



COMMITTEE FOR
ADELAIDE

**Submission in response to
Australia's Migration Program Planning 21-22
February 2021**

Introduction

The Committee for Adelaide is an alliance of organisations and individuals drawn from across the full spectrum of South Australian business, art, design, education and infrastructure sectors.

Our membership is diverse and influential, making a significant contribution to the economy and employment of this state and has a clear and vested interest in our future.

Collectively, we are concerned about the lack of population growth in South Australia and that there are businesses across the state which would like to grow but cannot find the people they need locally.

Whilst over the past 12 months our state has seen a minor increase in net interstate gain due to the global pandemic¹, this will not be enough to counteract the drop in international skilled migration that has occurred because of the pandemic. According to the Reserve Bank's Dr Lowe, over the coming year Australia's population growth is expected to shrink to a low of just 0.2%², with Australia's migration program settings being critical to aid our economic recovery. In the short term, we support policy changes that are responsive and swift to enable South Australia's economy to recover sooner than later.

The current migration system favours larger cities and thereby fails to deliver what our city and regional towns across South Australia need. In the longer term, we support a complete overhaul of Australia's migration system that is informed by an overarching population strategy developed in collaboration with states and territories, as well as business and industry leaders, to provide a clear sense of direction, paving the way for better planning, policy and decision making.

1. How can the Migration Program settings facilitate economic growth while promoting Australian jobs, and enhance social cohesion, in the context of the challenges posed by the global pandemic?

- **Improve distribution of population growth:** The economic value of population growth is undisputed, particularly in a state like South Australia which has both the room and resources to accommodate more people. Deloitte, in its Make it Adelaide³ report, found that doubling South Australia's current growth levels to reach a population of 2 million people by 2027 would inject an extra \$38 billion into our economy and create 59,000 extra jobs. These jobs are essential to our growth and prosperity. However, based on current population rates South Australia will fall well

¹ <https://www.adelaidenow.com.au/news/south-australia/brain-drain-from-south-australia-reverses-again-abs-figures-show/news-story/3c7ebb08c67603a5f050dbcab2368d26>

² <https://www.news.com.au/finance/economy/australian-economy/rba-governor-philip-low-says-skilled-migration-key-to-economic-recovery/news-story/a68ca21380ff34d46797020f503f3106>

³ [Shaping Future Cities – Let's Make it Adelaide! | Deloitte Australia | Shaping Future Cities, liveable, diversified, connected](#)

short of this target. Impacts from the global pandemic are likely to exacerbate this problem with slower population growth rates across the country and just 0.1% annual growth⁴ projected for South Australia in 21-22.

We support changes to Migration Program settings that would enable more evenly distributed population growth. With an ageing population and young people leaving to pursue opportunities elsewhere, it is essential that South Australia has access to skilled migrants and international students to fill the gaps in our local workforce. Population growth is critical to our state's economic, social and cultural success and without a significant turnaround, we will continue to see our fortunes (and our people) go elsewhere.

- **Attract investment and support innovation:** Skilled migration is essential to support South Australia's 'Growth State' agenda⁵ with its focus on encouraging businesses and entrepreneurs to start, innovate and grow their businesses in South Australia. Through this, we want to attract investment and support innovation in new and emerging technologies. We need Australia's migration settings to enable us to build a stronger economy.
- **Greater local control is needed:** More local control is needed over migration to help our city and towns thrive. To achieve this, we support a more "bottom up" approach that provides the state with greater control over local migration policy, including control over the occupations that are identified for inclusion. Local governments should play a key role as they are best placed to understand and plan for their local communities and industry needs.

2. To what extent can Australia's Migration Program's settings influence Australia's attractiveness as a destination for migrants with critical skills to assist Australia's economic recovery? What approach to these settings should the Government take?

- **Leverage our success in response to the global pandemic:** To assist Australia's economic recovery, we need to leverage our success in response to the global pandemic and use it to our advantage to attract the best and brightest migrants to boost our recovery. We need to promote our state as a safe, secure and exciting place to live, work and invest. Skills shortages need to be addressed swiftly and fast-tracking of migrant visas for people coming to live in South Australia would help local industry and communities get back on track as soon as possible.

⁴ <https://population.gov.au/data-and-forecasts/data-and-forecasts-dashboard-statement-state.html>

⁵ <https://www.growthstate.sa.gov.au/plan/skills-and-innovation>

- **Pathways to permanent residency:** We need to create and promote clear pathways to permanent residency if we are to attract global talent, business and new industry to South Australia. Relocating family and business to Australia is a major shift for many prospective migrants and we need to make it worth their while. While permanent resident pathways appear to be available for occupations identified in the Adelaide City Designated Area Migration Agreement, they are only included for some of the occupations listed under the SA Regional Workforce DAMA. The expanded inclusion of such pathways as part of South Australia's DAMAs, particularly in the health industries where most of the omissions appear to be, will enhance our attractiveness to skilled migrants, helping to ensure the survival of regional communities and providing South Australia with a globally competitive workforce.

3. How do we best support regional migration in order to meet the needs of Australia's regions?

- **Reducing costs and fast-tracking approvals:** Feedback we have received specifically from migration agents indicates cost, particularly the cost of skills assessments, is a major barrier. For example, skill assessments - not required in the Northern Territory DAMA but part of the South Australian DAMAs - can cost upwards of \$1000 per employee. While we acknowledge the administrative costs associated with assessments, the fees being levied appear to be particularly onerous and concerning for South Australian businesses who are attracting talent to our shores. Skills shortages are critical in regional areas, particularly the horticultural industry, which has been deeply affected by the global pandemic. We understand that negotiations relating to Horticultural Industry Labour Agreements can be slow and contribute to delays in getting workers on the ground in regional areas. Fast-tracking of such agreements is required to better meet regional industry needs.
- **Lowering of the Temporary Skills Migration Income Threshold (TSMIT):** For some jobs, particularly in regional parts of the State, the current TSMIT is too high and does not reflect the reality of wage conditions in these areas where the cost of living is also much lower, particularly housing. Wages are more geared to eastern states remuneration levels and need to be adjusted for regional differences. While the lowering of the TSMIT of about 10% for some occupations under the SA Regional Workforce DAMA is welcome, a review of whether this could be broadened out into other categories needs to be undertaken.

- **Review of Family Reunification visas:** Migrants often thrive in communities when they have adequate support systems in place and one of the best ways to achieve this is by reuniting family units. This has enormous benefits in terms of migrant settlement, helping create a sense of belonging and increasing the chances of a person remaining in a particular area. The Migration Program could do more to assist migrants living in regional areas who wish to sponsor family members. A review of family reunification visas is needed, including the costs associated with sponsorship, to make it easier for migrants in regional Australia to reunite with family members.

Contact

Contact us if you would like to know more about any of the suggestions made in this document. We encourage you to contact:

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