National Farmers Federation



16 March 2023

Committee Secretary
Joint Standing Committee on Migration
Parliament House
Canberra ACT 2600

Via email: migration@aph.gov.au

Dear Secretary,

Migration, Pathway to Nation Building Inquiry

The National Farmers' Federation **(NFF)** thanks the Joint Standing Committee on Migration for this opportunity to make a submission on the "Migration, Pathway to Nation Building Inquiry". We are buoyed by the interest in developing purposebuilt migration settings that will enable a sustainable agricultural workforce alongside a thriving regional Australia.

The NFF was established in 1979 as the national peak body representing farmers and, more broadly, agriculture across Australia. The NFF's membership comprises all of Australia's major agricultural commodities across the breadth and the length of the supply chain. Operating as a federation structure, individual farmers join their respective state farm organisation and/or national commodity council. These organisations form the NFF.

The agriculture industry continues to make great progress toward reaching the NFF 2030 goal of \$100 billion in farm gate output. Recent figures released by ABARES have shown the value of production is forecast to be the highest on record at \$90 billion¹. Whilst 2023 is not expected to reach the same heights, it is still projected to be "well above the five-year average"². Nonetheless, there are a number of complex domestic and global issues which our industry must navigate in partnership with government. One of the most significant of those issues is the challenge of securing a reliable, committed and capable workforce. And while migration is not the panacea to fix this issue, it is an important part of the solution. To this end, the NFF recognises the importance of unlocking the enormous potential of Australia's migration system and advocates for a system that is flexible, adaptable and suited to the demands of industry. Indeed, the disruptions caused by the COVID-19 Pandemic have presented a critical opportunity to build a new migration system for the future, rather than simply

² Rabobank, https://www.rabobank.com.au/media-releases/2023/230209-rabobank-agribusiness-outlook-2023/.



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¹ ABARES, https://www.agriculture.gov.au/abares/research-topics/agricultural-outlook/agriculture-overview

deferring to or reconfiguring historical legacies. One that is purposefully designed to be accessible and applicable to agriculture, with robust worker protections but which also provides employers with flexibility to meet the variable labour demands.

Australian agriculture has enormous untapped potential. A purpose-built migration system that enables migrant workers to supplement the domestic workforce will allow us to access that potential. People across the globe are willing and eager to visit or live in Australia to work on farms. We need to policy settings that allows them to do so, and ensure Australia is a competitive and desirable location for migrants.

The NFF provided a detailed submission to the Governments inquiry into migration, "The Strategy: A Migration System for Australia's Future". That submission is attached as an appendix hereto and describes NFF's detailed position on migration settings. Below we respond directly, albeit briefly, to the terms of reference of the Committee's inquiry.

1. The role of permanent migration in nation building, cultural diversity, and social cohesion

The NFF recognises the importance of permanent migration in developing a culturally diverse and cohesive nation. We supported the Minister for Home Affairs' decision, announced at the Jobs and Skills summit, to increase the total cap on permanent migration to 195,000 places. Australia has benefited immensely from the contributions of permanent migrants to our country, and we should continue to encourage and expand this into the future.

The agricultural workforce has benefited significantly from migration streams, not only the low and semi-skilled workers on temporary visas but also through skills shortage visas that develop long-term relationships with employers. We note that the benefits both economically and socially are manifold when both employer and worker have certainty regarding an employment arrangement. Employers are more willing to invest in the worker through training and expanded responsibilities. Workers are increasingly productive as they develop skills and experience on a particular farm. And their permanence enables them to connect and engage other community members and groups. For these reasons, permanent migration must be a central feature of future migration settings.

2. Immigration as a strategic enabler of vibrant economies and socially sustainable communities in our cities and regional hubs

Immigration is a powerful tool for developing social cohesion and vibrant economies. The impact is amplified in regional settings that are desperately in need of workers and the lift to the local economy and community that they

provide. The various "skills shortage" visas allow workers with a specific skill set to migrate to Australia and work for an approved business for a number of years (depending on the role, worker's skills, etc). The workers fill labour shortages, contribute knowledge gained in other countries to the growth and development of Australian agriculture, and provide valuable training for local Australian workers.

To ensure that migration strategically enables regional communities and economies, policy settings should encourage migrant workers to take up permanent residence in these areas over urban centres. This may include incentives or concessions to work and live in regional Australia. At present, roughly 80% of migrants take up residence in urban centres. To support the reinvigoration of regional centres we must turn this trend around. However a focus on regional settlements would have to be accompanied by a regional housing agenda which solves the remote and regional housing shortage crisis, along with delivering the necessary supportive services and regional infrastructure development.

3. Attraction and retention strategies for working migrants to Australia.

As noted above, accessible pathways to permanent residence acts as an incentive to attract migrant workers to Australia. Positive experiences in Australia are also crucial to ensuring high retention rates of migrant workers. Australia should promote itself internationally as a destination of choice for potential migrant workers.

Backpackers are an important source of agriculture workers as the migration settings are currently constructed. There are a number of reforms which would enhance the WHM visa streams, such as enabling WHMs to work for 12 months with one employer, usually a 6-month maximum with little exceptions, increasing the age limit to 35 for WHMS, and reducing the caps on low risk sending countries, as many still remain capped at 100.

For backpackers seeking a working holiday, Australia's international attractiveness is critical to the agriculture industry. We must establish clear and simple pathways for visa applications through the Department of Home Affairs. Flight costs to Australia also continue to be the most expensive option for backpackers seeking to move to a destination for a working holiday. This is coupled with visa application costs in Australia for a 417 or 462 that are internationally exorbitant at \$510, which negatively affects our international competitiveness in attracting backpackers.

4. Policy settings to strengthen skilled migrant pathways to permanent residency

Skilled migrant pathways from temporary to permanent residence are an incredibly important aspect of our international labour market competitiveness.

The pathways should be expanded to ensure that Australia continues to be a destination of choice for skilled migrant workers. A pertinent comparison would be to Canada, a similar agricultural exporting nation. Canada makes a number of short and long-term agricultural visa streams available, backed by opportunities for permanent residency. One of the key differences is the wider international labour market that Canadian employers can access. The NFF would strongly support the introduction of similar measures to ensure we continue to attract workers and provide them with opportunities to strengthen economic and social contributions through permanently migrating.

It is important to recognise that many migrant farm workers often spend a significant amount of time working and living in regional communities whilst participating in seasonal and casual work under their temporary visas. We should look to incentivise participation in these streams by providing pathways to permanent residency for WHM and PALM visa holders who are actively engaged in and an integral part of the agricultural workforce. This is again crucial for our international competitiveness.

It is also important to note that not all of our migration workforce requirements in agriculture can come from a single source. Whilst we deeply value the connection with our Pacific partners via the PALM scheme, it may place too much of a strain on their domestic labour markets if we rely on them as a sole source of our labour. These concerns have been noted by PALM sending nations,³ and adjustments to the permanent residency policy settings will need to be made with this consideration.

5. Strengthening labour market participation and the economic and social contribution of migrants, including family and humanitarian migrants and the partners of working migrants.

The NFF supports in principle a family accompaniment policy such as that which is currently being explored by the government as a measure to improve the PALM scheme's social and economic outcomes. Where it is appropriate and socially and economically viable, Australia should seek to facilitate dependants accompanying a working migrant. However, before it is rolled-out the proposal must resolve complex issues, such as the financial viability of the proposal, and the availability of housing and social and supportive services such as hospitals, schools, and childcare. These issues are intensified in regional areas where many housing shortages are widespread, affordability is already a significant concern, and services are currently stretched up to and beyond capacity. These issues are not insurmountable, but a policy which does not include solutions to these issues will do more harm than good to workers and their families and the local communities.

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³ https://devpolicy.org/brain-drain-1-a-growing-concern-20221013/

6. The role of settlement services and vocational training in utilising migrant experiences, knowledge, and opportunities

The NFF supports the work of the settlement services and the vocational training system. Both contribute to making Australia a destination of choice, assisting migrants to settle into the national and local communities, and growing and making use of their skills, experiences, knowledge.

Yours sincerely,

Ben Rogers

General Manager, Workplace Relations & Legal Affairs, National Farmers' Federation