

26 July 2024

The Hon Clare O'Neil MP
Minister for Home Affairs
PO BOX 622
House of Representatives
Parliament House
Canberra ACT 2600

Dear Minister

Federation University Australia – response to the Supporting Strong and Sustainable Regions Discussion Paper

Federation University Australia (Federation) is pleased to present our position on enhancing regional migration in response to the Supporting Strong and Sustainable Regions Discussion Paper (the 'Discussion Paper').

Federation strongly supports a migration system that prioritises sustainable regional development in a strategic and coordinated way. Addressing skills gaps and population depth is crucial for regional growth, equity between regional and metropolitan areas, and the development of critical industries that thrive in regional communities.

Federation's mission as a dual-sector post-secondary education institution with campuses in Ballarat, Berwick, Churchill, and Horsham drives our commitment to regional development. We work closely with regional industry and government to meet their needs, leveraging our deep understanding of regional contexts to recommend migration settings that align with industry and public policy needs.

Each of these regions has unique needs:

- **Ballarat (Central Highlands):** Focuses on new energy and the digital economy in addition to the core skills needs in healthcare and education. Skilled migration can fill shortages, boost local education through student migration, and secure permanent migration to drive knowledge-based industries.
- **Berwick (Greater South East Metropolitan):** Supports a large and growing Culturally and Linguistically Diverse (CALD) community. Leveraging their talent fosters knowledge-intensive industries in addition to the core skills needs in healthcare and education.
- **Churchill (Gippsland):** Requires a sustainable population base, attracting skilled migrants to support the renewable energy sector, and sustaining regional development in agriculture, tourism, healthcare, and education.
- **Horsham (Wimmera Southern Mallee):** Complements local education with skilled migration to support technological changes in agriculture, food processing, and critical minerals, ensuring a sustainable population for infrastructure development and resilience. Healthcare and education remain priority skills areas.

Although student visa settings are not the primary focus of the Discussion Paper, we recognise their importance in regional development. Therefore, we advocate for the introduction of a regional priority skills student visa as a gateway to effective long-term migration that supports critical industries. This visa would incentivise post-secondary education in regional institutions, fostering connections with local employers and enhancing the prospects for successful migration and settlement. It should be considered in the mix of settings that can support regional development.

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Federation's Co-operative Education Model, requiring all students to undertake significant industry placements, exemplifies our proactive approach to supporting regional development. This model aligns student needs, education programs, and industry requirements, addressing skill gaps in healthcare, education, renewable energy, advanced manufacturing, and business services. This approach illustrates the interconnection Federation has in regional communities to support successful migration in a regional setting.

Federation advocates for migration settings that support regional development through targeted skilled migration and increased international student numbers, as this will enhance Australia's competitiveness and support the sustainable growth of our regional communities.

Jaime de Ano, Senior Advisor, Government Relations, is my office's contact on this matter (e: j.deano@federation.edu.au; m: 0428 435 096).

Yours sincerely,



Professor Duncan Bentley
Vice-Chancellor and President

Federation University Australia

Federation University Australia's submission in response to the Supporting Strong and Sustainable Regions Discussion Paper

Overview

1. Federation University Australia (**'Federation'**) strongly supports a migration system that prioritises sustainable regional development in a strategic and coordinated way. This system should aim to secure the skills gaps and population depth that impede regional growth, exacerbate equity issues between regional and metropolitan communities, and limit the development of Australia's critical industries, which thrive in regional areas. These issues are interconnected with serious social, economic, and wellbeing challenges for regional communities.
2. In considering the Supporting Strong and Sustainable Regions Discussion Paper (**'Sustainable Regions Discussion Paper'**), Federation leverages its role as a dual-sector post-secondary institution with a presence across rural, regional, and outer metropolitan Victoria. Our mission is to provide post-secondary education that maximises impact for our graduates and communities. This focus drives our commitment to regional development, working closely with regional industry and government to meet their needs in interconnected and smaller communities where opportunities and challenges are pronounced.
3. Although student visa settings are not the focus of the Sustainable Regions Discussion Paper, Federation recognises their importance in regional development. Therefore, our response integrates our understanding of regional needs and student visa settings with the broader context of the paper's issues.

Federation recommends migration settings that strategically align with the specific industry and public policy needs of regions.

4. This is crucial for enhancing Australia's strategic competitiveness, addressing renewable energy transitions, ensuring food security, delivering infrastructure programs, and improving the quality of life in regional areas. Federation has drawn on its deep understanding of the regions we serve to respond the consultation questions set out below, including:
 - Ballarat Campus serving the Central Highlands community
 - Berwick Campus serving the Greater South East Metropolitan community
 - Churchill Campus serving the Gippsland community
 - Horsham Campus serving the Wimmera community
5. This regional presence allows us to identify powerful opportunities to complement migration settings with post-secondary education outcomes. By attracting skilled migrants, addressing population decline, and fostering long-term regional development, we can significantly contribute to the growth and sustainability of regional Australia.

Federation views addressing the following priorities in formulating fresh migration settings as critical for these four regions:

6. This high-level assessment is based on Federation's close relationship with local government, peak bodies, and industries in the four principal regions it operates campuses:

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- **Addressing Skills Shortages:** Increasing the number of skilled migrants in sectors such as healthcare, education, renewable energy, advanced manufacturing, and business services to fill critical gaps.
- **Boosting Population:** Encouraging skilled and educated migrants to settle in these regions to support economic growth and counteract population decline.
- **Enhancing Employment Opportunities:** Creating local job opportunities in high-growth sectors to reduce unemployment and underemployment rates.
- **Improving Educational Attainment:** Attracting international students and skilled migrants to elevate education and skill levels, supporting local industries and economic development.
- **Supporting Local Industries:** Migrants with expertise in key sectors can support local industries and contribute to their growth, fostering a sustainable future for the regions.

7. In addition, to this, each of these regions has specific needs that have implications for migration settings:

- **Central Highlands:** This region's focus on new energy and the digital economy, as well as the core health and education workforce needs, requires leveraging skilled migration to fill shortages, boosting local education through student migration, and securing permanent migration to drive knowledge-based industries.
- **Greater South East Metropolitan:** This area must support a large and growing Culturally and Linguistically Diverse (CALD) community and leverage their talent to foster knowledge-intensive industries.
- **Gippsland:** This region needs to develop a sustainable population base, attract skilled migrants to support the renewable energy sector, and sustain regional development in agriculture, tourism, healthcare, and education.
- **Wimmera Southern Mallee:** This area should complement local education with skilled migration to support technological changes in agriculture, food processing, and critical minerals, ensuring a sustainable population for infrastructure development and resilience.

Aligned migration and post-secondary education policies can address the diverse needs of these regions:

8. For example:

- **Regional Skill Shortages:** Ensuring migration settings incentivise post-secondary education in regional institutions is key to sustainable and skilled migration. Education in a regional institution fosters connections with local employers and the community, increasing the prospects for successful migration and settlement. For example, Federation's Co-operative Education Model requires all domestic and international students to undertake significant 60-day industry placements (at undergraduate level) with local employers. This co-design approach with industry and policymakers ensures alignment between student and industry needs, can effectively address any skill gaps in healthcare, education, renewable energy, advanced manufacturing, and business services, that are impeding regional development.
- **Population Growth:** Encouraging migrants to pursue post-secondary education in regional institutions can counteract population decline and stimulate economic growth. Federation University's campuses in Ballarat, GSEM, Gippsland, and WSM offer unique opportunities for students to integrate into local communities, fostering long-term retention and development.
- **Community Enrichment:** Attending regional institutions allows migrants to secure academic achievements in a supportive environment, aiding integration into community life and improving employment outcomes.
- **Community Resilience and Growth:** Regional institutions can attract skilled migrants in critical industries such as renewable energy, digital economy, and advanced manufacturing. Federation

University's strong industry partnerships and practical training programs ensure that international students gain the skills needed to drive innovation and productivity, enhancing community resilience and cultural vibrancy.

Proposed Response to Consultation Questions with Federation University's Focus

Question 1: How can the various temporary and permanent visas available to the regions work together to better meet skills needs? For example, Designated Area Migration Agreements (DAMAs) and regional employer-sponsored visas.

9. Federation proposes an integrated approach to visa programs, leveraging Designated Area Migration Agreements (**DAMAs**) into a more comprehensive model to support all regional areas, and supporting better coordination of regional employer-sponsored visas and other temporary visas to meet regional skills needs to meet regional needs. The key considerations for designing this approach include:
- **Ensuring Alignment with Regional Industry Needs:** Align temporary and permanent visa programs more closely with specific regional industry needs such as healthcare, renewable energy, digital economy, and advanced manufacturing. For instance, Central Highlands can focus on new energy, while Gippsland can target renewable energy and regional development in agriculture, tourism, healthcare, and education. Federation also notes enhanced cooperation between government, accreditation bodies, and tertiary providers is essential to recognise overseas qualifications and ensure regional areas benefit from highly skilled migrants. In addition to this consideration, see Below, *Response to Question 2*.
 - **Examining Integration with Educational Programmes in the Region:** This could involve ensuring temporary visa pathways to permanency are developed with regional university industry-aligned educational programmes, including cost effective and high-quality programs for recognised qualifications. Federation's submission to the Review of the Points-Test System also addressed how the benefits of attending a regional institution could be incorporated into the pathway for permanent skilled migration arrangements.¹
 - **Adopting a Long-Term View That Considers Population Growth and Community Enrichment:** Encourage skilled and educated migrants to settle in regional areas to support economic growth and counteract population decline. This includes offering greater flexibility for skilled migrants and their dependents on temporary visas to have a pathway to permanency even if the dependants do not have appropriate skills or require further training to meet other criteria. Federation campuses in Ballarat, GSEM, Gippsland, and WSM offer unique opportunities for integration into local communities, fostering long-term retention and development, and can also partner to offer settlement programs to improve the employability and quality of life for dependents. Pathways to permanency should be transparent and clearly grandfathered to incentivise investment in regional areas.
 - **Flexible Visa Transitions:** Consider allowing longer durations for DAMAs and extending the time workers can remain. This flexibility can facilitate greater transition between visas, ensuring that skilled migrants can continue to contribute to regional economies without disruption.
10. Federation notes coordination between government, educational institutions, accreditation bodies and industry stakeholders is essential for the successful implementation of any temporary and permanent visa scheme integration.

¹ Federation University Australia – Response to the Discussion Paper on the Review of the Points Test can be found at [Federation Government Submissions](#).

Question 2: Should there be a regional occupation list? How should regional occupation lists work alongside the Core Skills Occupation List? What should be considered in compiling the regional occupation list?

11. Federation University supports the creation of a regional occupation list to address specific regional skill shortages and promote sustainable regional development. A regional occupation list should be strategically aligned with the unique needs of regions such as Ballarat, GSEM, Gippsland, and WSM, reflecting the diverse economic and industry requirements of these areas. In addition to this, while student visa setting is beyond the scope of Sustainable Regions Discussion Paper, Federation has proposed the creation of a priority regional student skills visa, within which a component includes the creation of a priority skills list to align to the needs of the regions.
12. Federation notes the following considerations in developing a regional occupation list:
 - **Nuanced Approach to Regional Needs:** Acknowledge the differences in skills shortages between regional and metropolitan Australia, as well as between disparate regional zones. This requires a nuanced approach to managing and assessing skills needs. A nation-level approach often fails to capture regional context and tends to resemble metropolitan circumstances, washing out the specific needs of regional areas.
 - **Comprehensive Research and Local Consultation:** Conduct thorough research and consult with local industries, government, and community stakeholders to ensure the regional occupation list accurately reflects the specific skills needs of each region. Federation's presence across multiple campuses allows us to leverage our strong community and industry links to gather relevant insights and data.
 - **Integration with the Core Skills Occupation List:** The regional occupation lists should work in tandem with the Core Skills Occupation List by highlighting region-specific occupations that may not be sufficiently covered at a national level. This dual approach will address both broad and localised skills shortages, ensuring a comprehensive strategy to meet Australia's overall and regional workforce needs.
 - **Regular Updates and Adaptability:** To remain effective, the regional occupation lists must be regularly updated to adapt to changing economic conditions and emerging industry trends. This dynamic approach will ensure that migration settings remain responsive to the evolving needs of regional communities and industries.
 - **Skills Assessment and Accreditation:** Link skills assessment for migrants to accrediting bodies with clear gap training options. This process will enable highly skilled migrants with overseas qualifications to integrate into the Australian workforce. Implementing new vocational or higher education uplift/conversion programmes may be necessary to facilitate this transition.
 - **Incentives for Regional Settlement:** Ensure there are strong and tangible incentives in place to attract migrants to non-urban centres. This includes fast-tracked visa applications for regional occupations and enhanced settlement support for migrants through government programmes and community-based resources for those on a regional occupation list. Such measures will make regional areas more attractive destinations for skilled migrants.
 - **Enhancing Regional Development:** Focus the regional occupation lists on occupations that support critical sectors such as healthcare, renewable energy, digital economy, advanced manufacturing, agriculture, and education. By targeting these areas, the lists will help address skills shortages, boost economic growth, and support long-term community resilience and wellbeing.

Question 3: Could the definitions of regional be aligned across the various regional visas? How can definitions be structured to better account for the unique circumstances of regions?

13. Federation University proposes aligning the definitions of regional across various visas to simplify the migration system. Adopting a consistent definition that applies to all regional visas, while allowing for sub-categories to address specific needs of each region, will provide clarity and flexibility. This could include considering:

- **Consistent Definition with Nuanced Sub-Categories:** A consistent definition of regional can be established to streamline the migration system, with nuanced sub-categories tailored to the unique characteristics and needs of each region. For example, sub-categories could address the focus on new energy, digital economy, and advanced manufacturing in Ballarat, the knowledge based industry aspirations in GSEM, renewable energy and agriculture in Gippsland, and digital agriculture and critical minerals in WSM.
- **Recognition of Regional Variability:** It is essential to recognise the differences in skills shortages and economic conditions between regions. The need for nuanced, positive regional differentiation in migration policy settings will ensure that regional contexts are not overlooked in favour of metropolitan circumstances. A one-size-fits-all approach would fail to address the unique challenges and opportunities present in different regional areas.
- **Tailored Policy for Regional Characteristics:** Aligning definitions while accounting for the unique circumstances of regions will ensure that migration policies are fit-for-purpose. For instance, recognising the focus on renewable energy and agriculture in Gippsland, or digital agriculture and critical minerals in WSM, will enable more effective and targeted migration strategies.
- **Differences Between Peri-Urban and Rural Areas:** Recognising the differences in skills needs between peri-urban/outer metropolitan communities and truly rural areas will enhance the effectiveness of regional migration policies. RUN notes the need for a nuanced approach, as nation-level definitions often fail to capture the specific needs of various regional zones.
- **Simplifying and Enhancing the Migration System:** Simplifying the definitions while ensuring they are adaptable to regional nuances will reduce complexity and make the system more accessible for potential migrants and employers. This approach will facilitate a more efficient and responsive migration system that meets the distinct needs of regional Australia.

Question 4: How can we reform Working Holiday Maker program visa settings to limit exploitation, while still ensuring regional Australia can access the workers it needs?

14. Federation broadly supports stronger safeguards against the exploitation of the Working Holiday Program, including employer registration and auditing requirements. While student visas are not within the scope of this paper, Federation advocates for a regional priority skills visa that would allow more students to work in priority industries, thereby filling critical skills gaps. Specifically, this visa would extend the rights for students to work full-time with employers they had placements with during non-study periods.
15. Additionally, reforms to migration settings to increase the flow of skilled workers, including those with less-skilled dependents, could significantly expand the pool of available workers in regional communities. With appropriate training and education from regional institutions, this approach would bolster the workforce needed to support regional development.

Question 5: How can we ensure a more consistent approach to lower-paid migration across various visa products, as well as reflect our commitment to maintain the primacy of our relationships with the Pacific?

16. Federation does not have a specific view on this. However, Federation broadly notes that increasing skilled migration and prioritised student migration with a view to permanency is the most sustainable way to support addressing regional skills shortages, sustainability and development.

Question 6: Noting the limitations of visa settings, what factors encourage more migrants to choose to settle in the regions and improve retention?

17. Federation notes several key factors in Ballarat, GSEM, Gippsland, and WSM:
 - **Employment Opportunities:** Ensure access to stable, well-paying jobs in key sectors, such as through the industry partnerships and job placement services Federation offers as part of its education offering. A diversified and active labour market where relevant skills are matched with meaningful employment is essential.

- **Support Services:** Provide comprehensive support for migrants to integrate into the local community, including language classes, cultural orientation, and social networks, which institutions like Federation can facilitate.
 - **Essential Services:** Ensure the availability of essential services such as healthcare, education, and housing. Federation advocacy and collaboration with local governments support these needs. High-quality hospitals, schools, public transport, and recreational options are vital for retention.
 - **Community and Quality of Life:** Promote a strong sense of community, safety, and the high quality of life in regional areas. This includes lower living costs, access to natural environments, and strong community ties.
 - **Affordable Housing:** Provide affordable housing and viable pathways to home-ownership.
 - **Cultural and Community Support:** Strengthen cultural and community support systems to attract migrants who may typically gravitate towards larger urban diaspora communities. Enhancing these support systems in regional areas makes them more attractive and supportive for migrants.
 - **Promotion and Campaigns:** Run effective, targeted campaigns that promote regional Australia as a diverse, contemporary, welcoming, and highly liveable/desirable location for prospective migrants. Highlighting the unique benefits and opportunities of regional living is essential.
18. Federation plays a pivotal role in addressing these considerations through its integration in the community and the comprehensive services it offers. By fostering strong industry partnerships, the university ensures job placement opportunities for migrants. Its extensive community engagement initiatives provide necessary support services, aiding in the seamless integration of migrants.
19. Moreover, Federation's advocacy for essential services and affordable housing, together with collaboration with local governments creates a supportive environment. The promotion of a high quality of life through academic and social programs, alongside targeted campaigns, underscores the university's commitment to making regional living attractive and sustainable for migrants.

Question 7: Do provisional visas successfully encourage large-scale retention of migrants in the regions? Is the length of a provisional visa the right length? Should both the regional employer-sponsored visa and the regional nominated visa have the same provisional visa arrangements?

20. Federation believes that provisional visas can successfully encourage the retention of migrants in regional areas if designed correctly. To maximise the effectiveness of these visas, we recommend a multifaceted approach that addresses various aspects of the migration and settlement process. Federation's strategies focus on evaluating current visa policies, standardising arrangements, providing robust support systems, addressing potential barriers, and promoting the benefits of regional living. Specifically, we propose the following:
- **Assessing Provisional Visa Effectiveness:** Continuously evaluate the effectiveness of current provisional visa durations based on retention rates and feedback from migrants and employers. This assessment will help identify any necessary adjustments to improve retention.
 - **Standardising Provisional Visa Arrangements:** Aligning the provisional visa arrangements for regional employer-sponsored and regional nominated visas will simplify the system and set clear expectations for migrants and employers. This uniformity will ensure there are no disincentives for choosing one visa type over the other.
 - **Providing Additional Support:** Enhance support for provisional visa holders by offering career services, housing assistance, and community integration programmes. Federation's industry partnerships, job placement services, and community engagement initiatives play a crucial role in providing this support, ensuring migrants can find meaningful employment and integrate smoothly into the local community.
 - **Addressing Barriers:** Investigate and mitigate barriers that may impede the success of provisional visas, such as difficulties in accessing affordable housing, well-paying jobs aligned with skill sets, and financial services. Federation's research capabilities and advocacy efforts can help identify and address these issues.

- **Promoting Regional Living:** Highlight the benefits of regional living, including lower living costs, strong community ties, and access to natural environments. Federation's targeted campaigns can effectively promote these advantages to prospective migrants.

Question 8: How can we improve planning for regional migration, especially given the return of migrants to regional Australia post-pandemic? Should there be more flexibility provided to states and territories in planning for regional migration?

21. Federation supports better planning for regional migration that aligns with local skills needs and involves state and territory governments. We believe in the critical role of international education and regional education institutions in supporting skilled migration into the regions through requalification, training, settlement, and community support.
- **Involving State and Territory Governments:** Significantly increase the involvement of state and territory governments in migration planning to ensure alignment with local economic and social goals. This increased involvement will provide necessary flexibility and ensure policies are relevant and effective in different regions.
 - **Data-Driven Policy Making:** Utilise data and research to identify trends and needs in regional migration, allowing for targeted and effective policy responses. This planning should include input from Jobs and Skills Australia, the Department of Employment and Workplace Relations, and state skills and planning authorities.
 - **Tailored Regional Migration Strategies:** Support the development of tailored and specific regional migration strategies that employ the full suite of visa arrangements and partnerships with regional institutions, local government, and other peak bodies. These strategies should drive migration into the region, ensure process integrity, and secure effective settlement in the regions, particularly aligned to skilled workforce needs to drive regional development.
 - **Local Government Involvement:** Include local government areas in the planning process to ensure policies are grounded in local realities. This involvement will ensure that migration planning is comprehensive and reflective of community needs.
 - **Transparency and Fairness:** Ensure transparency and fairness in implementing changes to regional migration settings. Providing generous implementation periods and grandfathering arrangements will help manage transitions smoothly and maintain trust in the system.
22. Federation advocates for better planning for regional migration that aligns with local skills needs and involves comprehensive engagement with state, territory, and local governments. We also emphasise the importance of international education and regional education institutions in supporting skilled migration through requalification, training, settlement, and community support, ensuring that migration strategies are effective and sustainable.