



21 March 2020

Senator Raff Ciccone
Senate Select Committee on Temporary Migration
By email: temporarymigration.sen@aph.gov.au

Committee for Gippsland submission to Senate Select Committee on Temporary Migration

The Committee for Gippsland welcomes the opportunity to provide input to the Senate Select Committee on Temporary Migration.

Established in 2011, the Committee for Gippsland represents around 80 member businesses in the Gippsland region. Sector neutral, the Committee for Gippsland seeks to positively influence government policy to improve the economic and community wellbeing of the region.

Agriculture represents a farm gate value of \$9billion to the Gippsland economy, and is a major driver of service based businesses in towns like Bairnsdale, in East Gippsland. The Committee for Gippsland represents a number of agribusinesses in the region, from farm gate primary producers through to processing. A common concern expressed by members in this sector is the lack of available skilled and unskilled labour to meet demand.

Gippsland businesses in the areas of forestry, meat processing, dairy and horticulture have reported a high level of frustration in trying to secure workers in skilled categories.

Gippsland is undergoing major labour and industry transition as a result of government policy which will see significant structural adjustment to what has been the region's traditional long-term sectors.

New and emerging industry will bring with it a different set of challenges associated with re-skilling existing workforce, adapting education and training curriculum, shortage of skills, attracting skilled workers to the region.

The meat processing industry across Gippsland faces a number of challenges in attracting workers. The industry is failing to attract a sufficient local workforce, despite repeated efforts. This is having a flow on impact to other sectors reliant on a strong agribusiness sector operating at full capacity.

Some of the sector specific issues:

Meat Processing:

- Availability of semi-skilled labour (such as knife/boning, halal accredited, classification)
- High stock prices – putting tremendous pressure on margins.
- Workforce stability can be a challenge with staff being lured to meat processing businesses on the fringe of Melbourne
- Staff confidence can be challenged when business operations fluctuate



Horticulture:

- 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.

Health:

Gippsland's health and social assistance sector is a major regional employer and growing (annual rate of 5 to 7 per cent) representing 14 per cent of the workforce and 9 per cent of the region's value add (Source: Australian Bureau of Statistics 2016).

- Gippsland along with other regions through-out Australia fail to attract and retain suitably qualified professionals. In many cases, we are unable to attract low skilled workers to this sector.
- 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 diploma. 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

Recommendation 1:

Industry is seeking an extension of migrant visas to a minimum of 12 months – Time extension construct (as per 417 visa) to be a standard template.



In many cases, regional businesses are having to invest significant training and upskilling before the migrant worker is fully operational which reduces the time in which the business can maximise the value of the migrant worker.

Recommendation 2:

The TSMIT is set based on regional market rates for that industry.

Migrant workers prior to being placed are informed and trained about their entitlements and responsibilities by the Fair Work Ombudsman prior to commencing work in Australia. Government may consider appointing a Labour Market Enforcement agency to oversee regulations, determine and monitor priorities or strengthen the powers of the Fair Work Ombudsman.

Recommendation 3:

A Designated Area Migration Agreement (DAMA) between the Australian Government and Gippsland. This will provide access to more overseas workers than the standard skilled migration program. In response to long term structural reform, Gippsland has a unique economic and labour market environment.

Gippsland welcomes the inclusion of migrate workers increasing work force participation which drives regional productivity (increasing the region's per-capita growth) leading to sustainable long-term economic growth and wellbeing.

Gippsland lags the state average in terms of higher education participation and attainment levels; therefore, we must continue to build local capacity and target a migrant (and other) workforce with higher levels of education and specific skills to improve our economic performance in growth, new and emerging sectors.

Our region is undergoing major structural reform of its traditional sectors which have underpinned our economic performance and we recognize to successfully transition it requires clever thinking and planning. Diversity and strength of our workforce will enable the region to capitalize on innovation, entrepreneurship, investment, productivity gains leading to improved livability standards.

The Committee for Gippsland would be pleased to provide further information on any aspects of this submission, and can be contacted

Yours sincerely

Jane Oakley
Chief Executive Officer