



Transcript

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Event: Andrew McKellar interview with Gemma Veness, ABC News Afternoons.

Speakers: Andrew McKellar, chief executive Australian Chamber of Commerce and Industry; Gemma Veness, host ABC News Afternoons.

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E&OE

Gemma Veness, host ABC News Afternoons: Business analysts say the federal government needs to overhaul the skilled migrant visa process in order to boost the number of workers coming to Australia. New analysis from Deloitte Access Economics has found sectors like construction and healthcare are still suffering serious labour shortages, but there are still more people leaving Australia than workers coming in. Joining us now is Andrew McKellar, CEO of the Australian Chamber of Commerce and Industry. Andrew McKellar, the skilled migrant cap sits at 160,000 places. You want that increased. What are you asking for?

Andrew McKellar, chief executive Australian Chamber of Commerce and Industry: Good afternoon, Gemma. We're saying that the permanent migration program needs to be increased from 160,000 places a year up to around 200,000 a year for the next couple of years. We've got to make up for some of the ground that we lost during the past couple of years when the Australian borders have been shut.

Gemma: Will skilled migration solve the tight labour market?

Andrew: Look, it's part of the solution. The reality is at the moment we're down to 3.4 per cent unemployment. We actually have for the first time in our history, we have more job vacancies out there than we actually do registered unemployed people. So look, we need to open the pipeline up. We need

to have more people coming in. Of course, we need to invest in skills and training, and we need to try and encourage more people to participate in the labour force. But migration is part of the solution.

Gemma: The unions are on board with that increase in the cap. The ACTU says that a rise in migration has to come with a rise in real wages for Australian workers, a rise in the minimum wage for temporary migrants. Do you agree with that?

Andrew: I think that the problem with the position that the ACTU has put last week is they've said that they're open to increasing the number. That's a good thing, but there are a lot of conditions that they've stipulated on top of that. I think at the moment, if we're going to make this work, we've got to get the visa processing times down. At the moment, it can take six or nine months to get a visa processed in Australia. If you're looking at what's happening in Canada or the UK, much shorter times and we are competing with that. So, we've got to start taking away that red tape and the expense. We've got to compete in the marketplace and attract some of that talent that's offshore.

Gemma: Do you think the current system, which targets specific professions, works well because there are calls to overhaul the visa system and really focus on age preferencing younger workers?

Andrew: Well, I think the current system with priority lists and various other requirements is not working well and we've been saying that for a long time. Particularly at the moment we need flexibility. What we need to do is to give businesses, employers, the ability to go out and sponsor. Obviously, they need to look locally, and they need to invest in skilling and training people locally. But equally, we have to recognize that migration for a long time has been part of the process in the Australian economy and that's going to continue to be the situation in the future.

Gemma: So you'd like to see the occupation list be scrapped?

Andrew: We would. We think at the moment it's really not serving a purpose. It's very restrictive. There are many areas where we get skilled shortages or missing skills which just can't be sourced locally. If they're not on the priority list, then it's not happening and honestly, at the moment, that's holding the Australian economy back.

Gemma: Will migrants be wary of returning and could we fall short of any increased cap anyway?

Andrew: It is an issue and we do have to recognize that we are in a competition here globally for this sort of talent. As I said before, if it takes six or nine months to get a visa processed in Australia, if you are looking to take a new job and looking to move to a new country and another country can say well, we

can get that done in three or four weeks, which way are you going to go? It's something that we really need to address if we're going to be competitive and if we're going to meet our goals.

Gemma: So, in summary with the upcoming Job Summit, in addition to that call for an increase in the skilled migrant cap, what will you be pushing for?

Andrew: Look very much we want to see some flexibility in the market. We want to get rid of that red tape. We want to see that employers are not being asked to pay some of the high costs that are there at the moment. I think if we can address some of those points then we've got a chance of getting some reasonable outcomes from the Summit next week.

Gemma: Andrew McKellar, CEO of the Australian Chamber of Commerce and Industry. Thanks for joining us.

Andrew: Thank you.

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