SUBMISSION TO THE JOINT STANDING COMMITTEE ON MIGRATION

INQUIRY INTO AUSTRALIA'S SKILLED MIGRATION PROGRAM

March 2021

REGIONAL AUSTRALIA INSTITUTE

ABOUT THE REGIONAL AUSTRALIA INSTITUTE

Independent and informed by both research and ongoing dialogue with the community, the Regional Australia Institute (RAI) develops policy and advocates for change to build a stronger economy and better quality of life in regional Australia – for the benefit of all Australians. The RAI was established with support from the Australian Government.

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REFERENCE

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LIST OF RECOMMENDATIONS

RECOMMENDATION 1: The Australian Government should recognise the importance of the local community in making regional migration successful and sustainable and consider ways to support the local community to develop and maintain locally-led migration initiatives.

RECOMMENDATION 2: For migration to regional Australia to be properly supported, there is a need to provide evidence as to the contribution of migration to counter myths and misperceptions. Information about the economic contribution of migration to Australia as well on regional case studies should be made available in "information packs" to support the development of locally-led migration strategies.

RECOMMENDATION 3: Information about the cultural and national background of migrants as well as information for migrants on life in Australia, on employment and on rights and responsibilities, which will assist in their settlement should be available in templates which can be adapted for use at a local level.

RECOMMENDATION 4: There should be recognition that all new arrivals, regardless of visa type, need some level of assistance in order to be able to settle well into a regional community. The Australian Government should provide resources for the provision of such assistance, however it should be planned and coordinated locally and available within the community, to ensure that there are no gaps in delivery.

RECOMMENDATION 5: Information, training and support should be provided to regional employers on being an "employer of choice" for migrant workers, ensuring their ongoing competitiveness. This includes information tools on visas and contractual provisions.

RECOMMENDATION 6: There needs to be consideration of the promotion and incentivisation of secondary migration, including support for employers and making linkages between employers and migrants in capital cities.

RECOMMENDATION 7: There should be ongoing monitoring of the new regional visas to ensure that they are assisting regional employers to fill their labour needs.

RECOMMENDATION 8: Consideration should be given to housing needs in regional Australia and how to ensure that new residential development is economically viable, in order to allow towns and businesses to attract migrants to regional Australia.

RECOMMENDATION 9: Policy-making on migration to regional Australia must be accompanied by a commitment to dedicate resources to the provision of infrastructure and services in regional Australia.

CONTENTS

1. INTRODUCTION AND CONTEXT

The Regional Australia Institute (RAI) appreciates the opportunity to make this submission to the Joint Standing Committee on Migration's "Inquiry into Australia's Skilled Migration Program".

Since 2011, the RAI has been researching topics relevant to the prosperity and success of regional Australia, which is defined by RAI as all areas of Australia outside the capital cities. Regional Australia is home to over nine million people and contributes one-third of total national economic output. Its prosperity is critical to the future of the nation. Migration, particularly skilled migration, has a profound impact on regional communities. It contributes to population growth and can revitalise and ageing or declining community. Migration is also vital for filling jobs in regional Australia and has also been shown to contribute to the creation of jobs.

IMPACT OF MIGRATION ON REGIONAL AUSTRALIA'S POPULATION

RAI has analysed the data from the 2016 Census which shows the impact of international migration on regional population levels. By examining changes in the number of people living in regions that are born in Australia or overseas, the contribution of migration on different regions in Australia can be seen. While the Census data does not identify the year of arrival of migrants, it does show that people who are born overseas and move to Australia are **vital for the sustainability** of regional Australia.

Census figures show that, for many small towns, international migrants have been their only source of population growth. Table 1 shows the balance of Australian and overseas born residents in the 2016 Census. Figure 1 shows population change across the country.

In summary, between 2011 and 2016:

- ➢ 175 regional LGAs increased their population, while 246 did not;
- ➢ 151 increased their overseas-born and decreased their Australian-born population. In other words, for 151 LGAs, their population increase was solely due to international migration;
- ➢ 20 increased Australian-born and decreased their overseas-born population;
- ➢ 128 increased both Australian-born and overseas-born population; and
- ➢ 116 decreased both Australian-born and overseas-born population.

Population Change 2011-2016	Number of Metropolitan LGAs	Number of Regional LGAs
Overall population decrease	2	246
Overall population increase	116	175
Increase in both Australian-born and overseas born population	101	128
Decrease in both Australian-born and overseas-born population	2	116
Increase in Australian-born and decrease in overseas-born	3	20

Decrease in Australian born and increase in overseas-born	3	151

Table1: Number of Local Government Areas (LGAs) and population change 2011-2016
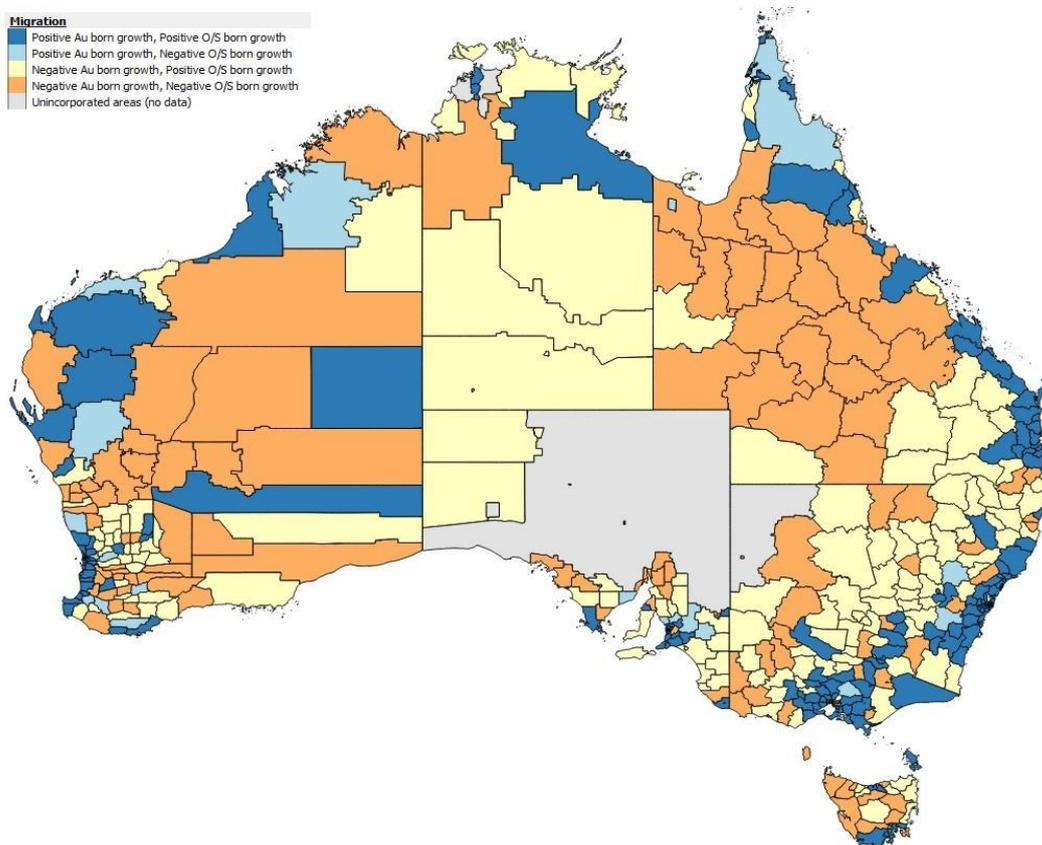

Figure 1 – Growth of Australian-born and overseas-born population 2011-16: 2016 Census data

Despite the importance of international migration to Australia's population, overall only around **15 per cent** of the international migrants that arrived in Australia between 2006 and 2011 settled in a regional area. Regional Australia is not getting its share of international migration and is therefore not fully benefitting from the value that migration can bring. The RAI welcomes efforts by the Australian Government to put in place mechanisms to encourage and support regional migration, including through regional visas, Designated Area Migration Agreements, and labour agreements with regional industries.

SKILLED MIGRATION AND REGIONAL JOBS

Migration is also vital for **filling jobs** in regional Australia. In February 2021 there were **over 56,500 job vacancies across regional Australia.** These are only the jobs which are nationally advertised, it can be assumed that many more exist which have not been advertised or are only known locally. A breakdown of these, collated by the RAI, shows that most vacancies in the regions are for highly skilled trades and professionals including automotive, engineering and construction trades, medical practitioners and nurses, health diagnostic and therapy professionals, legal, social and welfare professionals. The RAI Job Vacancy Map, updated every month, shows what jobs are being advertised
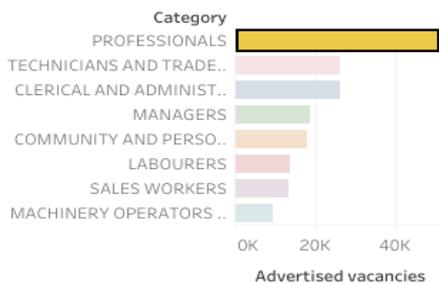
and where they are located: http://www.regionalaustralia.org.au/home/regional-jobs-vacancy-map/ [1]
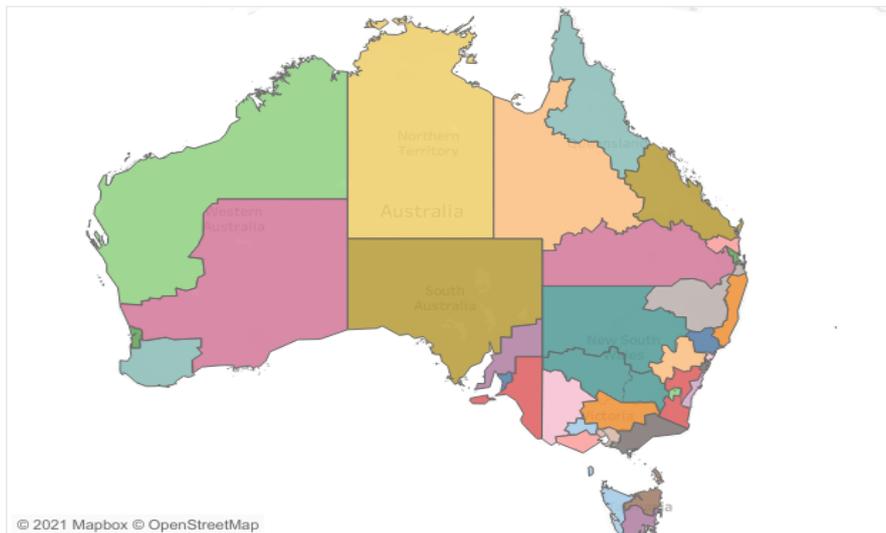
Figure 2: The RAI Regional Job Vacancy Map

The vacancy figures indicate that job needs in regional Australia are not being adequately met and that more needs to be done to encourage migrants to settle outside of capital cities.

For skilled migration to regional Australia to be successful, it must be sustainable and beneficial for both the local community and for the migrants themselves. Ensuring that migrants enjoy a quality of life that encourages them to stay in regional areas should be an important policy goal. In our experience, regional communities and many regional employers are keen for more people to move permanently to regional Australia. The RAI considers that visas which have an accessible and realistic pathway to permanency are the most beneficial to regional Australia.

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[1] This tool collates data from the Federal Government's Internet Vacancy Index (IVI) which is released monthly by the National Skills Commission on its Labour Market Information Portal.

While having a job is a critical aspect for the sustainability of migration to regional Australia, employment is not the only factor that will make skilled migration to regional Australia successful. It should not be the sole focus of regional migration policy, rather it is only one of the several interconnected factors which need to be considered and in place for migration to regional communities to be successful. These factors increase the likelihood that migrants can successfully establish lives in regional communities which is ultimately beneficial for the local community, for employers and for the individuals involved. They necessitate consideration of, and investment in, both infrastructure and services.

2. THE IMPORTANCE OF COMMUNITY

The Federal Government has, rightly, spent time and resources in encouraging skilled migrants to regional Australia, putting in place regional visas and other incentives. Yet, in the RAI's experience, whether a skilled migrant puts down roots and stays in a regional community is frequently related to the sense of welcome and belonging extended by the local community. To ensure the success of the Government's regional migration policies, a further step is needed: supporting communities to welcome and forge connections with new migrants.

The RAI toolkit "*Steps to Settlement Success*"[2] underlines the important role of the **local community.** The receiving community has a key role to play in also in successfully incorporating migrants into their area. The welcome extended by a local community can be critical to the sense of belonging felt by a new arrival, which in turn can influence their willingness to stay and put down roots as well as the overall cohesiveness of a community.

Further, the support and involvement of the **local Council** is critical to the success of regional migration. Local government can be an important stakeholder for program delivery but for also "setting the tone" of welcome and acceptance among a community. Equipping local government to understand its role and the potential needs of new migrants can contribute to success of strategies to retain skilled migrants in regional areas.

Local community groups including sporting and cultural groups also have a key role to play in the acceptance and involvement of new skilled migrants and should be supported and encouraged in this respect. Having the community plan for the welcome of new arrivals, such as hosting an event and/or setting up systems such as a "buddy system" for migrants are ways to ensure that they can quickly feel part of the community. Otherwise, welcoming skilled migrants and helping them settle falls to the regional employer, who may or may not have the time and capacity to do this. Further, the family of a skilled migrant may 'fall through the cracks" and quickly become isolated.

Other stakeholders important to the community, such as police, emergency services, health providers, schools and professional service providers, also have roles to play and their leadership on inclusiveness is important. They should also be equipped with the knowledge and capacity that they need to welcome migrants.

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[2] Regional Australia Institute (2019) *Steps to Settlement Success A Toolkit for Rural and Regional Communities*, Canberra, the Regional Australia Institute, produced in partnership with Scanlon Foundation.

The RAI has seen admirable efforts of local communities to develop their own projects to attract and retain migrants, including coordinating services, filling service gaps and developing committees of welcome. Details of some of these inspiring examples can be found in the RAI Community Narratives, which showcase a number of regional communities who have developed a strategy to attract and retain migrants.[3] Much of the work is done on a volunteer basis or individuals spend time seeking ad hoc grants. However local initiatives to welcome migrants, and the energy involved to successfully implement them, are difficult to sustain in the long term without some form of support. RAI considers that local communities should receive **support and recognition** of the central role that they should play in achieving the goal of increased skilled migration to regional Australia.

One example of a way to support local initiatives is the support provided by the Canadian Government to "Local Immigration Partnerships" (LIPs) throughout Canada. LIPs are a mechanism through which the Canadian Immigration department supports the development of community-based partnerships and planning around the needs of newcomers. The Canadian Government recognises the importance of local actors in encouraging and sustaining migration to their areas and it provides a modest funding amount to each LIP for a staff member and an office, in order to systemise local engagement in settlement and build on existing local initiatives. The handbook on LIPs notes that:

> *LIPs not only complement existing activities, but also help to more fully integrate and optimize these activities. In addition, LIPs build on current successes in the community, and work with what is already in place, rather than supplanting other efforts or working in parallel. As LIPs mature, new practices, new partnerships and new ways of working will emerge. LIPs systematize initiatives while supporting bridging between settlement service provider organizations (SPOs) and mainstream institutions. Further, the presence of LIPs provides structure and staff to ensure coherence and maintain momentum within a community.[4]*

This model allows communities to organise their own initiatives to welcome and retain migrants, while being provided some support from the Federal level, ensuring their continued momentum.

RECOMMENDATION 1: The Australian Government should recognise the importance of the local community in making regional skilled migration successful and sustainable and consider ways to support the local community to develop and maintain locally-led initiatives to foster welcome and inclusion.

Suggested questions for the Committee in its public hearings:
- *Are skilled migrants staying in your community after obtaining permanent residence?*
- *Does the local Council feel equipped to support and welcome new arrivals?*
- *Are local community groups sufficiently resourced to provide inclusive activities such as local classes and sporting events?*
- *Are other local leaders, including police, Chambers of Commerce etc being active participants in supporting skilled migrants?*

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[3] See http://www.regionalaustralia.org.au/home/missing-workers-migration-policy/
[4] Citizenship and Immigration Canada, *Local Immigration Partnerships Handbook,* August 2013.

- *Is there a community 'hub" such as neighbourhood house or library that can actively seek to include new arrivals in activities to promote social cohesion?*
- *Does the community have the information it needs to feel culturally and logistically prepared to support new arrivals?*

3. PROVIDING INFORMATION TO SUPPORT MIGRATION TO REGIONAL AUSTRALIA

Information is key to understanding. There are various levels of information which need to be provided in order for regional communities and migrants to be able to make migration successful and sustainable.

- Providing neutral, factual **information on the economic, cultural and social benefits of migration** will assist regional towns to properly consider the contribution of migration. For regional communities to understand the benefits that migration can bring, it is necessary to provide them access to the facts. Myths and misperceptions in relation to migration are rife across the country, in the media and in populist politics. Unambiguous evidence is available to counter myths such as "migrants take the jobs of Australians'. Local communities should have access to evidence of the contribution of migration to Australia's economic position as well as information on "success stories" and the economic impact that migration has had on specific towns, regions and businesses in Australia. As the OECD notes:

  > *Migration can be a contentious issue, with public debate sometimes informed by perceptions that do not stand up to analysis. This is especially true in discussions of the fiscal and economic impacts of migration – complex issues with many strands. These include immigrants' employment rates, the extent to which they pay taxes and receive benefits and their contribution to an economy's capacity for innovation. … Developing an accurate understanding of the fiscal and economic impacts of migration is essential to informing public debate. It is also vital if governments are to design effective policies that maximise the contribution of immigrants to their new homes.[5]*

- Providing **information about skilled migrants and their backgrounds** can be very useful for receiving communities, service providers and employers. This can assist locals in welcoming new arrivals, and help avoid cultural misunderstandings. Migrant communities around Australia should be supported to provide information about their background and cultures in a way that can be accessed by regional communities which are welcoming new arrivals.
- Providing **information to migrants about the region,** about life in Australia and its customs and culture. If relevant, the routine and culture in the place of employment can also help in clarifying expectations and greatly assist in the process of settlement. There is also a need to ensure that migrants are aware of their rights and responsibilities, and how to contact relevant services that are available in case of need. Some information resources and templates could be made

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[5] Organization for Economic Co-operation and Development, Policy Brief, May 2014.

available to communities around Australia, for them to use and adapt to ensure that they are locally relevant.

RECOMMENDATION 2: For migration to regional Australia to be properly supported, there is a need to provide evidence as to the contribution of migration to counter myths and misperceptions. Information about the economic contribution of migration to Australia as well regional case studies should be made available in "information packs".

RECOMMENDATION 3: Information about the cultural and national background of migrants as well as information for migrants on life in Australia, on employment and on rights and responsibilities, which will assist in their settlement should be available in templates which can be adapted for use at a local level.

4. SETTLEMENT SERVICES

The provision of settlement services in Australia is well-established for humanitarian entrants, however, skilled migrants and their families are not similarly supported. The premise underlying the lack of funded settlement support to skilled migrants is that they have the capacity to settle into their new community unaided. The RAI's view is that anyone moving to a regional community, but particularly those who may not know much about Australia, can greatly benefit from initial assistance and support. This may include being met at the airport, helping to find accommodation and get utilities connected, finding out about transport and local shops, getting kids enrolled in schools and meeting neighbours and new friends. This may also include some English language support, especially for family members.

In general terms, and looking at the services available for any new arrival, some key points are apparent from RAI's work around the country:

➢ There is significant variation across regional Australia in the services available for new arrivals and, generally, they are not as accessible or sufficient as those in metro Australia;

➢ There are few services specifically designed to assist skilled migrants and their families settle into life in Australia, and specifically, life in regional Australia;

➢ **English** language support can continue to be strengthened in regional Australia; not having adequate access to English language tuition significantly detracts from successful settlement;

➢ As well as language, new arrivals often need assistance with form filling, tax information, driver's licence and other documentation and regulatory requirements. Volunteers and employers may fill some gaps. **Coordination** of the provision of such support will mean that there are reduced gaps and more consistency. Such coordination can be led by community steering groups and be part of a locally-led initiative, as mentioned in the section above.

➢ **Employers** also have a role to play when welcoming migrants into their workplace and local community. However, in RAI's experience, employers often lack the expertise and capacity to fulfil this role meaning that migrants can have very diverse settlement experiences depending on the employer and may be provided insufficient support. An interesting model is in Canada where, as part of the sponsorship process, the employer must work with a settlement service provider and commit to preparing their workplace to welcome newcomers.[6]

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[6] Factsheet *Atlantic Immigration Guide Pilot A step-by-step guide*, Immigration, Refugees and Citizenship Canada.

- Support for community neighbourhood houses or a similar **central community service** which provides such services to the community (not necessarily only new arrivals) could be considered in many places. These would potentially ensure more **consistent services** around the country and even within a community. Local councils should be resourced and supported to provide such a service so that assistance for new arrivals does fall solely on volunteers on or individual employers.
- Support for **other family members** is also important as if families are not well settled, migrants will not stay in regional areas. Isolation is particularly a risk for mothers who are not working, and lack of English can exacerbate isolation.

RECOMMENDATION 4: **There should be recognition that many skilled migrants would benefit from need some level of assistance in order to be able to settle well into a regional community. The Australian Government should provide resources for the provision of such assistance, however it should be planned and coordinated locally and available within the community, to ensure that there are no gaps in delivery.[7]**

Suggested questions for the Committee in its public hearings:

- *What local settlement services are available and what are the gaps? Does this include services and support for skilled migrants and their families?*
- *What is the best model for the provision of local settlement services to ensure that it is appropriate to each context?*
- *How can different services best be coordinated?*
- *Is the available English language support sufficient? If not, how could it be improved?*
- *Does the local school have support needs for the children of skilled migrants that are not being met?*

5. EMPLOYERS

Employment is a key motivator of regional migration and a necessary component for retention of migrants. Employers have a critical role to play in the success of regional migration, yet there is little support or capacity building to ensure that they are properly equipped to play this role well. In RAI's experience, there is a need for **additional information and support for employers** in terms of:

- Navigating the visa system, particularly sponsorship
- Successfully managing a multicultural workforce
- Ensuring compliance with both labour laws and visa conditions

Such information is critical if regional employers are to remain competitive and are able to attract the workforce needed for their ongoing viability. The number of job vacancies in regional Australia advertised on the internet increased to over 56,000 in the month of February 2021. The rapid growth in regional job vacancies shows that employers will need to compete for skilled migrants to fill their needs, and should be equipped with the tools needed to be **successful employers of a culturally diverse workforce** and therefore "an employer of choice".

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[7] This recommendation is not meant to detract from the provision of settlement services needed for humanitarian entrants.

At the same time, there is scope for dedicated services which ready new arrivals for employment in Australia, including **knowledge of labour rights and responsibilities**. These should be tailored to particular regions and/or industries.

RECOMMENDATION 5: **Information, training and support should be provided to regional employers on being an "employer of choice" for migrant workers, ensuring their ongoing competitiveness. This includes information tools on visas and contractual provisions.**

It is important to ensure that **the visa regime** is appropriate for labour needs in regional Australia. The RAI welcomes to introduction of new regional visas and suggests ongoing monitoring to ensure that they achieve their aims of encouraging and facilitating regional migration. The RAI notes the following issues which particularly impact regional employers and which have been frequently raised, in its work around the country, as an impediment for regional employers to remain competitive.

➢ The lack of skilled visa categories that correspond to farm labour. The RAI suggests that **quantifying the reliance of temporary workers** in particular occupations and regions may be a useful exercise in order to determine whether the current system of skilled occupation lists is effectively meeting local labour needs.

➢ The **costs involved in sponsorship** of skilled workers can be prohibitive for small and medium sized businesses. This can include the level of the Temporary Skilled Migration Income Threshold as well as the cost involved for migration agents, payment of the Skilling Australia Fund levy at the point of application and other associated costs. These costs effectively put the possibility of sponsoring skilled workers to regional Australia beyond the reach of many small regional businesses.

➢ The RAI suggests that there should be ongoing review of the **new regional visas** to gauge whether they succeed in their intent of encouraging regional migration. Information should be collected from regional employers, migrants and service providers as to their efficacy and to monitor any unintended consequence. The RAI notes that the requirement for all family members to stay within the regional area may make it difficult for migrants with children who are finishing school and want to go to university in a capital city. Further, a three year work experience requirement means that most international students will not be eligible.

➢ The existence of the new regional visas is insufficient in itself to adequately channel migrants to regional areas and more consideration is needed on the promotion and incentivisation of **secondary migration**. Secondary migration is a 'win-win' for regional communities looking to grow their population and labour force, and for skilled migrants looking to establish a life for themselves outside of metropolitan centres. This is especially the case given evidence that almost a quarter of all skilled migrants in Australia are working in jobs below their skill level.[8] RAI notes that there is no systematic way for migrant workers to link with regional employers, nor is there a systematic policy or integrated support mechanism to facilitate secondary migration away from cities and to meet local labour needs in rural areas.

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[8] See, the Continuous Survey of Australia's Migrants (CSAM), 2013-2018.

RECOMMENDATION 6: **There needs to be consideration of the promotion and incentivisation of secondary migration, including support for employers and making linkages between employers and migrants in capital cities.**

RECOMMENDATION 7: **There should be ongoing monitoring of the new regional visas to ensure that they are assisting regional employers to fill their labour needs.**

- *Does the visa regime enable you to attract and retain the workers that you need? Do you receive sufficient advice and support from Home Affairs?*
- *What additional information do you need about visas, wages and employment standards?*
- *What additional supports are needed to attract and retain skilled workers?*
- *Do your migrant workers have access to sufficient settlement supports?*
- *Do you lose skilled workers to the cities?*

6. HOUSING AND TRANSPORT

The **lack of housing in regional Australia** has been frequently cited as an impediment to regional migration and an impediment to businesses expanding. Even where there is land available, in more remote places in Australia there is often **no economic incentive for development**. The RAI suggests consideration be given to possible incentives or concessions for residential development in regional Australia to address the lack of suitable housing, especially in smaller and more remote towns. The lack of suitable housing can also mean that nearby businesses are unable to attract the skilled migrants that they need to keep their businesses thriving.

Where housing is available it can sometimes be difficult for migrants to access it. Newly arrived migrants may not have rental histories and **real estate agents** may therefore be reluctant to provide rental accommodation. Information and orientation on **rental rights and responsibilities** needs to be provided.

Transport is also often cited as a difficulty for migrants who do not have a car or who, frequently, do not feel comfortable to drive long distances on country roads.

The "push" to see more skilled migrants go to, and stay in, regional areas is put at risk by the housing market, and the RAI calls for **longer-term planning on housing and transport infrastructure** for regional Australia.

RECOMMENDATION 8: **Consideration should be given to housing needs in regional Australia and how to ensure that new residential development is economically viable, in order to allow towns and businesses to attract migrants to regional Australia.**

RECOMMENDATION 9: **Policy-making on migration to regional Australia must be accompanied by a commitment to dedicate resources to the provision of infrastructure and services in regional Australia.**

7. CONCLUSION

The RAI commends the Minister for Immigration, Citizenship, Migrant Services and Multicultural Affairs, the Hon Alex Hawke MP, for referring this important inquiry to the Joint Standing Committee on Migration. The issue presents a significant and exciting opportunity for this Government to shape the nation, to ensure that regional Australia thrives economically and that regional communities not just remain viable but prosper well into the future.

Australia's skilled migration program is critical to the ongoing sustainability of regional Australia's workforce and many of its industries. As well as mechanisms to encourage skilled migrants away from cities and toward regions such as the regional visas, more can be done to increase the possibility that migrants will stay in a regional community. A strong emphasis on local community involvement is needed, recognising that the local community can "make or break" the success of regional migration and that the most successful examples are ones where the community has ensured that a new arrival is welcomed and included.. This means that providing the tools and the capacity to local communities and regional employers will be an important part of any successful policy on regional migration.

More can be done to develop an evidence-base for policy makers on issues relevant to regional migration, looking at best practices from regional Australia and overseas. Monitoring of the roll-out of the new regional visas and how they are functioning to support regional businesses and employers is important. Also important is ensuring that migration policy to address skills needs in regional Australia is not done in isolation, but works together with work to strengthen housing and transport needs.

Australia's skilled migration program provides critical skills to the Australian workforce and economy. But skilled migrants also become a part of the community. Fostering this in rural and regional Australia is important to ensure the sustainability of regional migration. The RAI is pleased to support the Inquiry and stands ready to assist the Committee in its work.