



COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

JOINT STANDING COMMITTEE ON MIGRATION

Reference: Review of state-specific migration mechanisms

MONDAY, 27 NOVEMBER 2000

CANBERRA

BY AUTHORITY OF THE PARLIAMENT

JOINT COMMITTEE ON MIGRATION

Monday, 27 November 2000

Members: Mrs Gallus (Chair), Senators Bartlett, Eggleston, McKiernan and Tierney and Mr Adams, Mr Baird, Mrs Irwin, Mrs May and Mr Ripoll

Senators and members in attendance: Senator McKiernan and Mrs Gallus, Mrs Irwin and Mrs May

Terms of reference for the inquiry:

To review and report on the suite of State-specific Migration Mechanisms and the extent to which these meet the needs of State and Territory governments for skilled and business migrants with particular reference to:

- The adequacy of consultations with States/Territories on the mechanisms that have been developed;
- The level to which State and Territory Governments have utilised these mechanisms;
- Steps that might be taken to increase take-up; and
- Other mechanisms that might be developed

WITNESSES

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Committee met at 11.03 a.m.

CHAIR—I declare open this public hearing of the Joint Committee on Migration's review of state specific migration mechanisms. These mechanisms relate to the encouragement of overseas migrants to settle into regional Australia. This review was referred to the committee in June 1999 by the Minister for Immigration and Multicultural Affairs. The purpose of the review is to examine and report on the range of state specific migration mechanisms and the extent to which these meet the needs of state and territory governments for skilled and business migrants. The terms of reference focus on the adequacy of consultation with states and territories on the mechanisms that have been developed, the level to which state and territory governments have utilised these mechanisms, steps that might be taken to increase the take-up and other mechanisms that might be developed.

At the conclusion of the review, the committee will table its findings, conclusions and recommendations in a report to the parliament which will be publicly available. The committee has received 62 nominations from state and territory governments, migration agents and people with an interest in these issues. The committee normally authorises submissions for publication, and they are placed on the committee's web site. I now turn to the proceedings at hand. The committee will take evidence from the witnesses listed on the program.

[11.04 a.m.]

Bowler, Mr Gregory Charles, Business Manager, Business Migration, Chief Minister's Department, ACT Government

CHAIR—Welcome. Although the committee does not require witnesses to give evidence under oath, you should understand that these hearings are legal proceedings of the parliament and warrant the same respect as proceedings of the parliament itself. Giving false or misleading evidence is a serious matter and may be regarded as a contempt of the parliament. We have received a submission from you. Are there any corrections to that submission?

Mr Bowler—No.

CHAIR—Would you like to make an opening statement.

Mr Bowler—Thank you for inviting me to appear before the committee to give some views from the ACT government's perspective. First of all, I would like to state that I am new to the position. While I have been involved with the business area of ACT government activities for the last few years, this is a new role for me. I am referring to a submission written by the previous officer. It is largely what we will continue to do and what has happened to date.

Referring to the submission, the ACT does not enjoy a large degree of business migration compared with New South Wales, Victoria or other states in general. No doubt due to our 310,000 population, we are not as well known as others, particularly after the Olympics when everything has been focused on Sydney. But we do take advantage of the mechanisms that have been made available by the Commonwealth. We do focus particularly on business migration and seeking out business people from overseas to settle in the ACT, set up businesses and employ local people. We do assist employers looking to sponsor skilled migrants from overseas when they cannot fill local requirements, and we have had a degree of success there. We will continue to target countries overseas. We have had success with South Africa, the US and Canada. We have had some interest and success from China and Japan. They are the main areas we have been involved with. There is an ongoing evaluation of where we can best target and best get advantage to bring those skilled people to the ACT.

CHAIR—Thank you very much. Although you have a small population, I notice from your submission that you pull in over your weight.

Mr Bowler—We do. We have a unique profile in socioeconomic terms and infrastructure. We have been targeting the intellectual capital of our population, because they have above average education. We are looking more at the clean, green, smarter type industries, rather than the heavy industries, to set up here. We are very targeted on IT, biotechnology, advance manufacturing technologies and laser type products.

CHAIR—Moving from that, why is it that you are getting, percentage-wise, more? You are not using the state and territory nominated but the Regional Sponsored Migration Scheme and the Regional Skills Migration Scheme. For those, you need input from your businesses and from your residents. How come the ACT is getting more than their expected share of that input

by business and residents? Is it that your government is going out to them and making them aware of the scheme or is it something that they are doing separate from the government?

Mr Bowler—It is a combination of things. Local companies who are here with international links bring in skilled migrants, particularly from South Africa. Regional headquarters status has been accorded to a number of companies, which then draw on their former countries' skilled staff. There is a demand here. There is a desire to be here in Australia. Canberra is well placed with infrastructure, lifestyle and natural competitive advantages that we do not have to throw money at. We have progressively been targeting overseas countries and going there in delegations. We have been doing that more in China, Japan and South Africa but that will be expanded to areas of interest that have been displayed. Invest Australia is also another source of contacts and opportunities. The word is getting out and we are taking a more aggressive role than we have been.

CHAIR—Can you tell me a bit more about the South African connection.

Mr Bowler—There are a number of companies that are here.

CHAIR—Do you recall what sort of companies they are?

Mr Bowler—They are IT based companies.

CHAIR—They are IT, are they?

Mr Bowler—There is one company called IOCORE, which was formerly INTEC. It is quite a large IT company in South Africa. They have set up here in RHQ to take advantage of the market, particularly the government market in Canberra. They are bringing in skilled migrants—IT skilled type people. There are three RSMS applications going through at the moment.

CHAIR—From just this one company?

Mr Bowler—Yes, just this one company. So Canberra, and particularly Australia overall, is an attractive place to come to.

CHAIR—This might seem to be a really odd question, but there is a reason for it: are there any affiliations, on a social basis, of the people who are coming here? Are they people who are just known to have IT skills or do they come from a particular group—for instance, a church group or something like that?

Mr Bowler—No, they are typically either current employees of the parent company in South Africa, or people who they have sourced locally who are brought here with the skills they need to meet the shortages that have been identified in the ACT and the Australian IT sectors. We have links with the South African embassy—that is one advantage of being based in Canberra: all the embassies and high commissions are here. There is another one through a diplomatic connection, where we are setting up here a textile industry, or a factory—with markets already set up in the US—for a range of sporting clothing. We are expanding—not that we targeted

textile; it was more a case of it came to us, rather than us going to find it—and there is a range of areas that are coming to us.

CHAIR—Did the textile people come from South Africa or were they from somewhere else?

Mr Bowler—They were from Pakistan.

CHAIR—Yes, I noticed in your clipping you sent us that you were rather keen on Pakistani restaurateurs.

Mr Bowler—Yes, that is one example of a success story. We are highlighting to the local community that we do sponsor and encourage business migrants to come here. It is probably more the Pakistani and other communities here, because we are such a diverse multicultural community in the ACT—and at the level that they are in: typically the diplomatic service and higher level executive areas—they do draw on their contacts back home, so they are, de facto, doing the work for us.

Senator McKIERNAN—How do you identify your skill shortages in the territory—have you got any formal mechanism in place to determine what is missing?

Mr Bowler—Yes, we have done a skills audit over this last 12-month period, and it is probably no surprise for them to find that IT is a major shortage, as it is everywhere else. We are focusing on highly skilled type areas—PhD and masters type levels, particularly in the advanced manufacturing technologies and biotechnology type areas. We build on the back of the research done at the Australian National University and the University of Canberra. So again, that is a catalyst to draw companies here to take advantage of the intellectual property and the R&D that has been carried on here and to set up local businesses.

Senator McKIERNAN—Are you actually using the skills matching database that is in existence?

Mr Bowler—Yes, although I would not say successfully. The category A is certainly of most interest—the ones that are in greatest need and for which there is a desire to have here. But we are in competition with Sydney and Melbourne, so we are taking a more progressive and proactive role to aggressively target them with information, more than we have in the past. As for the other categories, we are not so focused on skilled labour coming here unless an employer has identified a need and come to us for support. We do not actually go direct to the skilled market overseas.

Senator McKIERNAN—The Chief Minister's department is the certifying body in the ACT. What range of numbers are we looking at for certification? Can you give us an example of the overall numbers and then of specific cases where certification was done on behalf of the nominating employer?

Mr Bowler—I do not have the full figures. That is something I am still getting across in my take-up of the new role. We have had about 16 business migrants come here since early last year, so it is nearly two years now, with a target of 20 by the end of the year, which we will

meet from current processing—mainly RSMS. Certainly there are some other categories. I can provide more accurate figures to assist the committee.

Senator McKIERNAN—If you would, that would help us. My final question concerns regionalisation. You mentioned your competition with Sydney and Melbourne. Do you see the territory, being a designated area, having an advantage over Sydney? Do you have any views about the fact that Melbourne is deemed to be a designated area, like many other areas of Australia?

Mr Bowler—Certainly, being a designated region does assist to attract business people who may be short on points. They do then consider Canberra, when obviously they were focusing on Sydney initially. I guess that is a product of the Olympics—everyone believes Sydney is the capital of Australia. We would, through migration agents in Sydney, have a range of inquiries to seek our assistance. We then explore the validity of their applications with businesses being set up here in the ACT. We have had some success there. As to Melbourne, it is a surprise, I would imagine, that it is seen as a region. I would not have thought it had to struggle too hard to get people, being a major capital city of a similar size to Sydney. I guess it has had less publicity. Maybe that is why it is viewed this way, but I would be surprised to see it continue as a region.

Mrs IRWIN—Mr Bowler, in the ACT government's submission, it is stated that in the skilled regional sponsored category in 1997-98 totally 1,744 were approved and 86 were issued in favour of the ACT. Then it went on to say that in regional sponsored migration in 1997-98, there was a total of 765 approved and out of that 23 were issued in favour of the ACT. What type of skills did these people have?

Mr Bowler—Largely IT—that would be the broad definition. Otherwise it would be management expertise at senior levels in a range of general industries. That would be the breakdown.

Mrs IRWIN—Also, on the last page of your submission, it stated:

The ACT's migration focus at present and for the foreseeable future is on attracting potential business migrants and investors to Canberra. It has recently established revised arrangements to achieve this.

What are the arrangements that you are hoping to put into place to achieve an outcome? I think you mentioned that so far there are 16 business migrants and you have a target of 20. What type of business are they bringing in? Is it in the IT field again?

Mr Bowler—It is a variety: restaurants, construction, export business, fashion, electrical type background, IT electronic background, further electronics, fast food with an Indian type chain of restaurants which they are trying to set up, drafting, jewellery and hospitality. It is a broad section of industry sectors. That has been the result more of them seeking us out. We are taking a more proactive role. We will be targeting more aggressively and allocating more resources to go out and get them.

Mrs IRWIN—How do you hope to achieve this?

Mr Bowler—By strategic advertising overseas, by delegations, being over there at events such as Immigrate 2001 in Britain to attract a range of people, to go out to the market and highlight the benefits of our infrastructure. Our broadband, fibre optic network, particularly, is a huge attraction to a lot of IT people.

Mrs IRWIN—Earlier you were saying that you had had quite a few migrants from South Africa and you just mention Britain. Are you looking at any other countries?

Mr Bowler—The US, Canada, Korea and Taiwan.

Mrs IRWIN—What are the skills shortages in the ACT? Are they virtually those you just named?

Mr Bowler—Yes. It is largely IT; that is our growth area. It includes IT, advancement in technologies at a PhD level, laser physics and those sorts of areas that meet the needs of businesses being established here in the ACT at the moment, as well as biotechnology.

Mrs IRWIN—You have no problems in attracting doctors? You do not have a shortage of doctors?

Mr Bowler—We have a shortage of nurses, as is typical elsewhere, and of doctors at times of the year. It is a seasonal type thing I find from what I have heard anecdotally. I can provide to the committee a skills audit showing outcomes that we have found.

Mrs IRWIN—That would be good.

Mrs MAY—Can you expand on promoting Canberra? I notice in the submission you are only attracting about one per cent of the annual migration numbers to the ACT. You have just talked about Korea and places like that. How are you promoting Canberra in those places to attract these people?

Mr Bowler—We have not really been doing that over there as much. It has been more through connections in the business community here in the ACT that currently exist. For example, I was at a meeting this morning with someone who is working for a local company who is a business migrant from Korea. She was involved heading up Philips Electronics in Korea and they established a factory in China. They brought further people from Korea with those skills to meet with us to see how we can assist them. It is more of an introduction type facilitation for the local business community as a flow-on from our previous business activity. We have not really been overseas in the marketplace face to face aggressively bringing people in. We have had a number of delegations to China and to Japan. They have not borne a lot of business or industry migrants to us yet but that does take time in those sort of countries. We know it will come in the next few years.

Mrs MAY—Would you see a need for any more aggressive promotion of the ACT in years to come? If the numbers are not coming through, would you have to re-look?

Mr Bowler—Definitely. To get our share we need to tell our story more effectively. We do not have the resources obviously compared to the New South Wales or Victorian governments.

We have a small group in our business migrant area in the Chief Minister's Department. We are very busy and we are targeted at the moment to the areas where we will get the greatest effect. We will be expanding so that at least the countries we want to target are aware of the ACT and its opportunities. There is a whole range of lifestyle and infrastructure type advantages to be had here and certainly the cost of living is a lot lower.

Mrs MAY—Thank you.

CHAIR—You talked about Sydney because they get all the publicity. Do you have any evidence that people might come here to the ACT under the regional migration program and then later move to Sydney?

Mr Bowler—It does not happen too much—from my knowledge—at all. In the small numbers that we have had they are quite happy here. They do not use it as a jumping board to get into Sydney by default.

CHAIR—That is just what I wanted to know. Do you use the Internet to advertise the ACT?

Mr Bowler—We do. We have a portal or a business gateway.

CHAIR—What sort of success does that have in attracting people?

Mr Bowler—We have had a range of inquiries. It is fairly passive. I have just upgraded some of the content recently. There are ways we can target and utilise that as a reference point for further initial contact.

CHAIR—I gather you have it there but you are not happy as it is not operating at its full potential at the moment and you think you can do more with it?

Mr Bowler—Definitely.

CHAIR—I just gather from what you have said that you do not use the state/territory nominated independent at all? Most places do not.

Mr Bowler—We have one application at the moment.

CHAIR—One application.

Mrs IRWIN—That is better than none.

Mr Bowler—It is a step forward.

CHAIR—Do you want to tell us what the skill is?

Mr Bowler—I am not aware of it that much. That is one that I have been drawn to, and I am looking into it.

CHAIR—Is that because, from what you said before, you prefer to have the employers take the running?

Mr Bowler—Yes. They would provide the jobs straight up.

CHAIR—So you would rather that than bring somebody in and then wonder if perhaps you would not be able to get them a position?

Mr Bowler—We would, but there is more work involved in that. It is more resources than we can allocate. We would rather be a catalyst than the person taking the rap.

CHAIR—So the reason you do not use the State and Territory Nominated Independent scheme is a matter of resources—you will just have to, as a government, put more effort into using that category?

Mr Bowler—Yes, largely.

CHAIR—Do you coordinate with the Southern Tablelands area consultative committee?

Mr Bowler—We have the Australian Capital Region, which we draw on outside the ACT—all the shire presidents. The 17 regional leaders have a regional leaders forum, which the Chief Minister convenes on a regular basis, to take advantage of Canberra being, in a sense, a drawcard. We see it as a regional area. There are about half a million people in the catchment of the Australian capital region.

CHAIR—So, if you are using the consultative committee, it is because you use everybody rather than just the consultative committee?

Mr Bowler—We do—mainly for the regional leaders forum rather than any other group. It filters through there.

Senator McKIERNAN—I am very pleased to read in the submission about the adequacy of consultation and the fact that the ACT feels good about it. Quite often in committees such as this we get the negatives coming forward all the time. It is quite good to get the positives. Could I put that down, in one instance, to the natural advantage you have of being here in Canberra? DIMA's head office is located in Canberra. Have you experienced any problems with decision making by DIMA because of some of the schemes happening in Sydney rather than here?

Mr Bowler—We have a very good relationship with the regional office of DIMA, and they are well connected through their own networks. We have had an enormous amount of help from the local office, and it has not been a problem for us that decisions may largely have been made in Sydney. They have an impact that does not seem to hold us back.

CHAIR—Mr Bowler, we have got through that rather quickly. Thank you for your attendance here today.

Mr Bowler—Thank you for the opportunity to appear.

Resolved (on motion by **Senator McKiernan**):

That this committee authorises publication of the evidence given to it at the public hearing today.

Committee adjourned at 11.28 a.m.