Australian Government



Department of Home Affairs

Labour agreement program information guide

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Part 1 - Introduction

About this guide

This guide provides information to assist employers and representatives considering requesting access to the labour agreement program in order to sponsor skilled overseas workers.

What is a labour agreement?

Labour agreements are formal contracts negotiated between Australian employers and the Australian Government under certain circumstances. A negotiated agreement allows overseas workers to be sponsored for a skilled visa enabling them to work in Australia for a specified period of time, in an approved occupation. Labour agreements are generally in effect for five years.

Labour agreements can provide concessions to skilled visa criteria that must be satisfied under migration regulations prior to grant. These criteria may include English, work experience, salary or age thresholds. Labour agreements may be used to employ overseas workers in new or emerging occupations that are not defined in the Australian and New Zealand Standard Classification of Occupations (ANZSCO).

These flexible arrangements are designed to assist employers in addressing immediate skills needs, whilst ensuring that opportunities for job-ready Australians are protected. Employers are expected to have plans in place to transfer skills to Australian workers and reduce their future reliance on overseas workers.

A visa granted under a labour agreement will be a Temporary Skill Shortage (TSS) visa (subclass 482). Certain types of agreements also provide for a permanent residence pathway under the Skilled Employer Sponsored Regional (SESR) (Provisional) visa (subclass 494) or the Employer Nomination Scheme visa (subclass 186).

When can a labour agreement be requested

A labour agreement can be requested where:

- the employer can demonstrate that there is a genuine labour market need for an overseas skilled worker to fill a position in Australia (the position cannot be filled by Australian workers)
- there are no standard (mainstream) visa options available to source overseas workers, and
- the proposed labour agreement aligns with Australia's national interests.

Labour agreement arrangements are administered outside Australia's standard skilled visa programs and may only be accessed in limited or exceptional circumstances, where the minimum requirements are met. These are explained in this guide.

<u>The Department of Home Affairs (the Department) is under no obligation</u> <u>to enter into a labour agreement.</u>

Requesting a labour agreement

To request a labour agreement, you must:

- read all the information in this guide, and
- lodge an online labour agreement request form in <u>ImmiAccount</u>, attaching all relevant documents to your application.

The nomination ceiling options relate to the following skilled visa types:

- Temporary (Temporary Skilled Shortage visa 'TSS")
- Provisional (Skilled Employer Sponsored Regional visa 'SESR')
- Permanent (Employer Nomination Scheme visa 'ENS')
- Temporary and Provisional
- Temporary and Permanent

Please note: Where access to permanent residency under a labour agreement is being sought, it is generally expected that the business lodging a labour agreement request choose either the Provisional (SESR visa) pathway (which became available in November 2019), or the Permanent (ENS visa) pathway. ImmiAccount will not allow selection of provisional (SESR) and permanent (ENS) nomination cellings together in the same application. Should your business require both SESR and ENS nomination cellings, please email labour.agreement.section@homeaffairs.gov.au

Important:

- This guide and the online request form will help you ensure that you submit a, properly evidenced, assessmentready request to the Department. Submitting a complete, assessment-ready request will reduce processing delays. Requests submitted without evidence may be returned without any further assessment
- The Department does not currently charge a fee for making a request for a labour agreement. However, if an agreement is approved, there are costs associated with lodging nominations (including the <u>Skilling Australians</u> <u>Fund</u> 'SAF' levy), which are borne by the business. Visa application costs, usually borne by the visa applicant directly, also apply.
- While many employers seek the assistance of a registered migration agent, a labour agreement request can be completed in ImmiAccount by a company directly. There are no priority processing arrangements for requests made using an agent.
- If you are considering using a migration agent, you are advised to ensure that the migration agent is registered with the Office of the Migration Agents Registration Authority (Office of the MARA). A list of registered agents is available on the Office of the MARA website.
- You should be aware that lodging a labour agreement request is one step in the process of being able to employ overseas workers. There are two more stages (nominating positions and visa applications) that follow in sequence, should a labour agreement request be approved. Businesses must also undertake labour market testing, which have certain time periods attached, prior to lodging a nomination.

How are labour agreement requests prioritised?

Labour agreements are prioritised in accordance with the <u>skilled visa program overall processing priorities</u>. These priorities are generally set by the Minister under legislative instrument (referred to as Ministerial Directions). The Department does not publish processing timeframes for labour agreement requests (as distinct from labour agreement-related nominations and visa applications) due to their relatively low volume compared with other <u>standard or mainstream visa programs</u>.

Where to find information in this guide

The types of labour agreements that can be requested are explained in **Part 2** of this guide.

Parts 3 to 6 explain these different labour agreements in more detail.

Part 7 outlines when and how decisions on labour agreement requests are made.

Part 8 provides additional information for employers who are successful in entering into a labour agreement, including the sponsorship obligations that they are required to comply with.

Part 2 – Types of labour agreements

There are four different categories of labour agreements as explained briefly below and in more detail at **Parts 3 – 6** of this guide.

Company specific labour agreements

A company specific labour agreement is developed directly with an employer. The terms and conditions of the agreement are considered on a case-by-case basis – see **Part 3** - requirements for a Company specific labour <u>agreement</u> for more information.

This type of agreement will be considered only where:

- a genuine skills or labour shortage exists, for an occupation which is not already provided for in an industry agreement; and
- a designated area migration agreement, industry agreement or project agreement is not already in place.

Industry labour agreements

Template labour agreement arrangements are in place for the following industries – see **Part 4** - Requirements for an industry specific labour agreement for more information.

These types of arrangements provide for **fixed** terms and conditions agreed to by the Minister for Immigration, Citizenship, Migrant Services and Multicultural Affairs (the Minister) in consultation with key industry stakeholders, specific to an industry sector. They help ensure a level playing field across an industry by cementing a set of unique terms, conditions, concessions for certain occupations which will apply to all future labour agreements in that industry sector. **No further concessions can be considered under this arrangement which has fixed terms and conditions with inbuilt concessions. Terms and conditions may only be altered with approval from the Minister.**

Peak industry bodies or associations who are interested in establishing a new industry labour agreement arrangement should email <u>labour.agreement.section@homeaffairs.gov.au</u> in the first instance. Please note that establishing new industry labour agreements can take time to negotiate and implement as the process necessitates presenting a strong, detailed business case, including appropriate labour market analysis, to the Minister for decision. The Department may seek advice from the National Skills Commission regarding labour market issues relevant to a region, industry or sector, to inform the Minister's decision.

Labour agreements by industry type				
Dairy	On-Hire			
Fishing	Pork			
Meat	Restaurant (fine dining)			
Minister of Religion	Advertising			
Horticulture				

Designated area migration agreements (DAMA)

A DAMA is an overarching agreement recording the agreed number of overseas workers and the terms of engagement within a designated regional area. They are intended to help support economic performance in regional areas of Australia by providing flexibility for state and territory regions to respond to their unique economic and labour market conditions through an agreement-based framework under which employers in areas experiencing skills and labour shortages may seek to sponsor skilled and semi-skilled overseas workers. DAMAs are administered by the Australian Government and are managed by Designated Area Representatives which are usually local, state or territory governments.

The Department currently has several DAMAs in place under which labour agreements can be requested. Additional information about DAMAs is available on our website: <u>Designated Area Migration Agreements (DAMA)</u>

For advice about seeking to implement a new DAMA – see **Part 5** – Designated Area Migration Agreement (DAMA) requirements for more information.

Global talent employer sponsored (GTES)

The Global Talent Employer Sponsored (GTES) program commenced in July 2018 and provides businesses with a streamlined process to sponsor overseas workers with cutting-edge skills, where there are no suitable Australians available. The GTES program was designed to assist Start-up businesses operating in a STEM-related field and Established businesses fill highly skilled, specialised and niche roles.

GTES has two streams:

- Startup stream: Open to startups endorsed by Startup Advisory Panel and allows for 5 positions per year, with a minimum salary threshold of \$80,000.
- Established Business stream: Open to Accredited Sponsors, allows for 20 positions per year with a minimum salary threshold of \$148,700.

Both streams have age and occupation concessions that can be requested, as well as permanent residency pathway available after 3 years.

Information on the GTES progam requirements, including how to apply are available on our website: <u>Global</u> <u>Talent Employer Sponsored (GTES)</u>

Project agreements (PA)

Project companies with projects endorsed by the <u>Department of Foreign Affairs and Trade</u> under the China-Australia Investment Facilitation Arrangement (IFA) can request a project agreement – see **Part 6** – <u>Project Agreement (PA)</u> <u>requirements</u> for more information.

A project agreement may also be considered for a large scale activity where there are multiple sub-contractors with a labour agreement need.

Part 3 - Company specific labour agreement requirements

Requesting a company specific labour agreement

Employers requesting a company specific labour agreement must provide an evidence-based case to demonstrate that they have a genuine labour market need to utilise the labour agreement program. For a request to be considered, employers must:

- make a compelling business case for the employment of:
 - o overseas workers in one or more occupations where there is evidence of a labour market shortage, or
 - o an overseas worker based on the exceptional or niche skills of the applicant; and
- ensure the minimum requirements outlined below for a company specific labour agreement are met*.

Note:

- *If these requirements cannot be met, a labour agreement can only be executed with the approval of the Minister. The Minister's approval will only be sought by the Department where standard visa program options are not available, a compelling business case has been made as to why skilled overseas workers are required, and/or it is considered to be in the national interest.
- Generally, supporting evidence provided must relate specifically to the legal entity requesting a labour agreement. In most situations, the records of associated entities cannot be used as evidence to support an employer's request.
- Concessions to standard visa eligibility requirements may be requested. These concessions may extend to labour market testing, English language, salary, skills and work experience.
- A permanent residency pathway, through the ENS and SESR visas, may be requested along with an associated age concession. As a provisional visa, the SESR visa is only available to overseas workers employed in regional businesses.
- Any concessions requested must be accompanied by strong reasons as to why standard visa criteria should not apply. Under no circumstances will concessions be applied where this will create inconsistent employment conditions and salary requirements between overseas workers and Australians in equivalent roles.

Must be an Australian registered business with good standing

You must demonstrate that your business has been lawfully and actively operating in Australia for the previous 12 months, and is financially viable by providing key business details and a statement from a chartered or certified practicing accountant that you are actively operating and able to financially support the proposed number of overseas workers requested under the labour agreement. Note that the Department cannot enter a labour agreement with a Trust, only the Trustee. Trust structures, including the Trustee, must be clearly indicated in the application.

For a labour agreement to be executed, there must be no 'adverse information' available about your business, unless the Department considers it reasonable to disregard. Adverse information is information that is relevant to your suitability as an approved sponsor. This includes, but is not limited to information that you have:

- contravened a law of the Commonwealth, a State or a Territory;
- are under investigation, subject to disciplinary action or subject to legal proceedings in relation to a contravention of such a law;
- have been the subject of administrative action (including being issued with a warning) for a possible contravention of such a law by a Department or regulatory authority that administers or enforces the law;

- have become insolvent (within the meaning of section 95A of the Corporations Act 2001);
- have given, or caused to be given, to the Minister, an officer, the Tribunal or an assessing authority a bogus document, or information that is false or misleading in a material particular.

If this applies to you, you should ensure that you declare any adverse information in your request form and then explain why you believe the Department should disregard this information.

Must be seeking to fill skilled occupations that are not available under skilled visa programs

The labour agreement program forms part of Australia's skilled visa programs. It is not designed for low or semi skilled workers. As a result, a company specific labour agreement will generally only be executed where you are seeking to fill positions where the relevant occupation is a skill level 1 to 4 ANZSCO occupation and it is currently not an eligible occupation for the standard TSS, SESR or ENS visa programs – see: Lists of eligible skilled occupations.

For businesses located in <u>Category 3 regional areas</u> of Australia, consideration may be given to positions equivalent to ANZSCO skill level 5 in exceptional situations.

You will need to provide the relevant ANZSCO six-digit code or other industry agreement specific code for each occupation in your request form, as well as a detailed description of the tasks the proposed overseas workers will undertake.

Note:

- If the occupation(s) you are seeking are available under the TSS, SESR or ENS visa programs, you should only include in your request if you are seeking a concession to the standard visa requirements.
- Requests for labour agreements from for <u>Category 1 and 2 located businesses</u> which include occupations lower than ANZSCO skill level 4 may require approval of the Minister. The Minister's approval will only be sought by the Department where a strong business case has been provided and/or it is considered in the national interest.

Salary and employment conditions

You will need to demonstrate that you will be able to meet the salary and employment condition requirements as outlined on the Department's <u>website</u>.

A salary concession may be available to businesses located in <u>Category 3 regional areas</u> where a strong business case has been provided as to why you are not able to meet standard salary and employment condition requirements. A salary concession for <u>Category 1 and 2 located businesses</u> is not available.

Labour market need

Labour agreements are not designed or intended to gain a migration outcome for a particular person. As such, you must demonstrate that there is a genuine labour market need to utilise the labour agreement program, evidencing that the relevant position/s are unable to be filled through the local labour market.

You must have made recent, genuine efforts to recruit, employ or engage Australian citizens or permanent residents before seeking to fill a position/s through the labour agreement program.

Evidence of such recruitment efforts must be provided with your labour agreement request (for example, copies of job advertisements). Where a request is submitted without such evidence, it may be returned without any further assessment.

Such evidence should at a minimum reflect that labour market testing equivalent of that required for the TSS/SESR visa programs has been undertaken, but concessions are available for businesses located in <u>Category 2 and 3 regional areas</u>. These requirements, and available concessions for regional businesses, are outlined on the Department's <u>website</u>.

Additional supporting evidence of your labour market testing activities can also be provided to strengthen your request, this could include:

- information regarding your company's participation in job and career expos, including any associated fees, the dates and locations of these and whether any positions were filled as a result;
- relevant industry (or other) research released in the last 12 months related to labour market trends; or
- letters of support from state government authorities with the responsibility for employment.

Important: If you are a large company with multiple business locations, please make sure you provide specific information regarding why particular positions in particular locations have been unable to be filled by the local labour market.

All businesses must also declare any recent (last 12 months) retrenchments or redundancies of Australian workers in your application

Reliance on overseas workers

A company specific labour agreement is generally expected to be a temporary solution to addressing current skills shortage only.

Depending on the <u>location of the requesting organisation</u>, in any one year period, overseas workers should not comprise more than the following percentage of the total workforce; and reliance on overseas workers should decrease during the life of the LA.

	Category 1	Category 2	Category 3	
	Major Cities: Sydney, Melbourne and Brisbane	Cities and Major Regional Centres: Perth, Adelaide, Gold Coast, Sunshine Coast, Canberra, Newcastle/Lake Macquarie, Wollongong/Illawarra, Geelong and Hobart	Regional Centres and Other Regional Areas	
Percentage of overseas workers*	30 per cent	50 per cent	No limit	

*"overseas worker" means the holder of a temporary skilled employer sponsored visa (TSS or SESR) working in a fulltime position and does not include Working Holiday Makers, Students and other temporary visa holders.

English proficiency

For a <u>TSS</u> visa to be granted under a labour agreement, overseas skilled workers are generally required to meet the English language requirements in place for the short-term stream of the TSS visa. For an <u>ENS</u> or <u>SESR</u> visa to be granted under a labour agreement, overseas skilled workers are generally required to meet the English language requirements in place for those visas respectively.

Concessions to these requirements are available for businesses located in <u>Category 2 and 3 regional areas</u>. A strong business case must be provided with your labour agreement request that demonstrates how you will ensure that:

- lowering the English competency requirement for your particular labour agreement would not constitute a workplace health and safety risk;
- skilled overseas workers can still participate in the community and transfer their skills to Australians; and
- the English language levels of skilled overseas workers will improve over the life of the agreement.

Note: English Language concessions provided under a labour agreement do not apply to industry registration or licencing requirements.

For <u>Category 1 located businesses</u>, requests for labour agreements which are seeking a lower standard of English competency must be approved by the Minister.

Skills, qualifications and experience

For a visa to be granted under a labour agreement, overseas skilled workers are generally required to:

- have two (2) years' work experience in the relevant skilled occupation or a related field for the TSS visa (or three years for a SESR or ENS visa);
- meet the skills requirements outlined in ANZSCO for the relevant skilled occupation; and
- meet any industry registration and/or licensing requirements.

Skills assessments are also required to be completed where they would be mandatory under the standard TSS, SESR or ENS visa programs, as outlined on the Department's <u>website</u>.

Concessions to skill, qualification and experience requirements are available for businesses located in <u>Category 2 and 3</u> regional areas, but you must provide a strong business case with your labour agreement request as to why any requested concessions to standard visa criteria should be applied.

For <u>Category 1 located businesses</u>, requests for labour agreements which are seeking concessions in terms of required skills, qualification and experience cannot be executed without the approval of the Minister.

Consultation with industry stakeholders

Prior to requesting a company specific labour agreement, you must consult with relevant industry stakeholders. A template letter to assist you in this process is at the end of the <u>information guide</u>. Relevant stakeholders include:

- the industry body which best represents your interests;
- the union(s) relevant to the occupation requests; and
- any other agency or community group that may be impacted by the proposed labour agreement, for example schools or health services.

You must provide the following information about the proposed labour agreement to each stakeholder:

- the requested occupations and number of skilled overseas workers in each individual year of the agreement;
- the locations where you propose to place skilled overseas workers;
- details of any concessions to the standard program sought by you—for example, concessions relating to English language or skill level; and
- the proposed salary for the overseas workers including how the annual market salary rate has been determined and whether a specific award applies.

You may also wish to provide them with:

- the details of the qualifications and years of experience that the overseas workers will be expected to hold;
- the number of Australians currently employed in the occupations requested;
- if concessions are sought, your proposed strategies to ensure worker welfare;
- a workforce profile showing the current and projected numbers of overseas workers; and
- details of training you intend to provide to your Australian workforce and/or any other plans to reduce your reliance on overseas workers in future.

You must provide each stakeholder with an opportunity to respond to the labour agreement proposal. Stakeholder responses should be provided back to you within 10 working days of the receipt of the request for comment on the labour agreement proposal. If no response is received, you must follow up and allow a further 5 working days for response by the stakeholder.

All reasonable steps must be taken to provide stakeholders with any additional information they consider necessary to make informed comment on your proposed labour agreement. You should also take all reasonable steps to respond to questions or concerns raised by any stakeholders.

The outcome of stakeholder consultations **must** be provided with all requests for a company specific labour agreement, including copies of all your written request(s) for comment on the proposed labour agreement and the response(s). **Failing to do so will result in your request being returned to you without any further assessment**.

When responding to your request, it is also open to any stakeholder to provide relevant oiutcomes/comments/feedback regarding a request to Department directly. This can be sent to <u>labour.agreement.section@homeaffairs.gov.au</u>

Note:

- If there is no response from the stakeholder(s), you will need to provide the Department with a copy of the followup request. While the Department will consider all responses, a negative response will not in itself result in an adverse outcome. If the Department is unsatisfied with the level of engagement, we may contact the parties involved in consultation to request further action.
- You may choose to provide the stakeholder with a copy of your labour agreement request. In this case, we recommend that the stakeholder is advised that the information contained in the submission is 'in-confidence' and should not be disclosed to any other party without your permission.
- You may wish to include in your request, any responses or milgation strategies derived from questions or concerns raised in the consultation process
- If you are uncertain about how to identify or contact relevant unions in relation to the occupations you are seeking to sponsor, the *Australian Council of Trade Unions (ACTU)* can assist you with contacts and/or coordination.

Part 4 – Industry labour agreement requirements

This part explains where to find information about specific industry labour agreements, the requirements that relate to these agreements and how they differ from the company specific requirements outlined in <u>Part 3 – requirements for a company specific labour agreement.</u>

Dairy Industry Labour Agreements

The requirements that dairy industry employers must meet are outlined on the Department's <u>website</u> as is a copy of the industry template that will be used if your agreement request is approved.

Fishing Industry Labour Agreements

The requirements that fishing industry employers must meet are outlined on the Department's <u>website</u> as is a copy of the industry template that will be used if your agreement request is approved.

On-hire Labour Agreements

The requirements that on-hire industry employers must meet are outlined on the Department's <u>website</u> as is a copy of the industry template that will be used if your agreement request is approved.

Meat Industry Labour Agreements

The requirements that meat industry employers must meet are outlined on the Department's <u>website</u> as is a copy of the industry template that will be used if your agreement request is approved.

Minister of Religion Labour Agreements

The requirements that religious institutions must meet are outlined on the Department's <u>website</u> as is a copy of the industry template that will be used if your agreement request is approved.

Pork Industry Labour Agreements

The requirements that dairy industry employers must meet are outlined on the Department's <u>website</u> as is a copy of the industry template that will be used if your agreement request is approved.

Restaurant (Fine Dining) Labour Agreements

The requirements that fine dining restaurants must meet are outlined on the Department's <u>website</u> as is a copy of the industry template that will be used if your agreement request is approved.

Advertising Industry Labour Agreements

The requirements that advertising industry must meet are outlined on the Department's <u>website</u> as is a copy of the industry template that will be used if your agreement request is approved.

Horticulture Industry Labour Agreements

The requirements that horticulture industry must meet are outlined on the Department's <u>website</u> as is a copy of the industry template that will be used if your agreement request is approved.

Part 5 – Designated Area Migration Agreements (DAMA)

Requests for a new DAMA Head Agreement

This information is intended for state or territory governments or statutory authorities (planning commissions); regional authorities (for example, regional or local councils) who are considering requesting a DAMA to cover their local area.

A request for a DAMA must contain, as a minimum, the following:

- a letter of endorsement from the relevant state/territory government;
- a *Designated Area Representative (DAR)* endorsed by the state/territory government who can manage the request to establish an agreement;
- a business case if any additional concessions are being requested (for example, English, skills, salary) to the minimum requirements outlined for a company specific labour agreement at **Part 3** of this guide;
- an explanation of how the DAR proposes to support employers and facilitate the integration of overseas workers in their local communities (for example, provision of information on workplace rights and sponsorship obligations; basic services in the local area such as health; emergency and educational services; community activities such as sporting groups and religious services);
- supporting documentation, which may include:
 - Profit and loss statements;
 - Other financial statements;
 - Other relevant supporting information.

Before lodging a request for a new DAMA, the DAR and/or the relevant state or territory government should consult with:

- key union, local/state government and business stakeholders;
- other agencies or community groups that may be impacted by the proposed agreement;
- the relevant state work safety authority where additional English language concessions are sought (see below).

Requests for individual business agreements under an existing DAMA

Businesses located in a regional areas that are covered under anexisting DAMA may seek to enter into a labour agreement for their business to access the occupations and associated concessions under the DAMA agreement.

Before lodging an online labour agreement request form in <u>ImmiAccount</u>, the business must first be endorsed by the relevant Designated Area Representative (DAR) for the DAMA. A list of current DAMAs and associate DARs are available on the Department's website: <u>Designated Area Migration Agreements (DAMA)</u>

Part 6 – Project labour agreements

A project agreement allows project companies experiencing genuine skills or labour shortages access to temporary skilled overseas workers through the TSS visa to meet peak workforce demands during the construction phase of resource or infrastructure projects.

Project agreements are a two-tiered agreement stream:

• the first tier consists of an overarching deed of agreement negotiated with a project company

• the second tier comprising individual labour agreements with direct employers.

They are available to project companies that own or manage the construction phase of large resources or infrastructure projects.

Once an overarching deed of agreement is in place, employers may seek to be endorsed by the project company for a labour agreement. These guidelines do not cover project agreements. You can find information about project agreements at: <u>https://immi.homeaffairs.gov.au/visas/employing-and-sponsoring-someone/sponsoring-workers/nominating-a-position/labour-agreements/project-agreements</u>

Part 7 – Decisions on labour agreement requests

The assessment process

The Department assesses labour agreement requests against requirements as outlined in the *Labour Agreement Procedural Instruction*. The Department's form and application process is designed to ensure that businesses are aware of, or address, those requirements. The Department will assess your request carefully. Incomplete requests may be returned without assessment.

If further information is required, you will be generally be expected to respond within 7 or 14 calendar days of the Department's request, depending on the nature of the information requested. If the information is not provided within the required timeframe, your request will be returned without assessment.

Note: The Department may consult with the National Skills Commission and seek their views on your labour agreement as part of the assessment process.

Decision

Most decisions on labour agreement requests can be made by authorised officers within the Department. In all other cases, your request will be referred to the Minister.

Important:

- The Department is not obligated to enter into a labour agreement.
- The Australian Government makes the final decision on the number of positions approved under a labour agreement.

Execution of the agreement

If your labour agreement request is approved, the Department expects that you sign and return it within <u>four</u> weeks for execution. Your agreement will then remain in effect for **five (5) years**.

Confidentiality and disclosure

If a labour agreement is approved, limited information about this agreement will be published on the Department's website.

More detailed information about your request or any future agreement will generally only be released where required to meet disclosure obligations under law (as will be outlined in the terms of any future labour agreement).

Part 8 – Being a labour agreement sponsor

Nominating overseas workers

If approved, the labour agreement will outline the number of nominations for a TSS, SESR and/or ENS visa that can be made for each year of your agreement. These are known as 'ceilings'.

You should read your labour agreement carefully and make sure you meet any nominated related requirements, including caveats on skilled occupations, provision of labour market testing evidence where required. This will help you lodge decision-ready nomination applications.

Applying for a visa

Once a nomination application has been lodged online with the Department, skilled overseas workers can in turn lodge their individual applications for a visa online. Relevant visa criteria must be met in order for a visa to be granted.

Requesting a variation

If you wish to obtain ceilings for year four or five of your agreement, or seek additional ceilings for a particular year of your agreement, you must request this via email from the Department, who will provide a Deed of Variation pro forma.

In addition to the Deed of variation proforma, you may be requested to provide the following:

- an updated workforce plan;
- evidence that you have tested the domestic labour market through your domestic recruitment efforts in the previous six month period (unless you have lodged a nomination for the relevant occupation within the last six months and have already provided this information to the Department);
- evidence of salary at least two recent pay slips for an Australian employee, as well as for an overseas worker, in each of the approved occupations under the agreement;
- details of any breaches of immigration or other Australian Government or State laws; and
- the dates, numbers and occupations of any Australian workers who have been retrenched or made redundant in the past 12-month period.

Sponsorship obligations

If your labour agreement is approved, it is critical that you comply with any sponsorship obligations that apply. It is your responsibility to ensure you understand these obligations.

Where your labour agreement provides access to temporary workers under the TSS visa program, your sponsorship obligations will largely mirror those which apply under the standard business program. A full list of standard TSS visa program sponsorship obligations can be found on the Department's <u>website</u>.

Additional obligations or variations to existing TSS visa program obligations, may also apply. These will be specified in your agreement.

Monitoring

The Department may monitor approved sponsors through both audits and site visits. Approved sponsors must agree to cooperate with the Department in relation to all monitoring and reporting requirements. Significant financial penalties may apply to approved sponsors where they breach their sponsorship obligations.

Terminating or suspending labour agreements

The Department takes failure to comply with the terms of a labour agreement very seriously. Consequences for breaching the terms and conditions of a labour agreement may include termination or suspension of the agreement or other sanctions under the *Migration Act 1958*.

In-confidence

Stakeholder consultation template letter

Dear

I am writing to you in relation to a request for a Labour Agreement that [company name] seeks to submit to the Department of Home Affairs in [month, year].

Labour agreements enable approved businesses to sponsor skilled overseas workers when there is a demonstrated need that cannot be met in the Australian labour market and standard temporary or permanent visa programs are not available. Information about the labour agreement program is available on the Department's website.

The Department requires all organisations seeking access to a labour agreement to consult with relevant stakeholders prior to submitting such requests this includes:

- industrial stakeholders which best represent employees in occupations proposed under the labour agreement;
- the industry bodies which best represent employers in the industry; and
- any other agency or community group that may be impacted by the proposed labour agreement.

This letter is to inform you about our intention to request a labour agreement and to seek your feedback.

Your feedback will be provided to the Department together with our request, and will be taken into account by the Department.

We are seeking access to overseas workers through a labour agreement because ...

(briefly outline your reason for seeking a labour agreement including a summary of labour market testing activities and why they were not successful.)

Page 2 of this letter provides the specific details the Department requires that we to provide to you, including the numbers, location and occupations of workers sought, and information on concessions, salary, and other workforce information.

Your organisation's written response is requested within 10 working days of receipt of this correspondence. We will follow up with you after a further five (5) working days

If we do not receive a response, we will proceed to submit our request and I understand that the Department will make a decision based on the information before them.

If you have any significant concerns about our proposal, the Department has advised that it is important that you explain these concerns in sufficient detail and provide evidence that supports any objections where possible. They may contact you directly if required.

Copies of all correspondence between us will be provided to the Department. Information provided in this process should not to be disclosed to any other party.

It is also open to you to directly include the Department in your response to this request by emailing: labour.agreement.section@homeaffairs.gov.au

Yours sincerely

Details of proposed Labour Agreement for [Company name]

Occupations and numbers

We have submitted a labour agreement request to the Department of Home Affairs for the following occupations. The table/s below indicate the number of workers (cumulatively over three years) and locations of work proposed.

(reproduce table for each occupation)

Occupation				A	ANZSCO code		
(a brief description of the qualifications and years of experience you expect workers to have will assist your stakeholders to make informed comment)							
Specific location of work	Number of workers sought in each year of agreement						
	Year 1	Year 2	Year 3	Year 4	Year 5		

Concessions requested

We are seeking the following concessions from the Department with respect of skill level and/or English language proficiency etc:

(provide details - or N/A if none sought)

Terms and conditions

We confirm that all overseas workers will be provided with the same terms and conditions as those that are, or would be, provided to Australian workers doing the same work.

The salary arrangements for the overseas workers will be:

(provide details including specific relevant award if relevant and if the salary is above the rates specified in the award, confirmation that this will apply equally to all workers)

Below is additional information we believe is relevant to our labour agreement proposal:

Date: __/__/