

Supporting strong and sustainable regions

Review of Regional Migration Settings Submission

Executive Summary

Our industry is the lifeblood of regional communities. The long-term viability of our industry will ultimately depend on the critical decisions made in the immediate future; one of which being the issue of workforce solutions. Regional tourism will undoubtedly contribute to the overall health of regional economies, with 89% of all domestic caravan and camping trips taking place regionally as part of a \$27 billion industry. This submission looks to provide a comprehensive strategy to assist the Department of Home Affairs (*Immigration*) through this vital issue.

Key Objectives:

1. **Addressing Workforce Demand:** Ensuring that core skill gaps are addressed, with industry and local communities consulted on workforce shortages.
2. **Safe and Ethical Conditions:** Ensuring industry maintains its consistent track record of removing forms of exploitation from parks and associated businesses.
3. **Long-term Dispersal:** Providing accessible support to migrants to continuing their employment in regional areas.
4. **Ongoing Cohesion:** Working with regional migrants, industry and local communities to promote harmony and strong social cohesion within regional communities.

Strategic Actions:

- **Consistent Consultation:** Survey all relevant stakeholders to determine industry and workforce needs, adjusting policy levers as required
- **Economic Opportunities:** Implement grants and schemes that promote a vibrant and diverse regional economy, leading to greater employment opportunities.
- **Support and Integration:** Provide support to both migrants and employers in workforce integration as well as general information regarding rights of workers and businesses.
- **Incentivise Settlement:** Implement incentives and pathways for eligible migrants to continue living in regional areas after probation.
- **Supercharged Infrastructure:** Invest in transportation networks, healthcare facilities, recreational amenities, and digital infrastructure

People Power: A Review of Regional Migration Settings

Our industry is only as strong as its people, ultimately leaving our sector with the imperative to invest in workforce solutions. Particularly coming out of a post-covid economy, our parks and regional manufacturers are experiencing an unprecedented era of change and opportunity, propelled by industry efforts to shore up demand through marketing campaigns and strategic investment by major parks. Our caravan industry not only provides a significant contribution to the regional economy but also holds a special place in the Australian way of life, ensuring all who work in our industry are able to experience the best our country has to offer. Ensuring work-force challenges can be addressed in the wake of a post-covid world will be vital to ensuring the ongoing viability of our industry as well as the economic health of regional communities.

However, to fully capitalise on these opportunities, addressing workforce challenges in the wake of the post-COVID world is crucial. The pandemic has fundamentally altered the employment landscape, introducing both challenges and opportunities. As we navigate these changes, investing in comprehensive workforce solutions is essential. By prioritising skills development, providing ongoing training, and ensuring a supportive working environment, we can attract and retain talent in the industry. This investment in our people will not only bolster the viability of our industry but also enhance the economic health of regional communities. Our workforce is the backbone of our operations, and their well-being directly influences our ability to thrive in a competitive market.

Investing in our Future: Industry Considerations

1. The Workforce Imperative:

- **Workforce Shortages:** The post-COVID world has exacerbated existing workforce shortages, making it difficult to find and retain skilled workers in the caravan industry.
- **Skills Gap:** There is a need for ongoing training and development to bridge the skills gap, ensuring workers are equipped with the latest industry knowledge and techniques.

2. Economic Viability in Regional Communities:

- **Economic Uncertainty:** Economic fluctuations and uncertainties post-COVID can impact consumer spending on caravans and related services, affecting demand and job stability.
- **Increased Inbound Tourism:** With international travel restrictions lifting, there is a critical opportunity to capitalise on the rise in inbound tourism, boosting demand for caravanning and camping, as well as related services.

3. A Continued Shortfall in Regional Infrastructure:

- **Regional Disparities:** Variability in regional economic health and infrastructure can create disparities in workforce availability and quality across different areas.
- **Government Support:** Potential for government incentives and support for regional development and workforce training initiatives in the caravan and camping industry.

4. A Humanistic Focus:

- **Health and Safety Concerns:** Ensuring the health and safety of workers in a post-COVID environment must remain a priority, requiring robust protocols and measures.
- **Removing Exploitation:** Although our industry has a proud history of preventing exploitation and modern slavery, it is increasingly important to ensure that industry grows its awareness of potential risk factors

5. Committing to Long-Term Viability:

- **Integrating Sustainability:** There is a growing recognition that environmental sustainability must be a core value and a key driver of innovation and growth within the industry.
- **Community Engagement:** Engaging with local communities can strengthen the industry's ties to regional economies and promote a positive industry image.
- **Technological Adaptation:** Rapid advancements in technology necessitate continuous adaptation and upskilling of the workforce to remain competitive.

Goals and Objectives

1. **Addressing Workforce Demand:** Ensure that core skill gaps are addressed.
2. **Safe and Ethical Conditions:** Remove forms of exploitation from parks and associated businesses.
3. **Long-term Dispersal:** Provide support to migrants continuing their employment in regional areas.
4. **Ongoing Cohesion:** Promote harmony and strong social cohesion within regional communities.

Background

The caravanning and camping industry is a vital component of Australia's regional development and local economy, with over 89% of all domestic nights taking place in regional areas. However, our industry faces acute skill shortages that hinder our growth and sustainability.

Data from Caravan Industry Association of Australia reveals that 708 jobs were listed across the entire sector in January 2024, with 1730 jobs listed during November 2023 – one of the busiest times of our year. This discrepancy in job listings highlights the seasonal nature of the industry, which experiences peak demand periods that exacerbate existing workforce challenges. It is worth noting that this spike in job listings occurred despite a slight decrease in March Quarterly Visitor Trips, down by about 400 in 2024 compared to 2023. This indicates that while visitor numbers may fluctuate, the demand for skilled labour remains consistently high.

Despite challenges such as rate rises and geopolitical factors affecting the broader and global economy, the industry has demonstrated resilience. Business confidence is on a steady rise, aligning with increasing consumer confidence. For instance, consumer confidence is projected to rise from 79 points to 88 in the third

quarter of 2024. Inflation appears to have peaked, and unemployment remains low, creating a fertile environment for sustained growth in the caravanning and camping sector.

This positive economic outlook is crucial for employment within the industry. The demand for skilled workers is high, particularly in roles such as caravan manufacturing, maintenance, tourism services, and park management. However, the industry faces significant skill shortages, which impede its ability to capitalise on growth opportunities and maintain high service standards. As a result of these shortages, industry is concerned that they will be unable to meet consumer demand, inevitably resulting in consumers deciding to either postpone their holiday, or even decide to visit an international destination.

To meet this demand, industry supports a methodical and considered approach to targeted WHM visas that contribute to meeting shortfalls in critical roles, such as hospitality management and regional RV maintenance and servicing. By strategically targeting these visas, government and industry can work together to ensure that the most critical areas of the workforce are supported, enabling it to meet consumer demand and continue contributing significantly to Australia's regional development and local economy.

Our data underscores the urgency of addressing these workforce challenges to sustain the sector's growth and maximise its economic contributions. With the right strategies in place, including targeted visa programmes and workforce development initiatives, the caravanning and camping industry can overcome these obstacles and thrive, ensuring that it remains a cornerstone of regional tourism and economic stability in Australia.

Q1. 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.

By way of background, Designated Area Migration Agreements (DAMAs) are formal arrangements between the Australian Government and designated regional areas experiencing critical skill shortages. These agreements allow regions to negotiate terms tailored to their specific labour market needs, including the inclusion of occupations in shortage that may not be available under standard visa programmes. DAMAs provide significant flexibility, offering concessions on English language requirements, salary thresholds, and age limits, which are critical in attracting and retaining skilled workers in regional areas. Additionally, DAMAs often include pathways to permanent residency, making long-term employment in these areas more attractive to skilled migrants.

DAMAs, tailored to the specific labour needs of designated areas, allow for the inclusion of occupations in shortage within the caravan industry. They offer concessions on English language requirements, salary thresholds, and age limits, facilitating the attraction and retention of skilled workers. Additionally, DAMAs provide pathways to permanent residency, incentivising long-term employment in regional areas. Complementing this, regional employer sponsored visas, such as the Skilled Employer Sponsored Regional (Provisional) Visa (Subclass 494) and the Regional Sponsored Migration Scheme (Subclass 187), address labour shortages by allowing employers to sponsor skilled workers for positions that cannot be filled locally. These visas also offer pathways to permanent residency, fostering stability and commitment among employees.

Harmonising eligibility criteria for skills assessments and creating a centralised body responsible for these assessments would ensure consistency and fairness. Providing clear and attainable pathways to permanent

residency for all temporary visa holders, including those under DAMAs, is crucial, and a points-based system that recognises regional work experience could facilitate this transition. Regular reviews and updates of DAMA agreements and regional employer sponsored visas would keep them responsive to industry needs, with occupation lists and concession criteria being periodically updated based on industry input and labour market analysis.

Enhanced support services for both employers and visa holders, such as assistance with the application process, relocation support, and integration into regional communities, would be beneficial. Promoting awareness and education through campaigns and training sessions would inform regional employers about available visa options and how to utilise them effectively. Introducing financial incentives for employers who hire and retain skilled migrants in regional areas, along with offering additional points or concessions for visa applicants willing to work in regions with critical skill shortages, would incentivise regional employment.

Simplifying the transition between different visa types without the need for reapplication and allowing visa holders to update their status or change employers seamlessly would ensure greater flexibility. Finally, tailoring DAMA agreements and visa programmes to address the unique needs of different regions and ensuring equitable access to visa programmes across all regional areas would address regional disparities. By implementing these recommendations, we can improve cross-compatibility across various visas, making it easier for the caravan industry to address its workforce needs and ensuring that skilled migrants can effectively contribute to the growth and development of regional Australia.

Q2. 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?

Should there be a regional occupation list?

Yes, there should be a regional occupation list. A regional occupation list is essential to address the unique labour shortages faced by the caravan industry in regional areas. This industry heavily relies on specialised skills, such as tradespeople, technicians, and manufacturing specialists, which are often not sufficiently available locally. A regional occupation list can help ensure that these critical roles are filled, thereby supporting the economic health and sustainability of regional communities and the caravan industry.

How should regional occupation lists work alongside the Core Skills Occupation List?

The regional occupation list should complement the Core Skills Occupation List by addressing specific, regionally focused skill shortages that the national list may not cover adequately. While the Core Skills Occupation List identifies in-demand occupations across Australia, the regional occupation list should cater to the unique economic and industry requirements of specific areas, particularly those critical to the caravan industry.

To ensure coordination between the two lists:

1. **Regular Review and Alignment:** Both lists should be reviewed regularly to reflect changing labour market conditions and emerging skill shortages. This process should involve consultation with regional employers, industry bodies like the Caravan Industry Association of Australia, and local governments to ensure the regional occupation list accurately reflects local needs.

2. **Clear Differentiation and Integration:** There should be clear guidelines on how the regional occupation list integrates with the Core Skills Occupation List, focusing on ensuring the regional list addresses gaps and augments the national list without unnecessary overlap.
3. **Pathways and Flexibility:** Visa pathways should be designed to allow for easy transition between occupations on the regional list and the Core Skills Occupation List. For example, a visa holder initially employed in a regional occupation should have the flexibility to move to a role on the Core Skills Occupation List if their skills align and opportunities arise.

What should be considered in compiling the regional occupation list?

1. **Local Labour Market Analysis:** Comprehensive analysis of the regional labour market should be conducted to identify current and projected skill shortages. This includes input from local employers, industry associations, and economic development agencies, particularly those relevant to the caravan industry.
2. **Industry-Specific Needs:** Each region may have unique industries driving their economy. In regions where the caravan industry is prominent, specific occupations such as skilled tradespeople, technicians, and manufacturing specialists should be prioritised. In regions where there are major parks with workforce shortfalls, specific occupations such as chefs and cooks should be prioritised.
3. **Consultation with Stakeholders:** Regular consultation with a broad range of stakeholders, including regional businesses, educational institutions, unions and industry bodies, is essential to ensure the list reflects real-world needs.
4. **Flexibility and Adaptability:** The regional occupation list should be flexible enough to adapt to changing economic conditions and emerging industries. Mechanisms should be in place to update the list quickly in response to significant shifts in the regional labour market.
5. **Balancing Supply and Demand:** Consideration should be given to both the supply of potential migrant workers and the demand for their skills in the region. This balance ensures that the list is effective in addressing skill shortages without leading to oversupply.
6. **Economic and Social Impact:** The broader economic and social impacts of including certain occupations on the list should be considered. This includes how these occupations contribute to regional development, community sustainability, and the overall quality of life in the region.
7. **Pathways to Permanent Residency:** The regional occupation list should include clear pathways to permanent residency to attract skilled migrants willing to commit long-term to the region. This helps build a stable, experienced workforce that can contribute to regional growth over time.

Q3. 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?

The definitions of **regional can and should be** aligned across various regional visas. Currently, inconsistencies in the definitions of what constitutes a "regional area" can create confusion and inefficiencies for both

employers and visa applicants. Aligning these definitions would streamline the visa application process, improve clarity, and ensure that the intended benefits of regional visa programmes are fully realised.

Q4. How can we reform Working Holiday Maker program visa settings to limit exploitation, while still ensuring regional Australia can access the workers it needs? For example, are there innovative strategies to incentivise Working Holiday Makers to choose regional Australia as their preferred destination, without tying the incentives to specified work visa requirements?

By way of background, the exploitation of migrant workers under the Working Holiday Maker (WHM) program in Australia has been a significant issue, with numerous reports highlighting the severe conditions and unfair practices these workers endure. Media reports and union investigations have revealed a pattern of exploitation from a select number of businesses in the agricultural and horticultural sector, engaging in deliberate wage theft, gendered workplace violence and general mistreatment.

The root causes of this exploitation can be traced back to the visa conditions that tie workers to single employers, creating a power imbalance where workers fear deportation if they report mistreatment. This fear is exacerbated by the lack of protections and the weak enforcement of existing laws. Temporary visa holders are often forced to accept substandard wages and working conditions to avoid jeopardising their visa status.

To reform the WHM program and limit worker exploitation while ensuring regional Australia can access the workers it needs, several measures should be implemented. Firstly, enhancing monitoring and enforcement of labour laws is crucial. This involves increasing resources for inspections, audits, and establishing a streamlined process for anonymous reporting of exploitation, with a strong focus on due process for reported businesses. Introducing mandatory minimum standards for employment conditions, including fair wages and safe working environments, will further protect workers while maintaining a level playing field for businesses.

Education and awareness campaigns should be conducted both pre-departure and within Australia to inform WHM participants of their rights and employers of their obligations. Voluntary incentives, such as financial bonuses, travel vouchers, and subsidised training programmes, can encourage WHM participants to choose regional work without making it a compulsory visa condition. These incentives should be designed to support businesses in attracting a motivated workforce without imposing additional regulatory burdens.

Establishing regional welcome centres and peer support networks will provide WHM participants with necessary support and integration assistance, ensuring they are well-prepared and more likely to stay with their employers. Developing an accreditation program for reputable employers and creating digital platforms for matching workers with these employers will ensure transparency and trust, promoting businesses that adhere to best practices.

Introducing flexible visa conditions that allow WHM participants to move between jobs without penalty will empower workers to leave exploitative situations while also allowing businesses to replace workers more easily if needed. Engaging with stakeholders, including unions and industry bodies like Caravan Industry Association of Australia, will ensure that policies balance worker protection with regional labour needs. These comprehensive, business-friendly strategies will create a fairer and more attractive environment for WHM

participants, promoting regional work opportunities while safeguarding against exploitation and supporting the needs of regional businesses.

Q5. 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?

To ensure a more consistent approach to lower-paid migration across various visa products while maintaining the primacy of our relationships with the Pacific, we need to implement comprehensive, strategic measures that are fair, transparent, and supportive of both migrant workers and Australian industries. Establishing uniform minimum wage standards across all visa products is essential to prevent exploitation and ensure fair remuneration. This should be coupled with mandatory training delivered by the Department or associated organisation such as unions or business bodies for employers and migrant workers on employment rights and obligations. Increasing resources for monitoring and enforcement of employment conditions, along with providing comprehensive support services such as legal assistance and integration programs, will protect migrants from exploitation and support fair competition among businesses.

While not commenting specifically on promoting relationships with our Pacific neighbours, we support Australia making significant advancements to secure a more prosperous Pacific region.

Q6. Noting the limitations of visa settings, what factors encourage more migrants to choose to settle in the regions and improve retention?

To encourage more migrants to settle in regional areas and improve their retention within the caravanning and camping industry, a holistic approach addressing employment opportunities, community integration, education, infrastructure, and policy support is necessary. Ensuring ample job opportunities within the caravanning and camping industry can be achieved by collaborating with local businesses and industry bodies to identify and promote job vacancies in areas such as caravan manufacturing, maintenance, tourism services, and park management. Providing incentives and support for migrants who wish to start their own businesses in the sector, including access to grants, business development programs, and mentoring services tailored to tourism and recreational activities, will foster entrepreneurship. Offering professional development opportunities and career advancement pathways within the industry, in partnership with local educational institutions, can provide training and certification programs in relevant fields such as hospitality management, recreational vehicle maintenance, and tourism operations.

Fostering a welcoming and inclusive community environment within regional areas is crucial. Local initiatives can promote cultural exchange, community events, and social integration activities specifically related to the caravanning and camping lifestyle. Establishing community centres or migrant resource hubs can provide spaces for social interaction and access to support services. Ensuring affordable and suitable housing options for migrants in regions with significant caravanning and camping activity, alongside developing housing policies that address the needs of new settlers, including temporary housing solutions, will enhance living conditions.

Improving access to quality education for migrant children and adults by investing in local schools, vocational training centres, and higher education institutions offering programs relevant to the caravanning and

camping industry is essential. Offering language and cultural orientation programs to help migrants integrate smoothly into their new communities, including language classes, cultural workshops, and mentoring schemes specific to the industry, will enhance their ability to connect with local customers and colleagues. Investing in the development of infrastructure in regional areas, particularly those popular for caravanning and camping, including improving transportation networks, healthcare facilities, and recreational amenities, will enhance the overall quality of life and make regional areas more attractive to migrants.

Implementing targeted incentives for migrants who choose to settle in regional areas with a strong caravanning and camping sector, such as tax benefits, relocation grants, and additional points for permanent residency applications for those who commit to living and working in these regions for a specified period, will attract and retain talent. Continuous engagement with migrant communities to understand their needs and challenges within the industry through regular feedback mechanisms, such as surveys and focus groups, will help policymakers and local authorities tailor their support services effectively. Conducting national and international campaigns to raise awareness about the benefits of living and working in regional areas with strong caravanning and camping opportunities, highlighting success stories of migrants who have thrived in these regions, and promoting the unique opportunities available in this industry will further encourage migration and retention.

Q7. 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?

Provisional visas, such as the Skilled Employer Sponsored Regional (Provisional) visa (subclass 494) and the Skilled Work Regional (Provisional) visa (subclass 491), are designed to encourage migrants to settle and work in regional areas of Australia. These visas generally require the holder to live and work in a designated regional area for a specific period, typically three to five years, before they can apply for permanent residency.

According to the Department of Home Affairs, provisional visas have had mixed success in encouraging large-scale retention of migrants in regional areas:

1. **Retention Rates:** Data from the Department of Home Affairs shows that while many migrants remain in regional areas during the provisional period, a significant proportion relocate to metropolitan areas once they obtain permanent residency. For instance, a study conducted in 2021 revealed that approximately 30% of provisional visa holders moved to major cities within a year of obtaining permanent residency.
2. **Economic Contribution:** Migrants on provisional visas have contributed positively to regional economies, particularly in industries such as agriculture, healthcare, and the caravanning and camping sector. However, retention beyond the provisional period remains a challenge.
3. **Satisfaction Levels:** Surveys conducted among provisional visa holders indicate that factors such as employment opportunities, quality of life, and access to services significantly influence their decision to remain in or leave regional areas. Migrants who find stable employment and feel integrated into the community are more likely to stay.

To improve the retention of migrants in regional areas, it is recommended that both the regional employer sponsored visa (subclass 494) and the regional nominated visa (subclass 491) have consistent provisional visa arrangements, with a standard five-year provisional period. This uniformity will reduce confusion among applicants and streamline administrative processes, as well as allow for migrants to have sufficient time to establish themselves into their local community. Additionally, enhancing support and integration programs is crucial. Strengthened employment support services, including job matching programs, career development workshops, and partnerships with local businesses in the caravanning and camping industry, will help migrants find stable employment. Community integration programs, such as cultural orientation sessions, language classes, and community events, will help migrants build social networks and engage with local communities. Improving access to essential services like healthcare, education, and housing will further enhance the quality of life for provisional visa holders. To incentivise long-term settlement, clear and accessible pathways to permanent residency should be provided for migrants who demonstrate long-term commitment to regional areas through continuous employment and community involvement. Financial incentives, such as tax benefits or grants, could also be offered to encourage migrants to stay in regional areas beyond the provisional period.

Q8. 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?

Providing more flexibility to states and territories in planning for regional migration is crucial. Each region in Australia has unique economic, demographic, and labour market conditions that influence its specific migration needs. Granting states and territories the ability to design and implement tailored regional migration strategies can lead to more effective outcomes. This includes allowing them to develop dynamic occupation lists that can be updated frequently based on real-time labour market data, ensuring that migration settings remain responsive to changing conditions.

Enhanced coordination among federal, state, and territory governments is essential for cohesive regional migration planning. Establishing a formal framework for intergovernmental collaboration, including regular consultations and data sharing, can ensure that migration policies are aligned and effectively implemented. This collaboration can facilitate the development of regional migration hubs that serve as one-stop centres for migrants, offering job matching, language and cultural training, and community integration support. Improved data sharing and analysis capabilities can inform policy-making and resource allocation, ensuring that migration strategies are data-driven and responsive to regional needs.

To address specific regional needs, it is important to develop sector-specific initiatives and community integration programs. For example, in regions with a strong caravanning and camping industry, targeted training programs and partnerships with local businesses can ensure that migrants have the necessary skills and opportunities to contribute effectively. Investing in infrastructure and service development, such as transportation, healthcare, and digital connectivity, can enhance the quality of life in regional areas, making them more attractive to migrants.

To improve retention, clear and accessible pathways to permanent residency should be provided for provisional visa holders who demonstrate long-term commitment to regional areas. Financial incentives, such as tax benefits, relocation grants, and additional points for permanent residency applications, can

encourage migrants to stay in regional areas beyond the provisional period. Community integration programs, including cultural orientation sessions, language classes, and social events, can help migrants build social networks and engage with their new communities, supporting long-term retention.