

BeNext

Promote.Engage.Sustain



**Submission Number: 12**
Date Received 16/4/201016th of April 2010

The Hon Sharryn Jackson MP
Chair
Standing Committee on Employment and Workplace Relations

Subject: That the Committee inquire into the applicability of government employment policies to address the skills shortages in regional Australia focusing on opportunities to support the relocation of unemployed workers from areas of high unemployment to areas experiencing skills shortages.

Background:

Ben Hughes and David Norris have spent the last two years investigating workforce solutions for the Surat Basin. The investigation is ongoing with an outcome focused on building the Surat Basin Regional Migration and Employment Centre (MEC). The MEC is an online marketing platform supported by a shared service centre. The design is based on a combined 24 years experience of building pan-European and pan-Asian recruitment solutions for global corporate's as well as providing regional health workforce planning for the older worker.

The focus of their investigations have been in response to 3 questions

- 1) How can the Surat Basin community promote its liveability to attract households to migrate?
- 2) What are the barriers to migration?
- 3) How can the Surat Basin community engage ageing workers to offset skills shortages?

The purpose of this submission is to share some of our findings with the committee.

The Surat Basin:

The Surat Basin is a geographical area in Queensland that stretches from Toowoomba in the East to Roma in the West. The area is home to some 220,00 people of which approximately 50% are in the workforce. The region has a higher than State and National average of ageing workers (ABS 2009) and has traditionally had an acute and growing ongoing need to attract workers to its communities to offset natural migration outflow and vital skills shortages particularly in healthcare, volunteering and education.

During the global financial crisis this region has not had more than a 3% unemployment rate. (Small area Labour Force Market Brief, 2009)

The Surat Basin is soon to be Queensland next resources corridor with extensive reserves of Coal Seam Gas and Coal. Estimates are that \$140 billion worth of investment will be attracted to the region and job creation predictions range wildly from 18,000 through to 35,000. Workforce



forecasting has only been completed for the resources industry and not the total workforce demand.

The resilience of the Surat Basin will be challenged significantly considering the proportion of labour that is ageing combined with increased competition for skills from the resources industry and an increased community service demand from workers that are likely to move to the region.

The impending population growth is likely to outstrip the capacity of established government mechanisms to provide a supportive social and economic platform. Lessons taken from other resource precincts highlight the community need to attract a workforce.

The Queensland Governments report “Sustainable Futures Framework for Queensland Mining Towns” (2007) clearly articulate that the failure to attract permanent regional migration to resources precincts erodes away at the fabric of the community and challenges their sustainability

BeNext’s aim is to regionally migrate workers to the Surat Basin

Common attraction and migration challenges of developing economies

In the context of liberalisation, globalisation, lack of high-competent human capital and an aging population, the attraction and migration of workers is becoming an unavoidable solution for the communities of the Surat Basin Energy Province.

Migration challenges are complex, they include:

- Obtaining the right workforce to support economic productivity and development.
- Maintaining community-recognised livability standards across economic, environment and social pillars.
- Meeting the demographic challenges of an ageing workforce, expanding population and net migration outflow of younger residents.
- Maintaining access to health, education and community infrastructure services.
- ‘Brain drain’ - losing vital workers from services that are integral to the maintenance of community infrastructure transitioning to the more dominant economic opportunity.

Each workforce challenge affecting one industry group has a direct impact on another industry group.

The consequence of not addressing the need to attract and migrate skilled labour can polarise industry and community between those that have skilled labour and those that don’t.

Common attraction and migration challenges of individuals

There are numerous barriers to regional migration, these can range from the cost of relocation through to access to social infrastructure. In affect the greatest barrier to migration however is based on four factors

- 1) The capacity of an individual to tolerate change
- 2) The desire of the individual to leave their established support networks and routines
- 3) The capacity of the individual to finance relocation



4) The capacity of the new host location to support the migrating individual

It is this last point that has most significance to the terms of reference of this Committee

Migrating from high unemployment to low unemployment areas

Migration as an activity is both a traumatic and costly exercise. This is often a pronounced experience for the unemployed.

The Cost

If a large corporate wants to relocate a worker often there is a service provided at substantial cost to the community to facilitate this. A relocation service can cost ten's of thousands of dollars and will include

- Provision of paid temporary accommodation for up to 3 months
- Engagement of a relocation agent to source new accommodation
- Fully expensed professional removalists and transportation costs
- Per diem expenses to the relocating family
- Re-imbursment of expenses ranging from new car registration through to enrollment at schools and deposits
- Engagement of a relocation agent to introduce new services and provide a community welcoming service

Recent proposals from the Queensland Government of \$3000 to people who relocate are material in their affect on the total bill.

Considering the financial position of an unemployed person and the likelihood of this migration being supported by a company the sheer cost of moving is a significant barrier.

Social Support

By and large unemployed people require a higher degree of support. The very fact they are unemployed will have negative and debilitating affects to their self esteem above and beyond and other challenges they are facing.

The experiences in the Surat Basin have been that the unemployed people who have moved to the area have found adjustment very hard. Although they have taken up work the trauma of moving has left them vulnerable and insecure.

The experiences in the Surat Basin have been that often the unemployed have reached out to the social services for continued support both emotional and physical. However the already strained community and health services struggle to provide services. This has increased the pressure on the social services and importantly meant that the migratee has often found the adjustment and lack of support so severe that they have been unable to function and in some



cases this has led to them losing their job.

They are unemployed once more accept in this case they do not have their traditional social network to support them and increase the burden on the local resources.

This is not to say that the local community and social providers ostracize the individual because “they don’t come from around here”, often the reverse is true that there is an increased sense of responsibility as the migratee is so vulnerable. The fact of the matter however is that in regional towns a waiting list to see a doctor can be as long as 6 weeks or more if you are not previously registered.

Moreover the lack of community and health support services have also proven to be a barrier to potential migratees.

In one example a boilermaker who wanted to migrate from Hervey Bay to Chinchilla was unable to because he could not find a volunteering network that had the capacity to support his 11 year old autistic daughter.

The lack of social, community and health facilities should be the focus for this Committee. By raising the level of workforce capacity in these fields to provide case management and support to vulnerable people migrating is absolutely vital. Without significant investment in this area the focus to move people from high unemployment area’s to low unemployment areas and expect a favourable outcome is at best ambitious and at worst totally irresponsible to a migratee who is already vulnerable

The opportunity

The opportunity to influence policy must be based on individual case management of each migratee, significant financial incentives and a focused investment into social and community workforce

It takes up to 2 years for a person to feel established in a new location and this process must be managed for this time. There must be a focus on the ongoing support and introduction into the community and an acceptance of a social responsibility to the migratee and their new host community to relocate a person not the problem.

Thank you to the Committee for taking the time to read this Submission

Yours sincerely,

Ben Hughes

Co Founder Director BeNext Pty Ltd