

The Guardian



Regional Australia 'victim' of populist migration cut, key industry figure says

Chamber of commerce chief accuses government of cutting migration 'by stealth' after levels fall by 20,000

Paul Karp

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Regional Australia and smaller metro areas are the “victims” of the “populist sentiment” that has driven the reduction of Australia’s migration intake by more than 20,000, the head of the Australian Chamber of Commerce and Industry has said.

James Pearson made the comments to Guardian Australia in response to news that 162,417 people permanently migrated to Australia in 2017-18, well under the 190,000 cap and down from 183,608 the year before.

The home affairs minister, Peter Dutton, said the reduced numbers are the result of his department cracking down on skilled migrants exaggerating their qualifications and scrutinising whether applicants for spousal visas were in genuine relationships.

But Pearson said the government is “effectively throttling back the rate of migration by stealth”.

“We know that processing times have slowed right down, we know that visa application costs and the cost of [employer] sponsorships have gone up and the government has reduced the number of eligible occupations,” he said.

“If this [were] true you’d say the government has put in place these non-tariff barriers in order to reduce the number of skilled people we are able to bring into our country ... to grow our economy.”

Pearson said business is “very concerned” about the drop-off, particularly the cut of 12,500 in the skilled work visa category.

“That has a direct impact on the number of jobs that business can create in Australia because there are plenty of studies ... which demonstrate that strong, well-planned and controlled migration drives economic growth,” he said.

The chamber held its general council this week in Sydney, and Pearson said he heard from members that the political response to “the problems of Sydney and Melbourne ... is making victims of regional Australia”.

“The failure to plan adequately for increased population growth in the big two capital cities has led the government to make a populist response in terms of cutting back on migration,” he said.

Pearson said businesses outside the two state capitals and particularly in regional Australia are being “starved” of skilled workers.

Pearson also blamed Labor, accusing “both parties” of “cynically” joining a growing bandwagon that is hurting business.

Responding to the migration intake reduction on Friday, the Labor leader, Bill Shorten, said migration numbers “fluctuate depending on what’s happening in the economy” and declined to express a view.

Instead he criticised the Coalition government for allowing 1.6 million people into Australia with temporary work rights.

While the Australian Council of Trade Unions joined industry groups in calling for the migration level to stay at 190,000, Labor has promised to triple the cost of temporary work visas to ensure employers look locally for workers.

The Labor frontbencher Anthony Albanese said the drop was a “good result”. “Of course it’s a good result, if there is more integrity in the system,” he told Channel Nine on Friday.

Pearson said the “great irony” of the debate is that “regional Australia, where some would argue that populist sentiment is located, is actually suffering from the measures that are being taken”.

“This is what superficially appears to be clever politics being bad policy and that will hurt Australia, and not just in the long run, it’s hurting business and regional communities now,” he said.

Pearson said the perception migrants take jobs from Australians is incorrect and they in fact create jobs, because employers need to bring in overseas workers for some skilled jobs. If the positions aren’t filled “they can’t run that part of the business well or they can’t run it at all”.

The chamber gave the example of Labglass, a small business in Queensland manufacturing industrial glass products such as beakers and test tubes.

Because of a lack of courses in Australia on scientific glass-blowing, Labglass has relied on migrants to fill highly skilled positions of industrial glass-blowers.

While Labglass has tried to create a training course in collaboration with the Queensland University of Technology, it needs skilled temporary and permanent migrants to train and supervise trainee glass-blowers.

But changes to the skilled 457 visa program, including slashing the occupational list for the scheme, has meant scientific glass-blowers are no longer eligible for the visas, leaving Labglass unsure if it can continue its operations. Two attempts by the company to have the occupational list reviewed have failed.

Asked about ways the government is looking to boost employment, such as special labour agreements to lower visa requirements in regional areas, Pearson said it is right to look for ways to encourage people to work in the regions.

“But it’s a little bit like when you’ve got your foot on the brake and you press the accelerator at the same time ... your car’s going to spin out,” he said.

Pearson accused the government of a “contradictory policy approach” by making it harder for employers to fill jobs by lowering the overall intake while looking for ways to encourage migrants to regional areas.

“We might get a higher proportion of a smaller total to the regional centres, but that might work out to be less people,” he said.

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