



QUEENSLAND  
TOURISM INDUSTRY  
COUNCIL

*The Voice of Tourism*

SUBMISSION TO THE JOINT STANDING COMMITTEE  
ON MIGRATION  
ON  
MIGRATION IN REGIONAL AUSTRALIA  
20 SEPTEMBER 2019

t 07 3236 1445 | e [info@qtic.com.au](mailto:info@qtic.com.au)

w [www.qtic.com.au](http://www.qtic.com.au) |    

Level 5, 189 Grey Street SOUTH BRISBANE QLD 4101

PO Box 13162, George Street BRISBANE QLD 4000

## OVERVIEW

---

The Queensland Tourism Industry Council (QTIC) welcomes the opportunity to respond to the Joint Standing Committee on Migration regarding Migration in Regional Australia.

Based on this submission, QTIC recommends the following:

**Recommendation 1**

Incentivise regional migration through reduced application time and costs.

**Recommendation 2**

Include tourism employment in the categories of employment that can qualify WHV holders for a second year of stay.

**Recommendation 3**

Extend maximum period of employment with the same employer for WHV holders from 6 months to 12 months.

**Recommendation 4**

Implement a mature-age temporary visa category, similar to the WHV, to capitalise on global opportunities.

**Recommendation 5**

Open all regional visas to pathways for permanent migration.

**Recommendation 6**

Review the ANZSCO structure.

**Recommendation 7**

Utilise pathways to permanency to encourage regional migration among international students.

**Recommendation 8**

Focus on connectivity (transport and telecommunications) to enhance the competitiveness and retain migrant populations in regional Australia.

## QUEENSLAND TOURISM INDUSTRY COUNCIL

---

QTIC is the state peak body for tourism in Queensland. QTIC is an independent, private sector, membership-based tourism industry organisation.

All of Queensland's 13 Regional Tourism Organisations (RTOs) are members of QTIC, as are 20 industry sector associations and in excess of 3,000 regional members, operating in all sectors of the tourism industry.

QTIC works in partnership with government agencies and industry bodies at a local, state and national level and is a member of the Australian Tourism Industry Council (ATIC).

## THE TOURISM INDUSTRY

---

The tourism industry in Queensland contributed \$27.3 billion to Queensland's Gross State Product (GSP) year ending June 2018<sup>1</sup>. This represents 7.8% of total GSP. The industry also generated \$7.5 billion in exports, making it the state's second largest export accounting for 10.1% of total Queensland exports.

The tourism industry consists of over 55,000 tourism businesses across Queensland; over nine out of 10 of these are small businesses. These businesses support employment to over 237,000 Queenslanders with positions in cafes, restaurants and takeaway food services contributing the largest shares of direct tourism employment (41,000 jobs), as well as retail trade (25,000 jobs) and accommodation (19,000 jobs).

On an average day in Queensland, there are 149,000 international visitors spending \$16 million a day. There are 250,000 domestic visitors, spending \$48 million daily and 120,000 day trippers. That is over half a million people away from their place of residence seeking experiences, food, drink, services and accommodation on a daily basis.

The World Travel and Tourism Council<sup>2</sup> (WTTC) projects travel and tourism employment will grow 5.8% (compound annual growth) over the next decade in the Asia Pacific region. In contrast, total economic growth is projected at 4.1% per annum while other industries such as mining and agriculture are forecast to grow at 1.8% and 2.2% per annum respectively.

The five-year average growth rate for total visitor nights in Queensland is projected to be 4.0% over 2014–15 to 2019–20, or 3.9% over 10 years. This compares to 4.4% total five-year average annual growth for Australia, or 3.8% over 10 years.

### Tourism and employment

Tourism is a key economic driver in regional Queensland, supporting employment and community growth, employing more than 237,000 people directly and indirectly, or one in ten people employed in Queensland<sup>1</sup>. This is substantially more than mining (2.5% of employment) or agriculture, forestry and fishing combined (2.6% of employment).

There is a broad diversity of jobs within the tourism industry with 11 occupations representing the majority of workers in the industry. Of those directly employed in tourism, two thirds are employed outside of Brisbane, highlighting the value of tourism in regional Queensland.

On average around 79% of tourism employees are sourced from the local region, of the remaining, 11% are from interstate or intrastate and 4% are working holiday makers. Temporary visitors and

---

<sup>1</sup> Tourism Research Australia. State Satellite Accounts 2017-18.

<sup>2</sup> World Travel and Tourism Council. 2017. Travel & Tourism Economic Impact 2017 Asia Pacific

skilled migrants to Queensland play an integral role in the provision of tourism experiences and are vital to an industry with a skills shortage.

Across Australia, businesses in the café and restaurant industries report greater labour market difficulties relative to those in the accommodation or attraction industries. In Queensland, top tourism-related occupations experiencing deficiencies are cleaner, guest service, and receptionist.

The 2017 *Tourism Workforce Plan*<sup>3</sup> explores opportunities to develop the tourism workforce to address the deficit of skilled workers. A key outcome of the workforce plan is assessing how the tourism and hospitality industry can build the pipeline of foreign workers by better using migration programs. Any changes to the visa system must support regions and industries that require migrant workers to function effectively.

According to Queensland Government Statistician's Office, the Accommodation and Food Services sector alone is set to increase from 192,000 in 2015-16 to 227,838 by 2025-26 highlighting a sector specific demand of over 30,000 additional workers in the next six years<sup>4</sup>. Looking outside of the South East Corner, this sector is anticipated to require an additional demand of almost 10,000 workers by 2025-26. Further workforce requirements will also be felt across occupations not realised in the ANZSIC divisions, including tours, marine operations and cultural tours.

## Migration

Under the 457-visa stream, at its peak, over 11,000 temporary workers arrived in Queensland per annum. Since the shift to the new 482 Temporary Skills Shortage visa, there have been around 3,600 skilled migrants entering Queensland. This is a significant reduction in the number of potential workers entering the state<sup>5</sup>.

Whilst the skills stream accounted for 68.4% of the migration program in 2017-18, tourism continues to be at a disadvantage, not fitting neatly within the Australian and New Zealand Standard Industrial Classification (ANZSIC) Division or the Australian and New Zealand Standard Classification of Occupation (ANZSCO) listings.

Queensland continues to have a high number of applications for the Regional Sponsored Migration Scheme. The state accounted for 20.1% of applications in this program, compared to 11.0% of overall migration. Yet, there has been a 5.7% decrease in outcomes in this subclass, despite the Federal Government pushing a regional Australian agenda.

From a global perspective, Australia ranks 44<sup>th</sup> out of 140 in regards to visa requirements according to the Travel and Tourism Competitiveness Index<sup>6</sup>. Given Australia's overall ranking of 7<sup>th</sup>, this is an area of competitive disadvantage for Australia.

Key barriers to migration in Australia include the long turn-around times for visa decisions which can influence the availability of jobs or deter operators' willingness to commence the sponsorship program. With processing times of up to 25 months, employers are put at a significant disadvantage. The unknown outcome of these applications also acts as a barrier, with a number of employers having invested significant time and resources into the application for skilled workers, only for the application to be rejected.

<sup>3</sup> Jobs Queensland. Queensland Tourism Workforce Plan 2017-2020. Jobsqueensland.qld.gov.au

<sup>4</sup> Queensland Government Statistician's Office. Regional employment projections 2010-2041.

<sup>5</sup> Department of Home Affairs. Temporary resident skilled visas granted at 30 June 2019.

<sup>6</sup>World Economic Forum. Travel and Tourism Competitiveness Index. 2019.

## RESPONSE TO TERMS OF REFERENCE

---

In response to the terms of reference, QTIC highlights the following:

### **National and international best practice strategies to encourage people to settle and stay in regional areas**

#### **Recommendation 1**

Incentivise regional migration through reduced application time and costs.

#### **Recommendation 2**

Include tourism employment in the categories of employment that can qualify WHV holders for a second year of stay.

#### **Recommendation 3**

Extend maximum period of employment with the same employer for WHV holders from 6 months to 12 months.

#### **Recommendation 4**

Implement a mature-age temporary visa category, similar to the WHV, to capitalise on global opportunities.

Research indicates that both economic and lifestyle drivers influence and impact decisions for regional migration. Types of stimuli may include cheaper housing options, higher pay, opportunity for a better – or different – lifestyle<sup>7</sup>. Furthermore, the lifecycle stage, specifically at younger and older stages, is a strong indicator of the willingness to migrate to rural areas<sup>8</sup>.

The health and education sectors have workforce strategies to encourage rural migration. These include rural practicum placements and career advancement incentives. Whilst these are more challenging to apply for the varied opportunities in the hospitality and tourism industry, there are opportunities for incentives through reduced application times and visa costs.

The speed of processing time is a major influencing factor in a decision to migrate. To work in Australia, processing times are up to 25 months, comparatively for a British citizen to get a work permit for Canada, processing time is 17 weeks. Ensuring swift processing times, without compromising security, would enhance the competitiveness of Australia's immigration system.

Referring to the Working Holiday Visa (WHV) program, it is accepted that it was not set up primarily to address labour shortages. Nevertheless, the availability of flexible, temporary staff in regional areas has delivered significant relief to regional communities struggling desperately to fill particularly seasonal jobs in agriculture and tourism. Further adjustments to the WHV conditions could support regional communities more, specifically by extending the classification of work to qualify for a second year of stay to tourism employment. Additionally, increasing the maximum period for visa holders to work for the same employer should be extended from six to 12 months. This would create a far more effective opportunity for employers to attract and retain seasonal workers through the program, reducing induction and training costs and thus providing better customer service.

---

<sup>7</sup> Carson, D., Punshon, K., McGrail, M., Kippen, R., (2017). Comparing rural and regional migration patterns of Australian medical general practitioners with other professions: implications for rural workforce strategies. *Australian Population Studies*. 1(1)55-68.

<sup>8</sup> Smith, D., and Sage, J. (2014). The regional migration of young adults in England and Wales (2002–2008): a 'conveyor-belt' of population redistribution? *Children's Geographies* 12(1): 102–117.

As a new and innovative opportunity, a program similar to the existing WHV program should be considered for mature visitors to capitalise on a strong global market opportunity. Australia very successfully pioneered the WHV program, generating immeasurable benefits to regional communities and local economies, quite apart from the originally intended benefits of boosting tourism and fostering international relations. More than forty other destinations have now copied this Australian innovation for the benefit of their nations.

On the basis of demographic and economic trends both here and in some of our key source markets, Australia could again lead with an innovative approach to capitalise. A working holiday visa category could be offered for visitors over the age of 55, to spend a period of one or two years in Australia, with defined, temporary work opportunities.

The cohort of people currently in that age category, 'baby boomers', represent the largest, healthiest and most affluent consumer group ever seen. Their spending capacity and propensity to travel far exceeds that of any other consumer group, as numerous reports confirm. Australia can offer a safe, comfortable and stable destination to potentially encourage this age group to spend time and money in regional areas. The domestic tourism market already benefits from the 'grey nomads' phenomenon, one of the fastest growing and most resilient market segments.

Conditions could be applied to such a visa category in terms of financial resources, private-health, and travel insurance to eliminate any financial risk to Australia. The risk of overstays would be minimal, with people of that age likely to be drawn back to their home countries by family connections. The impact on the labour market would be minimal, with a potential for regions to benefit from access to highly skilled and very experienced professionals, willing to apply their skills for short periods in high-need, regional areas.

## Strategies to develop regional skilled migration

### **Recommendation 5**

Open all regional visas to pathways for permanent migration.

### **Recommendation 6**

Review the ANZSCO structure.

Research suggests that migration provides a number of positive benefits, including facilitation of trade, technology transfer and foreign direct investment, providing incentives for greater investment in globally marketable skills, and transmission of democratic norms.

Social and positive economic benefits are reduced if the path from temporary to permanent migration is closed or restricted. Restricting options to temporary migration only may result in talented workers leaving Australia which may also create negative perceptions of Australia. Permanent migration should depend on individuals' ability to contribute to the economy. All visa categories should offer the ability to move to a permanent stream so long as they meet appropriate requirements. This would create greater social and economic benefits to Australia.

It would be beneficial to have some flexibility with the visa transition process, rather than rigid pre-determined pathways that may narrow the field of highly skilled migrants and therefore negatively impact opportunities for Australia's growth.

The *Queensland Tourism Workforce Plan 2017-2020* highlights that as the tourism industry continues to grow faster than the wider economy the industry's workforce needs continue to increase. The plan states: "Career patterns and expectations are changing, with individuals

increasingly likely to have a number of different careers in their lifetime. Future workers need to be flexible and adaptable, able to move from tasks, jobs and locations with some having mixed portfolios of part-time work". The needs of a changing workforce need to be taken into consideration when determining the scope and criteria of a migration program.

The Skilling Australians Fund Migration Training Levy requires small businesses to make substantial payments to use the system, creating additional barriers to migration. The cost and time-consuming approach to processing has resulted in a system that is complicated and very expensive for business to access, while failing to meet the needs of the labour market.

Opportunities for incentives such as faster processing, additional occupations or extended options to transition from temporary to permanent migrancy should be investigated as ways to encourage regional migration.

In addition, hospitality and tourism does not fit effectively within the ANZSCO system. QTIC advocates for the review of ANZSCO to design a system that reflects the evolution of industries and occupations. Flexibility over time should be considered as today's needs are not reflective of the future; there should be the opportunity for further skilled migration places to support the growth of key industries.

## **Relevant migration policy, including administration and state specific migration mechanisms**

### **Recommendation 7**

Utilise pathways to permanency to encourage regional migration among international students.

Removal of the 457-visa stream has resulted in significant changes to addressing the skilled work force shortage currently evidenced in the hospitality industry. The 457 system was designed to bring workers into positions that are difficult to fill. Such flexibility in a program is incredibly important. Further changes to the migration program should support a focus on attracting migrants with skills that will help support the Australian economy and its growth sectors – including tourism. Industry growth predictions are strong indicators of demand. By utilising these forecasts effectively, the migration program can be reflective of industry needs.

Whilst the expansion of the Working Holiday Maker program to include additional caps, countries and extending the age limit is likely to benefit industry, the declines witnessed since changes to the existing program have been very damaging to the competitiveness of Australia.

A recent submission by the Australia Chamber of Commerce and Industry (ACCI) regarding regional skills, highlights the recommendations from the Developing Northern Australia White Paper that recommends allowing participants of working holiday maker programs to be extended in high demand areas. There is also the opportunity to leverage pathway programs to encourage those working in Regional Australia to pathway to permanent (or longer term) stays.

Shifting political landscapes in Europe and the US are likely to have impacts on the Australian migration program over the next five to ten years. It is important that the migration program is structured to derive benefits from these changes whilst supporting the needs of the Australian community. To capitalise on these opportunities and appeal to skilled migrants, pathways from temporary to permanent migration should be re-examined with the current Short-Term Skilled Occupation List (STSOL) not offering stable or compelling opportunities for a family to uproot and migrate.



Education, particularly international education, also offers ample opportunity to encourage regional migration. Working with, and better promoting regional education institutions to attract greater numbers of international students to the regions would support the regional agenda. By offering incentives, or more direct pathways to residency may present a stronger attractor for potential students. The recent reduction of pathways through international education has created uncertainty among students and made Australia a less attractive study destination for those looking for pathways to a future. Creating pathways to permanency may encourage migrants to build roots in communities, improve social, economic and educational opportunities in regions and build population bases. It is important that there is quality infrastructure in Regional Australia to support these initiatives.

## Related infrastructure matters

### Recommendation 8

Focus on connectivity (transport and telecommunications) to enhance the competitiveness and retain migrant populations in regional Australia.

Ensuring adequate hard and soft infrastructure to facilitate regional growth is essential. Connectivity remains a critical aspect of promoting regional dispersal. Without easily accessible, connected and easy to navigate public and private transport infrastructure, regional migration will be hindered. Transportation infrastructure is considered critical as a means for commuting and promoting integration into a migrant's new society<sup>9</sup>. Transport that facilitates access to workplaces, schools and medical institutes is essential – further links to tourism hotspots and key points of interest will also help drive prosperity and economic gain for regions.

The Queensland State Government has invested significantly in tourism infrastructure development over the past three years. Additional investment and on-going public-private partnerships should be utilised to develop and update tourism hard and soft infrastructure in the regions. Infrastructure grants to support increased visitation from both domestic and international visitors and support greater regional dispersal is encouraged.

The role of information and communication technology (ICT) should also not be overlooked in infrastructure development. It is crucial in reducing the physical divide between new migrants and their families in their country of origin. Furthermore, it plays a role in accessing information around education, housing, health and transport services. Regions across Queensland still suffer from communication 'blackspots'. Whilst the Federal Government funded blackspot program addressed a number of the issues, there is still a need to further enhance regional internet connectivity. It is recommended that the Federal Government continue to improve digital infrastructure in the regions and facilitate digital connectivity for businesses and employees relying on the network for their businesses and jobs.

It is also important that regions create infrastructure and appropriate support structures to retain students in the regions after completion of study.

## FURTHER ENQUIRIES

QTIC welcomes the opportunity for further discussion regarding the points raised in this submission. For all enquiries, please contact QTIC Policy Team on (07) 3236 1445 or email [policy@qtic.com.au](mailto:policy@qtic.com.au).

<sup>9</sup> World Economic Forum. Migration Impact on Cities. 2017.