MIGRATION SOLUTIONS COVID-19: WHAT YOU NEED TO KNOW 26 March 2020

YOUR EMPLOYER SPONSORED OBLIGATIONS EXPLAINED

Whilst there are many important matters to be urgently considered by business, industry and employers as a result of the crippling impact of COVID-19, it is vitally important businesses who employ overseas staff on temporary work visas don't overlook their sponsorship obligations.

SPONSORSHIP OBLIGATIONS

Sponsorship obligations are the rules that apply to approved businesses who employ temporary visa holders and cover:

- 1. Record keeping
- 2. Approved activities and duties
- 3. Hours of employment
- 4. Wages
- 5. Ensuring equivalent terms and conditions of employment
- 6. Notifying the Department if there is a change in employment
- 7. Notifying the Department if there is a change of directors within a sponsoring company or other matters.

You can view the Department of Home Affairs sponsorship obligations for standard business sponsors here.

Sponsorship obligations apply to the following visa types:

- 457 Temporary Work Visas
- 482 Temporary Skill Shortage visas
- 408 Temporary Activity Visas,
- 407 Training Visas,
- 494 Skilled Employer Sponsored Regional (Provisional) visa.

Being aware of and compliant with sponsorship obligations may be lower on your list of immediate priorities, given the gravity of the situation facing our state's economy and individual businesses, however, there are many reasons why approved businesses must be aware of and compliant with these obligations. You could suffer financial, reputation and prohibitive penalties for non-compliance.



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CONSEQUENCES OF BREACHING OBLIGATIONS

In the situation where a breach of the sponsorship obligations is identified by the Department, this can lead to a **warning**, **fine** or **ban**. All of these matters can have an ongoing impact on a business's ability to nominate or sponsor and employ an overseas worker in the future once the economy bounces back, as it will.

To put it simply, if a business was to **reduce** a 457 or 482 visa holders **hours of employment**, reduce their **salary** or forced to make a **redundancy** or **stand down** a sponsored employee, the business must notify the Department within 28 days of these changes. With regards to changing the hours of employment, reducing the salary or wages of a sponsored employee or **changing their job role**, this is something that must be carefully considered and I strongly recommend that any business contemplating such changes seek independent immigration advice.

Many employers are not aware that **unpaid leave** of up to 3 months is generally allowed under the 482 program (up to 12 months in exceptional circumstances), however, it must be properly recorded. Where there is evidence that a visa holder has been forced to take **leave without pay**, or the situation is not allowed by the Fair Work Act, or their contract of employment, this could be considered a breach of your sponsorship obligations.

If you have any questions regarding the Departmental sponsorship obligations for approved businesses who employ overseas workers on a temporary visa, please do not hesitate to contact <u>Migration Solutions</u>.



