



Government
of South Australia

The Hon David
Ridgway MLC

Received

23 MAY 2018

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23 MAY 2018

Minister for Home Affairs

Hon Peter Dutton MP
Minister for Immigration and Border Protection
PO Box 6022
Parliament House
CANBERRA ACT 2600

Dear Minister Dutton

The South Australian Government values the contribution of migrants and is pleased to participate in the national migration program via state nomination.

As the Minister responsible for migration matters at state level, I would like the opportunity to meet with you to discuss South Australia's ongoing participation in the State Specific Regional Migration Scheme in the context of the visa simplification project, and other key issues of importance to South Australia's migration program. These include maintenance of Adelaide's regional status, and opportunities to reduce the flow of migrants to Sydney and Melbourne; updating you on the progress of the pilot entrepreneur program; and visa processing times for business migrants to allow them to make a timely contribution to South Australia's economy.

The South Australian Government believes that it should be possible, within broad national parameters set by the Commonwealth, to provide greater capacity for individual jurisdictions to control migration into their states or territories.

I look forward to the opportunity to meet with you to discuss these important migration matters.

Yours sincerely

Hon David Ridgway MLC
Minister for Trade, Tourism and Investment

17/5/2018

Minister for Trade, Tourism and Investment
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10 JUL 2018

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Government
of South Australia

Hon David Ridgway MLC

The Hon Alan Tudge MP
Minister for Citizenship and Multicultural Affairs
PO Box 6022
House of Representatives
Parliament House
CANBERRA ACT 2600

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<input type="checkbox"/> Priority C - 28 days	<input type="checkbox"/> Reply by CoS
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Action Area	

Dear Minister

ALAN,

I am writing to you about the retention of Adelaide in the regional definition for State nomination, employer sponsorship and regional study points.

I understand that you are currently reviewing the regional definition under Australia's migration program.

Please find attached for your consideration, a detailed submission made to the Department of Home Affairs in December 2017, about the methodology of the regional definition, and the merits of Adelaide retaining its current status in line with this methodology.

The retention of regional status for the whole of South Australia, including Adelaide, is considered a critical issue in meeting the South Australian Government's policy agenda in relation to population and immigration.

Should you envisage any planned changes to the regional definition that will have a direct impact on South Australia and how we participate in the national migration program, I ask that you please contact me to discuss these changes as a matter of urgency.

I would like the opportunity to meet with you to discuss the South Australian government's agenda for population and immigration and how we can work together to provide greater capacity for individual justifications to control migration into their states and territories.

I look forward to engaging with you further about these matters.

Yours sincerely

Hon David Ridgway MLC
Minister for Trade, Tourism and Investment

22/6/2018

Enc Defining Geographic Boundaries for the Regional Sponsored Migration Scheme
South Australian Government Officer Level Submission

Minister for Trade, Tourism and Investment

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SMOG Request for Input - Defining the geographic boundaries for the Regional Sponsored Migration Scheme

Purpose of the Regional Sponsored Migration Scheme

The purpose of the Regional Sponsored Migration Scheme (RSMS) is to address specific labour market needs in Australia's regional and remote areas. Since its inception in 1994, the RSMS has been one of the key pillars of Australia's skilled migration program. The RSMS program has grown substantially since this time, providing skilled labour to areas where there exists a shortage of skilled workers, and to some extent, supporting those areas to sustain their population growth.

Regional definition for the Regional Sponsored Migration Scheme

The Minister for Immigration and Border Protection (the Minister) specifies the regions of Australia that are eligible for the program in a legislative instrument. The current regional definition was set some time ago, and the Department is refreshing the approach for identifying regional areas that would be eligible for the RSMS program. This approach would encompass the Australian Statistical Geographic Standard (ASGS) as a starting point with some adjustments to the list of eligible regions based on economic activity, labour market performance, demographic profiles and land use.

Areas currently eligible for the RSMS would be re-visited in order to determine their continued suitability for the program. In addition, a range of areas not currently included in the RSMS would be reassessed, based on relevant statistical information such as the ASGS. A new methodology underpinned by current data would strengthen the integrity of the RSMS, ensuring that the program is targeted to the needs of regional areas.

Questions for the Skilled Migration Officials Group

Several SMOG members have already contributed information in regard to our earlier request in 2017. We are open to further input from SMOG members in relation to the RSMS program, in particular:

- How does your State or Territory determine what areas are regional?
- Are there compelling economic/demographic factors in your State or Territory which you believe should be considered in the context of eligibility for the RSMS?
- What areas of your State or Territory are considered regional, are experiencing severe skills shortages, and should have access to the RSMS?
- Do you have any relevant data or other reliable evidence that could be used to identify areas suitable for the RSMS program?

Your response to this request by the end of 2017 would be greatly appreciated. Written feedback can be provided via the SMOG: [s.47E\(d\)@gov.au](mailto:s.47E(d)@gov.au)

**Defining Geographic Boundaries for
the Regional Sponsored Migration Scheme
South Australian Government Officer Level Submission**

Key Points:

- The State Specific and Regional Migration (SSRM) visas were introduced by the Australian Government to steer migrants to low population growth metropolitan areas and regional areas (not just the latter).
- All of South Australia, including Adelaide, should remain eligible under the RSMS visa.
- From a demographic and economic perspective, Adelaide is highly comparable to Hobart and not to the more populous and high-growth mainland state capitals. This includes an older age profile, lower workforce participation rates and lower overall education levels.
- In the context of challenging demographics, access to a program such as the RSMS is vital for low-growth areas (such as Adelaide) and employers in these areas seeking skilled staff.
- Current benchmarks for RSMS eligibility remain relevant, but could benefit from further support for communities with older age profiles than the national average (a key constraint on economic development).
- The removal of Perth from RSMS visa eligibility will greatly reduce the proportion of the program directed to metropolitan areas. This will return appropriate balance to the program so that it targets both regional and low population growth metropolitan areas.
- In the context of forthcoming changes to applicant eligibility for the RSMS visa along with Perth's removal from eligibility, the need to make wholesale changes to regional definitions at the current time is not clear. It would be desirable to assess the impact of the planned changes before considering whether further alterations are needed. This applies to both the RSMS visa and eligibility under any other SSRM visas.

Preliminary Note

This is an officer level submission arising out of discussions at the Skilled Migration Officials Group (SMOG) on 16 November 2017 and the subsequent request for evidence-based submissions. Several jurisdictions identified the political ramifications of determining regional boundaries for various visas, such as the RSMS visa. Any agreement to change the boundary status would likely need Cabinet endorsement.

The South Australian Government position is that South Australia, including Adelaide, should remain regionally defined for the RSMS visa and any other visa with a regional component.

Historical Background

The Australian Government introduced a series of State Specific and Regional Migration (SSRM) visas from 1996 to address the imbalance in migration flows relative to Australia's population distribution. It was particularly intended to steer migrants to smaller capital cities and regional areas, rather than the high growth capital cities that naturally attract migrants.

When regional areas were defined in various visa programs, benchmarks were used that considered:

- population size;
- population growth rate (less than half the national average); and
- average income levels (90 per cent of the national average).

These benchmarks continue to be relevant to migrant dispersal mechanisms, but other measures could also be considered, including age profiles and labour force growth.

Of all the States and Territories, only South Australia, the Northern Territory and Tasmania have their capital cities included in the definition of 'Regional Australia and Low Population Growth Metropolitan Areas' (commonly known as 'regional' status). Some larger cities have been given regional status for specific visa programs. For example, Melbourne and Perth are designated areas for the family sponsored 489 provisional visa, and until recently Perth was regarded as regional for the RSMS visa.

Recently, DIBP appears to have placed a strong focus on rural and regional areas regarding matters such as regional occupation lists or regional eligibility, with no reference to low population growth metropolitan areas.

Discussion Paper Questions

How does your State or Territory determine what areas are regional?

The South Australian Government has defined 12 administrative regions in the state: four in metropolitan Adelaide, three non-metropolitan regions near Adelaide and five country regions. These administrative regions were introduced in 2006 and allow Government departments, agencies and government partners to use a consistent set of boundaries for service delivery, planning and reporting.

These regions also align closely with those utilised by Regional Development Australia.

Terminology

The use of the word 'regional' within SSRM visas has appeared to cause some confusion over time for various parties.

Adjusting the terminology could help to ensure that there is recognition that the term 'regional' does not reflect the scope of the policy objectives of the program. Consensus amongst DIBP, the States, and Territories could be developed for appropriate terminology, such as "special migration status" or similar.

Are there compelling economic/demographic factors in your State or Territory which you believe should be considered in the context of eligibility for the RSMS?

Existing Benchmarks

Postcode eligibility for the SSRM visas was based on benchmarks (outlined above) which identified metropolitan Adelaide as eligible for the RSMS program. This was primarily based on Adelaide having:

- a population growth rate half the national average or less. (The estimated residential population of Adelaide grew at 0.76 per cent the last year, compared to national growth of 1.5 per cent and national capital city growth of 1.78 per cent.)¹
- relatively low average wages. (Adelaide sits just above 90 per cent of national weekly income at an individual level, and just below 90 per cent for household weekly income.)²

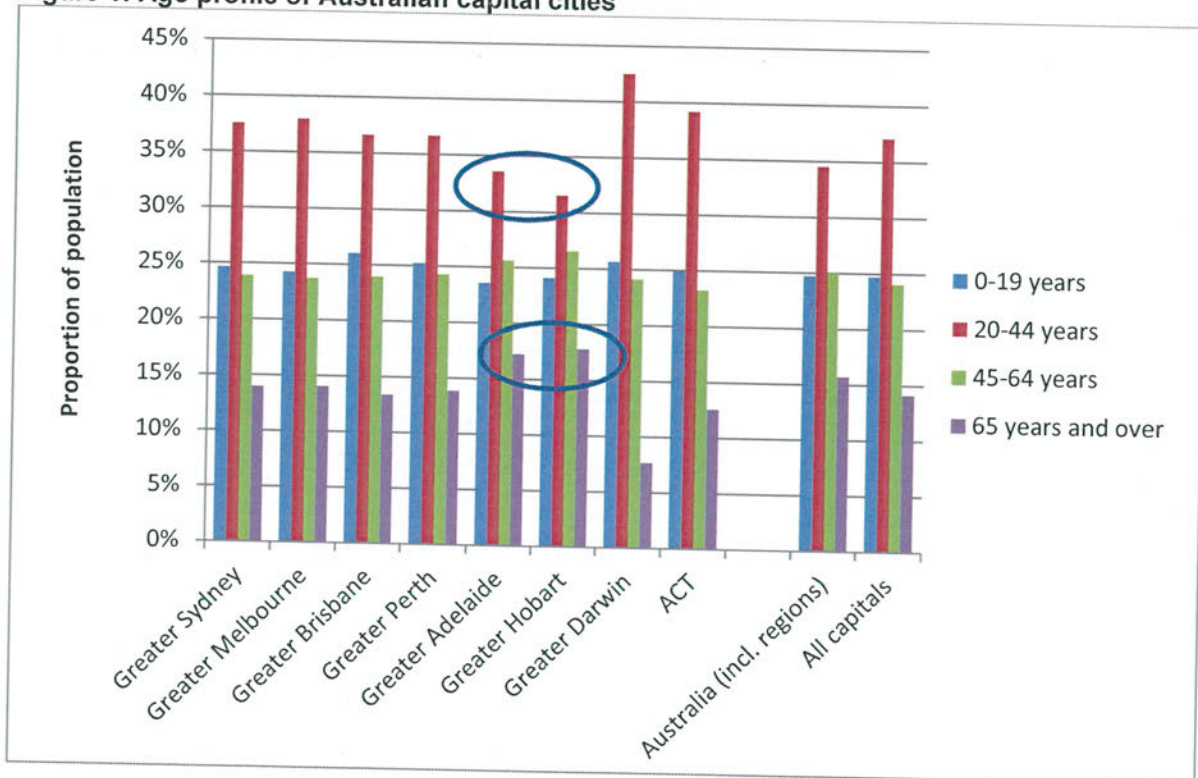
Presented below is demographic and economic information, which highlights Adelaide's need for population and skills which can be assisted by 'regional' status.

Age Profile

Metropolitan Adelaide possesses a relatively old age profile with a median age of 39, very different to the other mainland capitals of Brisbane (median age 35), Melbourne, Sydney and Perth (each 36).

The demographic profile of Adelaide compared to other capital cities is evident in the following chart.

Figure 1: Age profile of Australian capital cities



Adelaide and Hobart both stand out for their demographic breakdown, which demonstrates in comparison to the other Australian capital cities:

- a much lower proportion of residents in the key working age group of 20 to 44 years;
- a much higher proportion of residents aged 65 and over (above 17 per cent, compared to 14 per cent or less in all other capital cities);
- a higher proportion of residents aged 45 to 64 (nearing retirement);
- a lower proportion of children (aged up to 19 years), reflecting next generation of workers. Adelaide has the lowest proportion of children across all these cities.

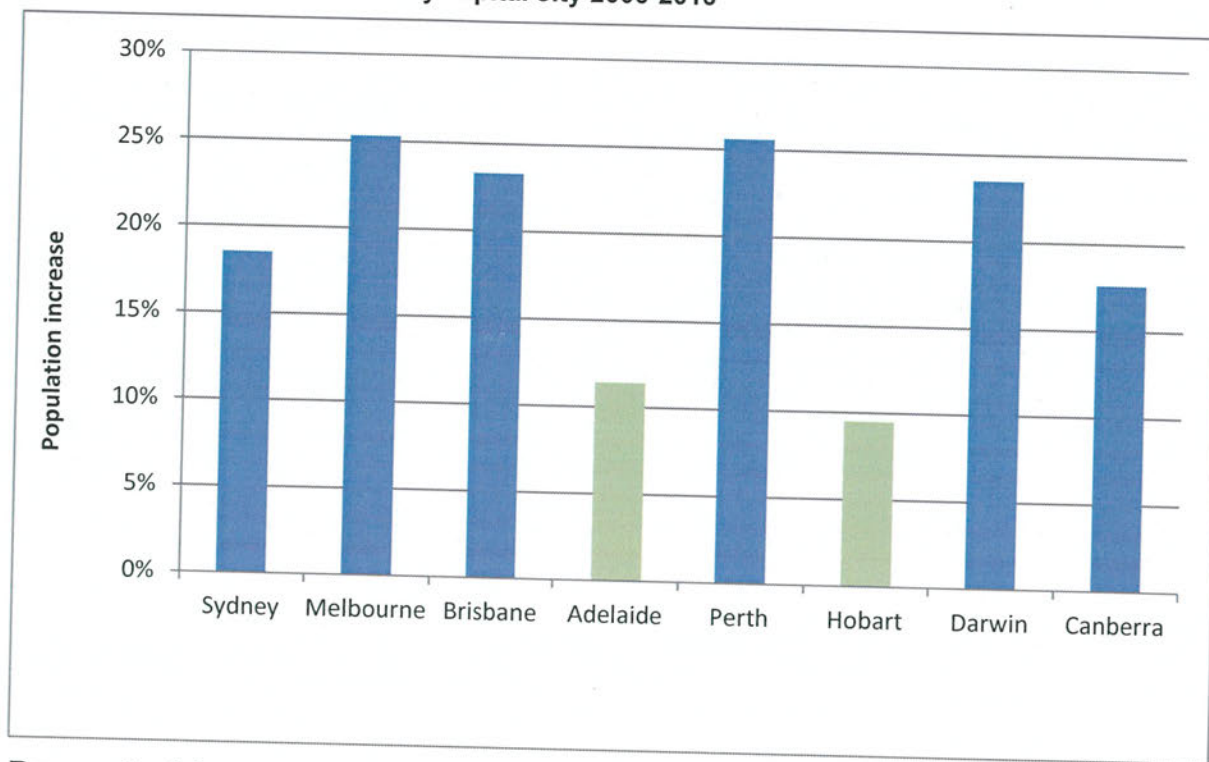
¹ ABS, Regional Population Growth Australia. ABS release 3218.0.

² ABS 2016 Census QuickStats. Weekly earnings by state are available monthly in the ABS Release 6302.0, Average Weekly Earnings Australia.

From a demographic and economic perspective, Adelaide (and South Australia) has more in common with Hobart (and Tasmania) than the four most populous and high-growth mainland capitals.

Both Adelaide and Hobart have struggled to keep pace with the larger cities, as demonstrated in their growth profile over the last decade (see Figure 2 below) despite the benefit provided by SSRM visa products over this decade.

Figure 2: Population increase by capital city 2006-2016



Removal of low population growth metropolitan areas from the RSMS eligibility (with potential for removal then heightened in other SSRM visas) would further reduce the growth and attractiveness of these cities.

The demographic profile of Adelaide has been heavily influenced by persistent net interstate migration losses. The net losses are concentrated in those aged in the prime working years of 20 to 39 and in those with greater education levels. Whilst this has to some extent reflected available jobs and opportunity, employers still struggle to fill skilled vacancies. As such, the shift of young people interstate is not purely an economic function, with increasing evidence it has a strong cultural aspect.

Skilled migrants, attracted by regional incentives, have played an important part in filling this void and assisting South Australia to maintain growth, that whilst low by national standards is still strong in a broader Western democracy context.

Educational Profile

Metropolitan Adelaide suffers from a lower educational profile than most other capital cities and the national capital series average. Across the ages 20-44 years, a key age range for migrants, less than 30 per cent of metropolitan Adelaide residents have a bachelor degree or higher, compared to the national capital city average of 34.0 per cent, and behind Melbourne (37.5 per cent), Sydney (38.1 per cent) and Canberra (43.7 percent).³

This is a barrier to economic growth and development. It is particularly significant in the context of the need to shift from labour intensive and manual industries to higher-skilled work in the services sectors, future industries like advanced manufacturing, and the growing need for innovation and commercialisation to grow economies.

³ ABS Census 2016. Data derived via Census Tablebuilder.

Without a sufficient pool of suitably skilled workers, businesses will struggle to grow and adapt to changing times. This is why the RSMS is a vital tool for providing Adelaide, and other areas that do not naturally attract high numbers of migrants, with access to the skilled labour needed to grow the economy.

Participation Rate

The older and ageing profile of Adelaide is demonstrated clearly in the workforce participation rates of other mainland state capital cities.

Greater Sydney	Greater Melbourne	Greater Brisbane	Greater Perth	Greater Adelaide	Greater Hobart
65.7	66.5	68.0	67.0	62.6	63.4

Adelaide has the lowest labour force participation rate, between three and six percentage points lower than the other mainland capital cities. South Australia's demographics present a challenge for improving this position. This low participation rate highlights how important it is to have access to further workers via the RSMS visa for those employers that cannot find willing or suitable workers within the local labour force.

Economic Growth

Gross state product growth (GSP) for South Australia lags behind all mainland States and Territories. The 10-year growth in current prices is 45.7 per cent, with only Tasmania also below 50 per cent, compared to a national growth of 61.7 per cent. Population growth is a key factor in the lower economic growth experienced by South Australia and Tasmania, with South Australia and Tasmania both much closer to the national average when viewing GSP growth on a per capita basis.

What areas of your State or Territory are considered regional, are experiencing severe skills shortages, and should have access to the RSMS?

As outlined above, all of South Australia should be 'regional' for the purpose of the RSMS.

Severe skills shortages have not historically been a requirement for postcode eligibility of a region under the RSMS visa, and it is not recommended that this approach be adopted. This would require too much adjustment as employment demand shifts in particular regions, and would likely become out of date, and lead to unintended inconsistencies.

Department for State Development (DSD) supports an approach in line with the direct entry requirements of the RSMS visa, under which an employer must demonstrate that:

- there is a genuine need for the position in South Australia;
- the position cannot be filled locally; and
- the employment conditions are equivalent to those provided to an Australian worker.

It is an attractive option for prospective migrants compared to other visa options because this visa is used to facilitate employer access to permanent migrants. This is the case for the direct entry pathway and temporary transition. With a broader range of occupations available from March 2018, 'regional' areas will be better able to attract 457 visa holders in competition with large capital cities in hard to fill occupations, given the potential pathway to permanent residency available.

Ultimately, even in occupations not considered to be suffering a skills shortage, particular skills sought by an employer may not be available locally. It is impossible for any government to accurately indicate all occupations in which an employer may require specific skills in the future.

Do you have any relevant data or other reliable evidence that could be used to identify areas suitable for the RSMS program?

Data Sources

The discussion paper proposes that the Australian Statistical Geographic Standard (ASGS) be used as a starting point for assessing RSMS eligibility, with some adjustments to the list of eligible regions based on economic activity, labour market performance, demographic profiles and land use.

DSD's view is that the current eligibility benchmarks remain relevant, particularly in the context of low population growth centres. Most of the data that can inform current eligibility benchmarks for the RSMS program are available from public sources, primarily ABS releases relating to:

- Population size and growth (ABS releases 3101.0; 3218.0); and
- Average income levels (ABS releases 6302.0; 6523.0).

DSD recommends that the benchmarks to assess initial participation in the SSRM programs continue to be recognised, along with using the ASGS. Consideration could be given to replacing the population growth rate with labour force growth as a benchmark (ABS 6202.0 and 6291.0 series), along with consideration of the overall age profile of a region (ABS 3235.0). This would build in further support for communities with an older age profile relative to the national average (which is a key constraint on economic development).

Also relevant is DIBP's own data as indicated in the discussion on regional incentives below.

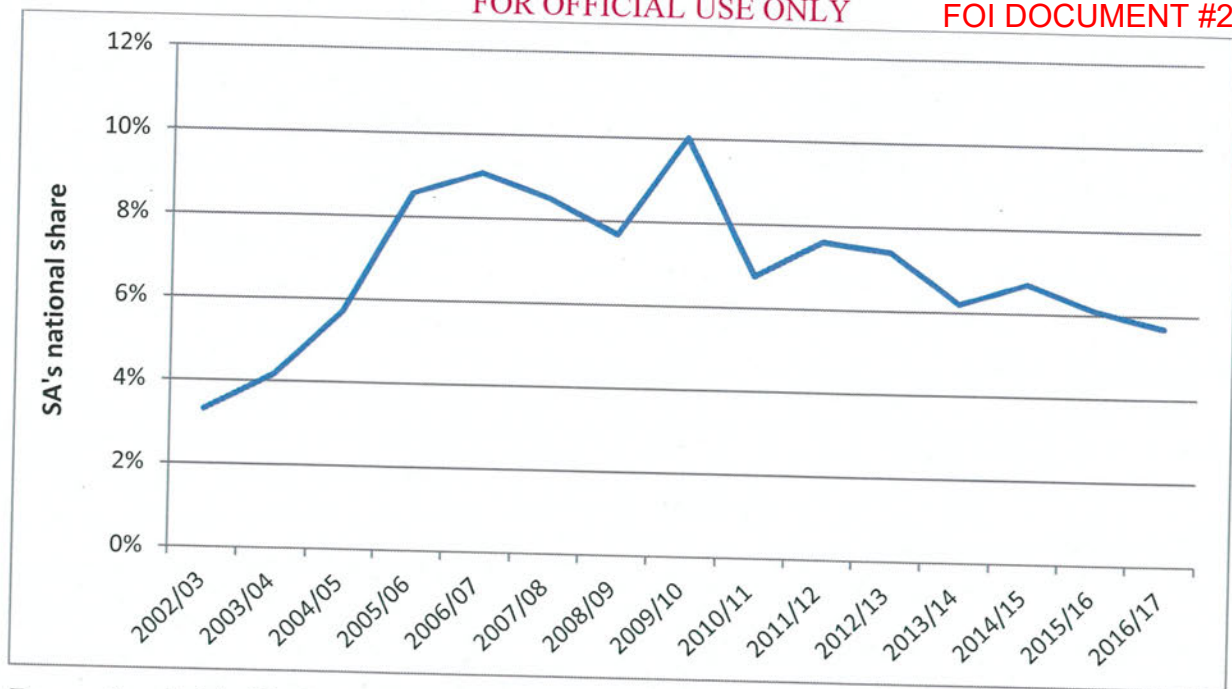
Positive Impact of Regional Incentives

DIBP permanent additions and migration programme outcomes data, along with unpublished data on visa applicant location can directly inform the contribution made by the various SSRM visas. For example, the skilled independent visa and the temporary 457 visa provide a good indication of a region's natural pulling power when it is neither low population growth, nor regional.

In 2016-17 South Australia attracted just 3.1 per cent of permanent additions via the skilled independent visa and just 2.5 per cent of 457 visa grants.⁴ This is well below the state's population share of 7 per cent. However, the role of the regional incentive cannot be understated, with South Australia achieving 5.7 per cent of all skilled permanent additions in 2016-17 (noting this has reduced steadily from a 10 per cent share in 2009-10 as some regional incentives have been weakened over time) (see Figure 3).

Figure 3: South Australia's share of national skilled migration permanent additions

⁴ DIBP, Permanent Additions 2016/17 pivot chart and 457 visa grants pivot chart to 30 June 2017. Both figures quoted include secondary applicants.



Removing Adelaide from the RSMS visa eligibility would further reduce South Australia's migration intake and share of the nation's migrants below the current decade-low share.

Low Population Growth Metropolitan Areas

As highlighted above, some areas were included under regional eligibility on the basis of being low population growth areas, as indicated by their growth profiles and other characteristics. In 2011, this changed when Greater Perth was added to the eligible locations, despite having an annual average population growth rate of 2.9 per cent across the previous five years, 65 per cent above the national annual average growth rate of 1.8 per cent, and well above cities like Adelaide and Hobart.

As a result, Western Australia's share of RSMS permanent additions rose from 15.9 per cent in 2010-11 to 39.9 per cent in 2015-16.⁵ DIBP data indicates that across 2015-16 and 2016-17, 31.0 per cent of total RSMS visa grants related to a position located in Perth.

At the SMOG meeting on 16 November 2017, DIBP indicated that 50 per cent of RSMS visa grants related to positions in metropolitan areas. Whilst metropolitan was not defined, based on these figures, removing Perth alone would see this figure drop to 27.6 per cent across the last two years. DSD's view is that this proportion is appropriate for a program targeted to both regional and low population growth metropolitan areas.

Larger Cities

For larger cities with high population growth (namely Sydney, Melbourne, Brisbane and Perth), there is merit in considering the outer urban boundary to ensure that the greater city is not partly included as regional.

If DIBP assessed the outer urban areas of high population growth cities for potential removal from RSMS eligibility, a key measure could be relative proximity to the CBD in travel time including via public transport options. Whilst a migrant may work in the outer area if this is eligible, family members may choose to study or work in or nearer the city, adding to infrastructure pressures and not benefitting a regional or low population growth centre. Currently, locations exist for RSMS eligibility that are within 40 to 60 minutes of the Brisbane, Melbourne and Perth CBDs.

⁵ The share reduced in 2016/17 to 31.1%, but this was likely influenced by Western Australia refusing to accept applications from March 2017.

The timeframes proposed by DIBP may be problematic in getting State's endorsement for changes, but as demonstrated with Western Australia; these changes can be implemented by the relevant RCB and later legislated by the Australian Parliament.

Pending Changes

Significant changes will be introduced to the RSMS program in March 2018, including:

- application of the TSMIT;
- new minimum work experience requirements;
- less occupations available;
- English language;
- reduced age limit; and
- contribution to the Skilling Australians Fund.

These changes are expected to have a significant impact on application numbers. For example, 40 per cent of applications for RCB advice in the last three years in South Australia have involved a salary below the current TSMIT. Also, around 30 per cent of applications have involved international students whose experience will generally not meet the new requirements. This will impact on metropolitan areas more than regional areas as metropolitan areas are where international student graduates are commonly located. The number of occupations available to the RSMS could also impact significantly on applications.

With such significant changes soon to occur, on top of removing Perth's recent 30 per cent or higher share of the RSMS program, the need to make wholesale changes to regional definitions is not clear. The planned changes alone will align the program more closely with regional and low population growth centres, and will also likely reduce overall numbers.

Integrity

The discussion paper states:

A new methodology underpinned by current data would strengthen the integrity of the RSMS, ensuring that the program is targeted to the needs of regional areas.

It is not clear how integrity is being referred to here. DSD does not believe that access by low population growth metropolitan areas is an integrity issue. However, the dominance of Perth under its 'regional' status in recent years highlights that this classification circumvented the program's intent.

From a visa integrity perspective, it is vital that DIBP put sufficient resources into ensuring that fraudulent applications are identified and, perhaps more importantly, that employers abusing the program are prosecuted. This includes prosecution via the 'payment for visas' legislation.

As a participating RCB, DSD takes integrity very seriously as demonstrated by the refusal to provide satisfied advice in over a third of applications in the last two program years. DSD is willing to work closely with DIBP to provide information on those applications considered to involve integrity concerns.

Conclusion

The SSRM visas were introduced by the Australian Government to steer migrants to low population growth capital cities and regional areas. The inclusion of Perth as an eligible location did not reflect the rationale for the RSMS program. The removal of Perth will see the program better targeted to both regional and low population growth metropolitan areas.

In this context, and in light of the significant changes to be introduced to the RSMS program from March 2018, it is unclear that wholesale changes to regional definitions are required.

As demonstrated by the evidence in this submission, Adelaide should continue to be an eligible location for the RSMS visa. This also has relevance to Adelaide's status under other SSRM visas.



Government
of South Australia

18TTII/00236

Hon David Ridgway MLC

The Hon Peter Dutton
Minister for Home Affairs
Minister for Immigration and Border Protection
Parliament House
Suite MG 46
CANBERRA ACT 2600
Email: Peter.Dutton.MP@aph.gov.au

Dear Minister

I am writing to you about the 2018-19 allocation of nomination ceilings for South Australia.

Traditionally, this allocation is done at the departmental level, however I wish to signal South Australia's interest in the allocation reflecting a greater focus on genuine regional dispersal of skilled and business migrants.

I appreciate that nomination allocations must occur within the national planning ceilings for General Skilled Migration and Business Innovation and Investment Programs. These ceilings have remained constant over the last few years at 28,850 and 7260 grant places respectively, to be shared amongst all the jurisdictions.

The last program year allocations reinforced the patterns of migration settlement in the larger states. South Australia is seeking a greater share to meet its economic objectives and rebalance population growth. A capacity of up to 4000 skilled and 1000 business nominations is sought to give us flexibility and greater control on migration to South Australia. This is an initial modest increase in our ceiling allocation and an indication of our desire for a greater share in future years.

A departmental submission has been made within the 13 July 2018 requirement reflecting this intention to drive the migration program to Australia's regions.

Yours sincerely

Hon David Ridgway MLC
Minister for Trade, Tourism and Investment

21/7 2018

Minister for Trade, Tourism and Investment

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State and territory nominations request for 2018-19

Request

Please indicate the nomination ceiling your state/territory requests for the GSM and BIIP categories. The 2017-18 numbers are included for your reference.

	GSM nominations		BIIP nominations	
	Ceiling for 2017-18	Requested ceiling for 2018-19	Ceiling for 2017-18	Requested ceiling for 2018-19
NSW	5300		850	
Vic	2800		2290	
Qld	1300		570	
WA	800		250	
SA	3750	4000	570	1000
Tas	1550		40	
NT	1000		25	
ACT	800		15	
TOTAL	17 300		4360	

Rationale

Please explain the reasons behind why you have requested the numbers you have in each category. This should include:

How do you determine the make-up of migrants to your state or territory, including how you set occupation lists?

How do you measure outcomes for migrants in your jurisdiction?

How will the number of nominations you have requested contribute to your state or territory's goals?

How does your state or territory plan for migrants?

What does your jurisdiction do to attract and retain migrants in regional areas?

South Australian Nomination Submission

- The allocation ceilings requested by the South Australian Government are modest within the scope of Australia's permanent migration program. A ceiling of 4,000 skilled and 1,000 business nominations is sought after careful consideration and reflects the growth required to meet the State's migration objectives from participation in the State Specific Regional Migration Scheme (SSRMS).
- The increase of 250 places for the GSM ceiling is modest. Whilst only 2,579 nominations were used last program year it is anticipated the full 4000 may be required given:
 - the expected transfer of demand from employer sponsored migrants already residing and working in the State, given substantial changes to the temporary and permanent employer sponsored program. This change is already being noticed in recent months.
 - Similar transfer of demand for those who would have sought access for the Skilled Independent Visa, but are no longer eligible given recent program changes (i.e. 65 point requirement).
 - Increasing attraction to the provisional 489 visa, for applicants now needing 10 points for state nomination to reach the new GSM point requirement.
 - South Australia (Immigration SA) has nearly 300 applications from 2017-18 that were unable to be processed in the 2017-18 program year, and will be reflected in 2018-19 nominations.
- The increased ceiling for business migration nominations to 1,000:
 - reflects the greater demand being experienced for the program over recent years. For much of the latter half of 2017-18, Immigration SA was not accepting new applications in the BIIP program (except for certain categories, such as the SIV). The 2017-18 allocation did not allow the natural growth of the program to progress.
 - complements the targeted growth the State wishes to achieve, with business migration seen as a key component.
- South Australia wants greater control over the types and numbers of migrants settling in our State so that we can attract people with the skills and investment needed to support the transition of the South Australian economy. A key priority is to address low population growth in Adelaide and the regions and that this growth is integral to creating more jobs.¹
- South Australia uses the SSRMS to address significant **skill, demographic, regional, and economic challenges**. South Australia is more reliant on migration for its population growth than any other state. Migrants who have come to South Australia under the SSRMS represent 45% of skilled migrants to SA. it is the most important mechanism to attract skilled migrants to the State. Our regions need skilled workers to grow our world class food and wine industries, support our tourism and enable the growth of creative industries.

¹"One of the highest priorities of my government will be addressing low population growth in Adelaide and the regions" [https://www.saf.beral.org.au/adelaide_s_lowest_population_growth_in_more_than_a_decade .]. On 24 April 2014, Premier Marshall state "driving a population growth agenda is integral to creating more jobs here in South Australia". (http://www.abc.net.au/news/2013-04-24/premier-calls-for-a-stop-to-adelaide-exodus/9693986)

Please explain the reasons behind why you have requested the numbers you have in each category. This should include:

1. How do you determine the make-up of migrants to your state or territory, including how you set occupation lists?

In facilitating state nominated migration, Immigration SA operates two lists:

- The State Nominated Occupation List (SNOL)
 - This list is intended to reflect occupations currently in demand or with solid projections for demand in the medium to longer term.
- The Supplementary Skilled List
 - This list effectively represents almost all remaining occupations potentially available for state nomination, provided the applicant meets specific criteria centred on:
 - 1) international student graduates of SA who are working (generally at a skilled level)
 - 2) temporary residents working at a skilled level in SA
 - 3) those scoring very highly on the national migration points test, indicating high potential for successful outcomes.
 - 4) Those with a direct family member in South Australia.

The SNOL is prepared and maintained annually by the Department for Trade, Tourism and Investment with the support of the Department of Industry and Skills. It is published in July following workforce modelling, analysis and industry consultation to identify skills in demand (or not in demand). The process largely follows a methodology previously approved by the former Department of Immigration and Border Protection.

The methodology is centred on detailed workforce projections. The workforce analysis draws on a range of economic and labour market forecasts and data, including:

- Employment growth projections
- Net replacement demand projections from the movement of labour between occupations and from retirements
- Projections of qualification requirements for each occupation (i.e. industry demand)
- Graduate projections.

Through analysis of this data, projected skills imbalances by occupation are quantified, and occupations identified as requiring additional skills are flagged for migration purposes.

To supplement the above modelling, annual consultation (initially via email) with over 100 relevant South Australian industry groups and professional associations, covering the bulk of occupations potentially available for state nomination. Occupations may be added or removed from the draft SNOL based on industry evidence supplied.

Further analysis and filtering is undertaken to finalise occupations to be included on the SNOL. This includes data and factors such as:

- Commonwealth data
 - findings from Department of Jobs and Small Business surveys of SA employers who have advertised.
 - advertised vacancies recorded in the Internet Vacancy Index.
- Additional prioritisation to occupations containing a STEM component
- Sensitivity considerations which may result in an occupation being removed or conditions being placed on the occupation to limit access. These include:
 - previous experience based on employment outcomes of migrants, integrity issues or large pool of aspiring migrants (usually higher requirements will be placed on such occupations)
 - occupations with barriers to entry that are unlikely to be appropriate without local experience/connections (for example licensing regulations are too much of a barrier)
 - occupations with recently changed conditions (such as an industry downturn)

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- occupations that are not necessarily a good look, and local industry can adjust (i.e. post office manager, make-up artist etc.).

All occupations have a planning level identified – no occupation group is higher than 100 with most occupations with a planning level of 20 or less. Occupations are restricted for State nomination once the planning level is reached.

Additional information can be found here <http://migration.sa.gov.au/skilled-migrants/about-the-lists-of-state-nominated-occupations>

The eligible occupations are listed here. <http://migration.sa.gov.au/skilled-migrants/lists-of-state-nominated-occupations>

2. How do you measure outcomes for migrants in your jurisdiction?

- Skilled and business migrant outcomes are measured by their presence in South Australia, their employment and/or business outcomes.
- For skilled and business migrants, the state requests that they register their arrival, allowing a connection point for future engagement and surveying. State nominated skilled migrants are surveyed regarding their employment outcomes at 3, 6, 12, 18 and 24 months.
- For business migrants who must undertake active business (132 SBH and 188A) we monitor their process every 6 months. Then at the 888 and 132 review stage they submit evidence to prove job creation, export or investment outcomes. They must also provide business asset details and their residency (or intention to reside) in SA.
- Along with measuring outcomes, it is worth noting that Immigration SA provides a suite of employment related services for skilled migrants, which can help migrants to gain skilled employment (i.e. improving their outcomes).

3. How will the number of nominations you have requested contribute to your state or territory's goals?

- They help meet the State's skills needs and support population growth.
- Without the SSRMS, South Australia would have a much lesser intake in the skilled stream, and would achieve similar to our performance under the skilled independent visa stream, through which the state achieved only 3.1% of national permanent additions in 2016-17. This share could be seen to reflect the state's natural "pulling power", without any influence from regional settlement or state nomination requirements. With the added restrictions made to the employer sponsored regional visa (the most common permanent visa used by South Australian employers), the state will be even more dependent on State nomination to meet skill needs.
- South Australia has both one of the lowest population growth rates and oldest average age populations in Australia. The median average age has grown by almost a percentage point over the decade, compared with the Australian average growth of 0.4 percentage points. The implications of South Australia's ageing and lower rates of population growth include lower workforce participation rates, potential skills shortages (including to support an ageing population), and pressure on the State revenue base.
- Many **regional locations** are home to some of South Australia's key export focused sectors including food manufacturing, agriculture and mining, with many regional SME's unable to attract and retain workers with the appropriate skills to expand their operations and reach their full potential. Attracting and retaining migrants assists with the skills challenges facing South Australia and its regions and can assist in rejuvenating our regional economic centres.
- The remainder of the skills, ranging from those required in high-skill defence sector jobs, to those that support the transition to a more creative and entrepreneurially focused economy, as well as some of those required to service the ageing local population, will need to be sourced from migration.

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- Business migrants contribute to the local business environment and are now reaching a critical mass, creating strong interest in the local business community in supporting additional growth and renewal.
- Our community needs more young people that will stay, have families, offset our ageing population and support our schools and community organisations. Our economy needs entrepreneurial business migrants to contribute to and grow our trade and industries of the future.
- Table 1 demonstrates the great importance of the SSRMS to South Australia. Of the total permanent additions for South Australia, the SSRMS represents around 45% of the intake each year. Retention of Regional Status for Adelaide is critical in maintaining this.

Table 1: South Australia's permanent additions and national share

Permanent Additions (primary and secondary applicants)	SA intake				National share			
	2013-14	2014-15	2015-16	2016-17	2013-14	2014-15	2015-16	2016-17
Family	3,280	3,146	3,171	2,947	5.1%	5.2%	5.2%	4.8%
Skill Stream	8,028	8,612	7,670	7,231	6.2%	6.7%	6.1%	5.7%
<i>SSRMS</i>	<i>(5,913)</i>	<i>(6,292)</i>	<i>(5,471)</i>	<i>(5,150)</i>	<i>(10.6%)</i>	<i>(13.1%)</i>	<i>(11.5%)</i>	<i>(11.8%)</i>
<i>Other</i>	<i>(2,115)</i>	<i>(2,320)</i>	<i>(2,199)</i>	<i>(2,081)</i>	<i>(2.9%)</i>	<i>(2.9%)</i>	<i>(2.8%)</i>	<i>(2.5%)</i>
Humanitarian	1,217	761	1,061	1,428	9.3%	6.7%	9.9%	5.9%
Non-program & special eligibility	569	537	415	268	1.9%	2.2%	1.9%	1.8%
Total	13,094	13,056	12,317	11,874	5.5%	5.8%	5.6%	5.3%

Source: Department of Home Affairs (unpublished data)

4. How does your state or territory plan for migrants?

- The 30 Year Plan for Greater Adelaide caters for the level of migration being achieved and with capacity for additional growth (it caters for a high growth scenario).
- The resourcing for post-grant arrival services provided by the State Government are based on the level of nominations sought by the Government. Additional resources have been added to the business migration area to cater for the increased numbers and investments in systems have also been undertaken to ensure adequate monitoring and support can be offered. Immigration SA contains a Unit (Skilled Arrival Services), which supports skilled migrants to gain skilled employment outcomes, with services including:
 - job readiness seminars
 - interview preparation workshops
 - trade recognition advice
 - comparative assessment of overseas qualifications
- The government engages with stakeholders to ensure they are aware of the migration program. An across government planning and settlement committee helps to define settlement strategies. Private providers such as Adelaide City Care provide a volunteer meet and greet service at the airport for new arrivals and host quarterly welcome dinners. The Australian Chinese of Chamber hosts regular events to integrate new business migrants into the local business community.

5. What does your jurisdiction do to attract and retain migrants in regional areas?

Through a mixture of policy and promotion migrants are attracted and retained in South Australia. Our response below also refers to how we promote investment and business in regional South Australia, beyond actual settlement.

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Policy

- Increasing use of the 489 visa subclass in recent years as this better retains migrants in regional areas (Over 60% of all State nominations in 17-18 were provisional).
 - Various occupations are limited to a 489 visa only, in addition to those stipulated by the Commonwealth. An even greater number of occupations are limited to the 489 visa for those applying from offshore.
 - Migrants who have studied or worked interstate must show commitment to SA and can usually only access the 489 provisional visa.
- Encourage temporary migrants to try regional locations to obtain State nomination
 - Migrants working in regional SA for 6 months are eligible for State nomination (instead of 12 months for metropolitan areas).
- Reduced state nomination requirements if undertaking business or working in regional SA

Promotion

- Promotional information on website
- Welcome information sessions for new migrants – promote the regions -includes presenter from regional SA
- Working with local councils and Regional Development Authorities to establish programs to welcome migrants to regional areas
- Helping regional employers connect with State nominated migrants when they have job vacancies.
- Highlighting investment opportunities to high net-worth business migrants via regional showcases in specific regional areas of the state,
- Bringing regional producers and businesses to Adelaide for a trading connection session to connect with business migrants, particularly those seeking to export.
- A dedicated website, [SA China Connect](#), also connects Chinese buyers and investors to South Australian businesses, which is particularly relevant to the large proportion of BIIP migrants who are Chinese. The site is available in both English and Mandarin language.



Government
of South Australia

Hon David Ridgway MLC

File - Sent in Department

24 SEP 2018

18TTII/00348

The Hon David Coleman MP
Minister for Immigration, Citizenship and Multicultural Affairs
PO Box 6022
House of Representatives
Parliament House
CANBERRA ACT 2600

<input type="checkbox"/> Priority A - 7 days (or ...)	<input type="checkbox"/> Reply by Min.
<input checked="" type="checkbox"/> Priority B - 14 days	<input type="checkbox"/> Reply by Asst Min
<input type="checkbox"/> Priority C - 28 days	<input type="checkbox"/> Reply by CoS
<input type="checkbox"/> Priority D - Intervention	<input type="checkbox"/> Reply by Sen Adv
<input type="checkbox"/> Info / NFA	
<input type="checkbox"/> Non Port	
RECEIVED: 20 SEP 2018	
<input type="checkbox"/> Reply by Dept	
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Action Area	

Dear Minister *DAVID,*

Thank you for meeting with me and my team on Monday, 10 September 2018 and for the detailed discussion on immigration matters. Again, I would also like to congratulate you on your appointment to the important portfolio of Immigration, Citizenship and Multicultural Affairs.

Further to our discussion, South Australia has been experiencing population growth well below the national average for some time. This has had a detrimental effect on the growth and functioning of our state's economy. Accordingly, the South Australian Government is developing a policy and program of activities to support increased migration with the goal of returning to the national average growth rate. This will include working across the South Australian Government, local government, Regional Development Australia and community organisations to determine specific labour market needs, business opportunities, employer requirements and job matching, infrastructure needs and community support programs. As discussed on Monday we will keep you regularly updated on this work and any relevant findings.

Assuming natural increase and net interstate migration remain constant, it is estimated that the achievement of our population growth aspiration will require ^{s. 47B(a), s. 47B(b)}

s. 47B(a), s. 47B(b)

^{s. 47B(a), s. 47B(b)} As previously communicated with the Department of Home Affairs, we seek an increase in state nominated skilled visas to 4000 skilled and 1000 business nominations (equivalent to approximately 12 000 migrants) in 2018-19.

We would expect this number to grow in 2019-20 and beyond as the South Australian Government implements its business-friendly program of red tape reduction, economic infrastructure development, innovation and entrepreneurship facilitation, tax relief (lowering payroll, land and Emergency Services Levy taxes), as well as industry growth (eg defence and space).

Minister for Trade, Tourism and Investment

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Government
of South Australia

The South Australian Government has appreciated your in-principle support of South Australia's intention to lift our population growth, with a focus on migration. We are keen to work closely with you on how we can assure more regional dispersal of migrants. I understand that the Commonwealth is working on policy proposals to support this intention and would welcome the opportunity for further discussions and briefings on your approach.

As you will recall, in our meeting we indicated that we have several general policy approaches that we believe may assist with regional dispersal and we look forward to working with you on these approaches. These areas include the possible implementation of more flexible Designated Area Migration Agreements (DAMAs) to respond promptly to regional labour needs, timely processing of existing South Australian employer sponsored applications, so they can be delivered in the current program year, the reversal of the reductions in the RSMS benefits in relation to work experience and salary levels (\$53,900) (based on interstate salary calculations and not always appropriate for regional locations) and a regional Temporary Skill Shortage (TSS) visa that would only be available in regional and low population growth areas. This could include a range of concessions over the existing TSS visa to include more occupations, lower experience requirements and lower minimum salary levels. Mechanisms to deal with integrity concerns can be progressed to allow regional concessions to be viable.

In the short term we believe that regional priority processing should be considered as an option. Given the backlog in visa approvals, applicants seeking to come to South Australia would ideally be processed as a priority to help achieve greater regional dispersal and population outcomes. This will provide an immediate boost to regional migration from applicants in the processing queue for the family sponsored and skilled categories (covering state nomination, employer sponsored and business).

As mentioned above, my Department is currently undertaking a significant body of work across government to gather up-to-date data and develop clear recommendations and policy actions to grow our population. I've asked my Department to be in regular contact with yours to keep you informed. Mr ^{s. 22(1)(a)(ii)} Director, Immigration South Australia and International Education, will be managing this process. His contact details are Ph: 08 ^{s. 22(1)(a)(ii)} or E: ^{s. 22(1)(a)(ii)} @sa.gov.au, if you or your Department have any questions or issues.

Overseas migrants can continue to contribute to the strength of South Australia's economy and there is opportunity to expand this contribution. I look forward to working cooperatively with you to achieve this outcome.

Yours sincerely

Hon David Ridgway MLC
Minister for Trade, Tourism and Investment

14/9 2018

