



January 2019

## Population planning and management for regional Victoria

### 1. Background

Comprising the 10 regional centres of Ballarat, Bendigo, Geelong, Horsham, Latrobe, Mildura, Shepparton, Wangaratta, Warrnambool and Wodonga, Regional Cities Victoria (RCV) believe regional cities can play a key role in managing population growth in Victoria, offering a viable and attractive lifestyle alternative to metropolitan Melbourne.

Regional cities account for approximately 10 per cent of Victoria's population, but only 8 per cent of the state's economic output. While Victoria is forecast to experience continued population growth over the coming decades, the distribution of this growth will be uneven, and occur at a lower rate in regional areas than in metropolitan Melbourne.

In the long-term, regional cities strive for prosperous and sustainable local economies; and high levels of amenity and liveability, including access to reliable public transport, mobile and broadband networks. These goals can only be realised through targeted policies to better manage population growth (immigration) and distribution (decentralisation), as well as investment in infrastructure and services that will stimulate job creation and support growing populations in regional areas.

The December 2018 COAG meeting in Adelaide called for consideration of a framework for national population and planning to address population management in Australia, with input from all levels of government.

As a respected and effective advocacy group for regional cities, RCV is well-placed to work with both state and federal governments in the development of Victoria's contribution to the COAG Framework.

### 2. Overarching principles

RCV considers the following elements critical to successful population growth in regional cities:

- **Consultation and collaboration** with regional local governments is essential to ensure location-appropriate policy formulation and smooth implementation that meets the needs of new residents and delivers the best possible outcomes for the receiving community.
- **Coordinated planning** of transport infrastructure, housing and essential services
- **Investment** in transport, community and enabling infrastructure, to address issues of connectivity and liveability, and to support and attract private sector investment that will create jobs and boost economic development.

### 3. Population growth

RCV recognises the importance of immigration to facilitate population growth in regional areas. RCV is also considering other policy-based options to encourage migration to regional areas, such as incentives for international students to choose regional tertiary institutes, and pathways to

permanent residency that include working in regional areas for a period of time. RCV also acknowledges that intra- and inter-state migration contribute to the growth of regional communities.

The announcement on 10 December 2018 of the new Designated Area Migration Agreement (DAMA) between Warrnambool City Council and the Federal Government to address critical employment gaps is a welcome development for regional Victoria, and opens up the possibility of similar arrangements in other regions of the state. DAMA provides employers in a given region access to a broader range of overseas workers than is available through the standard skilled migration programs. A key benefit of DAMA is that it can be tailored to meet local business needs.

Case studies of various migration programs and settlement initiatives in regional Victoria are provided over the page.

#### **4. Population distribution**

Whether it be the relocation of metropolitan-based residents to regional areas, or the inducement of interstate or international migrants to regional areas, there are certain conditions that are critical to the success any decentralisation program. These factors were discussed in the final report of the Federal Government's Select Committee *[Inquiry into Regional Development and Decentralisation](#)*, and include employment and career opportunities, good education services, access to healthcare, and a high level of amenity and lifestyle. Connectivity via high-speed broadband Internet, a reliable mobile telecommunications network, safe roads and fast and reliable transport networks, is also essential.

Other factors that may determine the successful implementation of a population distribution policy include a high level of personal motivation to relocate (e.g. for a job opportunity); a sense of welcome and support from the receiving community; potentially improved proximity to family and friends; and satisfaction with the lifestyle and amenity afforded by the new regional setting.

While public sector driven decentralisation may in some cases provide for relocation on a broader scale, corporate-led decentralisation may have greater potential to spur new economic activity, through the development of complementary or supporting businesses and services.

RCV supports regionally focused population distribution in principle, but emphasises the need for careful planning and a nuanced approach that takes into account regional strengths, natural advantages, existing infrastructure and industries, service capabilities, employment capacity, and the community's appetite to grow.

#### **5. Regional Cities Victoria recommends:**

- Greater engagement between all levels of government in the development of policies aimed at growing regional populations;
- Coordinated infrastructure planning to support the growth of regional cities;
- A coordinated approach to infrastructure investment and delivery; and
- Appropriately resourced support and settlement services for new residents arriving in regional destinations as part of immigration, relocation or decentralisation programs.

To find out more about Regional Cities Victoria please visit [www.regionalcitiesvictoria.com.au](http://www.regionalcitiesvictoria.com.au), or for further information regarding this paper, please contact the Secretariat on 03 9654 4799, or email [rcv@cprcomm.com.au](mailto:rcv@cprcomm.com.au).

## Case Studies

### **Designated Area Migration Agreement – Warrnambool**

A combination of low population growth, aged workforce and low unemployment has led to chronic labour and skills shortages in the Great South Coast region. Employers and municipalities across the region recognised more people are needed to grow the region's economy by increasing production and exports.

Advocacy efforts by six local governments across the region, led by Warrnambool City Council, resulted in the December 10, 2018 announcement of a Designated Area Migration Agreement (DAMA) for the Great South Coast.

The DAMA will provide the opportunity for the region's businesses to apply for individual labour agreements under which they can sponsor skilled workers. More than 20 eligible occupations will be available under the Great South Coast DAMA, with an option to review numbers and skills over time.

### **Seasonal Worker and other Migration Programs – Shepparton**

The numerous employment opportunities in Greater Shepparton's horticulture and dairy industry are the largest factor in attracting migrant communities and seasonal workers. Harvest season sees an influx of workers, predominantly from October through to February each year. Greater Shepparton is also the leading destination outside of Melbourne for new arrivals through humanitarian and refugee programs, with 10 per cent of the city's unskilled workforce drawn from these cohorts.

New migrants and workers are usually able to start unskilled work almost immediately. The resulting education of the younger generations helps to narrow the skills gaps, as well as supporting the ongoing growth and development of the local university facilities.

Without the workforce supplied through the seasonal worker and new arrival visa programs, the economic impact throughout the region would be significant. Furthermore, these programs can result in a range of social, economic and health benefits, with the opportunity for cross-cultural exchange between agricultural businesses and their new workers.

Further support and services are required to overcome language, social and service barriers, address educational gaps, and improve procedural compliance systems to reduce exploitation of migrant workers; addressing these issues would allow these programs to flourish in regional areas such as Greater Shepparton.

Greater Shepparton is interested in opportunities to extend existing visa programs, and to participate in new programs such as the Designated Area Migration Agreement.

### **Improving settlement outcomes for refugee and migrant communities – Wangaratta**

The Rural City of Wangaratta (RCoW) is currently the lead organisation auspicing the Ovens and Murray Multicultural Regional Area Partnership (OMMRAP) and the Strategic Engagement Coordinator (SEC) Position, both of which are funded by the Department of Premier and Cabinet. The Partnership is working towards strengthening settlement outcomes for refugee and migrant

communities across the region in the areas of social inclusion, economic participation and civic participation. RCoW is continuing to develop and implement strategies with community organisations to make Wangaratta an attractive place to live, work and study.

The North East Multicultural Association (NEMA) has an arrangement with Northeast Health to participate in the community mentoring program to support young medical staff and their families who have been allocated to the North East by their educational. This is done by regular social contact and by enabling all young medical staff to socialise with and interact with members of the local community, particularly those of a similar cultural or linguistic background. NEMA plays an important role in welcoming and supporting the multicultural community of Wangaratta and is keen to grow the new and emerging migrant worker population.

RCoW is also interested in opportunities to participate in new programs to support successful relocation to the area such as the Designated Area Migration Agreement.

### **The settlement of the Karen people in Nhill<sup>1</sup>**

“Since early 2010, approximately 160 Karen refugees have resettled in Nhill, in north western Victoria. Nhill is a small, relatively isolated agricultural town in the wheat-belt Wimmera region of Victoria. Like a number of small regional towns, Nhill has faced a declining working-age population, which has had flow-on implications for the economic and social prosperity of the town.

The context of a declining population, combined with very low unemployment, was a key catalyst in this resettlement. In particular, there was a need for labour to support expansion of Luv-a-Duck, the largest local commercial business, and driven by a combination of economic and humanitarian motivations, Luv-a-Duck management identified the Karen as potential employees.

Through a staged recruitment and resettlement process, the Karen community now comprises approximately 10% of the Nhill population, including significant numbers of working age adults and families with young children. Furthermore, labour force participation linked to this population increase is high.

Fifty-four Karen are directly employed in Luv-a-Duck, and seven are employed in businesses that supply Luv-a-Duck. Beyond this, the increased population has enabled the creation and filling of additional jobs across a number of broader community businesses and services.

A total of 70.5 Full Time Equivalent (FTE) positions have been added to the regional economy over the five-year period of analysis, representing approximately 3% of total employment across Hindmarsh. The economic impact of this increased labour supply, in terms of Gross Regional Product – as modelled by Deloitte Access Economics, is estimated to be \$41.5 million in net present value terms.

The wider social impacts of the resettlement of the Karen in Nhill provide the story behind the numbers. In short the Karen resettlement in Nhill has helped to:

- redress population decline for the township
- revitalise local services and attract increased government funding
- increase social capital across both communities.”

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<sup>1</sup> Extract from “*Small towns, Big returns - Economic and social impact of the Karen resettlement in Nhill*”, a joint [AMES & Deloitte Access Economics report](#) (2015)