February 2018 (see appendix 3 for a statement of reasons for referral);
  - (d) the Public Governance, Performance and Accountability Amendment (Executive Remuneration) Bill 2017 be *referred immediately* to the Education and Employment Legislation Committee for inquiry and report by 26 March 2018 (see appendix 4 for a statement of reasons for referral); and
  - (e) the *provisions* of the Treasury Laws Amendment (National Housing and Homelessness Agreement) Bill 2017 be *referred immediately* to the Economics Legislation Committee for inquiry and report by 6 February 2018 (see appendix 5 for a statement of reasons for referral)
  - (f) the *provisions* of the Proceeds of Crime Amendment (Proceeds and Other Matters) Bill 2017 be *referred immediately* to the Legal and Constitutional Affairs Legislation Committee **but was unable to reach agreement on a reporting date** (see appendix 6 for a statement of reasons for referral); and
  - (g) the *provisions* of the Migration Amendment (Skilling Australians Fund) Bill 2017, and the Migration (Skilling Australians Fund) Charges Bill 2017 be *referred immediately* to the Legal and Constitutional Affairs Legislation Committee **but was unable to reach agreement on a reporting date** (see appendix 7 for a statement of reasons for referral).
3. The committee recommends that the following bills *not* be referred to committees:
  - Marriage Amendment (Definition and Religious Freedoms) Bill 2017
  - Treasury Laws Amendment (Banking Measures No. 1) Bill 2017
  - Treasury Laws Amendment (Enterprise Tax Plan Base Rate Entities) Bill 2017
  - Treasury Laws Amendment (Junior Minerals Exploration Incentive) Bill 2017.

4. The committee deferred consideration of the following bills to its next meeting:
- Agricultural and Veterinary Chemicals Legislation Amendment (Operational Efficiency) Bill 2017
  - Australian Broadcasting Corporation Amendment (Regional Australia) Bill 2017
  - Bankruptcy Legislation Amendment (Enterprise Incentives) Bill 2017
  - Clean Energy Finance Corporation Amendment (Carbon Capture and Storage) Bill 2017
  - Commonwealth Redress Scheme for Institutional Child Sexual Abuse Bill 2017  
Commonwealth Redress Scheme for Institutional Child Sexual Abuse (Consequential Amendments) Bill 2017
  - Corporations Amendment (Crowd-sourced Funding for Proprietary Companies) Bill 2017
  - Customs Amendment (Safer Cladding) Bill 2017
  - Imported Food Control Amendment (Country of Origin) Bill 2017
  - Judiciary Amendment (Commonwealth Model Litigant Obligations) Bill 2017
  - Live Animal Export (Slaughter) Prohibition Bill 2017
  - National Health Amendment (Pharmaceutical Benefits – Budget and Other Measures) Bill 2017
  - Nuclear Fuel Cycle (Facilitation) Bill 2017
  - Parliamentary Business Resources Amendment (Voluntary Opt-out) Bill 2017
  - Therapeutic Goods Amendment (2017 Measures No. 1) Bill 2017  
Therapeutic Goods (Charges) Amendment Bill 2017.

(David Bushby)

**Chair**

16 November 2017



**SELECTION OF BILLS COMMITTEE**  
**Proposal to refer a bill to a committee**

**Name of bill:** "Australian Broadcasting Corporation Amendment (Fair and Balanced) Bill 2017(originated in the Senate on Wednesday 18 October 2017)"

**Reasons for referral/principal issues for consideration:**

Impact on the budget, resources and independence of the ABC

**Possible submissions or evidence from:**

- ABC
- Friends of ABC
- Press Council
- SBS
- Friends of SBS
- MEAA
- Various media organisations

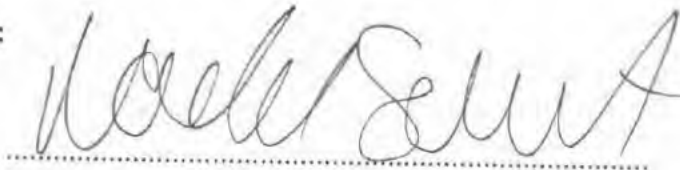
**Committee to which bill is to be referred:**

Environment and Communications committee.

**Possible hearing date(s):**

9 or 16 February 2018

**Possible reporting date:**  
28 March 2018



.....

**Print name:** Senator Rachel Siewert

## Appendix 2

**SELECTION OF BILLS COMMITTEE**  
**Proposal to refer a bill to a committee**

**Name of bill:** "Australian Broadcasting Corporation Amendment (Rural and Regional Measures) Bill 2017 (originated in the Senate on Wednesday 18 October 2017)"

**Reasons for referral/principal issues for consideration:**

Impact on the budget, resources and independence of the ABC

**Possible submissions or evidence from:**

- ABC
- Friends of ABC
- Press Council
- SBS
- Friends of SBS
- MEAA
- Various media organisations

**Committee to which bill is to be referred:**

Environment and Communications committee.

**Possible hearing date(s):**

9 or 16 February 2018

**Possible reporting date:**  
28 March 2018



**Print name:** Senator Rachel Siewert

## Appendix 3

**SELECTION OF BILLS COMMITTEE**  
**Proposal to refer a bill to a committee**

Name of bill:

- Financial Sector Legislation Amendment (Crisis Resolution Powers and Other Measures) Bill 2017

Reasons for referral/principal issues for consideration:

- To understand exactly what capital instruments are covered by the Bill.
- To understand what consultation process APRA would be required to undertake before making determinations under the Bill.
- To understand what power the executive and/or parliament is ceding to APRA.
- To understand the possible implications to market concentration in the banking sector.

Possible submissions or evidence from:

- APRA
- ASIC
- RBA
- Treasury
- Banks
- Economists

Committee to which bill is to be referred:

- Economics

Possible hearing date(s):

- February 2017

Possible reporting date:

- March 2017

(signed)

  
.....

Print name: \_\_\_\_\_ Senator Rachel Siewert

## Appendix 4

**SELECTION OF BILLS COMMITTEE**  
**Proposal to refer a bill to a committee**

Name of bill:

- Public Governance, Performance and Accountability Amendment (Executive Remuneration) Bill 2017

Reasons for referral/principal issues for consideration:

- To explore the behavioural responses within the labour market.
- To explore the expenditure implications.

Possible submissions or evidence from:

- Economists, including think-tanks
- Unions
- The public service

Committee to which bill is to be referred:

- Education & Employment

Possible hearing date(s):

- February 2018

Possible reporting date:

- March 2018

(signed)

  
.....

Print name:

\_\_\_\_\_  
Senator Siewert

## Appendix 5

**SELECTION OF BILLS COMMITTEE**  
**Proposal to refer a bill to a committee**

Name of bill:

Treasury Laws Amendment (National Housing and Homelessness Agreement) Bill 2017

Reasons for referral/principal issues for consideration:

- To consider issues around negotiations with the states and territories
- To consider outcomes for housing supply
- To consider outcomes for the homeless community

Possible submissions or evidence from:

- Commonwealth Treasury
- State and Territory Governments
- Homelessness Australia
- National Shelter

Committee to which bill is to be referred:

- Senate Economics Legislation Committee

Possible hearing date(s):

- To be determined by the committee

Possible reporting date:

- Tuesday 6<sup>th</sup> February 2018



Senator Anne Urquhart



## Appendix 6

**SELECTION OF BILLS COMMITTEE****Proposal to refer a bill to a committee**

**Name of bill:** Proceeds of Crime Amendment (Proceeds and Other Matters) Bill 2017

**Reasons for referral/principal issues for consideration:**

This bill makes significant amendments to the Proceeds of Crime regime.

Given the complexity and technical nature of the amendments contained in the Bill, and its capacity to impact on individuals' rights and liberties, it would be appropriate to refer the Bill to inquiry for careful consideration.

**Possible submissions or evidence from:**

Attorney-General's Department, Law Council of Australia, the Australian Federal Police, the Australian Federal Police Association, Police Federation of Australia, State, Territory and International Bar Associations (e.g. the Victorian Bar and Criminal Bar Association), state and territory law associations/institutes (e.g. Law Institute of Victoria, NSW Law Society), the Australian Human Rights Commission, the NSW Council for Civil Liberties.

**Committee to which bill is to be referred:**

Senate Legal and Constitutional Affairs Legislation Committee

**Possible hearing date(s):** Can be done on the papers.

**Possible reporting date:** 16 February 2018

  
.....

Senator Anne Urquhart

## Appendix 7

**SELECTION OF BILLS COMMITTEE**  
**Proposal to refer a bill to a committee**

Name of bills:

- Migration Amendment (Skilling Australians Fund) Bill 2017
- Migration (Skilling Australians Fund) Charges Bill 2017

Reasons for referral/principal issues for consideration:

- The complex nature of the Migration Act and the impact any changes may have on Australian jobs, business, people seeking a visa, industry bodies, Technical and further education institution warrants further consultation and investigation.
- Stakeholders have been vocal in raising their concerns about unintended consequences of recent changes to skilled migration visas.
- This legislation has significant revenue associated with the charges being levied for skilled visas – which is being used to support skills development of Australians.

Possible submissions or evidence from:

- TAFE Directors' Association
- Australian Education Union
- Australian Council for Private Education and Training
- Dr. Bob Birrell, Australian Population Research Institute
- Professor John Buchanan, University of Sydney
- State and Territory TAFEs
- State and Territory Education Departments
- Department of Immigration and Border Protection
- Law Council of Australia

Committee to which bill is to be referred:

- Senate Education and Employment Legislation Committee

Possible hearing date(s):

- To be determined by committee

Possible reporting date:

- 9 February 2018



Senator Anne Urquhart

**SELECTION OF BILLS COMMITTEE**  
**Proposal to refer a bill to a committee**

Name of bill: Migration Amendment (Skilling Australians Fund) Bill 2017

Reasons for referral/principal issues for consideration: Makes changes to funding arrangements for employers of workers on temporary workers visas.

Possible submissions or evidence from: Unions, Employer Organisations, Training Organisations

Committee to which bill is to be referred: Legal & Constitutional Affairs Legislation Committee

Possible hearing date(s): 1 December 2017

Possible reporting date: 6<sup>th</sup> December 2017

(signed)



.....

Print name: \_\_\_\_\_



**SELECTION OF BILLS COMMITTEE—  
PRESENTATION OF 13TH REPORT OF 2017—  
AMENDMENT AGREED TO BY THE SENATE ON  
16 NOVEMBER 2017**

---

At the end of the motion, add, “but, in respect of the provisions of the Migration Amendment (Skilling Australians Fund) Bill 2017, and the Migration (Skilling Australians Fund) Charges Bill 2017, the provisions of the bills be referred to the Education and Employment Legislation Committee and the committee report by 9 February 2018.”.



Australian Government

Department of Immigration and Border Protection

## Submission

For information

PDMS Ref. Number SB17-001686

**To** Minister for Immigration and Border Protection

**Subject** Submission to the Senate Education and Employment Legislation Committee – Migration Amendment (Skilling Australians Fund) Bill 2017 and Migration (Skilling Australians Fund) Charges Bill 2017

**Timing** Please action by 22 December 2017 in order to meet the Committee's deadline for response (submissions are due to the Committee by 22 December 2017).

## Recommendations

That you:

1. note the Senate Selection of Bills Committee's reasons for referral of the Bills to the Senate Education and Employment Legislation Committee and principal issues for consideration; and (noted) / please discuss
2. note the Department's submission to the Senate Education and Employment Legislation Committee (at Attachment A). (noted) / please discuss

Minister for Immigration and Border Protection

Signature

Date: 19/12/2017



Minister's Comments				
<b>Rejected</b> Yes/No	<b>Timely</b> Yes/No	<b>Relevance</b> <input type="checkbox"/> Highly relevant <input type="checkbox"/> Significantly relevant <input type="checkbox"/> Not relevant	<b>Length</b> <input type="checkbox"/> Too long <input type="checkbox"/> Right length <input type="checkbox"/> Too brief	<b>Quality</b> Poor 1.....2.....3.....4.....5 Excellent <b>Comments:</b>

### Key Issues

1. The purpose of this submission is to inform you of the Department's submission to the Senate Education and Employment Legislation Committee (the Committee) in relation to the *Migration Amendment (Skilling Australians Fund) Bill 2017* (the Amendment Bill) and the *Migration (Skilling Australians Fund) Charges Bill 2017* (the Charges Bill).
2. The Department's proposed submission to the Committee for your information is at Attachment A.

### Background

3. You introduced the Amendment Bill and the Charges Bill into the Parliament on 18 October 2017.
4. The Bills were referred to the Committee by the Senate Selection of Bills Committee on 16 November 2017 for inquiry and report by 9 February 2018. The reasons for referral and principal issues for consideration by the Committee were identified in the Selection of Bills Committee Report No. 13 of 2017 (the relevant extract of the Report is at Attachment B). Submissions to the Committee are due by 22 December 2017.
5. The purpose of the Bills is to impose a nomination training contribution charge (the Skilling Australians Fund (SAF) levy) and to amend the *Migration Act 1958* to require that the levy is paid by employers who nominate a worker under the temporary and permanent employer sponsored migration programs. The SAF levy supports a new national partnership with the States and Territories on skills, administered by the Department of Education and Training. If the Skilling Australians Fund levy is established, through the passage of the Bills, the national partnership agreement will commence in 2017–18.
6. The Amendment Bill also makes amendments to the nomination and labour market testing provisions that support the proposed Temporary Skill Shortage (TSS) visa.



7. The nomination training contribution charge (SAF levy) is expected to generate revenue of \$1.2 billion over the forward estimates. Expected expenditure from the SAF over the forward estimates is \$1.47 billion.

### Home Affairs Impacts

8. Not applicable.

### Consultation – internal/external

9. This submission has been prepared by Economic Policy Branch in consultation with Legislation Branch.
10. The Department of Finance and Department of Education and Training were consulted during drafting of the Bill.

### Consultation – Secretary/Commissioner

11. The Secretary has not been consulted in relation to this submission.


### Client service implications

12. There are no client service implications arising from this submission.

### Sensitivities

13. N/A

### Financial/systems/legislation/deregulation implications

14. s. 34(1)(c)
- 

### Attachments

**Attachment A** Department's proposed submission to the Senate Education and Employment Legislation Committee.

**Attachment B** Extract of Senate Selection of Bills Committee *Report No 13 of 2017*

<b>Authorising Officer</b>
Cleared by:
David Wilden First Assistant Secretary Immigration and Citizenship Policy Division
Date:    /    /2017 Ph: s. 22(1)(a)(ii)

**Contact Officer** Michael Willard, Assistant Secretary, Economic Policy Branch, Ph: s. 22(1)(a)(ii)

**Through** s. 22(1)(a)(ii), A/g Assistant Secretary, Legislation Branch

**CC** Secretary  
A/g Commissioner  
A/g Deputy Secretary, Policy Group  
General Counsel



Australian Government

Department of Immigration  
and Border Protection

# **Inquiry into the Migration Amendment (Skilling Australians Fund) Bill 2017 and the Migration (Skilling Australians Fund) Charges Bill 2017**

Senate Education and Employment Legislation  
Committee



## Table of Contents

Introduction	3
Measures in the Bills	3
Replacing existing training benchmark requirements	4
Stakeholder support	4



## Introduction

The Department of Immigration and Border Protection (the Department) welcomes the opportunity to provide a submission to the Senate Education and Employment Legislation Committee Inquiry into the *Migration Amendment (Skilling Australians Fund) Bill 2017* (the Amendment Bill) and the *Migration (Skilling Australians Fund) Charges Bill 2017* (the Charges Bill).

This submission explains the measures included in the Bills and the policy context for these measures.

The Bills provide a framework for the collection of a nomination training contribution charge, to be known as the Skilling Australians Fund (SAF) levy from employers nominating temporary and permanent overseas skilled workers.

The purpose of the SAF levy is to require employers seeking to access overseas skilled workers to contribute to the broader skills development of Australians. This measure is an important element of the Government's employer sponsored skilled migration reforms which ensure that Australian workers are given the first priority for jobs in Australia. The SAF Bills do not deal with expenditure through the SAF, which is administered by the Department of Education and Training (DET) to support the skills development and training opportunities for Australian citizens and permanent residents.

Feedback from stakeholder consultations has demonstrated broad stakeholder support for the intent of the skilled migration reforms and the use of skilled overseas workers where Australians with the relevant skills are not available, so long as an employer seeking to employ an overseas worker first offers employment and training opportunities to Australians.

## Measures in the Bills

The SAF levy was developed following recommendations in the 2014 report by the Independent Review into the integrity of the subclass 457 program, "Robust New Foundations - A Streamlined, Transparent and Responsive System for the 457 Program" (subclass 457 Integrity Review) and was supported by the Senate Inquiry into the exploitation of temporary workers in Australia (Temporary Worker Senate Inquiry). These reviews recommended that employers seeking to access overseas skilled workers pay a contribution to the broader skills development of Australians. This approach helps build capability and skills of the Australian workforce thereby reducing longer term reliance on overseas skilled workers. It will increase public confidence that skilled migration, and the businesses that bring in skilled migrants, are doing their part to help Australians prepare for the workforce.

The Charges Bill imposes the nomination training contribution charge payable under proposed section 140ZM of the Migration Act, sets a charge limit for the nomination training contribution charge which must not be exceeded and provides for the indexation of the charge limit. It also provides that the amount of the nomination training contribution charge is to be prescribed in the Migration Regulations, and that the Regulations may prescribe different charges for different kinds of visas or persons.

The Amendment Bill amends the Migration Act to provide that the Migration Regulations may make provisions for a range of matters relevant to the nomination training contribution charge, including:

- the kinds of nominations that are subject to the nomination training contribution charge, including the kinds of visas the nomination relates to:
  - it is intended that the visas to be prescribed are the Temporary Skill Shortage (TSS) visa (which is to replace the Temporary Work (Skilled) subclass 457 visa), the Employer Nomination Scheme (ENS) (subclass 186) visa and the Regional Sponsored Migration Scheme (RSMS) (subclass 187) visa.
- the amount and method of payment of the nomination training contribution charge; and
- the remission or refund and recovery of underpayment of the nomination training contribution charge.



Employers will be charged the SAF levy for each overseas worker nominated to fill a vacancy in Australia. The amount of the levy will depend on the size of the business and the type and duration of the visa that the worker is nominated for. The SAF levy for the entire proposed period that the temporary worker intends to work in Australia will be collected at the time the employer nominates the overseas worker for sponsorship.

There will be no levy exemptions, reflecting the policy intent that employers seeking to access overseas skilled workers contribute to the broader skills development of Australians. However, the SAF levy will be tax deductible and employers will not be simultaneously subject to the SAF levy and the existing training benchmark requirements.

## Replacing existing training benchmark requirements

The nomination training contribution charge will replace the current training benchmark requirements which the subclass 457 Integrity Review and the Temporary Worker Senate Inquiry found to be ineffective. Under the training benchmarks employers sponsoring a worker under the subclass 457 visa or nominating a worker under the Direct Entry stream of the subclass 186 visa are required to spend:

- the equivalent of at least two per cent of their business' payroll in contributions to an industry training fund (training benchmark A); or
- the equivalent of at least one per cent of their business' payroll on the training of Australians (training benchmark B).

The proposed new training fund contribution model aims to make compliance and monitoring simpler by removing the need for employers to maintain complex records to demonstrate expenditure to meet the current training benchmark requirements. The SAF levy will reduce the regulatory burden on employers and provide improved training outcomes for Australians compared to the existing training benchmark requirements. The administration of the SAF will increase the transparency and accountability of training contributions made by employers utilising the skilled migration program.

## Stakeholder support

The 457 program has been the subject of a number of enquiries and reviews. These reviews have involved wide consultation and feedback from a broad range of stakeholders, including industry peak bodies and associations, unions, government, businesses, migration agents and academics.

Feedback from stakeholder consultations indicated broad stakeholder support for the intent of the skilled migration reforms and the use of skilled overseas workers where Australians with the relevant skills are not available. These consultations included industry roundtables held in Melbourne, Sydney and Canberra in April and May 2017, the 457 Integrity Review, inter-departmental committee meetings between the Department and other federal government agencies and departments.

Released by the Department of Home Affairs  
under the Freedom of Information Act 1982

# **SELECTION OF BILLS COMMITTEE**

**REPORT NO. 13 OF 2017**

*16 November 2017*

## MEMBERS OF THE COMMITTEE

Senator David Bushby (Government Whip, Chair)

Senator Anne Urquhart (Opposition Whip)

Senator Brian Burston (Pauline Hanson's One Nation Whip)

Senator Derryn Hinch (Derryn Hinch's Justice Party Whip)

Senator Skye Kakoschke-Moore (Nick Xenophon Team Whip)

Senator Rachel Siewert (Australian Greens Whip)

Senator John Williams (The Nationals Whip)


Senator Sam Dastyari

Senator David Fawcett

Senator Katy Gallagher

Senator the Hon Mitch Fifield

Secretary: Rachel Callinan

 s. 22(1)(a)(ii)



## SELECTION OF BILLS COMMITTEE

## REPORT NO. 13 OF 2017

1. The committee met in private session on Wednesday, 15 November 2017 at 7.18 pm.
2. The committee recommends that—
  - (a) the Australian Broadcasting Corporation Amendment (Fair and Balanced) Bill 2017 be *referred immediately* to the Environment and Communications Legislation Committee for inquiry and report by 9 February 2018 (see appendix 1 for a statement of reasons for referral);
  - (b) the Australian Broadcasting Corporation Amendment (Rural and Regional Measures) Bill 2017 be *referred immediately* to the Environment and Communications Legislation Committee for inquiry and report by 16 February 2018 (see appendix 2 for a statement of reasons for referral);
  - (c) the *provisions* of the Financial Sector Legislation Amendment (Crisis Resolution Powers and Other Measures) Bill 2017 be *referred immediately* to the Economics Legislation Committee for inquiry and report by 9 February 2018 (see appendix 3 for a statement of reasons for referral);
  - (d) the Public Governance, Performance and Accountability Amendment (Executive Remuneration) Bill 2017 be *referred immediately* to the Education and Employment Legislation Committee for inquiry and report by 26 March 2018 (see appendix 4 for a statement of reasons for referral); and
  - (e) the *provisions* of the Treasury Laws Amendment (National Housing and Homelessness Agreement) Bill 2017 be *referred immediately* to the Economics Legislation Committee for inquiry and report by 6 February 2018 (see appendix 5 for a statement of reasons for referral)
  - (f) the *provisions* of the Proceeds of Crime Amendment (Proceeds and Other Matters) Bill 2017 be *referred immediately* to the Legal and Constitutional Affairs Legislation Committee **but was unable to reach agreement on a reporting date** (see appendix 6 for a statement of reasons for referral); and
  - (g) the *provisions* of the Migration Amendment (Skilling Australians Fund) Bill 2017, and the Migration (Skilling Australians Fund) Charges Bill 2017 be *referred immediately* to the Legal and Constitutional Affairs Legislation Committee **but was unable to reach agreement on a reporting date** (see appendix 7 for a statement of reasons for referral).
3. The committee recommends that the following bills *not* be referred to committees:
  - Marriage Amendment (Definition and Religious Freedoms) Bill 2017
  - Treasury Laws Amendment (Banking Measures No. 1) Bill 2017
  - Treasury Laws Amendment (Enterprise Tax Plan Base Rate Entities) Bill 2017
  - Treasury Laws Amendment (Junior Minerals Exploration Incentive) Bill 2017.

4. The committee deferred consideration of the following bills to its next meeting:
- Agricultural and Veterinary Chemicals Legislation Amendment (Operational Efficiency) Bill 2017
  - Australian Broadcasting Corporation Amendment (Regional Australia) Bill 2017
  - Bankruptcy Legislation Amendment (Enterprise Incentives) Bill 2017
  - Clean Energy Finance Corporation Amendment (Carbon Capture and Storage) Bill 2017
  - Commonwealth Redress Scheme for Institutional Child Sexual Abuse Bill 2017  
Commonwealth Redress Scheme for Institutional Child Sexual Abuse (Consequential Amendments) Bill 2017
  - Corporations Amendment (Crowd-sourced Funding for Proprietary Companies) Bill 2017
  - Customs Amendment (Safer Cladding) Bill 2017
  - Imported Food Control Amendment (Country of Origin) Bill 2017
  - Judiciary Amendment (Commonwealth Model Litigant Obligations) Bill 2017
  - Live Animal Export (Slaughter) Prohibition Bill 2017
  - National Health Amendment (Pharmaceutical Benefits – Budget and Other Measures) Bill 2017
  - Nuclear Fuel Cycle (Facilitation) Bill 2017
  - Parliamentary Business Resources Amendment (Voluntary Opt-out) Bill 2017
  - Therapeutic Goods Amendment (2017 Measures No. 1) Bill 2017  
Therapeutic Goods (Charges) Amendment Bill 2017.

(David Bushby)

**Chair**

16 November 2017

## Appendix 1

**SELECTION OF BILLS COMMITTEE**  
**Proposal to refer a bill to a committee**

**Name of bill:** "Australian Broadcasting Corporation Amendment (Fair and Balanced) Bill 2017(originated in the Senate on Wednesday 18 October 2017)"

**Reasons for referral/principal issues for consideration:**

Impact on the budget, resources and independence of the ABC

**Possible submissions or evidence from:**

- ABC
- Friends of ABC
- Press Council
- SBS
- Friends of SBS
- MEAA
- Various media organisations

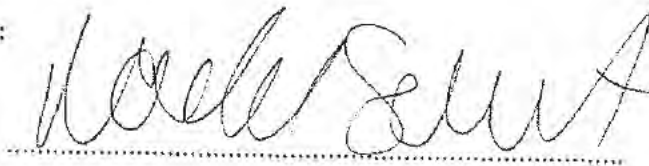
**Committee to which bill is to be referred:**

Environment and Communications committee.

**Possible hearing date(s):**

9 or 16 February 2018

**Possible reporting date:**  
28 March 2018



**Print name:** Senator Rachel Siewert



## Appendix 2

**SELECTION OF BILLS COMMITTEE**  
**Proposal to refer a bill to a committee**

**Name of bill:** "Australian Broadcasting Corporation Amendment (Rural and Regional Measures) Bill 2017 (originated in the Senate on Wednesday 18 October 2017)"

**Reasons for referral/principal issues for consideration:**

Impact on the budget, resources and independence of the ABC

**Possible submissions or evidence from:**

- ABC
- Friends of ABC
- Press Council
- SBS
- Friends of SBS
- MEAA
- Various media organisations

**Committee to which bill is to be referred:**

Environment and Communications committee.

**Possible hearing date(s):**

9 or 16 February 2018

**Possible reporting date:**  
28 March 2018



**Print name:** Senator Rachel Siewert

## Appendix 3

**SELECTION OF BILLS COMMITTEE**  
**Proposal to refer a bill to a committee**

## Name of bill:

- Financial Sector Legislation Amendment (Crisis Resolution Powers and Other Measures) Bill 2017

## Reasons for referral/principal issues for consideration:

- To understand exactly what capital instruments are covered by the Bill.
- To understand what consultation process APRA would be required to undertake before making determinations under the Bill.
- To understand what power the executive and/or parliament is ceding to APRA.
- To understand the possible implications to market concentration in the banking sector.

## Possible submissions or evidence from:

- APRA
- ASIC
- RBA
- Treasury
- Banks
- Economists

## Committee to which bill is to be referred:

- Economics

## Possible hearing date(s):

- February 2017

## Possible reporting date:

- March 2017

(signed)

  
.....Print name: Senator Rachel Siewert



## Appendix 4

**SELECTION OF BILLS COMMITTEE**  
**Proposal to refer a bill to a committee**

Name of bill:

- Public Governance, Performance and Accountability Amendment (Executive Remuneration) Bill 2017

Reasons for referral/principal issues for consideration:

- To explore the behavioural responses within the labour market.
- To explore the expenditure implications.

Possible submissions or evidence from:

- Economists, including think-tanks
- Unions
- The public service

Committee to which bill is to be referred:

- Education & Employment

Possible hearing date(s):

- February 2018

Possible reporting date:

- March 2018

(signed)



Print name: Senator Siewert

## Appendix 5

**SELECTION OF BILLS COMMITTEE**  
**Proposal to refer a bill to a committee**

Name of bill:

Treasury Laws Amendment (National Housing and Homelessness Agreement) Bill 2017

Reasons for referral/principal issues for consideration:

- To consider issues around negotiations with the states and territories
- To consider outcomes for housing supply
- To consider outcomes for the homeless community

Possible submissions or evidence from:

- Commonwealth Treasury
- State and Territory Governments
- Homelessness Australia
- National Shelter

Committee to which bill is to be referred:

- Senate Economics Legislation Committee

Possible hearing date(s):

- To be determined by the committee

Possible reporting date:

- Tuesday 6<sup>th</sup> February 2018



Senator Anne Urquhart

## Appendix 6

## SELECTION OF BILLS COMMITTEE

## Proposal to refer a bill to a committee

**Name of bill:** Proceeds of Crime Amendment (Proceeds and Other Matters) Bill 2017

**Reasons for referral/principal issues for consideration:**

This bill makes significant amendments to the Proceeds of Crime regime.

Given the complexity and technical nature of the amendments contained in the Bill, and its capacity to impact on individuals' rights and liberties, it would be appropriate to refer the Bill to inquiry for careful consideration.

**Possible submissions or evidence from:**


Attorney-General's Department, Law Council of Australia, the Australian Federal Police, the Australian Federal Police Association, Police Federation of Australia, State, Territory and International Bar Associations (e.g. the Victorian Bar and Criminal Bar Association), state and territory law associations/institutes (e.g. Law Institute of Victoria, NSW Law Society), the Australian Human Rights Commission, the NSW Council for Civil Liberties.

**Committee to which bill is to be referred:**

Senate Legal and Constitutional Affairs Legislation Committee

**Possible hearing date(s):** Can be done on the papers.

**Possible reporting date:** 16 February 2018

  
 Senator Anne Urquhart

## Appendix 7

**SELECTION OF BILLS COMMITTEE**  
**Proposal to refer a bill to a committee**

Name of bills:

- Migration Amendment (Skilling Australians Fund) Bill 2017
- Migration (Skilling Australians Fund) Charges Bill 2017

Reasons for referral/principal issues for consideration:

- The complex nature of the Migration Act and the impact any changes may have on Australian jobs, business, people seeking a visa, industry bodies, Technical and further education institution warrants further consultation and investigation.
- Stakeholders have been vocal in raising their concerns about unintended consequences of recent changes to skilled migration visas.
- This legislation has significant revenue associated with the charges being levied for skilled visas – which is being used to support skills development of Australians.

Possible submissions or evidence from:

- TAFE Directors' Association
- Australian Education Union
- Australian Council for Private Education and Training
- Dr. Bob Birrell, Australian Population Research Institute
- Professor John Buchanan, University of Sydney
- State and Territory TAFEs
- State and Territory Education Departments
- Department of Immigration and Border Protection
- Law Council of Australia

Committee to which bill is to be referred:

- Senate Education and Employment Legislation Committee

Possible hearing date(s):

- To be determined by committee

Possible reporting date:

- 9 February 2018



Senator Anne Urquhart



**SELECTION OF BILLS COMMITTEE**  
**Proposal to refer a bill to a committee**

Name of bill: Migration Amendment (Skilling Australians Fund) Bill 2017

Reasons for referral/principal issues for consideration: Makes changes to funding arrangements for employers of workers on temporary workers visas.

Possible submissions or evidence from: Unions, Employer Organisations, Training Organisations

Committee to which bill is to be referred: Legal & Constitutional Affairs Legislation Committee

Possible hearing date(s): 1 December 2017

Possible reporting date: 6<sup>th</sup> December 2017

(signed)



.....

Print name: \_\_\_\_\_

**SELECTION OF BILLS COMMITTEE—  
PRESENTATION OF 13TH REPORT OF 2017—  
AMENDMENT AGREED TO BY THE SENATE ON  
16 NOVEMBER 2017**

---

At the end of the motion, add, “but, in respect of the provisions of the Migration Amendment (Skilling Australians Fund) Bill 2017, and the Migration (Skilling Australians Fund) Charges Bill 2017, the provisions of the bills be referred to the Education and Employment Legislation Committee and the committee report by 9 February 2018.”.



Australian Government  
Department of Home Affairs

17 APR 2018

Submission

For decision

PDMS Ref. Number MS18-001099

**To** Minister for Citizenship and Multicultural Affairs

**Subject** Options for exemptions to payment of the Skilling Australians Fund (SAF) levy

**Timing** Please action by **COB 20 April 2018** to meet Budget Requirements, as discussed with Advisor s. 22(1)(a)(ii).

### Recommendations

That you:

1. Agree to provide SAF levy exemptions for Employer Nomination Scheme (ENS) subclass 186 visa and Temporary Skill Shortage (TSS) subclass 482 visa Labour Agreement stream nominations by religious organisations for religious workers, covering:
  - Bishops (included as ANZSCO 139999 Specialist Manager nec) – noting exemption will be by way of refund until exemption functionality can be delivered; agreed / not agreed
  - Ministers of Religion (ANZSCO 272211); and agreed / not agreed
  - Religious Assistants (ANZSCO 451816). agreed / not agreed
2. Indicate your preferred approach to legislative framing in the regulations for Labour Agreement SAF levy exemptions (subject to further legal advice):
  - inclusion of SAF levy exemptions in the *Migration Regulations 1994* (the Regulations) agreed / not agreed  
s. 47C(1)
  - s. 47C(1)
3. Note that given the current status of the SAF Bills, implementation of the SAF levy before 1 July 2018 is unlikely. noted / please discuss

Released by the Department of Home Affairs  
under the Freedom of Information Act 1982

4. Sign the letter to the Treasurer seeking policy approval for the proposed SAF levy exemption at Attachment B.

signed / please discuss

5. s. 47C(1)

Minister for Citizenship and Multicultural Affairs

Signature.....

Date: 19 / 4 / 2018

Minister's Comments

Rejected Yes/No	Timely Yes/No	Relevance <input type="checkbox"/> Highly relevant <input type="checkbox"/> Significantly relevant <input type="checkbox"/> Not relevant	Length <input type="checkbox"/> Too long <input type="checkbox"/> Right length <input type="checkbox"/> Too brief	Quality Poor 1.....2.....3.....4.....5 Excellent Comments:

Key Issues

1. On 19 March 2018 your Office requested advice on options to exempt religious organisations from payment of the Skilling Australians Fund (SAF) levy. s. 47C(1)

s. 47C(1)

2. There is no provision for an exemption in the SAF Bill. However, the SAF Bills allow for the regulations to define the classes of visas and persons that are subject to the SAF levy, and allow for specification of a 'nil' amount of the SAF levy for a defined cohort. These mechanisms would have the effect of creating an exemption.

Released by the Department of Home Affairs  
under the Freedom of Information Act 1982



3. Should you wish to provide a SAF levy exemption of this type for religious organisations, the Department recommends providing for this in the amendments to the Regulations to implement the SAF Bill. In practice, the exemption would be limited to Bishops (included as ANZSCO 139999 Specialist Manager nec), Ministers of Religion (ANZSCO 272211) and Religious Assistants (ANZSCO 451816) who are nominated under a Labour Agreement. The form of the amendment would be determined in consultation with the Office of Parliamentary Counsel (OPC).
4. This approach would confine the scope for a SAF levy exemption to the Labour Agreement streams of the subclass 186 and subclass 482 visas and limit budget impacts. It would also be consistent with:

- current policy which exempts religious organisations nominating Ministers of Religion under a Ministers of Religion Labour Agreement from the current training benchmark requirements;

- s. 47C(1)

5. s. 47C(1)

6.

7. Given the current status of the SAF Bills, implementation of the SAF levy before 1 July 2018 is unlikely. The Bill will require passage by the Senate, and then by the House of Representatives again (due to amendments made in the Senate), and the Migration Regulations would have to be finalised after this for consideration by the Executive Council before implementation. To enable 1 July 2018 implementation, the latest date that the SAF Bills would need to pass the Senate is 10 May 2018. The Bills would then need to pass the House of Representatives in the week commencing 28 May 2018. In order to facilitate this, policy approval from the Prime Minister and Treasurer would be required before consideration of the Migration Regulations by the Executive Council.

Released by the Department of Home Affairs  
under the Freedom of Information Act 1982

8. Implementation of a SAF levy exemption would also require amendment to the occupation description for Minister of Religion (ANZSCO 272211) in the Labour Agreement template, to include more senior religious positions, such as Bishops and Archbishops under this description. The Department will undertake consultation with relevant stakeholders and seek your approval in a separate Ministerial Submission.
9. s. 47C(1) [REDACTED] Since the SAF levy was announced in May 2017, many stakeholders have made representations, including to the Senate Education and Employment Legislation Committee's Inquiry into the SAF Bill, for exemptions or concessions to the SAF levy. s. 47C(1) [REDACTED]

s. 47C(1) [REDACTED]

10. s. 47C(1) [REDACTED]

## Background

11. Subject to the passage of the *Migration Amendment (Skilling Australians Fund) Bill 2018* and the *Migration (Skilling Australians Fund) Charges Bill 2018*, it is intended that employers who nominate a worker in the TSS, ENS or RSMS visa programs will be required to pay the SAF levy. This will replace the current training benchmark requirement to provide evidence of training expenditure.
12. s. 47C(1) [REDACTED]

Released by the Department of Home Affairs  
under the Freedom of Information Act 1982

13. s. 34(3)

#### Consultation – internal/external

14. This submission has been prepared by the Economic Policy Branch in consultation with the External Budgets and Revenue Branch and 457 Program Management section within Visa and Citizenship Management Division.
15. The letter for the Treasurer has been drafted in consultation with the Department of the Prime Minister and Cabinet (PM&C), the Treasury, the Department of Finance and the Department of Education and Training (DET).
16. In the course of external consultation with stakeholders in the lead-up to the implementation of the TSS visa, many expressed support for the concept of the SAF levy, but put forward a view that they levy should not apply to them. These sectors are listed in paragraph 9.

#### Consultation – Secretary

17. The Secretary was not consulted in relation to this submission.

#### Client service implications

18. s. 34(3)

19. s. 34(3)

#### Sensitivities

20. s. 34(3)

s. 34(3)

s. 34(3)

#### Financial/systems/legislation/deregulation/media implications

21. s. 34(3)

Released by the Department of Home Affairs  
under the Freedom of Information Act 1982



~~PROTECTED Sensitive: Cabinet~~

22. s47C(1)

**Attachments****Attachment A**

s47C(1)

**Attachment B**

s34(3)

**Attachment C****Attachment D**

<b>Authorising Officer</b>  Cleared by:  David Wilden A/g Deputy Secretary, Policy Group  Date: / 04 / 2018 Ph: s22(1)(a)(ii)
---

**Contact Officer** Michael Willard, Assistant Secretary, Global Mobility Branch, Ph: s22(1)(a)(ii)

**Through** Richard Johnson, First Assistant Secretary, Immigration, Citizenship and Multiculturalism Policy Division  
Heimura Ringi, Assistant Secretary, Legislation Branch

**CC** Minister for Home Affairs  
Minister for Immigration and Border Protection  
Secretary  
Lisa Harris, Assistant Secretary, External Budgets and Revenue Branch

Released by Department of Home Affairs  
under the *Freedom of Information Act 1982*

~~PROTECTED Sensitive: Cabinet~~



~~PROTECTED Sensitive: Cabinet~~

Australian Government  
Department of Home Affairs

## Submission

For decision

PDMS Ref. Number MS18-001099

**To** Minister for Citizenship and Multicultural Affairs

**Subject** Options for exemptions to payment of the Skilling Australians Fund (SAF) levy

**Timing** Please action by **COB 20 April 2018** to meet Budget Requirements, as discussed with Advisor <sup>s. 22(1)(a)(ii)</sup>.

### Recommendations

That you:

1. Agree to provide SAF levy exemptions for Employer Nomination Scheme (ENS) subclass 186 visa and Temporary Skill Shortage (TSS) subclass 482 visa Labour Agreement stream nominations by religious organisations for religious workers, covering:
  - Bishops (included as ANZSCO 139999 Specialist Manager nec) – noting exemption will be by way of refund until exemption functionality can be delivered; agreed / not agreed
  - Ministers of Religion (ANZSCO 272211); and agreed / not agreed
  - Religious Assistants (ANZSCO 451816). agreed / not agreed
2. Indicate your preferred approach to legislative framing in the regulations for Labour Agreement SAF levy exemptions (subject to further legal advice):
  - inclusion of SAF levy exemptions in the *Migration Regulations 1994* (the Regulations) <sup>s. 47C(1)</sup> agreed / not agreed

<sup>s. 47C(1)</sup> [Redacted]
3. Note that given the current status of the SAF Bills, implementation of the SAF levy before 1 July 2018 is unlikely. noted / please discuss

Released by Department of Home Affairs  
under the Freedom of Information Act 1982

~~PROTECTED Sensitive: Cabinet~~

~~PROTECTED Sensitive: Cabinet~~

4. Sign the letter to the Treasurer seeking policy approval for the proposed SAF levy exemption at Attachment B.

signed / please discuss

s. 47C(1)

Minister for Citizenship and Multicultural Affairs

Signature.....

Date:...../...../2018

## Minister's Comments

Rejected Yes/No	Timely Yes/No	Relevance <input type="checkbox"/> Highly relevant <input type="checkbox"/> Significantly relevant <input type="checkbox"/> Not relevant	Length <input type="checkbox"/> Too long <input type="checkbox"/> Right length <input type="checkbox"/> Too brief	Quality Poor 1.....2.....3.....4.....5 Excellent Comments:

## Key Issues

1. On 19 March 2018 your Office requested advice on options to exempt religious organisations from payment of the Skilling Australians Fund (SAF) levy. s. 47C(1)

s. 47C(1)

2. There is no provision for an exemption in the SAF Bill. However, the SAF Bills allow for the regulations to define the classes of visas and persons that are subject to the SAF levy, and allow for specification of a 'nil' amount of the SAF levy for a defined cohort. These mechanisms would have the effect of creating an exemption.

Released by Department of Home Affairs under the Freedom of Information Act 1982

~~PROTECTED Sensitive: Cabinet~~

~~PROTECTED Sensitive: Cabinet~~

3. Should you wish to provide a SAF levy exemption of this type for religious organisations, the Department recommends providing for this in the amendments to the Regulations to implement the SAF Bill. In practice, the exemption would be limited to Bishops (included as ANZSCO 139999 Specialist Manager nec), Ministers of Religion (ANZSCO 272211) and Religious Assistants (ANZSCO 451816) who are nominated under a Labour Agreement. The form of the amendment would be determined in consultation with the Office of Parliamentary Counsel (OPC).
4. This approach would confine the scope for a SAF levy exemption to the Labour Agreement streams of the subclass 186 and subclass 482 visas and limit budget impacts. It would also be consistent with:
  - current policy which exempts religious organisations nominating Ministers of Religion under a Ministers of Religion Labour Agreement from the current training benchmark requirements;

s. 47C(1)

5. s. 47C(1)

6.

7. Given the current status of the SAF Bills, implementation of the SAF levy before 1 July 2018 is unlikely. The Bill will require passage by the Senate, and then by the House of Representatives again (due to amendments made in the Senate), and the Migration Regulations would have to be finalised after this for consideration by the Executive Council before implementation. To enable 1 July 2018 implementation, the latest date that the SAF Bills would need to pass the Senate is 10 May 2018. The Bills would then need to pass the House of Representatives in the week commencing 28 May 2018. In order to facilitate this, policy approval from the Prime Minister and Treasurer would be required before consideration of the Migration Regulations by the Executive Council.

 Released by Department of Home Affairs  
 under the Freedom of Information Act 1982
~~PROTECTED Sensitive: Cabinet~~



~~PROTECTED Sensitive: Cabinet~~

8. Implementation of a SAF levy exemption would also require amendment to the occupation description for Minister of Religion (ANZSCO 272211) in the Labour Agreement template, to include more senior religious positions, such as Bishops and Archbishops under this description. The Department will undertake consultation with relevant stakeholders and seek your approval in a separate Ministerial Submission.

9. s. 47C(1) [REDACTED] Since the SAF levy was announced in May 2017, many stakeholders have made representations, including to the Senate Education and Employment Legislation Committee's Inquiry into the SAF Bill, for exemptions or concessions to the SAF levy. s. 47C(1) [REDACTED]

- s. 47C(1) [REDACTED]

- [REDACTED]

- [REDACTED]

- [REDACTED]

10. s. 47C(1) [REDACTED]

## Background

11. Subject to the passage of the *Migration Amendment (Skilling Australians Fund) Bill 2018* and the *Migration (Skilling Australians Fund) Charges Bill 2018*, it is intended that employers who nominate a worker in the TSS, ENS or RSMS visa programs will be required to pay the SAF levy. This will replace the current training benchmark requirement to provide evidence of training expenditure.
12. s. 47C(1) [REDACTED]

Released by the Department of Home Affairs under the Freedom of Information Act 1982

~~PROTECTED Sensitive: Cabinet~~



~~PROTECTED Sensitive: Cabinet~~

13. s. 34(3)

**Consultation – internal/external**

14. This submission has been prepared by the Economic Policy Branch in consultation with the External Budgets and Revenue Branch and 457 Program Management section within Visa and Citizenship Management Division.
15. The letter for the Treasurer has been drafted in consultation with the Department of the Prime Minister and Cabinet (PM&C), the Treasury, the Department of Finance and the Department of Education and Training (DET).
16. In the course of external consultation with stakeholders in the lead-up to the implementation of the TSS visa, many expressed support for the concept of the SAF levy, but put forward a view that they levy should not apply to them. These sectors are listed in paragraph 9.

**Consultation – Secretary**

17. The Secretary was not consulted in relation to this submission.

**Client service implications**

18. s. 34(3)

19.

**Sensitivities**

20. s. 34(3)

**Financial/systems/legislation/deregulation/media implications**

21. s. 34(3)

Released by the Department of Home Affairs under the Freedom of Information Act 1982

~~PROTECTED Sensitive: Cabinet~~

~~PROTECTED Sensitive: Cabinet~~

22. s. 47C(1)

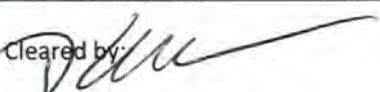
**Attachments****Attachment A**

s. 47C(1)


**Attachment B**

s34(3)

**Attachment C****Attachment D**

<b>Authorising Officer</b>  Cleared by:  David Wilden A/g Deputy Secretary, Policy Group  Date: 11 / 04 / 2018 Ph: s. 22(1)(a)(ii)
--

**Contact Officer** Michael Willard, Assistant Secretary, Global Mobility Branch, Ph: s. 22(1)(a)(ii)

**Through**  Richard Johnson, First Assistant Secretary, Immigration, Citizenship and Multiculturalism Policy Division  
Heimura Ringi, Assistant Secretary, Legislation Branch

**CC** Minister for Home Affairs  
Minister for Immigration and Border Protection  
Secretary  
Lisa Harris, Assistant Secretary, External Budgets and Revenue Branch

Released by the Department of Home Affairs  
under the *Freedom of Information Act 1982*

~~PROTECTED Sensitive: Cabinet~~