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*A migration system for Australia's future (The Strategy)*  
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Dear Authors

The Tourism & Transport Forum (TTF) is the peak industry group for Australia's tourism, transport and aviation sectors, representing organisations from airlines and airports to hotel operators and iconic tourism attractions.

TTF welcomes the Department of Home Affairs' Discussion Paper "a migration system for Australia's future." Our submission addresses a selection of the questions raised across each of the four parts of the Discussion Paper, as they relate to our tourism, transport and aviation sectors and the role we can play helping realise this potential.

### **Part One: What challenges and opportunities does Australia face in the coming decades?**

The **long-term migration challenge** that our sector faces is how these settings can best align with local skills development to collectively provide the required labour to adequately service our post COVID recovery and long-term growth. While the skills shortage is a challenge globally, Australia is now competing with other tourism markets who are offering incentives to attract workers. For example, Canada<sup>1</sup> is offering 'fast track' attraction programs to address their own skills shortage. Australia would benefit from similar incentives like this, as part of an improved migration strategy.

The more **immediate migration challenge** for the sector is to address the ongoing delays in processing visitor visas. This is important due to the link between certain visitor visa categories like Working Holiday Maker (WHM) visas, and the potential for these visitors to potentially seek to migrate permanently. While we applaud the progress the Government has made in visa processing, there is still a backlog of around 900,000 visa applications across a range of visitor categories. A greater funding allocation will ensure that Australia can meet the demand of international tourists and in turn, facilitate more permanent migrants from this visitor cohort.

In this environment, TTF commends the Federal Government on initiating this complete and timely review of the entire Australian visitor visa system. Current visa settings are inadequate, and we have a real opportunity for game-changing visa reform that will address the workforce requirements of the visitor and infrastructure economy of tomorrow.

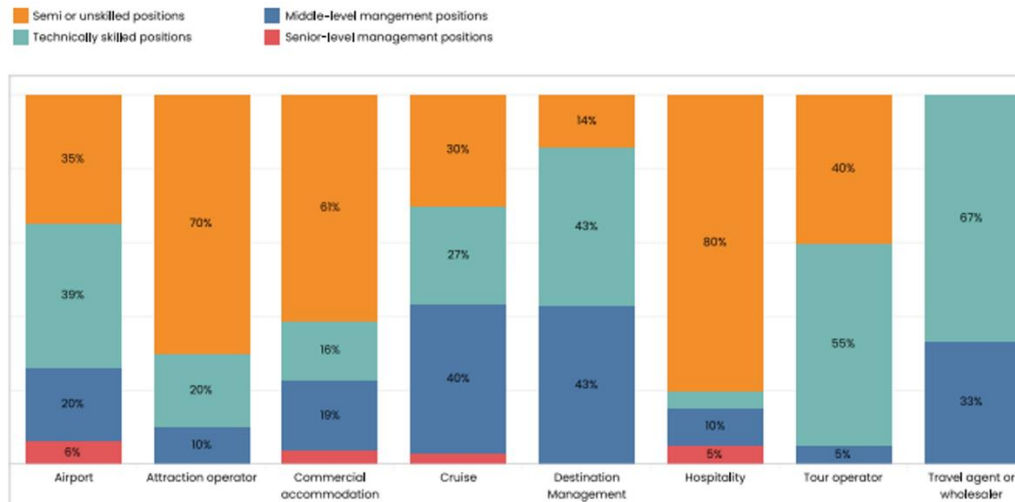
There are many **migration opportunities**. In a world of increased uncertainty and risk, Australia remains a safe and secure destination for travellers to visit for and migrants to relocate to. As our tourism, transport and aviation sector recovers and grows in the wake of COVID-19, there will be a wide variety of roles at all levels that will need to be filled by both locals and migrants alike. Currently, there is a swathe of vacancies across our sector. Recent TTF research based on member survey data (below) highlights that there are at least 20-30 percent of jobs vacant across our industry sub-sectors, including airports, attractions, accommodation providers, cruising,

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<sup>1</sup> <https://destinationcanada.com.au/canadian-employer-options-for-hiring-foreign-workers/>

destination management, hospitality, tour operators and travel agencies. These vacancies are spread relatively evenly across a) semi or unskilled positions, b) technically skilled positions and c) middle-level management positions, with some additional vacancies also in senior management positions.

**TTF Research Survey Question: What percentage of your vacant positions fall into each category below?**



Sourcing migrant labour to fill these vacancies and other positions will be critical to our recovery. It will take a concerted effort by industry and Government to rebuild. It will require new initiatives from updated and enhanced training models to major reform of the visa system, and serious marketing efforts into the global talent pool. Other support could include various tax incentives, funding programs, and general business support to improve pathway processes.

Our industry will continue to work with the Government to highlight the many career pathways that are available for Australian workers. However, this longer-term future of work challenge will need to be supported in the short term by dedicated programs attracting international skilled workers to help address this major supply constraint.

**Part Two: How can migration contribute to these challenges and opportunities?**

- How do we best use the migration program to grow our economy?**  
 Australia faces the ongoing challenge of balancing investment in domestic skills and a supportive migrant program. A two-pronged policy environment that supports both skills training and development for domestic workers, combined with visa reform that attracts and retains highly skilled workers from overseas, is a pre-requisite to deliver the pipeline of required workers for our sectors.
- How can we design a system that supports and complements opportunities for jobs and skills for Australians?**  
 Our economy is transitioning at an ever-increasing pace including changes in the nature of work. International labour in support of local workforce will be required to deliver the almost \$255 billion in infrastructure committed to by state and territory governments over just the next four years.<sup>2</sup>

Comprehensive visa reform, with every category under review, is required in order to develop a well-designed and fit for purpose system that will attract this talent over the long term.

- To what extent should the availability of visas with work rights be linked to identified skill and labour shortages?**  
 One example of a simple reform would be the introduction of an infrastructure sub-class visa that better aligns requirements for infrastructure projects with visa conditions. Other occupation areas that require focus include logistics, management and design and sustainability technology (i.e., in biofuels). We also need to secure workers to fill more in-demand roles including engineering managers, quantity surveyors, chemical plant operators, construction estimators, OHS Advisers and environmental managers. Addressing and reviewing the visa system in full will help to address this demand.

<sup>2</sup> Infrastructure Partnerships Australia’s Annual Australian Infrastructure Budget Monitor

- **How could we best use the migration program to assist Australia to build its sovereign capabilities and to address major challenges such as climate change, technological shifts and the ageing population?**

Australia needs to continue positioning itself as the leading environmentally sustainable destination of choice for both migrants and visitors. One important initiative is legislation to support Australia's adoption of net zero carbon emissions by 2050, in line with other similar nations.

Other important initiatives the Government could support alongside our industry would be the attraction of international skills and talent to further the development of aviation biofuel and related sustainable technologies. This would assist in maintaining a social licence for long-haul aviation travel. Our tourism, transport and aviation sectors are already committed to net zero, backing in the global airline industry's 2021 net zero resolution and supported by ongoing developments in decarbonised public transport systems across our states and territories.

Incentives could be put in place to encourage young people from other nations to work in our sector including in regional locations which are experiencing an infrastructure surge. One mechanism could be reduced fees for appropriate skills and training programs. Further, we could tap into the experience of older people (i.e., beyond the traditional WHM age limits) from similar nations, who can bring maturity and wisdom to a range of roles and who have more flexible working patterns.

- **How can we attract and retain the best talent from around the world?**

The Global Australia program has been very successful. It should be continued and strengthened over the long term. The program's Global Talent Officers have the delegation to pursue the best and brightest overseas talent attracting them through the Global Talent stream. Additional resources and funding should be allocated to allow continuation of ambitious targets. We also need to ensure that Australia has attractive taxation settings, relocation incentives and other related measures in place to ensure we can compete with other nations for skilled workers.

- **How do we address the specific needs of regional Australia?**

Support for Australia's agriculture sector is a major regional issue that could be addressed through improved migration settings. Without a significant increase in backpackers coming to Australia, the only short-term solution to provide the required agricultural labour needed right now would be to attract guest workers with agricultural skills from within the Pacific Australia Labour Mobility (PALM) scheme countries. The solution is to re-attract working holiday makers in large numbers, as these WHM visa holders bring funds with them, work to earn more funds and then spend these funds within Australia.

### **Part Three: What are the current and potential barriers in allowing migration to play these roles?**

- **How can we make the migration system more flexible and responsive to the changing needs of our economy and society?**

Firstly, the Government should consider reinstating complimentary Working Holiday Maker Visas, as soon as possible over the next six months. This should be for eligible (low risk) applicants who are prepared to travel within one month of their visa being granted (more on this addressed below). This is simple to introduce within existing systems and would involve minor legislative change around the visa application charge and eligibility. A condition of entry should be added to stipulate the date they must enter, or the visa expires.

Previous take-up of free working holiday maker visas was strong. Many prospective backpackers applied for them because they were free and while they may have had an intention to travel to Australia, that intention was not necessarily immediate. 'Visa Free' offers should have a set time limit on entry otherwise they don't serve the right purpose.

Secondly, there is a cohort of those aged between 21 to 35 around the world that have had one, two and in some instances three working holidaymaker visas. They have experienced Australia and many of them return but are restricted because they no longer meet the eligibility criteria to be granted a WHM visa. Additionally, they may not have other options to apply independently or an employer to sponsor them. The Government could consider arrangements for those who have previously exhausted their WHM visa options. They could receive an additional 12 month visa if they complete 88 days of farm work within the first four months of their trip

Thirdly, WHM numbers could potentially increase if the WHM age limit was increased to 44-45 for UK, Irish, Canadian and other selected passport holders from low-risk countries.

Outside of WHMs, a broader relaxation of skilled visa provisions, as well as the attraction and retention of international students (mentioned in more detail below), would also help to increase the numbers of skilled workers travelling to Australia.

- **How could longer-term planning support investment in the necessary infrastructure and services?**

The tourism, transport and aviation industry relies heavily on efficient reliable, resilient global supply chains to secure the components required to service the sector. This includes:

- Aviation - the many parts required to service and maintain aircraft across our airlines,
- Public transport - the need for bus drivers to service key routes, with the current shortage totalling some 3,000 roles,
- Other key transport related vacancies - Including engineering and project manager roles to service the pipeline of transport infrastructure projects coming online across the country over the next decade.

Long term planning that identifies emerging skills gaps and strategic investment in initiatives that can assist in providing the sought-after labour for these roles must be a priority under this migration strategy.

#### **Part Four: What reforms are needed to ensure the migration system can meet the challenges and opportunities that lie ahead?**

- **How can we better identify and respond to future labour market needs?**

Addressing future labour market needs will not be resolved by one size fits all approach. Apart from identifying where the skills gaps exist within our workforce and where we require talent from overseas we need to consider further investment in training for Australians. In the case of tourism, aviation and transport the promotion of our industries as a desirable career path is essential given the mass exodus of skilled staff from our sectors during the pandemic.

Our migration and visa settings also need to be adjusted to address the lack of skilled workers in many roles including a full-scale review of the current list of occupations on the skilled visa lists, a rationalisation of the current pathway to residency provisions to assist in attracting and retaining talent with specialist skills from overseas and Government working with closing with specific industry sectors to align on where the major gaps exist on a regular and ongoing basis.

- **How do we best structure pathways to permanent residence and citizenship to meet the nation's needs?**

The biggest hesitation for international students coming to Australia is that they want to know they can get work to support their stay and get a permanent migration outcome.

Students should be able to work full time, at least in the short term. The current relaxing of the 20-hour work restriction should remain for at least the next 12 to 18 months. This will be a huge incentive for students to choose Australia as a destination to live, work and study. The genuine entrant requirements could be relaxed as they are overly onerous and a barrier to entry for students. In addition, anyone that comes to Australia to work, or study should be encouraged to stay if they wish.

More broadly, all students should be rewarded for completing their study with a two year or longer temporary graduate student visa (subclass 485) that carries full work rights in Australia after they finish their course. This could also incorporate a pathway to permanent residency that encourages those with the skills required, to stay in Australia.

Another consideration could be graduates of the best universities across the world graduating with skills that are in demand in Australia receive a 476 visa. It should be provided across a range of disciplines that are linked to jobs for the future, not just engineering. The visa would allow travel to Australia after studies to gain valuable work

experience and enable Australia to benefit from highly educated young professionals with skills to immediately make a positive impact.

- **How do we further strengthen and maintain Australians' public confidence in the migration program?**

Australian policymakers must continue to make the case that our future prosperity and high standard of living relies on having sufficient levels of both local and international labour to fill skills shortages and deliver the infrastructure required to support our growing and ageing population. Australia has always relied upon overseas skills and talent across a range of roles and at different levels, and this will remain the case in the decades to come.

- **Are there other ways our migration system can support Australia's future prosperity and well-being?**

Visa costs should be lowered as part of wider reform. Australian Working Holiday Maker visas are \$510 and granted for 12 months. An additional WHM visa can be obtained if the visa holder undertakes specified work (i.e. fruit picking) for 88 days on each visa.

Other country working holiday maker visas are outlined:

- New Zealand: approx \$285 AUD - 60% of the cost of the Australian visa and holder receives up to 23 months in country,
- Canada: approx \$285 AUD - 60% of the cost of the Australian visa and holder would get up to 24 months,
- UK: approx \$440 AUD - 86 % of the cost of the Australian visa. UK visa holder receives up to 24 months.

Australia is the most expensive long-haul destination from Europe and provides the shortest WHM visa. It is also the most expensive, and with conditions on renewals. Our WMH visa costs and conditions must improve.

## **Summary**

Pre-COVID-19, our industry contributed almost 10 per cent of the nation's exports (fourth largest) and there were 2.8 million international airline passenger services over the month of February 2020. Our sectors are resilient, and we can return back to this contribution, but we will need supportive migration settings to get there.

Sometimes there is a misconception that our tourism and transport sector is just cooks and drivers but that is clearly not the case. Our people encompass many professions from internationally skilled performers and world class chefs though to leading infrastructure and transport project managers across the areas of technology, engineering and construction. We are not just a temporary industry and large numbers of our professionals have made the sector a lifelong career. These careers are important not just for the individuals, but for the economy as a whole. And all of whom will be required in large numbers to service the post COVID19 rebound , and the significant infrastructure pipeline..

Therefore, it is important that our migration system, visa settings and related incentives and programs all align with the clear goal of attracting and retaining international talent across a wide range of roles, as simply, effectively, and in a timely a manner as possible. It is only by meeting this labour demand that Australia will continue to enjoy prosperity and a high standard of living in the decades to come.

My team and I look forward to continuing to work with each of you and the Government on this important reform. Please reach out to the TTF Manager Policy and Government Relations Charlotte Renwick, [crenwick@ttf.org.au](mailto:crenwick@ttf.org.au) or 0401 073 871, if you have any questions.

Yours sincerely



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