



Submission: 2021-22 Migration Program Planning Process

Closing date: 10 February 2021

Prepared by The Committee for Gippsland

Background

Gippsland's economic and social fabric is underpinned by our rich history of welcoming international visitors to our region. Many of those visitors in the early days came with great hope of a bright future, they were instrumental in the establishment of the regions primary industries bringing with them a wealth of knowledge, skills, and experience.

Gippsland has a below average workforce participation rate, and we implore Government planning and initiatives that will improve participation, address known skill shortages in certain sectors, build working-age population, incentivise business investment in regions to create more employment opportunities to maximise economic and social benefits.

Gippsland has experienced in more recent times a decline in migrant workers. Obviously COVID presented a global challenge limiting the migrant intake however many parts of Gippsland are forecast to experience long term economic downturn (due to a series of devastating events) and recovery will be dependent on strong leadership, economic stimulus, enabling policy, and flexible access to a skilled migrant workforce.

Gippsland faces several significant challenges associated with structural adjustment to its primary industries and we welcome strategies that will attract migrants to the region driving productivity growth and boosting GDP per capita.

Migration should not be limited to international migrants – The Committee encourages Government to consider incentives to drive internal migration to regional Victoria-Australia reducing the population growth burden many major cities are experiencing today.

Gippsland recognises the need to grow its population, for the future sustainability of our region, providing for a thriving diverse economy, providing a healthy standard of living for its residents. Gippsland leaders are deploying strategies to build, strengthen and diversify our workforce as we embrace innovative and emerging technologies across a suite of sectors.

Skill stream migrants will be very important bringing new skills, knowledge, capability, expertise, and address skills shortages in sectors that are critical to the success and sustainability of our regional economy.



Reinstatement and an increase to migration planning levels.

There has been a significant number of temporary visa holders who have exited the country due to COVID19, leaving a huge shortage of temporary labour, particularly in regional areas with a high reliance on working holiday visa holders. The agricultural industry has been severely impacted, and many Gippsland farmers have no option but to plough up their crops simply because they have nobody to pick their produce.

Hospitality businesses having to close their doors two days a week, during their busiest trading periods, simply to give their staff a break due to staff shortages. It is difficult to find qualified and experienced chefs and cooks, as many of these temporary visa holders left Australia when the hospitality industry was virtually closed due to COVID19. This has left a significant gap in the market, and whilst hospitality businesses are now trying to recover, they cannot secure the skilled labour they need to operate efficiently, and many are experiencing severe burnout.

There needs to be an ***increase in temporary work visas*** to help cover the significant exit of skilled labour. It will take ***more than an average years' allocation*** to help build up from the vast numbers who have left the country.

Regional migration programmes – requires increased allocation and changes to policy for skilled regional visas.

The introduction of the new subclass 494 visa has resulted in a significant drop of applicants applying for regional visas. The process has made it more difficult for regional employers (even though regional migration was seemingly a priority for both Federal and State Government). Applicants are now required to have at least three years of highly relevant experience to be eligible to apply for a skilled regional visa. There is very little incentive for migrants to consider regional areas when this temporary visa requires so much previous work experience – where possible, migrants choose to remain in metro areas.

The most significant barrier for regional businesses who may otherwise wish to use the skilled regional visas to nominate staff is the Skilling Australia Fund Levy. For most businesses, this cost is simply too high.

Prior to the abolishment of the RSMS Subclass 187, which is a permanent regional employer - sponsored visa, applicants could get qualified in metropolitan areas followed by an opportunity to be sponsored for two years, working in the region, helping to secure their residency. Fully qualified, these applicants were then able to gain valuable experience, and remain in the region for at least two years. Businesses can work with such timelines because their investment in the migrant workforce is able to realise a return. The new skilled visas require significant expense and commitment from the regional business owners. The introduction of the SAF levy has created a further burden on regional businesses, who are unable to receive a refund in the event the nomination fails. This is such a considerable risk to these micro businesses that they simply choose not to use the program.

In the new program year, we would like to see an increased focus on regional migration outcomes, which can be fully embraced by regional employers. Our businesses are not the same as



metropolitan based businesses, and some consideration needs to be given to lower turnovers. The SAF levy should be abolished for regional businesses. This will enable businesses to seriously consider migration as an option if required and encourage more migrants to the region (due to increased work opportunities being available).

Family Visas - Allocation needs to be increased.

Some Gippsland families are currently facing waiting times of up to 27 months, before being granted a partner visa. This is causing significant emotional strain on families who are separated for such significant timeframes. The backlog of family-related visa applications is significant, and this needs to be addressed in the planning levels. The Committee believes there are several requests for help, through Gippsland's local members of parliament, and the situation is dire for many of those families. Gippsland already experiences a higher-than-average case of mental health issues, and this situation is undoubtedly compounding the problem.

Gippsland Industry - Commentary

Fruit and Vegetable wholesalers:

- East Timor migrant workforce is well suited to this sector.
- Government flexibility with existing visa's greatly appreciated.
- 6-month rotation scheme works well for seasonal work program.
- Some challenges are being experienced where migrant workers are unable to return to their villages (due to the events of COVID) – This is likely to cause social disruption for migrant workers, Government should consider mental health support for impacted workers.
- Regional workforces are down – impacted by the inability to access foreign students and migrant workers. Workers are working longer hours to meet orders, service levels are being challenged, businesses are paying overtime placing downward pressure on margins.
- Skills shortages are ripe in the areas of truck drivers and mechanics – These roles are not necessarily suited to migrant workers due to the inherent complexities.
- Clear and accountable regulations for labour hire companies to ensure they are undertaking a comprehensive appraisal of people seeking employment (migrants and/or local employees). Labour hire companies must demonstrate.
- Businesses have the additional cost of employing skilled resources to help them navigate the complexities of migrant workforce visas (and are compliant).
- Implications of Government policy, for example, Job Seeker, introduced to stimulate the local economy has in some cases translated to people not taking up a job in the horticulture sector.
- Government to consider how it can build strong communities through connection of international aid and providing employment opportunities in Australia. A scheme as such



may realise social and economic benefits that drive poverty down, promote public welfare and stimulate economic development in the recipient countries.

- 457 Visa – salary conditions prohibitive for industry (in many cases)
- 417 Visa - offers the industry comparative salary conditions.
- The 417 visa extensions have been well received by industry however further consideration is requested to accommodate peak and off-peak periods. COVID 19 – Will have major implications for 417 workers at the end of their visa period further exasperated by quarantine bands. Government may wish to consider relaxing conditions to retain 417 workers beyond stage 3 to ensure this sector can respond to ramp up production periods.
- Migrant workforce housing and access to support services – Regional community support services and access to affordable transport (to get to the workplace) are important factors to attract migrant workers and retain migrant workers (in regions) should they become permanent residents.

Meat Processing:

- Shortage of semi-skilled labour (such as knife/boning, halal accredited, classification)
- Workforce stability can be a challenge with staff being lured to meat processing businesses on the fringe of Melbourne – need for regional specific incentives (to attract migrant and non-migrant workers)

Health and Social Assistance Sector:

- Gippsland along with other regions through-out Australia fail to attract and retain suitably qualified professionals.
- Attracting and retaining family violence workers is very challenging - workforce shortage.
- Visa conditions can be restrictive and can disadvantage couples. It is not always possible for a couple to secure work in the same regional area. Couples face deportation if they do not reside together.
- Skills reform has major implications for workers previously employed with a TAFE qualification. Community services workforce now requiring a University degree. In December 2020 new recruitment for family violence must have a bachelor's degree (minimum qualification).
- Attracting and retaining health professionals to work and live-in regional areas



- Difficult to recruit to midwifery and some specialized non-clinical roles, attracting skilled workers, and competitive salaries regarding remuneration not reflective of market rates (non-clinical).

Attracting migrant workers to regions can be challenging, typically regions have a smaller cultural community base compared to metropolitan areas and therefore it is less attractive for migrants to move to regional areas and risk being disconnected.

- Greater information is required regarding options for Skilled Regional/State sponsored positions. Gippsland hospitals (typically) offer standard business sponsorship and makes use of temporary skilled visa options. They are often approached by skilled workers (Medical Practitioners and Nurses) who are interested in settling in the area and gaining permanent residency, but the processes are complicated processes. Further support from the state/government would allow us to make use of these options and to grow a more stable base/permanent options for skilled migrants who would like to settle in the region and join the community.
- Difficulty filling specialist roles such as: Health Information Managers, Services Manager role, ICT Team Leader/Manager, Facilities Manager and experiencing staff shortages in Midwifery. Business impact: advertising multiple times, vacancy remains unfilled and impacts ability to meet performance outcomes.
- Another challenge is the regular turnover and need to recruit for medical workforce – these roles are typically Resident Medical Officer (ANZSCO 235112) which are currently listed as short term TSS (Temporary Skill Shortage) rather than medium to long term. These roles would be more attractive and easier to recruit to if they were on the medium-term listings and therefore eligible for pathing to permanent residency.

Should you require further information, the Committee extends an invitation to the Department of Home Affairs to meet with our members, to further understand the importance of migrant workers to many businesses throughout Gippsland.

Thank you for the opportunity to participate.

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