



AUSTRALIAN HOTELS ASSOCIATION

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Data Availability and Use
Productivity Commission
GPO Box 1428
Canberra ACT 2601

www.pc.gov.au/inquiries/current/data-access

Dear Sir/Madam,

Submission - Data Availability and Use

The Australian Hotels Association (AHA) is an organisation of employers in the hotel and hospitality industry registered under the *Fair Work (Registered Organisations) Act 2009*. Its diverse membership of more than 5,000 licensed hotel businesses includes pub-style hotels plus three, four and five-star international accommodation hotels located in each state and territory.

Many of our members have to rely on overseas workers to fill the labour shortages that currently exist in our industry. Under current federal law there is a heavy onus on employers to employ legal workers and make sure they are not employing or contracting foreign nationals who may be illegal workers.

Our members are required to ascertain that a worker who is a foreign national has a visa with permission to work. Severe sanctions apply to businesses and employers who employ illegals workers with current penalties up to \$108,000. Legal workers also need to apply for and be granted a tax file number from the Australian Taxation Office.

Accordingly, with reference to data availability and use, it would be appropriate for the Australian Taxation Office to work closely with the Department of Immigration and Border Protection so that only legal workers can be issued with valid tax file numbers. With most visa holders there would also need to be a period for which the tax file number would be valid.

The current vetting system requires employers to use Visa Entitlement Verification Online or get employers to have their potential worker request by email to the Visa Entitlement Verification Online to verify by email to the employer that they are eligible to work.

It would be far more productive to have the Australian Taxation Office issue a Tax File Number that indicated any working restrictions on it. The Australian Taxation Office would need to confirm visa conditions with the Department of Immigration and Border Protection.

Accordingly, the AHA would be supportive of these two agencies, exchanging personal information relating to foreign nationals wanting to work in Australia. We are further supportive of that information being known publicly in association with the foreign national's tax file number. As all workers need to produce information on tax file numbers it is appropriate that this information be disclosed to employers.

Furthermore, different visa holders have different income tax treatment from Australian residents. Accordingly, clarification of the visa entitlement and working entitlement of a foreign nation would also assist in the determination of the appropriate income tax rate for the foreign national,

The exchange of this information between the agencies will provide certainty to employers as well as reducing the current required steps to ascertain the working rights and taxation treatment of foreign nationals.

Yours faithfully

STEPHEN FERGUSON
AHA NATIONAL CEO