



Labour Agreements & GTES

WHAT IS A LABOUR AGREEMENT?

A Labour Agreement is a sponsorship agreement that is individually negotiated between an employer and the Australian Government, allowing the employer to sponsor Temporary Skill Shortage (TSS) visa holders where one or more of the following concessions to the standard TSS visa requirements have been negotiated;



The ability to sponsor occupations that are not on the skilled occupation lists



A concession to the English language requirement



A variation to the skill requirement



Up to a 10% reduction to the TSMIT (which is currently set at \$53,900)

While there are tailored Labour Agreements that cater to the specific needs of certain industries, the most commonly used pathway is the Company Specific Labour Agreement which is negotiated on a case-by-case basis.

WHAT IS A GTES AGREEMENT?

The Global Talent – Employer Sponsored (GTES) is a new Labour Agreement pathway intended to help businesses fill highly-skilled, innovative and cutting-edge positions that cannot be filled from the domestic labour market.

The GTES was developed to address feedback that the existing types of Labour Agreement were not flexible and responsive enough for today's cutting-edge businesses and startups.

There are two streams that comprise the GTES:

Established Business Stream: for accredited sponsors to sponsor highly skilled individuals; and

Startup Stream: for startup businesses in the technology space or STEM fields to sponsor highly skilled individuals.

FREQUENTLY ASKED QUESTIONS

Can we request a Global Talent – Employer Sponsored Agreement for roles that are classified on the Short-Term Skilled Occupation List (STSOL)?

Yes, provided the role is highly skilled, cutting edge and innovative and the incumbent has the ability to pass on skills to Australians or create new jobs for Australians.

What are the government fees for a Labour Agreement or Global Talent – Employer Sponsored Agreement?

The Department does not charge any fees for the lodgement of a Labour Agreement or GTES Agreement request. Fragomen professional fees apply if you would like us to assist with this process.

What happens once the Labour Agreement or Global Talent – Employer Sponsored Agreement is approved?

Once the agreement is approved and executed, the employer can start to sponsor workers for TSS visas and must ensure compliance with the sponsorship obligations. Fragomen can provide more information on the sponsorship obligations if requested.

COMPANY SPECIFIC LABOUR AGREEMENT VS GLOBAL TALENT - EMPLOYER SPONSORED

The below table sets out the key benefits and criteria of the company specific LA and GTES.

Category	Company Specific LA	Global Talent - Employer Sponsored
Processing Time	Approximately 6 months, although these times may vary.	Approximately one month, although these times may vary.
Does the employer need to be a Standard Business Sponsor	Not required	<p>Established Business:</p> <ol style="list-style-type: none"> 1. Hold Accredited Sponsorship status; and 2. Be a publicly listed company OR have turnover greater than \$4m over past 2 years. <p>Fragomen can assess your eligibility for Accredited Sponsor status if this is not already held</p> <p>Startup: No, but must be endorsed by the GTES startup panel</p>
Available Occupations	<p>Off-list: skilled or semi-skilled</p> <p>On-list: concession to standard TSS requirements in limited / exceptional circumstances supported by a strong business case</p>	Off-list and On-list: Must be a highly skilled, cutting edge and innovative position where there will be the ability to pass on skills to Australians or create new jobs for Australians
Labour Market Testing	Required	Required, however the Department is slightly more flexible with the types of evidence that will be accepted in comparison to the standard program
Union Consultation	Required – min. time is 3 weeks and this must be completed prior to submitting the LA request	Not required
Salary Threshold	At least TSMIT (currently \$53,900) with negotiable concession up to 10% supported by a strong business case	<p>Established Business: Fair Work High-Income Threshold (currently \$153,600)</p> <p>Startup: \$80,000 with cash component of at least TSMIT</p>
Position Experience Threshold	Must meet ANZSCO qualification and skill level (with min. 2 years' relevant work experience), or a concession to this supported by a strong business case	Qualifications commensurate with the highly skilled role and at least 3 years relevant of work experience
Period of the Agreement	5 years from date executed by the Department	5 years from date executed by the Department
TSS Visa Validity	TSS visa validity up to 4 years	TSS visa validity of up to 4 years
Positions Available	Subject to negotiation	<p>Established Business: Up to 20 positions per year</p> <p>Startup: Up to 5 positions per year</p>
TSS nomination / visa processing time	Approximately. 35 – 52 days	5 business days

If you are interested in a Labour Agreement or GTES Agreement, then please contact Fragomen's Advisory and Compliance practice at: auadvisory@fragomen.com or your usual Fragomen contact.