Evidence to Inform Local Government Advocacy for a Strategic Population Policy

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Executive Summary

South Australia's economic underperformance tied to demographic trends

For some time now, South Australia has underperformed the rest of the country in terms of production and employment, whether measured in absolute or per capita terms. This underperformance is partly due to structural factors and associated weaker initial economic conditions stemming from the adjustment to the trade liberalisation in the early 1970s (SACES 2017b). However, it can also be attributed to demographic trends in terms of persistently slower population growth and an older population. Importantly, these factors tend to reinforce one another, with subdued economic performance encouraging people to leave the state or discouraging people from moving here, which in turn reduces potential aggregate demand.

The South Australian population is amongst the oldest in Australia and getting older at a relatively fast rate compared to other States and Territories. Meanwhile, the state's population is decreasing as a proportion of the national population due to slower population growth. Over the last decade the state's annual average population growth rate of 0.9 per cent was just over half that of Australia's of 1.7 per cent (ABS 2018).

Population ageing and slow population growth have been exacerbated by relatively high rates of net interstate migration loss, which disproportionately comprise people of working age. Since the late 1980s South Australia has consistently endured a loss of population through interstate emigration. Unfortunately these net outflows have increased over recent years. In the three years to 2017 the state lost an average of 6,500 people per year through net interstate migration compared to an average of 3,600 people per annum over the previous 5 years.

A reduction in the relative size of the working age population is likely to reduce economic output by reducing the size of the labour force, exacerbating skills shortages, dampening labour productivity (due to the loss of skills and people with high labour force participation), reducing consumer spending (people in prime working ages tend to have greater propensity to consume), and diminishing the government's revenue base. In South Australia's case, the relatively older age structure of the population represents a 'demographic deficit' reducing the potential output of our state (SACES 2017b).

Demographic trends vary across regions, and are significantly worse in some areas

The overall South Australian picture hides substantial variations in demographic performance across regions, including quite unfavourable demographic trends for many rural and regional areas. The populations of most regional areas located beyond the metropolitan urban fringe have grown only slowly or even fallen over the past decade – see Figure E1. For instance, the Far North population has contracted and the Whyalla and Eyre Peninsula population has barely grown, while growth rates for several other outer Regional Development Australia regions have been around half the South Australian average.

These regional results themselves hide the breadth of weakness as population gains have been concentrated in large urban areas and particular coastal areas, whereas more sparsely populated regions have tended to suffer population decline. Hence, moderate population growth for the Murraylands and Riverland region is mainly due to robust growth in Murray Bridge, while growth in the Yorke and Mid North Region mainly comes from the Copper Coast and Clare and Gilbert Valleys, and in Whyalla and the Eyre Peninsula region, the population growth stems from the Lower Eyre Peninsula and in Port Lincoln.

Council level estimates are particularly illuminating of broader population outcomes. Of the 70 South Australian local government areas (including Aboriginal Councils) for which the ABS produces population estimates, 25 (36 per cent) recorded a fall in population between 2007 and 2017. All of the local government areas that experienced a decline in population were located in rural and regional areas of the state. Hence almost half of the non-metropolitan councils (25 of 53) experienced a fall in population over the past decade.

Falling or slow growing populations in rural and remote areas are a product of various factors including:

- the persistent trend of young people moving to the Adelaide metropolitan area to pursue tertiary education and career opportunities;
- broader net internal migration outflows in response to adverse economic shocks (e.g. Whyalla and Roxby Downs), and structural trends that reduce employment in key sectors (e.g. lower employment in farming due to consolidation of farming properties, technological change and adoption of smarter management practices);
- older age structures that lead to smaller gains from natural increase due to lower birth rates (i.e. excess of births over deaths); and
- low overseas migration rates.

These factors have not been experienced uniformly across rural and remote areas. Indeed, latest annual population estimates reveal that some regional areas enjoyed relatively strong gains in population through natural increase in 2016-17, while many regional areas actually performed better than the metropolitan area in terms of net internal migration (either by recording a relatively smaller loss or actual gain in population).

However, a common theme is that overseas migrants are less likely to settle in regional areas of the state compared to the metropolitan area. Of those people who were born overseas and arrived in Australia in the two years prior to the last census, only 7 per cent were living in the non-metropolitan area of South Australia at the time of the 2016 census.[1] This share of overseas migrants is well below the non-metropolitan region's share of the total South Australian estimated resident population (29 per cent).

A net effect of these various demographic forces – loss of young people, low birth rates and low overseas migration – is that many rural and remote communities have a significantly older age structure compared to the state population. As the key population metrics in Table E.1 show, most non-metropolitan regions of South Australia have a larger share of persons aged 65 years and over compared to the state and Adelaide metropolitan area. They also tend to have a lower share of people in the core workforce aged group (i.e. 25 to 34 years), which can in part be attributed to the lack of overseas migrants settling in regional areas as they tend to be overrepresented in this age group.

Figure E.1 Population Growth over the past decade by Regional Development Australia region
Annual average growth rate, per cent – 2007 to 2017 (30 June)
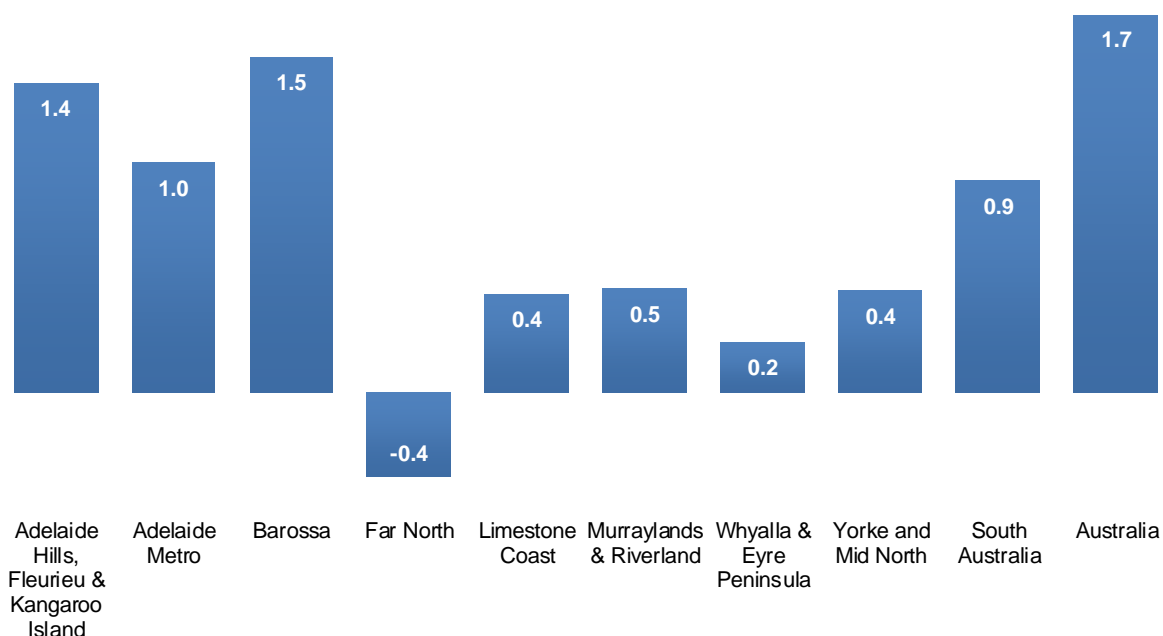
Source: ABS, Regional Population Growth (Cat. No. 3218.0)

An ageing population and ageing workforce has also been identified as one of the key challenges facing the Adelaide metropolitan area. With an ageing population and workforce, overseas migrants with appropriate skills will be relied upon to fill skills shortages in the region, while the retention of young people will be required to meet future workforce needs. In order to accommodate future population expansion and demographic change, existing infrastructure will need to be maintained and improved to ensure that Adelaide's advantages in terms of affordability and liveability are preserved. A range of social trends (e.g. increase in lone person households, growth in international students etc.) imply that demand for housing will outstrip population growth, which has implications for housing affordability. Population issues and challenges facing individual councils naturally varies across the metropolitan area according to differences in local conditions and historical aspects of their economic, social and physical development.

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[1]   Based on people born overseas and whose place of usual residence in 2011 (i.e. 5 years before the 2016 census) was overseas.

Unfavourable demographics exacerbate the challenges faced by regional areas

Stagnant and ageing populations pose significant economic challenges for our regional areas. Beyond impeding economic growth through those mechanisms described earlier, these trends make it difficult to maintain and deliver the physical infrastructure that facilitates economic development. It also creates a challenge to sustaining those public, community and commercial services such as health, education, recreation, retail etc., which communities demand, and in turn play a major role in attracting and maintaining people.

A "hollowing out" of the workforce through the relative loss of young people, increasing retirement and slow population growth means there are less skilled workers available to meet future workforce needs and take advantage of emerging investment opportunities (e.g. renewable and alternative energy projects, recovery in the resources sector, food produce). While unemployment rates are often low in regional areas, labour markets are generally shallow due to earlier periods of emigration of surplus labour. As a consequence, employers often report difficulties finding reliable and skilled workers when new or existing positions become available.

The types of skill shortages incurred by employers vary depending on the industrial base of each region and presence of major employers. However, occupations or sectors that are commonly identified as being difficult to recruit for include various positions in health and aged care, tourism and hospitality (e.g. chefs), food produce (e.g. crop workers, meat and poultry workers, seasonal workers), and more generally, qualified and experienced personnel such as managers and supervisors.

Loss of young people is a particular concern for regional communities. Not only does it negatively impact regions economically by reducing the availability of skilled people and overall population size; it reduces economic dynamism through the loss of new ideas and businesses that young people would otherwise bring. It also has social implications since young people are tomorrow's community leaders, who would otherwise help build community resilience by helping to navigate future challenges.

Table E.1 Key Population and Labour Market Metrics for South Australia's Regions

RDA region	Population growth rate[a] Per cent	Share of population by age group (2016)			Internal migration contribution in 2016-17[b] Percentage points	Unemployment rate (2016) Per cent	Labour force participation rate (2016) Per cent
		0-14	25-34	65+			
Adelaide Hills, Fleur. & KI	1.4	17.8	9.2	21.9	0.6	5.2	57.1
Adelaide Metro	1.0	17.5	14.6	16.8	-0.6	7.9	59.1
Barossa	1.5	19.4	11.1	17.0	0.7	6.2	60.9
Far North	-0.4	20.0	15.9	12.9	-1.4	8.6	55.8
Limestone Coast	0.4	19.4	11.3	18.5	-0.4	5.2	60.1
Murraylands & Riverland	0.5	17.4	11.2	21.1	-0.1	6.7	53.7
Whyalla & Eyre Peninsula	0.2	19.9	12.3	17.6	-1.2	7.7	56.7
Yorke and Mid North	0.4	17.0	9.5	24.4	0.2	7.3	50.3
South Australia	0.9	17.8	13.5	17.7	-0.4	7.5	58.3

Note: (a) Annual average growth rate over the 10 years to 30 June 2017.
            (b) Percentage point contribution of net internal migration to total population growth over the year to 30 June 2017.
Source: ABS, Regional Population Growth (Cat. No. 3218), Population by Age and Sex, Regions of Australia, 2016 (Cat. No. 3235.0), and 2016 Census of Population and Housing.

What can local government do? Regions are pursuing various strategies to maintain and attract skills and people

A range of initiatives have been pursued and are being considered by local government, regional development organisations and businesses to attract and maintain people to their region in order to both rejuvenate the working age population, and to grow the population. One of the primary strategies involves improving the liveability and amenity of regions, i.e. those tangible and intangible factors that make a place attractive to live and work in.

A major aspect of enhancing liveability involves providing quality social infrastructure and services, or in other words those assets, services and institutions that are required to uphold the social, economic and physical health of communities. Specific priorities include medical, aged care and childcare services; education and training services; sports and recreational activities and programs; arts and cultural activities; affordable housing; public transport and retail. These forms of "soft infrastructure" not only improve liveability, they strengthen community bonds, which in turn helps build a sense of community and community identity, and enhances human capital. Together these factors help build community resilience. Unfortunately some forms of social infrastructure and services have deteriorated given the trend toward centralisation of government services (which is itself partly a response to slow population growth and ageing).

Some regions are leveraging their existing advantages in terms of liveability – e.g. clean environment, lack of

congestion, affordable housing – to actively promote their regions as great places to live and work. These strategies may target skilled and experienced workers from overseas, interstate and elsewhere within South Australia, and often emphasise tree change and sea change lifestyle based migration opportunities. A current example of this approach is the Copper Coast Council which is developing a marketing campaign to promote the region to a broader audience, including businesses, tourists and potential future residents.

Providing financial incentives to encourage people living elsewhere in Australia to relocate to regional areas has also been identified as a more interventionist possible approach for increasing population and meeting skilled workforce needs. For example, the recently released Northern Territory Population Growth Strategy includes financial incentives in the form of relocation subsidies, a one-off local spending benefit after 6 months of local residence, and a retention bonus after 5 years of local residence (Northern Territory Government, 2018).

Local government also has capacity to provide financial incentives to attract and maintain people, including those at high risk of leaving. For example, the Strathbogie Shire Council in northern Victoria provides a "rates holiday" for 2 years for existing residents and potential new residents to the region (based on eligibility for the state's First Home Buyers Grant). Meanwhile here in South Australia, the City of Adelaide offers a rates holiday for up to 5 years for some residential apartment buyers.

Maintaining and improving physical infrastructure also has an important role to play in maintaining and attracting people. Provision of quality physical infrastructure not only contributes to the liveability of a region, but also promotes economic growth by unlocking private sector investment opportunities, enhances market connectedness, and improves productivity. Combined with other economic development strategies and initiatives, physical infrastructure facilitates the creation of jobs, which is a necessary condition for growing populations. Physical infrastructure priorities naturally vary by region, but typically include:

- reliable energy generation, storage and supply;
- transport infrastructure – road, rail, air and intermodal – and public transport services;
- communications infrastructure, including greater mobile coverage and improved connectivity, and high-speed broadband (i.e. National Broadband Network);
- sustainable supply of quality water;
- health, aged care and child care facilities;
- arts and cultural facilities; and
- sport and recreational activities and associated programs.

In terms of meeting current and future skilled local workforce needs, another major area of focus for regions is improving the provision of locally based education and training options. The supply of such facilities and services, including TAFE, has generally eroded over time. This in turn has negatively impacted regions' ability to meet emerging skills needs and undertake reskilling in order to adapt to changing circumstances.

A particular area of concern across almost all regions is the lack of local tertiary pathways which leads to an inherent drift away of young people for study and employment. One novel approach that is currently being pursued to remedy this trend is the establishment of community-owned, Regional Study Hubs as part of an Australian Government initiative. These hubs will provide study spaces, computers, communications infrastructure, and administrative and academic support for students studying remotely with partner institutions. The Upper Spencer Gulf, RDA Barossa Gawler Light & Adelaide Plains and the Rural City of Murray Bridge have all received funding to establish study hubs in their regions. For instance, the Upper Spencer Gulf Common Purpose Group has established Uni Hub Spencer Gulf, which will open a campus at Port Pirie in 2019, followed by a campus at Port Augusta in 2020. In addition to providing study facilities, the education centre aims to aggregate, broker and coordinate delivery of higher education within the Upper Spencer Gulf region to meet emerging industry and skilled workforce needs (e.g. nursing, education, renewable energy and heavy industry). Provision of these services is not only designed to encourage younger people to remain in the region, it will enable those individuals who do not have the resources and time to move and commute to Adelaide to access higher education, thereby raising their skills capacity.

Another approach that is being explored to improve the retention of young people is strengthening school to career pathways to local industry by providing training tailored to local industry needs. Meanwhile, in order to improve their workforce capability, some regions are engaging in active labour market programs that provide training and upskilling to existing unemployed persons and disadvantaged populations such as indigenous and long term unemployed people. These approaches supplement traditional means of addressing skilled workforce needs, e.g. engaging with business and industry to identify workforce needs, auditing local education and training services to identify gaps, delivering pre-employment programs, and facilitating information sharing across government and businesses to promote new and existing programs.

In terms of helping new migrants settle in regional areas, a potential solution that has been suggested is to establish a migration service that creates opportunities for engagement and positioning, and provides cultural activities and facilities that offer opportunities for facilitating integration.

Overseas migration has an important role to play in meeting demographic challenges

One of the most defining aspects of South Australian population patterns since the new millennium is the prominent role played by overseas migration. Overseas migration has been the main source of population gain for the state, with overall population growth closely tracking movements in net overseas migration over the last 15 years – Figure E.2. In the decade to 2017, net overseas migration accounted for about two-thirds of the net increase in state population that arose through overseas migration and natural increase.

Overseas migration combined with natural increase has maintained overall population growth for the state in the face of persistent losses stemming from net internal migration. There is little that state or local government can do to directly influence interstate migration flows of Australian residents. However, they can positively affect the state's ability to attract and retain population indirectly by implementing policy changes that lead to an improvement in the state's relative economic performance, or enhance other aspects of the state that interstate and overseas migrants might find appealing (e.g. quality of life, cost of living).

With the ability to influence interstate migration flows being limited, overseas migration remains the most effective policy lever for delivering meaningful changes in population outcomes in the short to medium term. However, decisions regarding intake levels, skilled occupation needs and eligibility criteria are the domain of the federal government. These limitations have not prevented some towns and regional areas from rejuvenating their populations and communities by targeting specific overseas migrant communities. The migration of Karen refugees from Myanmar to the small agricultural town of Nhill in Victoria, the resettlement of Rwandan refugees to the small rural farming community town of Mingoola in New South Wales, and closer to home, migrants from various overseas countries being drawn to Murray Bridge by the prospect of secure employment, particularly in local food manufacturing plants, provide successful examples of integration of overseas migrants into local communities.

Figure E2   Importance of Overseas Migration to South Australian Population Growth Change in population component – moving annual totals
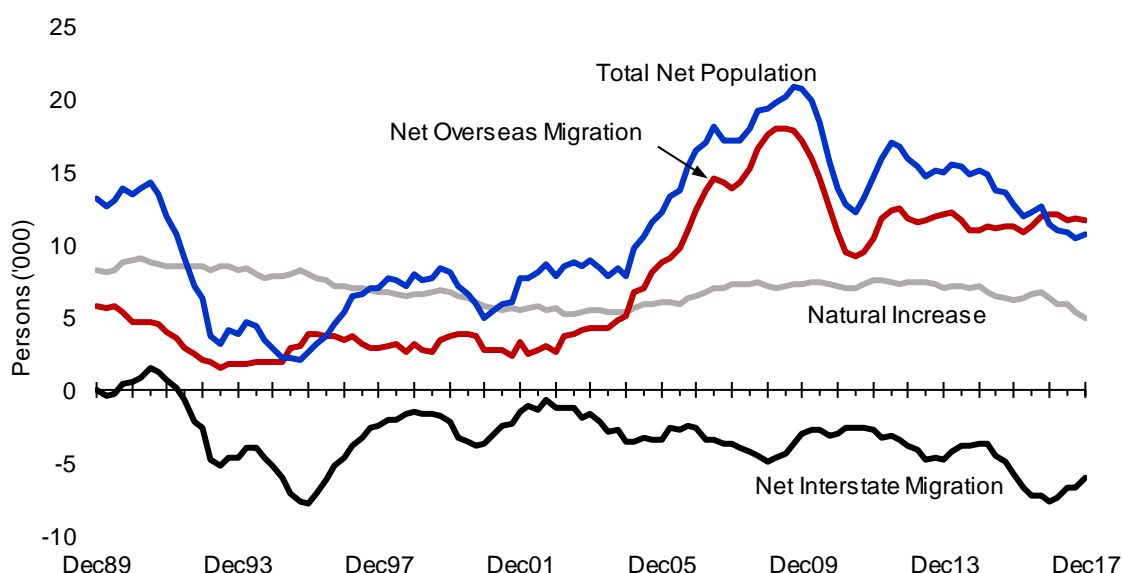
Source: ABS, Regional Population Growth (Cat. No. 3218.0).

But the national migration system is not attuned to the needs of South Australia

While overseas migration provides one potential solution to addressing state and regional population needs, current features of the nation's overseas migration system do not appear to be properly attuned to the population and workforce needs of South Australia. In 2017, the South Australian Centre for Economic Studies investigated national immigration policy in the context of challenges facing economic and business development in South Australia, especially regional South Australia. Based on extensive consultations with businesses, training providers and other stakeholders, this research found that a number of aspects of the current migration system did not meet the needs of the South Australian economy or local firms, and provided

a range of recommendations on how the system could be modified to address these limitations.

The summary of recommendations of specific import and relevance to regional communities, local government and the South Australian government included (see chapter 10 for further extensive discussion):

- create a new regionally focused visa based on the 457 / Temporary Skills Shortage visa, that reflects local labour market conditions (e.g. a lower Temporary Skilled Migration Income Threshold for regions rather than the current one-size-fits-all approach that is calibrated to the eastern capitals' labour market conditions and wage levels), allows access to a greater range of occupations, and allows greater pathways to permanent residence;

- restore the regional flexibility of the Regional Sponsored Migration Scheme visa by undoing recently announced changes (i.e. reduction in eligible occupations and introduction of a 3 year minimum relevant workforce requirement);

- improve post-study work-rights for vocational education and training (VET) graduates working in regional areas whose occupation faces unmet demand in the region;

- update definitions used for occupations in demand, and draw on a wider range of information;

- remove caveats from skills lists for employers in regional areas which may be rational for large metropolitan areas but are not appropriate for regional areas;

- increase regional flexibility in migration policy settings (e.g. set upper limits to migration regionally rather than nationally);

- include regional specific occupations in the skills lists used for skilled migration eligibility;

- review the impact of genuine temporary entrant test and country risk ratings on South Australian based VET providers, and assess the extent to which it is addressing a genuine risk to management of the migration system;

- create an independent appeal process for determinations of student visa applications;

- retarget the Business Innovation and Investment Program visa at those planning to take over businesses in Australia, allow investments be funded from a broader range of sources, and allow a lower minimum investment requirement for those establishing businesses in regional areas in recognition of the lower expected scale of such businesses;

- create a 'start-up' visa for those in the country temporarily on other grounds;

- allow the minimum business size thresholds for the 'Business Innovation' stream to vary by region to recognise that average business size tends to be smaller in South Australia and regional areas; and

- ensure priorities are reflected in visas available to ensure that demand driven visas can be genuinely demand driven.

Implementation of the above recommendations is ultimately at the sole discretion of the Australian Government. Nonetheless, state and local government and other stakeholders do have a role to play in terms of advocating for these changes where they feel they will contribute to the economic and social development of the state and their regions. Such advocacy will be more effective to the extent it is undertaken in a collaborative and coordinated manner.

A rapidly evolving policy environment

Since the delivery of this report, a series of developments have taken place which have an important bearing on the direction of population policy in South Australia. These include:

- The Hon Alan Tudge MP, Minister for Cities, Urban Infrastructure and Population, held a population roundtable in Adelaide seeking feedback on the Australian Government's proposed population policy which comprises changes to the national immigration system.

- As part of the above policy, the Australian Government has flagged changes to make the national migration system more responsive to regional needs. States will potentially have a greater say over how many immigrants may settle in their region, but they will also need to demonstrate their carrying capacity to take on increases in population given any potential existing constraints on infrastructure and services.

- A three year trial of an 'entrepreneur visa' (Supporting Innovation in South Australia (SISA)), an initiative of the South Australian and Australian Governments, has commenced.

- The ABS has released population projections which provide an illustration of what may happen if recent demographic trends persist.

Some of the key implications of these developments, including the future role of state and local government, are briefly considered in turn.

Challenges will get worse if nothing changes

Recent population projections published by the ABS provide an illustration of what South Australia will look like if recent unfavourable demographic trends continue. The "Series B" projections produced by the ABS use assumptions that largely reflect recent trends in fertility, migration and life expectancy, and consequently provide a rough business as usual scenario. Under these medium level assumptions, South Australia's population growth rate is projected to slow from an annual average rate of 0.9 per cent over the last decade to 0.5 per cent over the next 50 years. This projected growth rate is less than half Australia's growth rate of 1.1 per cent per annum, and slower compared to all other states and territories (with the exception of Tasmania). As a consequence, South Australia's share of the national population would continue to fall, from 7.0 per cent in 2017 to 5.2 per cent in 2066.

An ageing population combined with continued internal outward migration would lead to an overall decline in the relative size of the working age population. The total dependency ratio – i.e. those aged 0 to 14 years and 65 years and over relative to the working age population aged 15 to 64 years – is projected to rise from 56 per cent in 2017 to 67 per cent in 2066. In comparison, the national dependency ratio is projected to rise from 52 to 62 per cent over this period.

Ageing and slow population growth would be felt even more keenly in regional South Australia. Under the medium series assumptions, the total population outside Greater Adelaide is projected to slowly rise to 2033, when it would reach a peak of almost 402,000 people, and then gradually decline thereafter due to natural increase turning increasingly negative. The dependency ratio is projected to rise sharply, from 66 per cent in 2017 to 93 per cent in 2066. It is interesting to note that behind these projections it is assumed that 92 per cent of net overseas migration is distributed to Greater Adelaide, broadly in line with sub-state net overseas migration patterns over the past decade. Thus Greater Adelaide faces challenges in terms of integrating overseas migrants, while regional areas faces challenges in terms of encouraging them to settle in regional areas.

Under this scenario, those negative implications associated with current demographic trends identified previously – greater skills shortages, lower labour productivity, weaker consumer spending and greater pressure on governments' finances – will only get worse.

Future role of state and local government and associated needs

To a large degree the role of State Government in respect of population policy should largely mirror that of local government (as outlined above). There should be a strong focus on maintaining and improving the liveability and amenity of the state. Among other things, this involves provision of infrastructure to address gaps and areas of poor quality; ensuring effective and efficient delivery of public services, especially in respect of education and training to address skill needs; and maintaining sustainable economic development to ensure the state's considerable natural resources and quality of life advantages are preserved. Through these and the other policy levers it has access to, the State Government can play a crucial role in terms of setting the foundations for economic growth and therefore job creation, which is a fundamental factor driving population flows. In essence, an effective population policy comprises an integrated economic, social and environmental policy.

There are other means by which the State Government can target population outcomes more directly. The State Government naturally has a lead role in promoting the state as a place to live. Arguably the state's quality of life advantages, demonstrated by Adelaide's high international ranking as a liveable city, have not been fully exploited. Any such promotional efforts could complement existing tourism strategies. At a more interventionist level, the State Government could offer financial incentives similar to those offered by the Northern Territory. However, it is likely that most of the state's skilled labour and workforce needs could be met via overseas migration without resort to financial incentives. In this respect, the State Government should advocate for those visa migration changes recommended above, and continue its existing efforts in this field, with the entrepreneur visa being an excellent first step.

The prospective changes to the national migration system create a potential new role for the state, and by implication, local government. The changes will potentially give the State Government more influence over how many overseas migrants settle in the state. This, in itself, will require knowledge of regional skill shortages and workforce needs. At the same time, the State Government will need to be able to demonstrate the carrying capacity of the state in terms of having adequate housing, transport infrastructure, health and education system capacity etc., to accommodate higher migration levels. This requirement effectively acknowledges that the Australian Government does not have a thorough understanding of state level needs and constraints. Similarly, the State Government does not currently have a comprehensive understanding of regional level needs within the state. Hence, there is a need for a 'bottoms up' approach whereby those with their 'ears to the ground' provide input and feedback into the State Government's response to the Australian Government.

Hence it is recommended that the State Government pursue a consultative approach whereby the regions, through RDAs, local government and local government associations, provide input and feedback to the State Government through a formal structure.

To further this objective in the short term, there is a need to better understand regions' current skilled labour and workforce needs, their 'carrying capacity' to absorb greater populations, and potential economic development opportunities (i.e. jobs to support greater populations). In effect an audit is required to identify existing infrastructure, services and labour market constraints. This may involve a survey and possibly consultations with local government and regional development organisations. In some cases additional research may be required where regions are facing rapid change and potential shocks. Examples would include councils located at the urban fringe experiencing relatively strong population growth, and regions with prospective large scale projects that have potential implications for future workforce needs and population growth (e.g. Upper Spencer Gulf region in respect of proposed expansion of Whyalla Steelworks, renewable energy projects and expansion of mining).

1.   Introduction

South Australia has experienced weak population growth relative to national trends over the past decade, driven in part by less favourable interstate and overseas migration patterns. Meanwhile, there have been other notable demographic trends in terms of migration from regional to metropolitan areas, drift to coastal areas, population ageing etc. Moreover, these experiences have not been felt uniformly across the state, with some regions experiencing population decline and ageing, whereas others have enjoyed population growth and strong birth rates. Altogether these demographic trends have important economic and social implications for the state, regions and small communities, including local government which represents these communities.

While a range of data series are produced that provides insights into state and regional dimensions of population growth and demographic change, this information has not been analysed in a holistic manner to inform public policy development. The Local Government Association of South Australia (LGA) has identified a need to collate and systematically analyse demographic and related economic and social data in order to develop a clearer picture of regional outcomes and issues in respect of population and demography. This information will be used by the LGA as an advocacy tool to engage with the South Australian Government to develop improved and localised population growth strategies and programs to achieve better outcomes for the communities that councils serve. It will also be used to advocate to the SA State Government to contribute to the development of a State Strategic Population Policy.

The South Australian Centre for Economic Studies (SACES) was subsequently engaged by the LGA to undertake the data gathering and analysis task to develop a region-by-region snapshot that includes:

- demographic profile (including age and gender structure);
- population change and compositional changes (i.e. natural increase and migration, including to and from other South Australian regions);
- employment change and composition (e.g. by industry and occupation); and
- immigration and migration policies, trends and issues.

Based on analyses of these data, including inspection of relevant regional reports and input sought from relevant regional stakeholders, key issues, challenges and opportunities for each region in respect of population policy have been identified.

The regional snapshots have been developed for the 7 Regional Development Australia (RDA) regions and the Adelaide metropolitan area. Information on estimated resident population, change in population over time, and components of population change for the most recent year are also provided at the individual local government area level. Information on local strategic population and policy issues was sought by reviewing economic development plans and related documentation for the RDA regions, and through consultation using a strategic population policy questionnaire – refer Appendix A for a copy of the questionnaire.

It is important to note that the regional snapshots are not intended to be comprehensive, owing to the limited resources that were available to conduct the research task. Rather, they are intended to provide a high level overview of key population trends and issues that are facing each region. For more detailed statistical information and discussion of regional demographic and related economic and social issues, readers are referred to the various statistical, planning and monitoring documents that are produced by the RDAs, local government/regional associations, and individual councils.

The remainder of the report is organised as follows. Sections 2 to 9 present the regional snapshots for each of the RDAs including the Adelaide metropolitan area. Section 10 provides a brief overview of recent trends in overseas and interstate migration for South Australia, and identifies a range of potential options for reforming the Australian migration system so that it better meets the economic and population needs of South Australia.

2.   RDA Adelaide Hills, Fleurieu and Kangaroo Island

Key points

Demographic profile
- A relatively larger older dependent population, particularly in the southern and coastal regions.
- Relatively lower share of population in the prime adult years of 25-44, although Mount Barker has a relatively youthful population.
- The region's ageing population is considered a comparative advantage and economic opportunity.

Population change and compositional change
- A large and fast growing regional population, particularly in Yankalilla, Mount Barker, Alexandrina and Victor Harbor, while Adelaide Hills has a stable population (largely due to development constraints).
- Strong inward internal migration for Mount Barker due to new housing developments and spill over from the Adelaide metropolitan area, and for Victor Harbor and Alexandrina due to retirement and lifestyle choices.
- Gains through natural increase and overseas migration tend to be lower compared to the state average.

Employment change and composition
- Top three employing industries are healthcare and social assistance, retail trade, and education and training, with strong employment growth in some industries tied to population growth.
- Relatively low unemployment rate although limited new job creation in some regions.
- Highly qualified workforce including professionals and managers who commute to the Adelaide metropolitan area for work.

Migration policies
- Requires improvement in transport network to increase commuting opportunities to Adelaide and reduce freight routes through the region.
- High lifestyle and liveability can attract school migration, while introduction of more sophisticated industries and improved economic conditions are key to facilitating skilled migration.

2.1   The region

The RDA Adelaide Hills, Fleurieu and Kangaroo Island region covers an area of 8,752 square kilometres that surrounds the eastern and southern boundaries of the Adelaide metropolitan area, and extends south of Adelaide down to the Fleurieu Peninsula, Victor Harbor, and across to Kangaroo Island. The RDA comprises the following six local government areas:

- Adelaide Hills Council;
- District Council of Mount Barker;
- Alexandrina Council;
- City of Victor Harbor;
- District Council of Yankalilla; and
- Kangaroo Island Council.

2.2   Population size, change and composition

Population

RDA Adelaide Hills, Fleurieu and Kangaroo Island is the second smallest RDA region in South Australia in terms of area, but the second largest in terms of share of state population (7.3 per cent). It consequently has a relatively high population density by regional standards of 14 persons per km2 – Table 2.1. An estimated 126,562 people lived in the region as of 30 June 2017.

Population change

In addition to having a relatively large population, the RDA Adelaide Hills, Fleurieu and Kangaroo Island (RDA AHF&KI) has a relatively fast growing population. Over the decade to 2017, the population of the region grew at an average rate of 1.4 per cent per annum compared to an average of 0.9 per cent for South Australia overall.

Between 2007 and 2017 the total estimated resident population in RDA Adelaide Hills, Fleurieu and Kangaroo rose by almost 15 per cent, which is 4.8 percentage points higher compared to South Australia – Table 2.2. Population growth over this period was particularly strong for Yankalilla, Mount Barker, Alexandrina and Victor

Harbor, with these council areas recording population increases more than double the state average. In aggregate terms, Mount Barker (+6,737 persons) and Alexandrina (+4,949 persons) have recorded the largest increase in population over the last decade.

Table 2.1 Key Population Metrics – RDA Adelaide Hills, Fleurieu and Kangaroo Island

Demographics	RDA AHF&KI	South Australia
Total population, persons (2017)	126,562	1,723,671
Population as a percentage of state population (2017)	7.3	100.0
Annual average population growth rate, 10 years to 2017, per cent	1.4	0.9
Population density, persons per km^2 (2017)	14.5	1.8
Proportion by gender (2016):		
Males	49.1	49.5
Females	50.9	50.5

Source: ABS, Regional Population Growth (Cat. No. 3218.0) and Population by Age and Sex, Regions of Australia, 2016 (cat. no. 3235.0).

Table 2.2 Population Growth – RDA Adelaide Hills, Fleurieu and Kangaroo Island

Council / Region	Persons at 30 June			Change (per cent)		
	2007	2012	2017	2007-2012	2012-2017	2007-2017
Adelaide Hills	39,204	39,720	39,652	1.3	-0.2	1.1
Alexandrina	21,843	24,693	26,792	13.0	8.5	22.7
Kangaroo Island	4,427	4,576	4,877	3.4	6.6	10.2
Mount Barker	27,990	31,042	34,727	10.9	11.9	24.1
Victor Harbor	12,694	14,377	15,113	13.3	5.1	19.1
Yankalilla	4,331	4,586	5,401	5.9	17.8	24.7
Total RDA AHF&KI	110,489	118,994	126,562	7.7	6.4	14.5
South Australia	1,570,619	1,656,725	1,723,671	5.5	4.0	9.7

Source: ABS, Regional Population Growth (Cat. No. 3218.0).

The population of Kangaroo Island has grown broadly in line with the state population over the past decade, but growth has picked up over the last 5 years.

Although the Adelaide Hills district currently has the largest population of any council area in the region, its population has barely grown over the past decade (up 1.1 per cent), and has actually fallen slightly over the last 5 years (down 0.2 per cent).

Age profile

At a broad level the region has a relatively older age profile – Table 2.3. In 2016, 22 per cent of the region's population was aged 65 years and over compared to almost 18 per cent of the South Australian population. The region's population is also ageing at a faster rate. The share of persons aged 65 years and over rose by 6.3 percentage points over the decade to 2016, whereas for South Australia this cohort's share rose by 2.6 percentage points. As a consequence of this trend, the relative size of the working age population (15-65 years) in RDA Adelaide Hills, Fleurieu and Kangaroo Island has fallen steadily over the years.

The other notable characteristic of the region's population in terms of age is the relatively low share of adults aged in the prime years of 25 to 34. Just 9.2 per cent of the region's population was aged 25-34 years in 2016 compared to a state figure of over 13 per cent.

Table 2.3 Population Age Profile – RDA Adelaide Hills, Fleurieu and Kangaroo Island
Age group as proportion of total population

	RDA AHF&KI			South Australia		
	2006	2011	2016	2006	2011	2016
0-14 years	19.2	18.4	17.8	18.3	17.7	17.8
15-24 years	11.6	11.4	10.9	13.5	13.5	12.8
25-34 years	9.7	8.9	9.2	12.7	13.1	13.5
35-44 years	14.3	13.2	11.5	14.5	13.5	12.4
45-54 years	15.5	14.9	13.9	14.2	14.0	13.3
55-64 years	14.1	15.1	14.7	11.6	12.3	12.5
65 years and over	15.6	18.2	21.9	15.1	16.0	17.7
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: ABS, Population by Age and Sex, Regions of Australia, 2016 (Cat. No.3235.0).

There are of course substantial age profile differences across the region. Population ageing is particularly pronounced in the southern and coastal regions, especially Victor Harbor where 39 per cent of the population was aged over 65 years in 2016. In contrast, Mount Barker has a relatively youthful population (20 per cent aged 0-14 years), while the Adelaide Hills population more closely approximates the state's age profile.

Sources of population change in 2016-17

Part of the reason why the RDA Adelaide Hills, Fleurieu and Kangaroo Island has enjoyed relatively stronger population growth relative to the state is that it has enjoyed positive internal migration, whereas South Australia has experienced net loss of population through interstate movements – refer Table 2.4 and Figure 2.1. In the year to 30 June 2017, internal migration made a 0.6 percentage point contribution to growing the region's population, whereas for the state, internal migration (i.e. interstate migration) made a negative contribution of 0.4 percentage points.[2]

Table 2.4 Components of Population Change – RDA Adelaide Hills, Fleurieu and Kangaroo Island
Change in persons, 2016 to 2017 (30 June)

Council / Region	Natural increase	Net internal migration	Net overseas migration	Total net change
Adelaide Hills	150	-254	124	20
Alexandrina	-49	222	57	230
Kangaroo Island	8	20	13	41
Mount Barker	220	519	91	830
Victor Harbor	-98	177	23	102
Yankalilla	0	113	12	125
Total RDA AHF&KI	231	797	320	1348
South Australia	5,938	-6,778	11,668	10,828

Source: ABS, Regional Population Growth (Cat. No. 3218.0).

Figure 2.1 Contribution to Total Population Growth – RDA Adelaide Hills, Fleurieu and Kangaroo Island
Component change (2016 to 2017) as proportion of 2016 total population
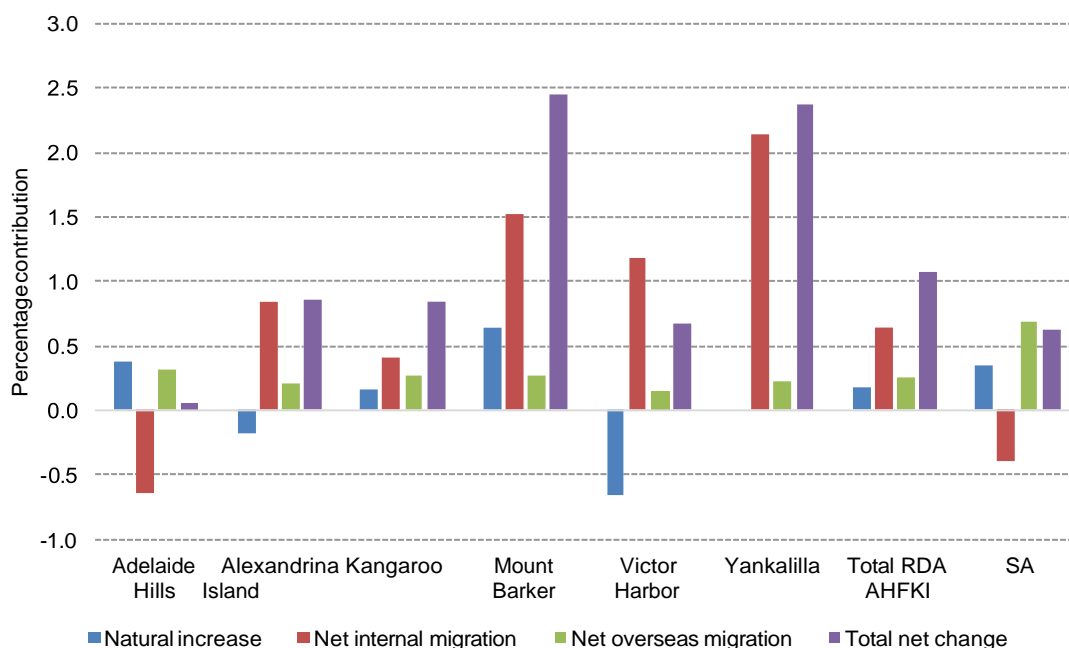
Source: ABS, Regional Population Growth (Cat. No. 3218.0)

All regions, with the exception of the Adelaide Hills, enjoyed positive contributions from internal migration over the year to 30 June 2017. The forces driving internal migration differ across the regions. Mount Barker is a State Government designated growth zone with internal migration mainly reflecting spillovers from the Adelaide metropolitan area (RDA AHF&KI 2016). In contrast, internal migration for Victor Harbor and Alexandrina reflects retirees and semi-retirees moving to these coastal locations for lifestyle reasons. The ageing demographics in these two councils in turn account for the negative contributions to total population growth that stem from natural increase (i.e. births less deaths).

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2   As part of its release of regional population growth estimates for 2016-17, the Australian Bureau of Statistics (ABS) produced estimates using the "component" method for the first time, which allows population change at the regional level to be decomposed into the components of natural increase, net internal and overseas migration. As these estimates have only been produced for one year so far, we are unable to consider component changes for earlier years.

The RDA region enjoyed a positive contribution from net overseas migration over the last year, but at a relatively lower rate compared to the state overall. Adelaide Hills had the highest net overseas migration among all the regions even though it experienced population loss via internal migration.

2.3   Employment by industry and occupation, and labour force

Census data indicates that labour market conditions in RDA Adelaide Hills, Fleurieu and Kangaroo Island are generally healthy overall. In 2016 the region had an unemployment rate of 5.2 per cent, well below the State rate of 7.5 per cent. Both the labour force participation rate and employment to working age population ratio were close to the State figure. Perhaps reflecting the older age structure of the region's population and propensity for semi-retirement, a relatively smaller share of employed persons were employed on a full-time basis in 2016 (54 per cent) compared to the state's employed workforce (58 per cent).

These high level figures probably overstate the health of local labour market conditions to the extent that employment outcomes are heavily reliant on commuting rather than the local economies. For instance, the RDA observes that some 60 per cent of the working population in Mount Barker work outside the district, while the town is dormitory with limited services and light industry. And despite robust population growth the proportion of locally employed people has not changed. Hence, employment opportunities for local people are heavily reliant on those generated within the Greater Adelaide area and the region's accessibility for commuting. Meanwhile, although unemployment remains low in other regions, there has been little new job generation (e.g. Kangaroo Island).

Table 2.5 Labour Force Characteristics (2016) – RDA Adelaide Hills, Fleurieu and Kangaroo Island

	RDA AHF & KI	South Australia
Employment status as % total employed		
Employed: worked full-time	54.1	58.3
Employed: worked part-time	39.9	36.2
Employed: away from work	6.0	5.4
Employed: total	100.0	100.0
Unemployment rate (%)	5.2	7.5
Labour force participation rate (%)	57.1	58.3
Employment to working age population ratio (%)	54.1	53.9

Source: ABS, 2016 Census of Population and Housing, TableBuilder.

The top three employing industries in 2016 were healthcare and social assistance (14 per cent), retail trade (10 per cent), and education and training (9.5 per cent), which is consistent with the overall South Australian pattern – see Table 2.6 and Figure 2.2. The largest aggregate increases in employment by industry sector over the decade to 2016 were recorded in respect of healthcare and social assistance (up 1,647 persons), education and training (1,099 persons), and construction (737 persons). Large increases in employment for these industries would be strongly linked to the relatively strong population growth experienced by the region.

Like South Australia, there has been a relatively large decline in employment in manufacturing over the past decade (down 22 per cent) for those living in the region. Nonetheless, manufacturing, particularly in relation to food and beverages, remains a key wealth generating industry 'within' the region, along with agriculture, forestry and fishing, tourism, and mineral resources (RDA AHF & KI 2016).

Table 2.6   Employed Persons by Industry – RDA Adelaide Hills, Fleurieu and Kangaroo Island

	Share of total employment (%)		Change: 2006 to 2016	
	2006	2016	Per cent	Persons
Agriculture, Forestry & Fishing	7.0	5.8	-7.5	-258
Mining	0.9	1.5	76.6	351
Manufacturing	9.4	6.6	-22.1	-1,021
Electricity, Gas, Water and Waste Services	1.0	1.3	48.4	228
Construction	8.4	8.9	17.9	737
Wholesale Trade	3.4	2.5	-19.1	-320
Retail Trade	11.1	9.9	0.8	43
Accommodation & Food Services	6.2	6.6	20.2	613
Transport, Postal & Warehousing	3.5	3.4	8.1	139
Information Media & Telecommunications	1.5	1.1	-18.1	-130
Financial & Insurance Services	2.6	2.3	-1.6	-20
Rental, Hiring & Real Estate Services	1.6	1.5	5.9	46
Professional, Scientific & Technical Services	5.6	6.2	22.6	622
Administrative & Support Services	3.3	3.5	19.1	307
Public Administration & Safety	6.2	6.6	18.0	549
Education & Training	8.4	9.5	26.7	1,099
Health Care & Social Assistance	12.7	14.3	26.6	1,647
Arts & Recreation Services	1.3	1.6	36.6	230
Other Services	3.7	3.9	18.7	336
Inadequately described / not stated	2.1	3.2	71.4	735
Total	100.0	100.0	12.1	5,933

Source: ABS, Census of Population and Housing, TableBuilder.

Figure 2.2   Employment by Industry – RDA Adelaide Hills, Fleurieu and Kangaroo Island and SA
Per cent of total employment, 2016
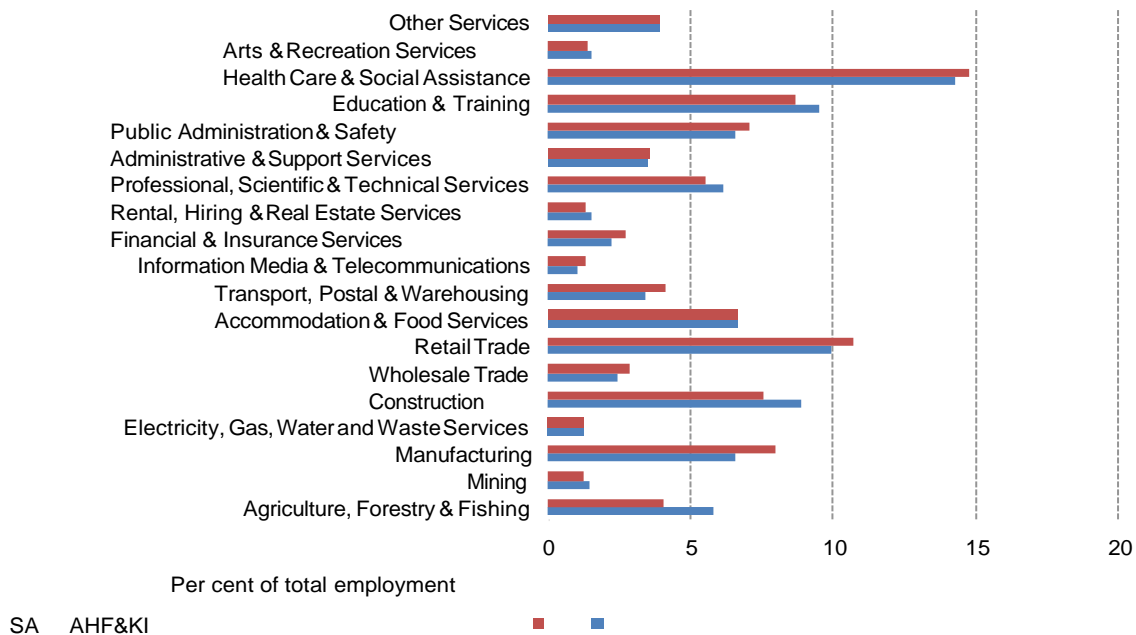
Source: ABS, Census of Population and Housing, TableBuilder.

The Adelaide Hills, Fleurieu and Kangaroo Island region has a highly qualified workforce with a larger share of the workforce in 2016 being employed in relatively higher skilled occupations compared to the South Australian workforce – Figure 2.3. The top three occupations in 2016 were professionals, managers and technicians and trades workers. There is a significant concentration of highly qualified people in the Adelaide Hills (RDA AHF & KI 2016).

Figure 2.3   Employment by Occupation – RDA Adelaide Hills, Fleurieu and Kangaroo Island and SA
Per cent of total employment, 2016

SA   RDA AHFKI
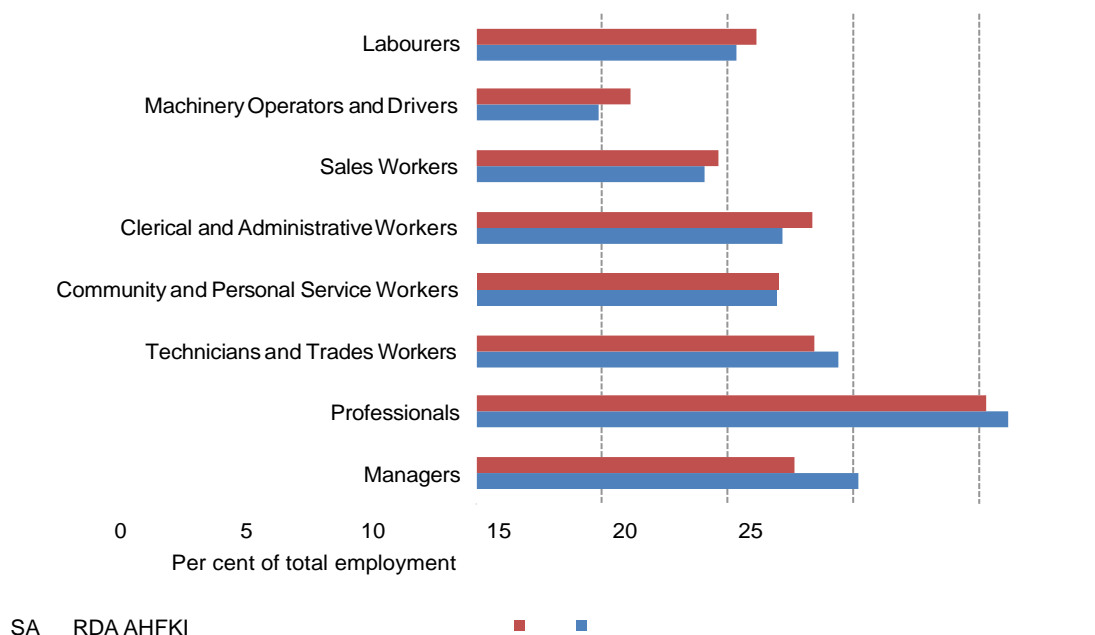
Source: ABS, 2016 Census of Population and Housing, TableBuilder.

2.4   Key challenges and opportunities

Information on key population issues facing the region and current or potential strategic population strategies was sought by briefly reviewing existing documentation and seeking feedback from relevant stakeholders, including the local RDA via a questionnaire. The following section provides a brief overview of some of the key issues and is not intended to be exhaustive.

General population trends and issues

The region's close proximity to the Adelaide metropolitan area, Mount Barker's designation as one of three State Government growth zones, and the ongoing drift of retirees to coastal regions should ensure that the region's population continues to expand at a relatively fast pace. In particular, the population of Mount Barker is expected to double over the next 20 years.

Nonetheless, there is some significant variance in population trends and issues across the regions. For instance, the Adelaide Hills District is considered to have limited development and therefore population growth potential due to water catchment policy. Meanwhile, Kangaroo Island has struggled to increase population over many years (at least by the region's standards) due to its remoteness and lack of services. Looking ahead, Kangaroo Island may enjoy a significant boost to tourism following the completion of new tourism-related infrastructure (e.g. new airport, golf links, new accommodation), which will boost local incomes and generate new demand for more highly qualified managers and staff across the 'tourism sector'. There will be further demand for housing as the permanent workforce expands.

Apart from Mount Barker, Goolwa and Victor Harbor are the other two growth zones in the region. The RDA advises that land for housing development has been released in both communities with apparently modest uptake to date. Population growth in these zones will probably continue to rely on relocation of retirees and semi-retirees for lifestyle reasons.

The region's ageing population is considered a "comparative advantage rather than a challenge, offering a strong consumer base for new business development and a source of potential new business operators and mature aged employees" (RDA AHF & KI, 2016).

Strategic issues and constraints

Although there are moves to extend land for an increase in commercial and light industrial within the region, it is expected that that the region will always remain a commuting district. However, the existing transport network is considered to be failing to meet current and future demand. The RDA is currently working with the State Government to identify opportunities to re-locate rail freight from the region to north of the city in order to

reduce freight routes through the region. The RDA is also examining new transport opportunities to improve commuting opportunities to Adelaide and the region.

Maintaining and attracting skills and people

Inward migration is currently happening in the region due to people re-locating from Adelaide to the new housing developments in Mount Barker and elsewhere.

The RDA is of the view that improved economic conditions are key to facilitating skilled migration. The region currently focuses on tourism, agriculture and aged care as key economic activity generators within the region beyond the local service industries that service the local resident population. Introduction of more sophisticated industries would naturally have a demand for higher skilled migration. The provision of good infrastructure would facilitate economic growth, which along with enhanced transport links with the metropolitan area and location of government services in the existing growth zones, would help maintain and attract skills to the region.

The lifestyle characteristics of the region in terms of liveability are considered to be at a high standard. These lifestyle advantages could be leveraged to explore opportunities for migration. The region is currently pursuing increased international migration through school migration, specifically by improving education opportunities at both high school and tertiary levels.

3. RDA Barossa Gawler Light & Adelaide Plains

Key points

Demographic profile
- Population characterised by above average numbers of school children and families with school children, particularly in the growing region of Gawler.
- The region has a relatively older working age population with underrepresentation in young adult ages and overrepresentation among middle adult ages.
- RDA recognises the region's ageing population as an opportunity for job creation in the health and community services sector.

Population change and compositional change
- A fast growing regional population particularly in Gawler and Barossa due to its strategic location in the peri-urban fringe.
- Strong inward migration across the region, particularly from internal migration, while positive contributions from overseas migration are lower compared to the metropolitan area.

Employment change and composition
- Top three employing industries are manufacturing, healthcare and social assistance, and retail trade with a higher proportion of the workforce working as labourers, technicians and trades workers and managers.
- Winemaking and others forms of food and beverage production and processing are key wealth generating activities within the region and employ a larger proportion of the region's workforce in manufacturing and agriculture compared to the state. However, employment in these sectors has fallen over time.
- Relatively low unemployment rate and higher workforce participation rate.

Migration issues
- Requires improvements in infrastructure and services (e.g. hospital, common use transport beyond Gawler) to accommodate relatively fast population growth and access to services.
- The contribution of early settlers and migrant communities towards social and economic prosperity of the region is recognised, although there is a risk of migrant communities becoming isolated, and potential role for a liaison service to create opportunities for engagement and positioning in respect of migrants.
- Subsidised construction of student accommodation, musical and cultural facilities that act as natural meeting grounds, and the future expansion of the Roseworthy campus are potential avenues for meeting the region's strategic population objectives.

3.1 The region

Located approximately 70km north east of Adelaide, the RDA Barossa Gawler Light & Adelaide Plains (RDA BGLAP) region extends from the northern boundaries of the Adelaide metropolitan area northward through the central Mount Lofty Ranges over a distance of about 65 kilometres. The region spans from the shores of Gulf St Vincent in the east across to the Mount Lofty Ranges in the west. The region covers an area of 3,145 square kilometres or 0.3 per cent of the State's land mass, and encompasses some of the best broadacre cropping and wine growing country in South Australia (RDA Barossa 2014). The RDA comprises the following four local government areas:

- Adelaide Plains Council (formerly District Council of Mallala);
- The Barossa Council;
- The Town of Gawler; and
- Light Regional Council.

3.2 Population size, change and composition

Population

RDA BGLAP had a total population of 72,386 persons at 30 June 2017, which is equivalent to 4.2 per cent of the state's population. While RDA BGLAP is the smallest RDA region in South Australia in terms of landmass, it has a relatively high population density by regional standards of 23 persons per km^2 – Table 3.1. Population density is particularly high in the major centre of Gawler (576 persons per km2).

Population change

RDA BGLAP has a relatively fast growing population by South Australian standards. Over the decade to 2017, the population of the region grew at an average rate of 1.5 per cent per annum compared to an average of 0.9 per cent for South Australia overall.

Table 3.1   Key Population Metrics – RDA Barossa Gawler Light & Adelaide Plains

Demographics	RDA BGLAP	South Australia
Total population, persons (2017)	72,386	1,723,671
Population as a percentage of state population (2017)	4.2	100.0
Annual average population growth rate, 10 years to 2017, per cent	1.5	0.9
Population density, persons per km^2 (2017)	23.0	1.8
Proportion by gender (2016):		
Males	49.6	49.5
Females	50.4	50.5

Source: ABS, Regional Population Growth (Cat. No. 3218.0) and Population by Age and Sex, Regions of Australia, 2016 (cat. no. 3235.0).

Table 3.2   Population Growth – RDA Barossa Gawler Light & Adelaide Plains

Council / Region	Persons at 30 June			Change (per cent)		
	2007	2012	2017	2007-2012	2012-2017	2007-2017
Adelaide Plains	8,255	8,576	8,983	3.9	4.7	8.8
Barossa	21,357	22,853	24,482	7.0	7.1	14.6
Gawler	19,851	21,274	23,702	7.2	11.4	19.4
Light	12,994	14,220	15,219	9.4	7.0	17.1
Total RDA BGLAP	62,457	66,923	72,386	7.2	8.2	15.9
South Australia	1,570,619	1,656,725	1,723,671	5.5	4.0	9.7

Source: ABS, Regional Population Growth (Cat. No. 3218.0).

Between 2007 and 2017 the total estimated resident population in RDA BGLAP grew by 16 per cent, which is 6.2 percentage points greater than recorded by South Australia's population over this period – Table 3.2. The rise in population over this period was particularly strong for Gawler (19 per cent), Light (17 per cent) and Barossa (15 per cent). In aggregate terms, Gawler (3,851 persons) and Barossa (3,125 persons) recorded the largest increase in population over the last decade. Gawler's position on the northern edge of the metropolitan area means its population is expanding rapidly in response to expansion of the urban metropolitan area.

The population of Adelaide Plains has grown broadly in line with the state population over the past decade (up 8.8 per cent).

Age profile

RDA BGLAP has a relatively older age profile, despite the region having a larger proportion of the population aged less than 15 years, and a relatively smaller proportion of the population aged 65 years and over compared to the state in 2016 – Table 3.3. The older age profile stems from having an underrepresentation of people in young adulthood ages and overrepresentation among middle adulthood ages. Approximately 28 per cent of the population in 2016 was aged 45 to 64 years compared with almost 26 per cent of the state population. Meanwhile, 11 per cent of the region's population was aged 25 to 34 years in 2016 compared with a state figure of 13 per cent.

The region's population is also ageing at a faster rate. The share of persons aged 65 years and over rose by 3.5 percentage points over the decade to 2016, whereas for South Australia this cohort's share rose by 2.6 percentage points.

Table 3.3   Population Age Profile – RDA Barossa Gawler Light & Adelaide Plains
Age group as proportion of total population

	RDA BGLAP			South Australia		
	2006	2011	2016	2006	2011	2016
0-14 years	20.7	19.8	19.4	18.3	17.7	17.8
15-24 years	12.7	12.6	12.4	13.5	13.5	12.8
25-34 years	11.2	10.8	11.1	12.7	13.1	13.5
35-44 years	15.5	13.9	12.1	14.5	13.5	12.4
45-54 years	15.3	15.5	14.6	14.2	14.0	13.3
55-64 years	11.1	12.4	13.4	11.6	12.3	12.5
65 years and over	13.5	15.0	17.0	15.1	16.0	17.7
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: ABS, Population by Age and Sex, Regions of Australia, 2016 (Cat. No.3235.0).

Sources of population change in 2016-17

In contrast to the statewide experience, the RDA BGLAP region has enjoyed positive internal migration, resulting in relatively strong population growth – refer Table 3.4 and Figure 3.1. In the year to 30 June 2017, internal migration made a 0.7 percentage point contribution to growing the region's population, whereas for the state, internal migration (i.e. interstate migration) made a negative contribution of -0.4 percentage points.

All regions enjoyed positive contributions from internal migration over the year to 30 June 2017. Evidence suggests that even though young people do leave the region for study, travel and career advancement, this behaviour is less pronounced for RDA BGLAP than other regional areas due to the region's close proximity to Adelaide and availability of local employment opportunities (RDA Barossa, 2014).

RDA BGLAP has also experienced positive natural increase (i.e. excess of births over deaths) across all regions. The region also enjoyed a positive contribution from net overseas migration over the last year, but at a relatively lower rate compared to the state overall. Barossa and Gawler had the highest net overseas migration rates among all the sub-regions.

Table 3.4   Components of Population Change – RDA Barossa Gawler Light & Adelaide Plains
Change in persons, 2016 to 2017 (30 June)

Council / Region	Natural increase	Net internal migration	Net overseas migration	Total net change
Adelaide Plains	58	11	2	71
Barossa	40	187	55	282
Gawler	78	222	47	347
Light	56	94	21	171
RDA BGLAP	232	514	125	871
Total South Australia	5,938	-6,778	11,668	10,828

Source: ABS, Regional Population Growth (Cat. No. 3218.0).

Figure 3.1   Component Contribution to Total Population Growth – RDA Barossa Gawler Light & Adelaide Plains
Component change (2016 to 2017) as proportion of 2016 total population
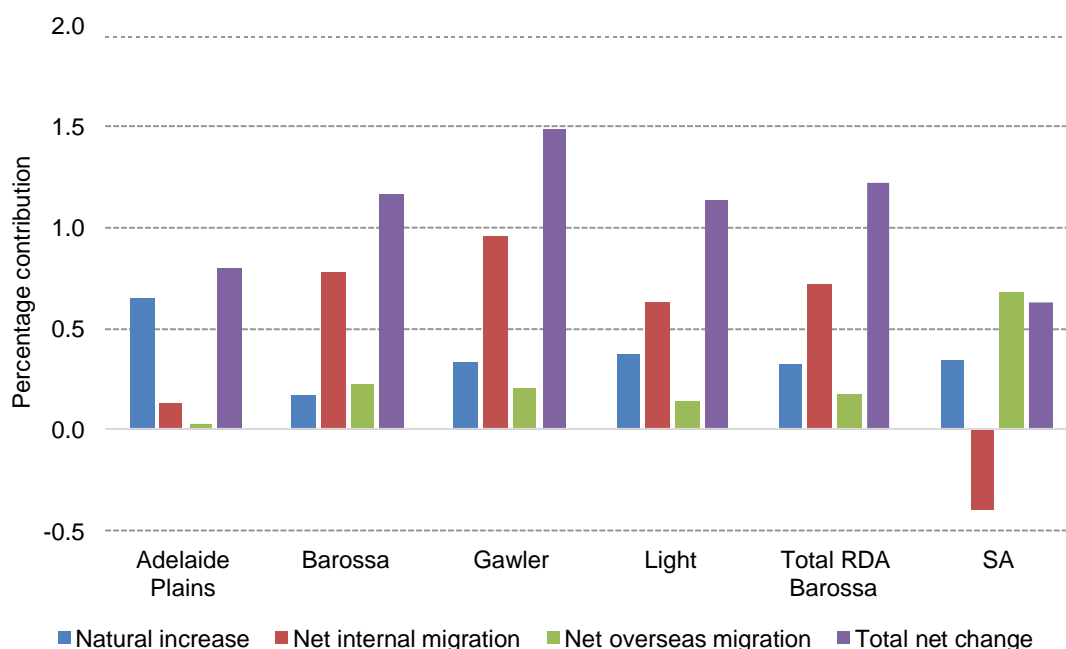
Source: ABS, Regional Population Growth (Cat. No. 3218.0)

3.3   Employment by industry and occupation, and labour force

Census data indicates that labour market conditions in RDA BGLAP were generally healthy in 2016. The region had an unemployment rate of 6.2 per cent, which was 1.3 percentage points below the State unemployment rate of 7.5 per cent – Table 3.5. Both the labour force participation rate and employment to working age population ratio were well above the corresponding State figures. A similar share of employed persons were employed on a full-time basis in 2016 (59 per cent) compared to the state's employed workforce (58 per cent).

Table 3.5   Labour Force Characteristics – RDA Barossa Gawler Light & Adelaide Plains

	RDA BGLAP	South Australia
Employment status as % total employed		
Employed: worked full-time	59.4	58.3
Employed: worked part-time	34.9	36.2
Employed: away from work	5.6	5.4
Employed: total	100.0	100.0
Unemployment rate (%)	6.2	7.5
Labour force participation rate (%)	60.9	58.3
Employment to working age population ratio (%)	57.1	53.9

Source: ABS, 2016 Census of Population and Housing, TableBuilder.

Winemaking and others forms of food and beverage production and processing are key wealth generating activities within the region. Consequently, a significantly larger proportion of the region's workforce was employed in manufacturing and agriculture compared to the South Australian workforce in 2016 – Figure 3.2. The three largest employing sectors in 2016 were manufacturing (14 per cent), healthcare and social assistance (12 per cent), and retail trade (10 per cent) – Table 3.6. Although the Barossa Valley is an iconic tourism destination within South Australia, this is not reflected in terms of higher employment in accommodation and food services relative to the state.

Consistent with trends in Australia and other advanced economies, there has been a relatively large decline in employment in manufacturing over the past decade for those living in the region (down 18 per cent between 2006 and 2016). However, the decline in manufacturing employment was less severe than experienced by the state over this period (down 33 per cent). RDA BGLAP's relatively better performance reflects that the region's manufacturing base is more strongly geared towards areas of comparative advantage (e.g. highly productive land and favourable climate for high value agriculture, cluster of internationally recognised wine producers, and reputation for producing high quality produce), and therefore less vulnerable to overseas competition.

The largest aggregate increases in employment over the decade to 2016 were recorded in respect of healthcare and social assistance (up 1,054 persons), construction (725 persons) and education and training (651 persons). Large increases in employment for these industries would be strongly linked to the relatively strong population growth experienced by the region, while ageing of the population has also contributed to the strong growth for healthcare and social assistance.

Table 3.6   Employed Persons by Industry – RDA Barossa Gawler Light & Adelaide Plains

	Share of total employment (%)		Change: 2006 to 2016	
	2006	2016	Per cent	Persons
Agriculture, Forestry & Fishing	8.2	6.3	-11.0	-255
Mining	0.7	1.1	71.2	146
Manufacturing	20.3	14.4	-18.5	-1,058
Electricity, Gas, Water and Waste Services	0.9	1.1	37.2	93
Construction	7.1	8.4	36.1	725
Wholesale Trade	3.4	2.6	-11.4	-110
Retail Trade	10.3	10.1	12.8	373
Accommodation & Food Services	5.4	5.9	26.5	402
Transport, Postal & Warehousing	4.8	5.0	19.7	265
Information Media & Telecommunications	1.0	0.8	-2.5	-7
Financial & Insurance Services	1.7	1.4	-3.5	-17
Rental, Hiring & Real Estate Services	1.1	1.1	13.0	41
Professional, Scientific & Technical Services	3.2	3.5	24.2	221
Administrative & Support Services	3.5	4.1	36.0	355
Public Administration & Safety	5.1	6.1	36.9	532
Education & Training	6.9	8.0	33.7	651
Health Care & Social Assistance	9.8	11.8	38.2	1,054
Arts & Recreation Services	1.0	1.2	41.2	112
Other Services	3.4	3.7	23.1	223
Inadequately described / not stated	2.0	3.3	96.0	531
Total	100.0	100.0	15.2	4,277

Source: ABS, Census of Population and Housing, TableBuilder.

Figure 3.2   Employment Persons by Industry – RDA Barossa Gawler Light & Adelaide Plains and SA
Per cent of total employment, 2016

Per cent of total employment
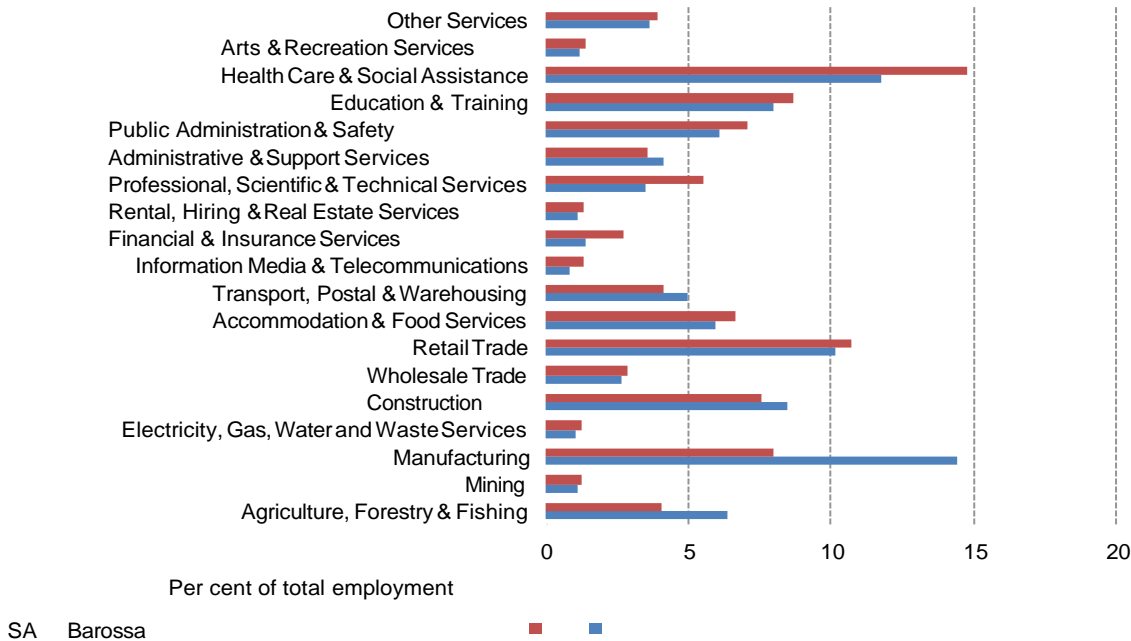
SA   Barossa

Source: ABS, Census of Population and Housing, TableBuilder.

Given the importance of agricultural and manufacturing activities to the regional economy, the Barossa region had a relatively higher concentration of people employed in relatively lower skilled occupations such as labourers and machinery operators and drivers in 2016 – Figure 3.3. On the other hand, it had relatively higher representation among high skilled occupations such as mangers and technicians and trades workers relative to the South Australian workforce. The top three employing occupations in 2016 were technicians and trades workers (16 per cent), labourers (15 per cent) and professionals (14 per cent).

Figure 3.3   Employment Persons by Occupation – RDA Barossa Gawler Light & Adelaide Plains and SA
Per cent of total employment, 2016

Per cent of total employment

SA   Barossa
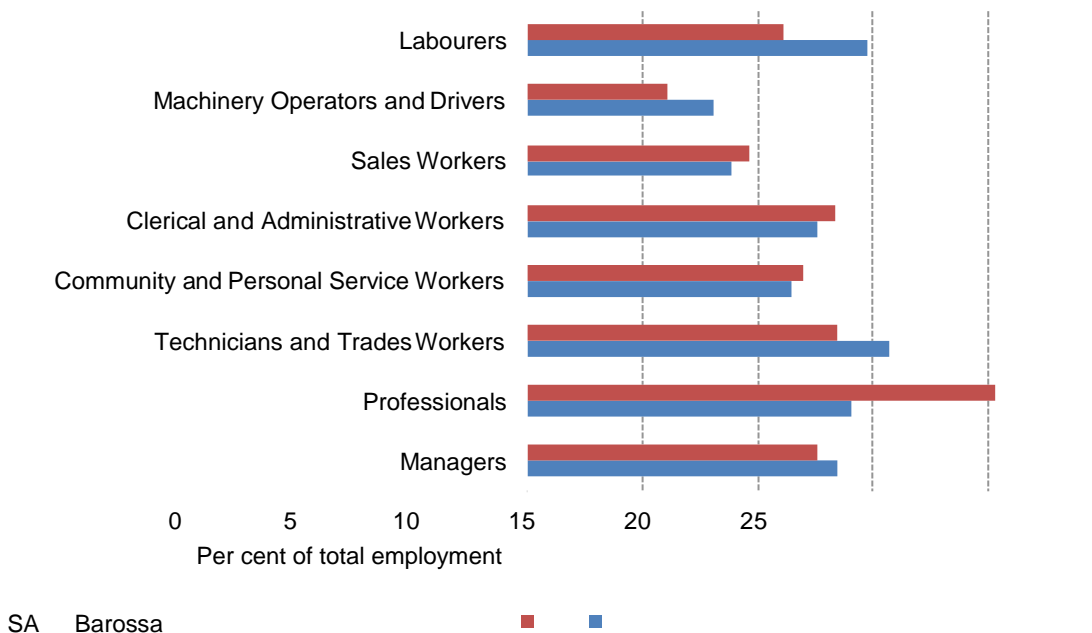
Source: ABS, 2016 Census of Population and Housing, TableBuilder.

3.4   Key challenges and opportunities

Key population and workforce issues for the region were identified based on the latest regional roadmap and workforce development plan for the region, and feedback provided by RDA BGLAP through the strategic population policy questionnaire.

General population and workforce issues

The population of RDA BGLAP has been growing more quickly than the overall state population. Population growth is mainly being driven by migration, principally through interstate migration and young people returning to the region to start families.

Given the region's strategic location in the peri urban fringe, favourable natural resources and healthy economic base, the region is expected to account for a disproportionate amount of population growth in the future. South Australian government projections indicate that the Barossa RDA population is expected to grow by 27 per cent between 2016 and 2031, whereas the South Australian population is forecast to expand 13 per cent over this period (DPTI 2016). Strong future population growth is anticipated for Gawler and Roseworthy. Growth prospects for the Barossa Valley are now more modest given that the *Character Preservation (Barossa Valley) Act 2012* limits residential development outside the existing township boundaries of the Barossa Valley District (RDA Barossa 2014). The Character Preservation legislation was introduced to address one of the challenges posed by rapid population growth, namely maintaining the region's unique characteristics in terms of rural character, heritage attributes, successful viticultural and agricultural industries, tourism attraction etc., in the face of threats posed by urban sprawl.

In terms of impacts on skills and labour requirements, there are considered to be skill shortages in some areas, particularly lower skills occupations and hospitality. Comparatively, there are fewer job opportunities available within the region in higher skilled occupations such as professionals. With population growth emanating from expansion of urban areas, population growth may not be well aligned with regional job opportunities.

Strategic issues and constraints

While strong population growth provides economic and social opportunities for the region, RBA Barossa observes that this presents challenges in terms of managing the "growth well" and developing resilient communities, which in turn requires adhering to sustainable economic development principles (RDA Barossa 2014). There is a need to ensure adequate provision of infrastructure and services to accommodate a much larger population. It is also observed that a sustainable population strategy:

> *"… will include security of water resources and biodiversity, transport infrastructure to access increasingly centralised services and facilities, activated open spaces and arts facilities for social inclusion, broadband and mobile phone coverage for connectivity, economic infrastructure for a diversified economy to underpin cohesive, thriving communities."* (RDA Barossa 2014, p.19)

Given the importance of water resources to local agricultural activities, expected rapid population growth, and the dry environment, efficient and optional use of water resources are a key strategic consideration. This requires "achieving a rational and sustainable allocation of water between environmental, economic and societal uses" (RDA Barossa 2014, p.19).

In terms of services required to support population growth in and around the region, a new hospital to replace existing ageing facilities has previously been identified as a priority by the Barossa Council (RDA Barossa 2014). The State Government committed funding to develop a business case for a new hospital in the Barossa Valley as part of the 2018 State Budget.

A lack of common use transport beyond Gawler to facilitate movement of people is considered to be a constraint to meeting regional strategic population objectives. Other suggested strategies that may have a potentially significant impact within the context of population policy for Barossa RDA include:

• subsidised construction of student accommodation to house international students; and

• provision of musical and cultural facilities to act as natural meeting grounds.

Expansion of the Roseworthy campus and current masterplan offer an opportunity for furthering the region's strategic population objectives.

Maintaining and attracting skills and people

Labour requirements that are satisfied through labour hire are largely comprised of migrant labour. Most of these people do not live in the region and instead commute from northern Adelaide.

The earlier Business Growth and Workforce Development Plan 2014-2017 noted that more than one third of businesses surveyed in the region reported having hard to find occupations, and that many of these occupations were not eligible for state sponsored migration, or were eligible as "off-list" categories. A priority action was subsequently identified in terms of Immigration SA to "review its priority occupation list for skilled migration to ensure it is relevant and accessible to small business in regional areas" (RDA Barossa 2013).

In terms of maintaining and enhancing skills within the region, the RDA did operate upskilling projects and programs, however this framework has now been cut by the State Government. Other strategies for maintaining and attracting skills and people to the region include running a series of promotional initiatives to highlight opportunities in the hospitality sector, and developing facilities and services to enhance liveability and cultivate a sense of community and place. The RDA also operates a business to business services program to facilitate business and hence employment growth within the professional services sector.

There is an awareness of the historical and current contributions that particular ethnic groups have made towards building resilient communities within the region. From the Barossa Valley's emergence as a Silesian settlement, the large role played by Italian immigrants in developing market gardens, and more recently Vietnamese and Cambodian migrants in vegetable horticulture, the region has a demonstrated history of incorporating new migrants, leading to strong cultural institutions and cohesive communities (RDA Barossa, 2014). However, the RDA noted that the capacity to settle migrant groups may vary across the region, and there is a risk of migrants forming cultural groups that become isolated. The ability to settle migrants will depend on how well it is supported. A liaison service that creates opportunities for engagement and positioning, and provision of cultural activities and facilities offer great opportunities for facilitating integration.

4.   RDA Far North

Key points

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Demographic profile
- A younger population overall mainly due to a larger Aboriginal population.
- A relatively higher share of young working males and population in the prime years of 25 to 44 compared to South Australia, due in part to the transient population that is attracted by employment opportunities in the resources sector.
- A higher proportion of population aged 65 and over in the main towns and in Flinders Ranges and Coober Pedy.

Population change and compositional change
- A region characterised by population decline with almost all regions experiencing a fall in population over the last decade, with falls generally concentrated over recent years.
- Region characterised by high net internal outward migration, with Roxby Downs and Port Augusta experiencing a relatively large loss of population recently through internal outward migration.
- A relatively large gain in population through natural increase while gains from net overseas migration have been relatively low recently.

Employment change and composition
- Relatively high unemployment rate, particularly among Aboriginal communities such as Anangu Pitjantjatjara (26 per cent). Relatively low unemployment in Roxby Downs (3.6 per cent) due to the availability of mining jobs and transient population that is highly mobile.
- Employment in healthcare and social assistance has declined which is in stark contrast to the broader state experience, and compounded workforce skill shortages within the sector.
- Large declines in employment in energy generation, manufacturing, mining and other sectors over recent years has encouraged people to leave the region. However, emergence of resources sector recovery and various renewable energy projects may create some future challenges in terms of meeting required labour and skill needs given the recent loss of human capital.

Migration issues
- Remoteness and lack of economies of scale make it difficult to delivery infrastructure and services that facilitate growth and sustain local communities. A lack of social infrastructure and services such as housing, childcare, healthcare and community facilities hampers the standard of living in certain townships and regions, making it difficult to attract and retain workers.
- The region is actively looking to mitigate the trend of young people leaving the region to study and upskill the local workforce by increasing the availability of higher education options in the region. For example, the Upper Spencer Gulf Community Tertiary Education Centre is currently being established to provide higher education to meet emerging industry and skilled workforce needs.
- Various other strategies are being considered to retain and attract people to the region (e.g. Port Augusta 'lifestyle living' marketing campaign, place-based community development opportunities to promote the Outback as a living destination).

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4.1   Region at a glance

Regional Development Australia Far North (RDAFN) is a large region that encompasses the sparsely populated arid lands of northern South Australia. The region covers a total land area of 696,986 square kilometres which is equivalent to 71 per cent of the State's land mass. In addition to the non-incorporated areas serviced by the Outback Communities Authority, the RDAFN comprises five local government areas:

- Anangu Pitjantjatjara;
- District Council of Coober Pedy;
- The Flinders Ranges Council;
- Corporation of the City of Port Augusta; and
- Municipal Council of Roxby Downs.

4.2   Population size, change and composition

Population size and density

RDAFN had an estimated resident population of 27,060 people on 30 June 2017, which is equivalent to 1.6 per cent of the state's population and the smallest population among the South Australia RDAs – Table 4.1. The region has a very low population density of 0.04 persons per km². A vast majority of the population (90 per cent) live within one of the five local government areas, while just over half of the population (53 per cent) live in the major service centre of Port Augusta. Population density within these regions tends to be higher, with the highest population densities being in Roxby Downs (36 persons per km²), followed by Coober Pedy (24 persons per km²) and Port Augusta (12 persons per km²).

Due to the presence of male dominant industries such as mining and agriculture in the region, a larger share of the population is composed of males (53 per cent) compared to the broader South Australian population (50.5 per cent).

Table 4.1   Key Population Metrics – RDA Far North[a]

Demographics	RDA Far North	South Australia
Total population, persons (2017)	27,060	1,723,671
Population as a percentage of state population (2017)	1.6	100.0
Annual average population growth rate, 10 years to 2017, per cent	-0.4	0.9
Population density, persons per km^2 (2017)	0.04	1.8
Proportion by gender (2016):		
Males	52.8	49.5
Females	47.2	50.5

Note: (a) Total region estimates based on Statistical Area Level 3: Outback – North and East, and therefore includes unincorporated areas.
Source: ABS, Regional Population Growth (Cat. No. 3218.0) and Population by Age and Sex, Regions of Australia, 2016 (cat. no. 3235.0).

Population Change

There has been no consistent trend in population for the region over time, although there has been a tendency towards population stagnation and decline. However, over the past decade population movements have been highly synchronised with the resources investment cycle and major industrial developments. Between 2007 and 2012 – a period when the mining exploration activity was ramping up in response to rising commodity prices – the population of the region rose modestly (3.1 per cent), reversing an earlier period of population decline. However, with the subsequent downturn in mining – especially BHP's decision in 2012 to shelve a planned $30 billion expansion of its Olympic Dam mine near Roxby Downs – and more recently closure of the North Power Station near Port Augusta, the population of the region began contracting once again. Over the five years to 2017, the total population of the region fell by 6.6 per cent (1,910 persons). Reflecting the impact of BHP's earlier expansion decision, the population in Roxby Downs fell by 15 per cent (718 persons) over this period. There have also been population falls over the last 5 years for Anangu Pitjantjatjara (-4.8 per cent), Flinders Rangers (-1.9 per cent) and Port Augusta (-1.3 per cent). Only Coober Pedy has managed to buck this trend (up 2.8 per cent)

As a consequence of the trends described above, all regions within the RDAFN with the exception of Anangu Pitjantjatjara experienced a decline in population over the past decade – Table 4.2.

Table 4.2   Population Growth – RDA Far North[a]

Council / Region	Persons at 30 June			Change (per cent)		
	2007	2012	2017	2007-2012	2012-2017	2007-2017
Anangu Pitjantjatjara (AC)	2,352	2,651	2,523	12.7	-4.8	7.3
Coober Pedy (DC)	1,928	1,787	1,837	-7.3	2.8	-4.7
Flinders Ranges (DC)	1,767	1,721	1,689	-2.6	-1.9	-4.4
Port Augusta (C)	14,300	14,454	14,267	1.1	-1.3	-0.2
Roxby Downs (M)	4,370	4,728	4,010	8.2	-15.2	-8.2
Total RDA Far North	28,093	28,970	27,060	3.1	-6.6	-3.7
South Australia	1,570,619	1,656,725	1,723,671	5.5	4.0	9.7

Note: (a) Total region estimates based on Statistical Area Level 3: Outback – North and East, and therefore includes unincorporated areas.
Source: ABS, Regional Population Growth (Cat. No. 3218.0)

Age profile

The Far North region has a relatively younger age profile compared to the state population – Table 4.3. A significantly smaller share of the region's population in 2016 was aged 65 years and over compared with the South Australian population (13 per cent c.f. 18 per cent), while a slightly larger share was aged less than 15 years (20 per cent c.f. 18 per cent). The younger age profile is in large part due to the relatively large Aboriginal and Torres Strait Islander population in the Far North which is much younger than the overall population. The aboriginal populations are primarily located in Port Augusta and Anangu Pitjantjatjara.

While the relatively low share of people aged 65 years and over is a notable feature of the Far North's population, some areas do have a relatively larger share of people in retirement ages. In particular, both the Flinders Ranges and Coober Pedy have a relatively higher share of people aged 65 years and over compared to the state population (22 per cent and 21 per cent respectively). On the other hand, there are relatively few people aged over 65 years in Anangu Pitjantjatjara (4.6 per cent) and Roxby Downs (1.3 per cent). The latter is primarily a service centre for the nearby Olympic Dam mine, and consequently has a transient population that is attracted by employment opportunities at the mine, who then eventually move on to employment or retirement elsewhere.

The proportion of the region's population aged 15-24 years was only slightly lower than this cohort's share of the South Australian population in 2016. However, this age group's share of the non-indigenous population was significantly lower relative to the state population, which would reflect the impact of younger non-indigenous people leaving the region to pursue further education and employment.

Table 4.3   Population Age Profile – RDA Far North[a]
Age group as proportion of total population

	RDA Far North			South Australia		
	2006	2011	2016	2006	2011	2016
0-14 years	21.9	20.3	20.0	18.3	17.7	17.8
15-24 years	13.2	13.7	12.2	13.5	13.5	12.8
25-34 years	14.6	15.1	15.9	12.7	13.1	13.5
35-44 years	15.5	14.4	12.6	14.5	13.5	12.4
45-54 years	14.5	14.4	14.0	14.2	14.0	13.3
55-64 years	10.8	11.2	12.4	11.6	12.3	12.5
65 years and over	9.6	10.8	12.9	15.1	16.0	17.7
Total	100.0	100.0	100.0	100.0	100.0	100.0

Note: (a) Total region estimates based on Statistical Area Level 3: Outback – North and East, and therefore includes unincorporated areas.
Source: ABS, Population by Age, Sex Regions of Australia, 2016 (Cat. No. 3235.0).

Although the region's population is relatively younger, it has aged at a modestly faster rate over the past decade. The share of the region's population aged over 65 years rose by 4.9 percentage points between 2006 and 2016, which compares with a 3.4 percentage point rise for South Australia.

Sources of population change in 2016-17

Latest annual population estimates show that RDAFN has suffered relatively large net internal migration outflows recently – Table 4.4. Net internal migration outflows reduced the Far North's population by 1.4 percentage points in the year to 30 June 2017, whereas such movements reduced the state's population by 0.4 percentage points – Figure 4.1. Population loss due to internal migration was particularly severe for Roxby Downs (-3.5 percentage points), while it was also relatively high for Port Augusta (-1.4 ppts) and Flinders Ranges (-0.7 ppts). In contrast, Coober Pedy (0.9 ppts) and Anangu Pitjantjatjara (0.2 ppts) experienced gains in population from internal migration last year.

Both natural increase (0.8 percentage points) and net overseas migration (0.2 percentage points) made positive contributions to growing the Far North's population in 2016-17. However, these gains were insufficient to offset the losses stemming from internal migration. As a consequence, the total population in the five local government areas within the Far North fell by 0.4 per cent in 2016-17.

Table 4.4   Components of Population Change – RDA Far North[a]
Change in persons, 2016 to 2017 (30 June)

Council / Region	Natural increase	Net internal migration	Net overseas migration	Total net change
Anangu Pitjantjatjara (AC)	17	6	2	25
Coober Pedy (DC)	-2	16	5	19
Flinders Ranges (DC)	6	-12	2	-4
Port Augusta (C)	89	-207	26	-92
Roxby Downs (M)	77	-142	23	-42
RDA Far North	187	-339	58	-94
Total South Australia	5,938	-6,778	11,668	10,828

Note: (a) RDA Far North region total based on total for the five local government areas.
Source: ABS, Regional Population Growth (Cat. No. 3218.0)

Gains in population through natural increase (i.e. excess of births over deaths) were relatively higher for the region compared to the state overall in 2016-17. Roxby Downs, which has one of the highest birth rates in Australia (RDAFN, 2013), enjoyed a particularly large gain of 1.9 percentage points through natural increase. Natural increase was also relatively high for Anangu Pitjantjatjara (0.7 ppts) and Port Augusta (0.6 ppts), which is in large part due to the large Aboriginal populations in these regions (Indigenous Australians tend to have a higher number of children on average).

Although overseas migration made a positive contributions to growing the population of all local government areas in 2016-17, the gains were relatively small compared to those enjoyed by the state as a whole.

Figure 4.1   Component Contribution to Total Population Growth – RDA Far North(a)
Component change (2016 to 2017) as proportion of 2016 total population
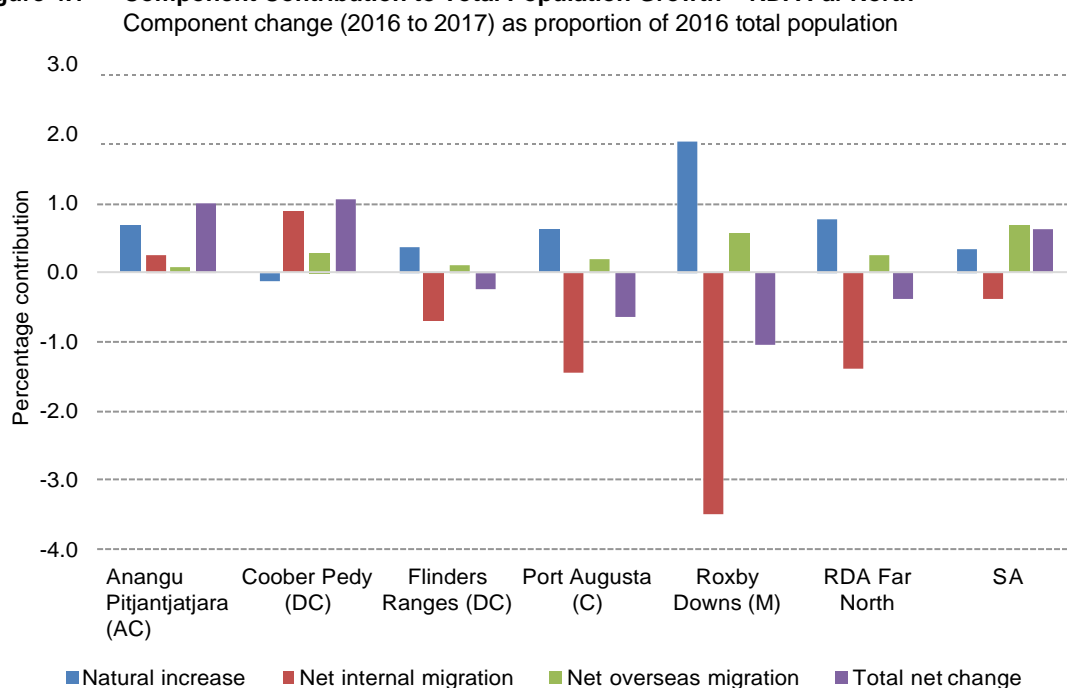
Note: (a) RDA Far North region total based on total for the five local government areas.
Source: ABS, Regional Population Growth (Cat. No. 3218.0)

4.3   Employment by industry and occupation, and labour force

Latest census data indicates that labour market conditions in the five local government areas that comprise the bulk of the Far North's population was moderately less healthy compared to the overall South Australian labour market. The region had an unemployment rate of 8.6 per cent in 2016, which was 1.1 percentage points higher than South Australia's unemployment rate (7.5 per cent). These results mask significant variations across the region. Unemployment was particularly high in Anangu Pitjantjatjara (26 per cent), indicating a high degree of socio-economic disadvantage, and also somewhat elevated in Port Augusta (9.6 per cent) and Coober Pedy (9.5 per cent). On the other hand, unemployment was relatively low in Roxby Downs (3.6 per cent) and Flinders Ranges (5.8 per cent).

Unemployment within the region would be even higher were it not for the significant loss of population that has occurred due to people leaving the region over recent years. These outflows are a direct response to a deterioration in job opportunities within the region, due largely to the downturn in mining. Census data indicates that total employment in the Far North region fell by 15 per cent between 2011 and 2016 (ABS 2017).

In terms of other measures of labour market health, both the labour force participation rate and employment to working age population ratio were moderately lower compared to the corresponding state figures in 2016 – Table 4.5. Again, there are diverse experiences across the regions. Roxby Downs had the highest labour force participation (80 per cent) and employment to working age population ratio (77 per cent) in the state, whereas Anangu Pitjantjatjara ranked towards the bottom based on these metrics.

Table 4.5   Labour Force Characteristics – RDA Far North(a)

	RDA Far North	South Australia
Employment status as % total employed		
Employed: worked full-time	65.3	58.3
Employed: worked part-time	27.6	36.2
Employed: away from work	7.1	5.4
Employed: total	100.0	100.0
Unemployment rate (%)	8.6	7.5
Labour force participation rate (%)	55.8	58.3
Employment to working age population ratio (%)	51.0	53.9

Note: (a) RDA Far North region total based on total for the five local government areas.
Source: ABS, 2016 Census of Population and Housing, TableBuilder.

One of the unique features of the region's workforce is that it has a relatively high share of full-time employment due to the significance of mining activity. Approximately 65 per cent of employed persons were employed on a full-time basis in 2016 compared to 58 per cent of the South Australian workforce.

As Table 4.6 shows, mining is the largest employing sector in the region, accounting for almost 17 per cent of total employment in 2016. Mining employment is primarily concentrated in Roxby Downs, while all local government areas, with the exception of Anangu Pitjantjatjara, have moderately higher mining employment relative to the state average. Other top employing sectors in the region include health care and social assistance (11 per cent), public administration and safety (10 per cent), and education and training (10 per cent). A majority of people employed in these service sectors are based in Port Augusta – the major service centre. Other notable aspects of the Far North's employment profile are relatively higher employment in accommodation and food services (8.4 per cent), and agriculture, forestry and fishing (5.8 per cent) compared to the state average – Figure 4.2.

Table 4.6   Employed Persons by Industry – RDA Far North(a)

	Share of total employment (%)		Change: 2006 to 2016	
	2006	2016	Per cent	Persons
Agriculture, Forestry & Fishing	4.6	5.8	15.7	85
Mining	12.9	16.5	17.2	261
Manufacturing	3.8	1.8	-56.1	-253
Electricity, Gas, Water and Waste Services	4.1	1.1	-76.3	-370
Construction	6.3	6.8	-0.3	-2
Wholesale Trade	1.5	1.0	-37.0	-64
Retail Trade	9.9	8.7	-19.6	-229
Accommodation & Food Services	8.3	8.4	-7.3	-71
Transport, Postal & Warehousing	4.0	4.3	-1.7	-8
Information Media & Telecommunications	0.6	0.5	-18.1	-13
Financial & Insurance Services	1.0	0.9	-22.0	-27
Rental, Hiring & Real Estate Services	0.7	1.2	51.2	42
Professional, Scientific & Technical Services	1.4	1.7	11.0	18
Administrative & Support Services	3.5	3.9	1.9	8
Public Administration & Safety	10.7	9.6	-17.6	-222
Education & Training	8.1	9.5	7.6	72
Health Care & Social Assistance	11.7	10.9	-14.2	-195
Arts & Recreation Services	0.7	1.1	55.7	44
Other Services	2.8	3.2	6.1	20
Inadequately described / not stated	3.6	3.0	-23.9	-101
Total	100.0	100.0	-8.6	-1,009

Note: (a) Total region estimates based on Statistical Area Level 3: Outback – North and East, and therefore includes unincorporated areas.
Source: ABS, Census of Population and Housing, TableBuilder.

Figure 4.2   Employment Persons by Industry – RDA Far North and SA(a)
Per cent of total employment, 2016
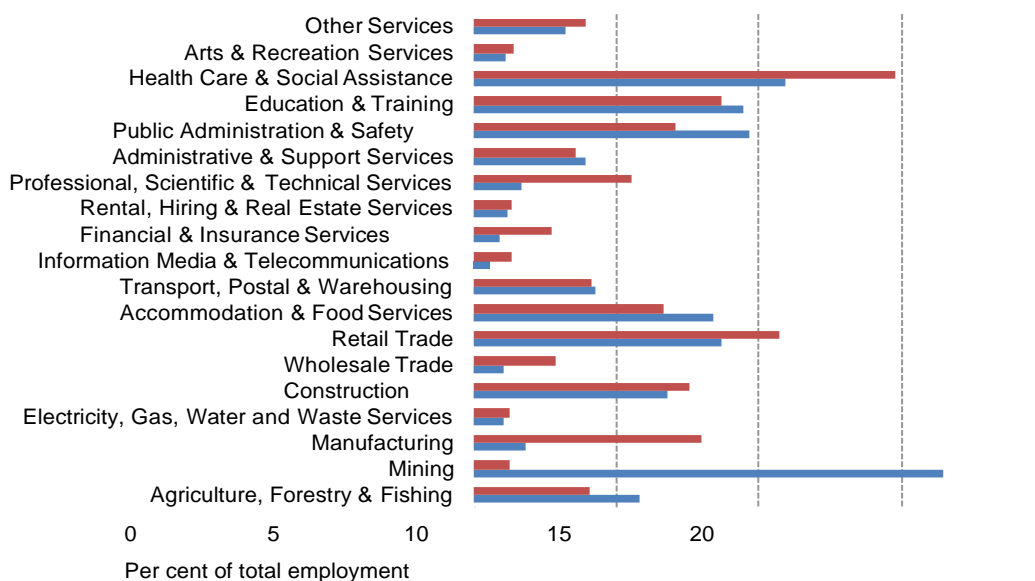
Note: (a) Total region based on Statistical Area Level 3: Outback – North and East, and therefore includes unincorporated areas.
Source: ABS, Census of Population and Housing, TableBuilder.

Several industries experienced large decreases in employment between 2006 and 2016. The largest aggregate decline over this period occurred for electricity, gas, water and waste services (-370 persons), which could be largely attributed to the closure of Port Augusta's Northern Power Station and associated coal mine at Leigh Creek. There have also been large declines in employment in manufacturing (-253 persons), retail trade (-229 persons), public administration and safety (-222 persons), and healthcare and social assistance (-195 persons). The latter is in stark contrast to the South Australian experience whereby healthcare and social assistance has been the largest growing sector over the last decade.

Although mining employment in 2016 was 17 per cent higher compared to a decade earlier, there was a sharp decline over the latter part of the decade. Between 2011 and 2016 employment in mining fell by 22 per cent (490 persons). Despite this decline, mining will remain the dominant industry over the medium term given existing and future resource prospects. Moreover, employment levels appear to be on the rise again with BHP increasing employment at Roxby Downs as it expands the mine underground, while the OZ Minerals' Carrapteena copper-gold project is currently under construction with commissioning scheduled for late 2019.

The largest employing occupations in RDAFN in 2016 were technicians and trades workers (16 per cent), professionals (14 per cent), and community and personal service workers (14 per cent) – Figure 4.3. Given the importance of mining and related processing activities, a relatively higher share of the workforce is employed as machinery operators and drivers (12 per cent) and technicians and trades workers (17 per cent) compared to the state average (6.1 per cent and 13 per cent respectively).

Figure 4.3   Employment Persons by Occupation – RDA Far North and SA[(a)]
Per cent of total employment, 2016

SA   Far North

Note: (a) Total region based on Statistical Area Level 3: Outback – North and East, and therefore includes unincorporated areas.
Source: ABS, 2016 Census of Population and Housing, TableBuilder.

4.4   Key challenges and opportunities

The latest economic growth and investment strategies that have been developed for the key communities in the region were reviewed to identify key challenges, opportunities and potential strategies relating to strategic population and workforce issues across the region. The key issues are summarised below.

General population and workforce issues

The Far North region is highly vulnerable to the changing fortunes of the resources sector with economic activity in the region, particularly outside Port Augusta, being highly dependent on resources production and investment activity. With the resources sector going into downturn over recent years, resources activity has declined and even ceased in some instances, leading to employment and population decline in some regions. "One-industry towns" that evolved to service the mining sector are particularly vulnerable to such economic shocks (e.g. Leigh Creek, Roxby Downs, Coober Pedy), while smaller towns are vulnerable to demographic shifts in inward and outward migration (SC Lennon & Associates 2016).

As a hub for the provision of general and specialised services to the mining sector and home for 'drive in drive out' mining employees, Port Augusta has also been negatively impacted by the downturn in resource sector prospects, although not to the same degree as mining towns. However, Port Augusta was significantly impacted by the closure of Alinta Energy's coal fired power station in 2016, which contributed to subsequent employment and population decline.

While the broader region has suffered through the resources sector downturn and loss of key industrial activities over recent years, there are signs the region is entering a recovery phase. The mining sector is set for modest expansion, with BHP proceeding with an underground expansion of Olympic Dam, and OZ Minerals' Carrapteena mine currently being constructed. Meanwhile, a spate of renewable and alternative energy projects have been announced or are under development, including major projects such as the DP Energy Renewable Energy Park and Aurora Solar Thermal Project. Together these developments present opportunities for re-employing displaced workers and up/reskilling to meet new industry opportunities. Furthermore, combined with other major project developments in the surrounding Upper Spencer Gulf region (e.g. Whyalla steelworks expansion and associated renewable investments), these developments may even create some challenges for in terms of securing required labour and skill needs.

Strategic issues and constraints

Diseconomies of scale effects associated with the remote and sparsely populated nature of the region are a challenge to securing infrastructure and community services that facilitate growth and sustain local communities. A lack of social infrastructure and services such as housing, childcare, healthcare and community facilities hampers the standard of living in certain townships and regions, making it difficult to attract workers. For example, a lack of staff housing and social services has been identified as a barrier by tourism operators in the Flinders Ranges to attracting and retaining skilled workers, which includes chefs, managers and tour guides (SC Lennon & Associates 2016a). In general, attracting qualified and experienced workers remains a challenge across the whole region.

The importance of amenity and liveability to population policy is recognised by the current Port Augusta economic growth and development strategy which states that "an attractive townscape and high quality amenities throughout the City are important for retaining residents, attracting new residents and attracting visitors, and for retaining visitors for a few more days" (Strategic Economic Solutions 2018). While the town has good liveability, this is not widely appreciated beyond the region, and there is scope for bringing about further improvements (e.g. foreshore redevelopment, revitalisation of town entrances). In order to address the former, the development of a Port Augusta 'lifestyle living' marketing campaign has been identified as a strategy to attract both new and ex-residents.

Maintaining and attracting skills and people

In terms of improving liveability and attracting people to the more remote parts of the region, one strategy being considered is to "investigate place-based community development opportunities to promote the Outback as a location of choice for working and living beyond mining, with a focus on Leigh Creek as a pilot project" (SC Lennon & Associates 2016).

As with most remote and regional areas there is a strong tendency for young people to leave the region for study and employment. Many of these individuals never return although some do return when they reach more mature ages. The region has sought to overcome this inherent drift away by expanding the local availability of higher education options. In particular, the Upper Spencer Gulf Common Purpose Group has secured funding for Uni Hub Spencer Gulf. This community owned tertiary education centre aims to aggregate, broker and coordinate delivery of higher education within the Upper Spencer Gulf region to meet emerging industry and skilled workforce needs (e.g. nursing, education, renewable energy and heavy industry). Greater provision of local tertiary education services not only encourages younger people to remain in the region, it enables those individuals who do not have the resources and time to move or commute to Adelaide to access higher education, raising their skills capacity.

More generally, the RDA seeks to address local skilled workforce needs by mapping industry skill requirements to existing training supply in order to identify opportunities for additional training programs. Key areas of focus include the mining industry, including in respect of future expansion at Olympic Dam, the tourism and pastoral industries in the Flinders Ranges and Outback Communities Authority areas, and health and aged care in Port Augusta. The aged care industry in Port Augusta has reported major recruitment difficulties with all areas including personal care attendants, Enrolled Nurses and Registered Nurses, while roll-out of the NDIS will further increase demand for employment across the sector (Strategic Economic Solutions 2018). There is consequently a need for training of staff and attraction of health professionals to satisfy workforce needs.

A number of infrastructure needs have been identified across the region that would support economic development and the sustainability of communities. These infrastructure needs include, but are not limited to:

- all weather access roads to improve accessibility, freight links and tourism;
- upgrade and sealing of the Strzelecki Track which is a major supply link for major oil and gas facilities located near Moomba;
- directional and interpretative signage to facilitate a tourism wayfinding strategy;
- new and higher quality visitor accommodation;
- broader coverage and greater reliability of internet and mobile communication technologies, including further roll-out of the National Broadband Network;
- affordable, accessible and reliable energy supply, particularly in the more remote parts of the region;
- water supply and quality (water quality issues have been identified as a barrier to tourism accommodation development in the Flinders Ranges);
- cross-loading facilities at Port Augusta to transfer cattle from road trains to trucks to support pastoral sector needs; and
- affordable housing and lifestyle retirement living to support the aged service industry in Port Augusta.

5.   RDA Limestone Coast

Key points

Demographic profile
- A population which tends to be over-represented at both ends of the age spectrum and is ageing at a faster rate compared to the South Australian population.
- Relatively lower share of population in the prime years of 25 to 44 compared to South Australia, which in part reflects the drift of younger people to Adelaide and other metropolitan areas for tertiary education and/or career opportunities.

Population change and compositional change
- A region characterised by low population growth with uneven performance across the region. Population has grown solidly over the last decade in Grant and Mount Gambier, but fallen in Tatiara and Wattle Range.
- Region endured a loss of population last year due to outward internal migration broadly in line with the state average. Meanwhile, overseas migration and natural increase made positive contributions to growing the region's population, but at reduced rates compared to the state-wide experience.

Employment change and composition
- The top four employing industries in 2016 were agriculture, forestry and fishing, healthcare and social assistance, retail trade, and education and training.
- In line with broader state patterns, employment has fallen for various sectors over the last decade, including agriculture, manufacturing, wholesale trade, retail trade and various other services sectors.
- Although unemployment was relatively low at the time of the last census, employment levels have not changed much over the past decade, indicating that low unemployment has been maintained by out migration.

Migration issues
- RDA recognises that a shrinking pool of workers and skills shortages presents a threat to local business development, and has identified a need for invigorating the working age population by attracting and retaining more people. Elements include a targeted migration strategy, greater youth retention by forging stronger career paths to local industries, and keeping older people in the workforce for longer.
- The region also requires improvements in hard infrastructure (i.e. freight, airport, water network, power and communication) to improve economic performance, and soft infrastructure (i.e. education and training services, medical, allied health, aged care and childcare services, arts and cultural activities, sports and recreational activities and programs) in order to help attract and retain the skilled workforce it needs.

5.1   Region at a glance

The Regional Development Australia Limestone Coast (RDALC) covers an area of 21,330 square kilometres in the south-eastern section of South Australia and lies midway between the capital cities of Adelaide and Melbourne. The RDA comprises seven local government areas:

- District Council of Grant;
- Kingston District Council;
- City of Mount Gambier;
- Naracoorte Lucindale Council;
- District Council of Robe;
- Tatiara District Council; and
- Wattle Range Council.

5.2   Population size, change and composition

Population size and density

RDALC is home to 66,698 people or 3.9 per cent of South Australia's population – Table 5.1. It has a population density of about three persons per km^2. The regional City of Mount Gambier has a very high population density of about 798 persons per km^2, and is the main service centre in the region. Other regions are naturally more sparsely populated.

Unlike the broader South Australian population, a relatively larger proportion of the population in the region was composed of males (50.6 per cent) in 2016.

Table 5.1   Key Population Metrics – RDA Limestone Coast

Demographics	RDA Limestone Coast	South Australia
Total population, persons (2017)	66,698	1,723,671
Population as a percentage of state population (2017)	3.9	100.0
Annual average population growth rate, 10 years to 2017, per cent	0.4	0.9
Population density, persons per km^2 (2017)	3.1	1.8
Proportion by gender (2016):		
Males	50.6	49.5
Females	49.4	50.5

Source: ABS, Regional Population Growth (Cat. No. 3218.0) and Population by Age and Sex, Regions of Australia, 2016 (cat. no. 3235.0).

Population change

Over the decade to 30 June 2017 population growth was rather slow at only 0.4 per cent per annum compared to an average growth rate of 0.9 per cent for South Australia. There was a strong pick up in population growth around 2012, but this has dissipated. In fact, the population showed little change in 2016-17.

The total estimated resident population in the RDALC expanded by 4.4 per cent in the decade to 30 June 2017, which is 5.3 percentage points lower than for the South Australian population over this period. However, there was a relatively strong increase in population for Grant (up 11 per cent) over this period, while the population of Mount Gambier also grew solidly (8.1 per cent) – Table 5.2. The District Council of Grant immediately surrounds the City of Mount Gambier and it is likely that robust population growth for this council area reflects spill over of urban development from the city.

The populations of Tatiara and Wattle Range fell modestly over the past decade due to losses incurred earlier in the decade. Although the populations in the coastal areas of Robe and Kingston have risen modestly over the past decade, the two regions have had contrasting experiences over recent years with Robe experiencing a slight population decline while Kingston has enjoyed respectable growth.[3] Although the data presented in Table 5.2 suggests the population of Naracoorte and Lucindale has generally grown at a slow but consistent pace, annual data indicates that population growth has flattened off since 2014.

Table 5.2   Population Growth – RDA Limestone Coast

Council / Region	Persons at 30 June			Change (per cent)		
	2007	2012	2017	2007-2012	2012-2017	2007-2017
Grant	7,643	7,946	8,483	4.0	6.8	11.0
Kingston	2,393	2,370	2,406	-1.0	1.5	0.5
Mount Gambier	25,004	26,147	27,036	4.6	3.4	8.1
Naracoorte and Lucindale	8,311	8,433	8,552	1.5	1.4	2.9
Robe	1,401	1,427	1,422	1.9	-0.4	1.5
Tatiara	6,974	6,774	6,773	-2.9	0.0	-2.9
Wattle Range	12,160	11,880	12,026	-2.3	1.2	-1.1
Total RDALC	63,886	64,977	66,698	1.7	2.6	4.4
South Australia	1,570,619	1,656,725	1,723,671	5.5	4.0	9.7

Source: ABS, Regional Population Growth (Cat. No. 3218.0)

Age profile

The RDALC population tends to be over-represented at both ends of the age spectrum. A slightly larger share of the region's population was aged less than 15 years compared to the state population in 2016 (19 per cent c.f. 18 per cent), while a relatively larger share of the region's population was aged 65 years and over (19 per cent c.f. 18 per cent) – Table 5.3.

The region also has a relatively older age structure across the working age population. Compared to the state age profile, the region has a lower share of persons aged in the prime ages of 15 to 44 years, and a relatively larger share in the mature age working years of 45 to 64 years. The lower share of younger adults reflects the natural tendency of regional students to migrate to Adelaide and other metropolitan areas for tertiary education and/or career opportunities. Meanwhile, the region's population has also been ageing at a noticeably faster rate. The proportion of the regions' population aged over 65 years rose by 4.8 percentage points between 2006 and 2016, which compares with a 2.6 percentage point rise for South Australia.

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3   We note that a recent article in *The Advertiser* ("*Stop this exodus from the bush*", Friday, 14th September 2018) stated that the population in Robe District Council fell by 19 per cent over the decade to 2016. However, this analysis was based on census data which does not represent an official estimate of the population that usually resides in a region. While the census provides excellent information about the characteristics of a population, the ABS (2013) advises that census data "should not be used for the number of people living in an area". Estimated Resident Population (ERP) is the official measure of population. It improves on the census estimates by adjusting for net census undercount and Australians who were temporarily overseas at the time of the census. Why there is a significantly discrepancy between the census and ERP estimates for Robe over the past decade is unclear.

Table 5.3   **Population Age Profile – RDA Limestone Coast**
Age group as proportion of total population

	RDA Limestone Coast			South Australia		
	2006	**2011**	**2016**	**2006**	**2011**	**2016**
0-14 years	21.0	20.2	19.4	18.3	17.7	17.8
15-24 years	12.3	11.8	11.4	13.5	13.5	12.8
25-34 years	12.2	11.8	11.3	12.7	13.1	13.5
35-44 years	15.0	13.4	12.0	14.5	13.5	12.4
45-54 years	14.6	14.3	14.0	14.2	14.0	13.3
55-64 years	11.1	13.0	13.4	11.6	12.3	12.5
65 years and over	13.7	15.5	18.5	15.1	16.0	17.7
Total	100.00	100.00	100	100.0	100.0	100.0

Source: ABS, Population by Age, Sex Regions of Australia, 2016 (Cat. No. 3235.0).

There are some noticeable age profile differences across the regions. The share of the population aged over 65 years is particularly high in Kingston (27 per cent), Robe (25 per cent) and, to a lesser degree, Wattle Range (20 per cent). Only Grant (15 per cent) had a significantly lower share of persons aged over 65 years compared to the state in 2016. The representation of children (i.e. less than 15 years) was higher across most council areas with the notable exceptions of Robe (14 per cent) and Kingston (16 per cent). Most regions have relatively lower representation among younger adult working ages and relatively higher representation among mature working ages compared to the state age profile.

Sources of population change in 2016-17

Latest annual population estimates reveal that the RDALC region has suffered a similar degree of net migration outflows as compared to the state – Figure 5.1 and Table 5.4. In the year to 30 June 2017, net internal migration outflows reduced the region's population by -0.4 percentage points (ppts). Net internal migration losses were relatively large for Tatiara (-1.2 ppts), Naracoorte and Lucindale (-0.8 ppts), Kingston (-0.7 ppts) and Mount Gambier (-0.5 ppts). On the other hand, Robe (0.3 ppts), Wattle Range (0.2 ppts) and Grant (0.2 ppts) gained population via internal migration in 2016-17.

Natural increase (0.1 percentage points) and net overseas migration (0.3 percentage points) both made positive contributions to growing the RDALC's population through the year to 30 June 2017, offsetting the loss from internal migration. However, the contributions from these sources were relatively lower compared to those experienced by the state as a whole – Figure 5.1. Natural increase made a positive contribution to growing the population in all council areas expect Wattle Range in 2016-17, while overseas migration made a positive contribution across all council areas. The contribution from overseas migration was particularly strong for Naracoorte and Lucindale (0.7 percentage points).

Table 5.4   **Components of Population Change – RDA Limestone Coast**
Change in persons, 2016 to 2017 (30 June)

Council / Region	Natural increase	Net internal migration	Net overseas migration	Total net change
Grant	40	14	12	66
Kingston	6	-17	2	-9
Mount Gambier	27	-122	70	-25
Naracoorte and Lucindale	21	-70	57	8
Robe	3	4	2	9
Tatiara	15	-82	23	-44
Wattle Range	-32	22	14	4
Total RDA LC	80	-251	180	9
South Australia	5,938	-6,778	11,668	10,828

Source: ABS, Regional Population Growth (Cat. No. 3218.0).

Figure 5.1   Component Contribution to Total Population Growth – RDA Limestone Coast
Component change (2016 to 2017) as proportion of 2016 total population

Natural increase   Net internal migration   Net overseas migration   Total net change
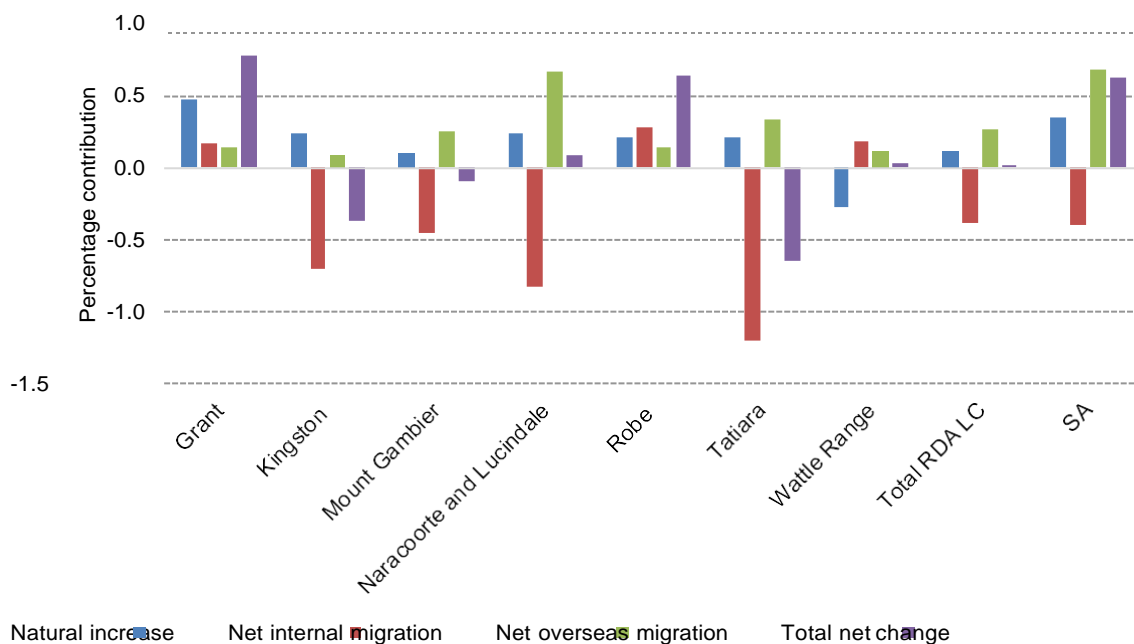
Source: ABS, Regional Population Growth (Cat. No. 3218.0).

5.3   Labour force and employment by industry and occupation

Data from the most recent census suggests that labour market conditions in RDALC were much better compared to the rest of the state at the time. In 2016 the region had an unemployment rate of 5.2 per cent, which was 2.3 percentage points lower than South Australia's unemployment rate of 7.5 per cent. While unemployment rates were elevated in Mount Gambier (6.7 per cent) and Wattle Range (6.2 per cent), they were still below the corresponding state figure. On a further positive note, both the labour force participation rate (60 per cent) and employment to working age population ratio (57 per cent) were higher for the Limestone Coast region than South Australia – Table 5.5.

The labour force figures summarised above tend to overstate the strength of labour market conditions within the region. Census data indicates that total employment levels within the region basically showed no change between 2006 and 2016, whereas at the state level, employment levels rose by 8 per cent over this period. A failure to meaningfully grow employment levels would in part account for the loss of population via internal migration, which in turn has helped keep unemployment rates low.

Table 5.5   Labour Force Characteristics – RDA Limestone Coast

	RDA Limestone Coast	South Australia
Employment status as % total employed		
Employed: worked full-time	58.9	58.3
Employed: worked part-time	34.7	36.2
Employed: away from work	6.5	5.4
Employed: total	100.0	100.0
Unemployment rate (%)	5.2	7.5
Labour force participation rate (%)	60.1	58.3
Employment to working age population ratio (%)	57.0	53.9

Source: ABS, 2016 Census of Population and Housing, TableBuilder.

Primary industries such as livestock, broadacre agriculture, viticulture, plantation forestry and fishing are key economic drivers across the region. As such, agriculture, forestry and fishing is the largest employing sector in the region, accounting for a much larger share of the region's workforce (18 per cent) relative to the South Australian workforce (4.0 per cent) in 2016 – see Table 5.6 and Figure 5.2. Other major employing sectors include manufacturing (12 per cent), retail trade (12 per cent) and healthcare and social assistance (11 per cent). Apart from agriculture, the only other sectors where RDALC has a relatively higher share of employment compared to the state are manufacturing and retail trade. Manufacturing employment is strongly aligned with the region's primary industries, with manufacturing employment being concentrated in food product manufacturing, wood product manufacturing, beverage and tobacco manufacturing, and pulp, paper and converted paper manufacturing.

Table 5.6   Employed Persons by Industry – RDA Limestone Coast

	Share of total employment (%)		Change: 2006 to 2016	
	2006	**2016**	**Per cent**	**Persons**
Agriculture, Forestry & Fishing	18.7	17.7	-5.3	-298
Mining	0.3	0.5	60.2	56
Manufacturing	16.5	11.5	-30.2	-1,493
Electricity, Gas, Water and Waste Services	0.7	0.8	2.7	6
Construction	6.5	6.8	5.0	98
Wholesale Trade	3.6	3.0	-16.9	-181
Retail Trade	11.7	11.5	-1.9	-66
Accommodation & Food Services	6.0	6.2	3.8	68
Transport, Postal & Warehousing	4.1	4.1	0.6	7
Information Media & Telecommunications	0.8	0.7	-22.4	-57
Financial & Insurance Services	1.6	1.4	-14.4	-69
Rental, Hiring & Real Estate Services	1.0	0.9	-8.4	-26
Professional, Scientific & Technical Services	2.3	2.6	10.6	74
Administrative & Support Services	2.6	2.4	-8.0	-62
Public Administration & Safety	3.3	4.1	27.2	264
Education & Training	6.0	7.1	19.1	341
Health Care & Social Assistance	8.0	10.9	35.6	853
Arts & Recreation Services	0.5	0.7	31.6	50
Other Services	3.5	3.8	8.4	88
Inadequately described / not stated	2.2	3.4	54.9	360
Total	100.0	100.0	0.0	13

Source: ABS, Census of Population and Housing, TableBuilder.

Figure 5.2   Employment Persons by Industry – RDA Limestone Coast and SA
             Per cent of total employment, 2016
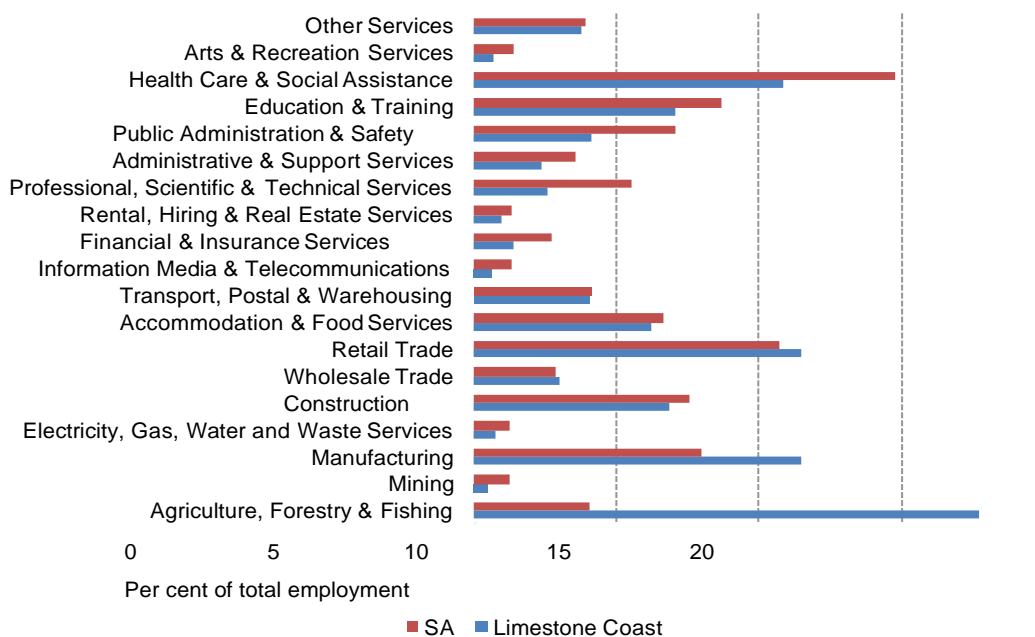
Source: ABS, Census of Population and Housing, TableBuilder.

Even though agriculture is the single largest employer in the region, employment in agriculture has declined over time, due in part to improving labour productivity. Between 2006 and 2016, total employment in agriculture, forestry and fishing fell by 5.3 per cent. The region has also experienced a large decline in manufacturing employment (down 30 per cent) that is consistent with the South Australian experience over this period (down 33 per cent). There have also been job losses in service industries such as wholesale trade, retail trade, financial and insurance services, information media and telecommunications, and rental, hiring and real estate services.

On the other hand, ageing of the regional population has increased demand for aged care and health services, leading to a strong rise in employment in health care and social assistance over the 10 years to 2016 (up 36 per cent / 853 persons). Other sectors that have enjoyed relatively strong employment growth include education and training (+342 persons) and public administration and safety (+264 persons).

The largest employing occupations in Limestone Coast in 2016 were managers and labourers – Figure 5.3. Given the relative importance of primary industries such as agriculture, plantation forestry and fishing, RDALC employs relatively more people in occupations such as managers (i.e. farm managers), labourers, and machinery operators and drivers compared to the state overall. In this sense the region provides relatively more employment opportunities within occupations that have lower formal qualification requirements.

Figure 5.3   Employment Persons by Occupation – RDA Limestone Coast and SA
Per cent of total employment, 2016
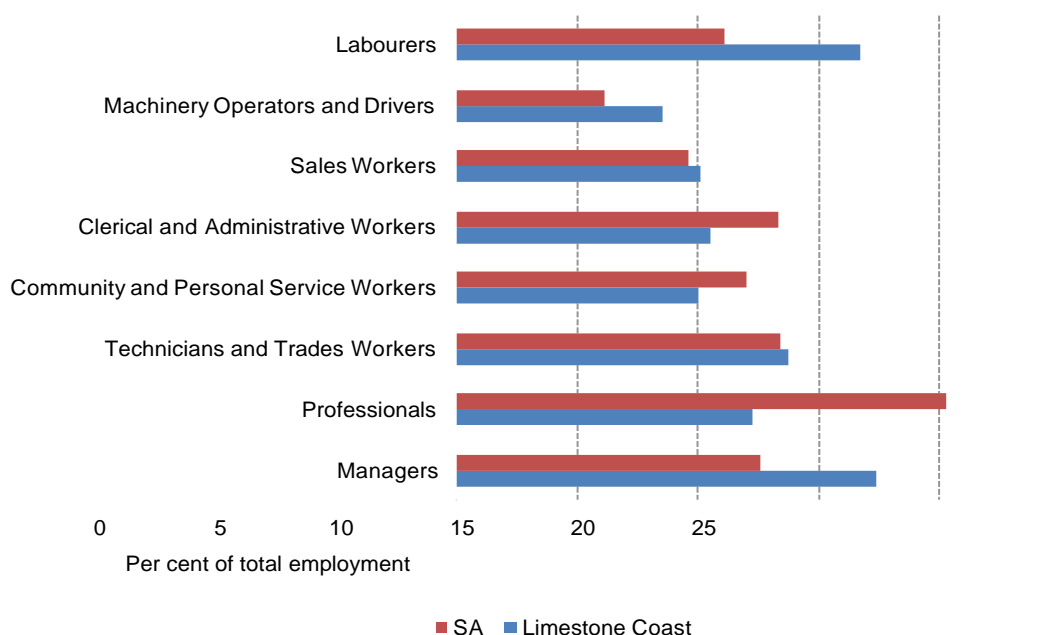
Source: ABS, Census of Population and Housing, TableBuilder.

5.4   Key challenges and opportunities

Documents relating to the recently developed Limestone Coast Regional Growth Strategy were reviewed to identify key workforce and population issues for the region.

General population, workforce and migration issues

There is a recognition that population ageing and net migration outflows are "hollowing out the region's working age population" (RAI 2018). The prospect of a less vibrant labour market characterised by a shrinking pool of workers and skill shortages (which have also been exacerbated by structural change) presents a threat to local business development. Rejuvenating the region's working age population consequently forms one of the six priorities of the recently adopted development strategy, specifically:

> *"Invigorate the working age population, by attracting and retaining more people across the region to fill key skill gaps and support vibrant and sustainable regional communities"* (RAI 2018).

A number of strategic directions and actions have been identified to further this priority, including (RAI 2018):

- collaborating across the region to develop a targeted migration strategy;
- supporting the development of hard and soft social infrastructure to improve the liveability of the Limestone Coast;
- enabling greater retention of the region's youth, principally by forging stronger career pathways to local industries; and
- encouraging older workers to remain active in the workforce beyond traditional retirement age (e.g. by encouraging casual and part-time work, and volunteering).

Developing and implementing the migration strategy has been identified as a priority project (RAI 2018a). It is envisioned that the strategy would target labour shortages and skills needs across the region and establish a "matching system creating direct links between employers and potential migrant workers". The strategy would also seek to develop a "systematic and integrated approach to settlement taking into account the needs for initial and ongoing settlement support", and related to this, advocate "for additional resources to build local capacity and support services for settlement communities and new arrivals" (RAI 2018).

While the region has had success in integrating overseas migrants, arrivals have been concentrated in Naracoorte-Lucindale and Mount Gambier, while international migration for the region as a whole has been relatively lower compared to similar regions (RAI 2018b).

Strategic issues and constraints

In general, there is a recognition that economic and population growth has been stagnant over recent years, and there is a need to invigorate the regional economy. The strategic priority of invigorating the working age population alone will not achieve and sustain population growth; sustainable economic development is also required. This in turn requires a multifaceted approach that seeks to enhance and sustain the economic, social, physical and environmental capitals within the region. As such, the current regional growth strategy includes five additional priorities in addition to invigorating the working age population:

- building on the region's competitive advantage in agribusiness;
- capturing employment opportunities in growing sectors like healthcare and social assistance;
- supporting the development of a vibrant business ecosystem;
- region-wide collaboration to develop a more coordinated tourism market; and
- securing investment to deliver regional priorities enabling growth.

Pursuing opportunities in sectors such as healthcare and social assistance recognises that an ageing population creates economic opportunities through increasing demand for aged care and specialist health services. Strategic approaches for achieving this priority include, inter alia, promoting healthcare and social assistance as a career pathway for local residents, and supporting the attraction of retirees through marketing and investment in aged care infrastructure and related services.

Maintaining and improving key hard and soft (i.e. social) infrastructure is also considered vital to facilitating economic development and population growth. Current strategies include undertaking a regional infrastructure audit to identify key gaps and priorities, and developing a regional prospectus to showcase investment opportunities across the region. Hard infrastructure priorities include (RAI 2018):

- energy generation, storage and supply;
- transport infrastructure (road, rail, air and intermodal);
- communications infrastructure (mobile and internet);
- resource efficiency including recovery and waste management;
- health, aged care and child care facilities;
- arts and cultural facilities; and
- sports and recreational activities.

Soft infrastructure, or those services and institutions that are required to uphold the social, economic and health of communities, are also considered vital to improving population outcomes. Social infrastructure helps to improve liveability, fosters a sense of community, enhances human capital, and ultimately improves community resilience. The current economic development strategy notes that a "lack of investment in social infrastructure puts the region at a significant disadvantage attracting and retaining the population and skilled workforce it needs to sustain and build its economy" (RAI 2018). Soft infrastructure priorities identified for the region include:

- education and training services;
- medical, allied health, aged care and childcare services;
- arts and cultural activities; and
- sports and recreational activities and programs.

There is a strong link between hard and soft infrastructure requirements. For example, new or upgraded sporting facilities need to be accompanied by new or enhanced activities and programs in order to exploit the opportunities provided by the new physical infrastructure.

A loss of education and training infrastructure has also been identified as a particular area of concern: "the decline in locally provided training facilities, such as TAFE, has also been identified as a constraint limiting the region's ability to reskill and adopt to changing circumstances and needs" (RAI 2018). A lack of local programs has been identified as a specific challenge for growing the region's agribusinesses. Strategies for improving the region's general and specific skills needs includes increasing digital connectivity and digital skilling across the region, supporting region-wide business upskilling, and facilitating industry led approaches to addressing skills and training needs in respect of agribusinesses.

6.   RDA Murraylands and Riverland

Key points

Demographic profile
- The region has a relatively older overall age profile compared to the state, and is ageing at a faster rate.
- A relatively older working age population with underrepresentation in the young adult years of 25 to 44 and a higher share of people in the middle ages of 45 to 64 years relative to the state.
- Some regions do have a marginally higher share of children relative to the state, including Karoonda East Murray, The Coorong, Berri Barmera and Loxton Waikerie.

Population change and compositional change
- A region characterised by sluggish population growth and falling populations in many regions over the past decade.
- The Rural City of Murray Bridge has experienced robust population growth due to a large influx of overseas migrants attracted by secure employment in local abattoirs and other agricultural industries.
- Population growth across the broader region last year was mostly reliant on overseas migration while natural increase made only a small contribution. The loss of population through net internal migration was rather limited compared to statewide trends, with several regions enjoying gains in population through internal migration.

Employment change and composition
- The top four employing industries in 2016 were agriculture, forestry and fishing, healthcare and social assistance, retail trade and manufacturing, with a higher proportion of the workforce being employed as managers (which includes farmers), labourers, and machinery operators and drivers.
- Although unemployment rates were lower across the region at the last census, employment levels for many regions fell during the last intercensal period, which may have contributed to internal migration outflows during earlier years, and lower overall labour force participation.

Migration issues
- With good regional prospects in terms of significant levels of capital investment being planned but major difficulties with sourcing a reliable and skilled workforce due to a shallow labour market, there are opportunities for relocation and new settlement to the region.
- Local employers in the food production sector have often relied on foreign workers in supplement to local residents to meet their workforce needs, typically through Temporary Skill Shortage visas (i.e. former 457 visa). The Temporary Skill Shortage (482) visa offers reduced pathways to permanent residency compared to the former 457 visa, and therefore reduced scope for long-term population gain.
- A number of strategies have been identified to increase population growth through overseas and internal migration and retention of the existing population (e.g. establishing Murraylands and Riverland region as a Designated Area Migration Agreement; creation of an Agricultural visa; increasing migrant and settlement support services; increasing post-secondary school education and training options in the region).

6.1   Region at a glance

Situated in central-eastern South Australia between the Adelaide Hills and the Victorian border, Regional Development Australia Murraylands and Riverland (RDAMR) covers an area of 36,210 square kilometres. The region takes in the Murray River which stretches from the state border near Renmark in the north down to the Coorong and Lower Lakes in the south, and extends inland from the Murray River across the Murray Mallee to the Victorian border. The region comprises eight local government areas:

- Renmark Paringa Council;
- District Council of Loxton Waikerie;
- Berri Barmera Council;
- Mid Murray Council;
- Rural City of Murray Bridge;
- District Council of Karoonda East Murray;
- Southern Mallee District Council; and
- Coorong District Council.

6.2   Population size, change and composition

Population size and density

RDAMR had an estimated resident population of 71,831 people at 30 June 2017, which is equivalent to 4.2 per cent of South Australia's total population – Table 6.1. Murray Bridge has largest concentrated population in the region of 21,836 persons (30 per cent of region total).

The Murraylands and Riverland region has a population density of two persons per km^2 which is around the state average. The most densely populated council areas include Berri Barmera (23 persons per km^2), Murray Bridge (12 persons per km^2) and Renmark Paringa (11 persons per km^2). On the other hand, the pastoral district of Karoonda East Murray is quite sparsely populated (0.3 persons per km^2).

Population change

Over the decade to 2017, population growth has been rather modest at only 0.5 per cent per annum compared to an average of 0.9 per cent per annum for South Australia. However, Murray Bridge has been a notable exception to this trend, with the population growing at an annual average rate of 1.6 per cent (well above the state average).

Table 6.1   Key Population Metrics – RDA Murraylands and Riverland

Demographics	RDA Murraylands and Riverland	South Australia
Total population, persons (2017)	71,831	1,723,671
Population as a percentage of state population (2017)	4.2	100.0
Annual average population growth rate, 10 years to 2017, per cent	0.5	0.9
Population density, persons per km^2 (2017)	2.0	1.8
Proportion by gender (2016):		
Males	50.6	49.5
Females	49.4	50.5

Source: ABS, Regional Population Growth (Cat. No. 3218.0) and Population by Age and Sex, Regions of Australia, 2016 (cat. no. 3235.0).

The total estimated resident population of the RDAMR region grew by 4.7 per cent over the decade to 30 June 2017, which is 5.0 percentage points lower compared to South Australia. Unfortunately the overall region result hides even weaker performance across many parts of the region with most council areas (5 of 8) seeing a decline in population between 2007 and 2017. In proportional terms, the largest declines occurred in the Coorong (-5.7 per cent), Southern Mallee (-4.9 per cent), Karoonda East Murray (-3.2 per cent) and Berri Barmera (-3.0 per cent). On a more positive note, populations for some of these regions has stabilised or started growing again over the past 5 years or so – Table 6.2.

As noted earlier, the population of Murray Bridge has grown quite strongly over the last 10 years (up 3,242 persons or 17 per cent). The only other council areas that have seen population gains over this timeframe are Mid Murray (689 persons / 8.4 per cent) and Renmark Paringa (193 persons / 2.0 per cent).

Recent population growth for the region as a whole has become more synchronised with the state pattern. For instance, the total population in the region rose by 3.5 per cent in the 5 years to 2017 compared to 4.0 per cent for the state. Similarly, in the year to 30 June 2017 the population of RDAMR rose by 0.5 per cent, which is only marginally short of the 0.6 per cent rise estimated for South Australia.

Table 6.2   Population Growth – RDA Murraylands and Riverland

Council / Region	Persons at 30 June			Change (per cent)		
	2007	2012	2017	2007-2012	2012-2017	2007-2017
Berri Barmera (DC)	11,175	10,779	10,841	-3.5	0.6	-3.0
Karoonda East Murray (DC)	1,163	1,074	1,126	-7.7	4.8	-3.2
Loxton Waikerie (DC)	11,870	11,511	11,745	-3.0	2.0	-1.1
Mid Murray (DC)	8,195	8,312	8,884	1.4	6.9	8.4
Murray Bridge (RC)	18,594	20,448	21,836	10.0	6.8	17.4
Renmark Paringa (DC)	9,657	9,518	9,850	-1.4	3.5	2.0
Southern Mallee (DC)	2,176	2,107	2,070	-3.2	-1.8	-4.9
The Coorong (DC)	5,809	5,632	5,479	-3.0	-2.7	-5.7
Total RDA M&R	68,639	69,381	71,831	1.1	3.5	4.7
South Australia	1,570,619	1,656,725	1,723,671	5.5	4.0	9.7

Source: ABS, Regional Population Growth (Cat. No. 3218.0).

Age profile

The RDAMR has a relatively older age profile compared to the state, which is itself relatively old by national standards. In 2016, 21 per cent of the region's population was aged 65 years or over, which is 3.4 percentage points higher than for the South Australian population. The working age population is also relatively older. As Table 6.3 shows, the region has a lower share of persons aged between of 15 to 44 years, and a relatively larger share aged 45 to 64 years compared to the state age profile. The lower share of young adults reflects the tendency of young people in regional areas to migrate to Adelaide for further education and employment opportunities. A negative side effect of this trend is that it makes it difficult to retain an adequate workforce within the region.

All of the council areas in the Murraylands and Riverland have an older age structure relative to the South Australian population. In terms of the share of persons aged 65 years and over, Karoonda East Murray (26 per cent), Mid Murray (24 per cent), and Loxton Waikerie (22 per cent) have the oldest populations. The Murray Bridge population most closely approximates the South Australian population in terms of age structure. Some regions do have a higher share of children compared to the state average. These council areas include Karoonda East Murray (19 per cent), The Coorong (19 per cent), Berri and Barmera (18 per cent), and Loxton Waikerie (18 per cent).

Table 6.3   Population Age Profile – RDA Murraylands and Riverland
Age group as proportion of total population

	RDA Murraylands and Riverland			South Australia		
	2006	**2011**	**2016**	**2006**	**2011**	**2016**
0-14 years	20.1	18.6	17.4	18.3	17.9	17.8
15-24 years	11.3	11.8	11.5	13.5	13.6	12.8
25-34 years	10.9	10.4	11.2	12.7	13.2	13.5
35-44 years	14.3	12.9	10.9	14.5	13.2	12.4
45-54 years	14.5	14.4	13.8	14.2	13.6	13.3
55-64 years	12.8	13.9	14.2	11.6	12.4	12.5
65 years and over	16.0	17.9	21.1	15.1	16.1	17.7
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: ABS, Population by Age and Sex, Regions of Australia, 2016 (Cat. No.3235.0).

In addition to having an older population, the region's population has been ageing at a faster rate. The proportion of the population aged over 65 years rose by 5.1 percentage points between 2006 and 2016, which compares with a 2.6 percentage point rise for South Australia. Meanwhile, the share of the population aged 0 to 14 years has been contracting at a faster pace, falling by 2.7 percentage points between 2006 and 2016 compared to a fall of 0.6 percentage points for South Australia.

Sources of population change in 2016-17

Latest annual population estimates provide insight into those compositional factors – i.e. natural increase, internal migration and overseas migration – that brought about population change over the last year (unfortunately component estimates for earlier years are not available). Net overseas migration was almost the sole source of population growth in the year to 30 June 2017, making a 0.5 percentage point contribution to growing the overall population – Table 6.4 and Figure 6.1. In comparison, natural increase (births less deaths) made only a small contribution of 0.1 percentage points, whereas net internal migration made a negative contribution of -0.1 percentage points, effectively cancelling each other out.

While all regions in the Murraylands and Riverland enjoyed population gains from net overseas migration in 2016-17, they were particularly large in both aggregate and relative terms for Murray Bridge (207 persons or 1 percentage point). The prospect of secure employment in local abattoirs and other agricultural industries, combined with affordable housing, migrants support services and proximity to Adelaide has made the town a popular destination for overseas migrants in recent years.

Owing to the relatively older age structure of the region and loss of younger adults, natural increase made a relatively smaller contribution to growing the region's population compared to the state population last year. In fact, several regions experience natural decrease (i.e. more deaths than births), including Karoonda East Murray (-0.4 ppts), Loxton Waikerie (-0.4 ppts) and Southern Mallee (-0.3 ppts).

The loss of population through net internal migration was actually less severe for the region compared to the state as a whole in 2016-17 (it is likely that the region has experienced relatively larger internal migration outflows in earlier years). In fact, most council areas are estimated to have experienced net internal migration gains last year – Figure 6.1. The only regions that suffered declines were the Coorong (-1.2 ppts), Berri Barmera (-0.3 ppts) and Renmark Paringa (-0.1 ppts).

**Table 6.4   Components of Population Change – RDA Murraylands and Riverland
                   Change in persons, 2016 to 2017 (30 June)**

Council / Region	Natural increase	Net internal migration	Net overseas migration	Total net change
Berri Barmera	15	-37	28	6
Karoonda East Murray	-4	4	5	5
Loxton Waikerie	-42	21	36	15
Mid Murray	-2	20	21	39
Murray Bridge	44	23	207	274
Renmark Paringa	29	-12	53	70
Southern Mallee	-6	0	13	7
The Coorong	14	-69	9	-46
Total RDA MR	48	-50	372	370
Total South Australia	5,938	-6,778	11,668	10,828

Source: ABS, Regional Population Growth (Cat. No. 3218.0).

Figure 6.1   Component Contribution to Total Population Growth – RDA Murraylands and Riverland
Component change (2016 to 2017) as proportion of 2016 total population
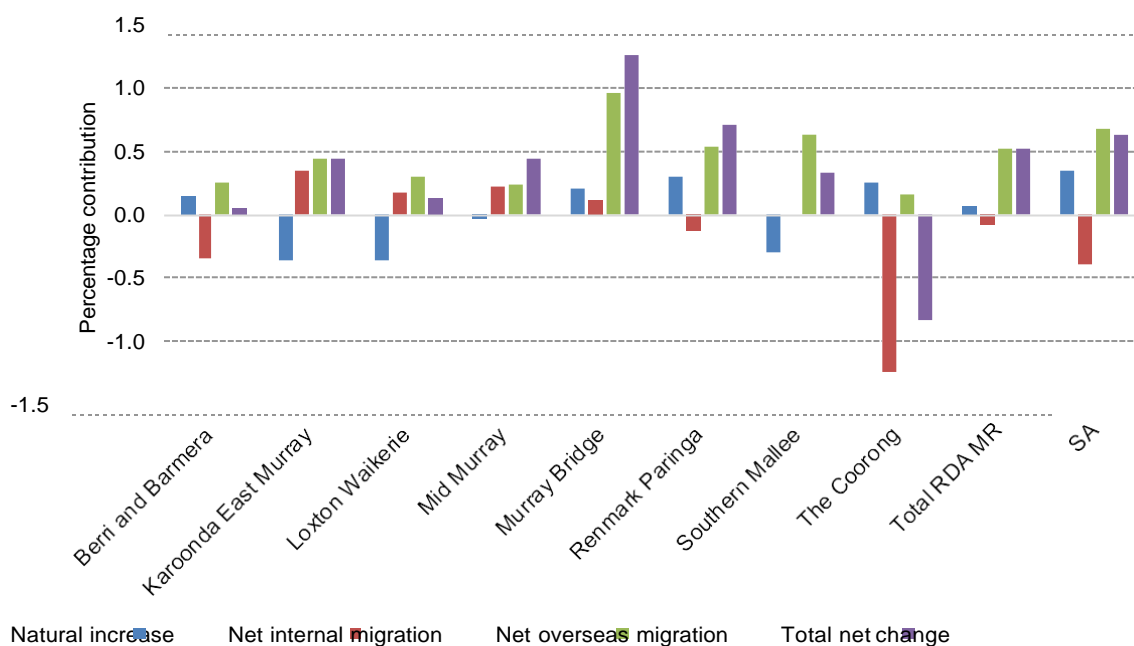
Source: ABS, Regional Population Growth (Cat. No. 3218.0).

6.3   Employment by industry and occupation, and labour force

Data from the last census paints a mixed picture of labour market conditions at the time. The region had an unemployment rate of 6.7 per cent in 2016, which was 0.8 percentage points below the state unemployment rate. However, both the labour force participation rate (54 per cent) and employment to working age population ratio (50 per cent) were noticeably lower than the corresponding state figures – Table 6.5. While an older population age structure would partly account for lower engagement with the labour market, it may also point to a hollowing out of the working age population due to earlier migration outflows (which would depress unemployment), which may manifest in a current lack of labour force in the region.

Table 6.5   Labour Force Characteristics – RDA Murraylands and Riverland

	RDAMR	South Australia
Employment status as % total employed		
Employed: worked full-time	59.1	58.3
Employed: worked part-time	35.0	36.2
Employed: away from work	5.9	5.4
Employed: total	100.0	100.0
Unemployment rate (%)	6.7	7.5
Labour force participation rate (%)	53.7	58.3
Employment to working age population ratio (%)	50.0	53.9

Source: ABS, 2016 Census of Population and Housing, TableBuilder.

All regions within the RDAMR had a relatively lower unemployment rate compared with the state in 2016 with the notable exception of Murray Bridge (8.7 per cent). The lowest unemployment rates were recorded in Southern Mallee (3.8 per cent), the Coorong (4.7 per cent) and Loxton Waikerie (4.7 per cent). However, employment levels for these regions actually fell during the last intercensal period, which emphasises that unemployment rates are not a perfect indicator of labour market health.

Primary production is the core economic driver within the region with a diverse range of produce being produced including fruit and nuts, vegetables, wine grapes and animal products. Agriculture, forestry and fishing is consequently the largest employing sector in the region, accounting for 19 per cent of all jobs in 2016 – the highest of any RDA region in South Australia. The other largest employing sectors in 2016 were healthcare and social assistance (12 per cent), retail trade (11 per cent) and manufacturing (9 per cent) – see Table 6.6.

Due to the presence of various food and beverage value-adding activities associated with primary production in the region, employment in manufacturing was slightly higher for the region compared to the state in 2016 (9.2 per cent versus 8.0 per cent). On the other hand, the region had relatively lower employment in key services sectors such as healthcare and social assistance, public administration and safety, and education and training – see Figure 6.2.

Table 6.6   Employed Persons by Industry – RDA Murraylands and Riverland

	Share of total employment (%)		Change: 2006 to 2016	
	2006	2016	Per cent	Persons
Agriculture, Forestry & Fishing	21.7	18.9	-14.5	-924
Mining	0.4	1.0	170.2	177
Manufacturing	12.6	9.2	-28.3	-1,043
Electricity, Gas, Water and Waste Services	1.1	1.2	4.0	13
Construction	5.2	6.3	19.8	301
Wholesale Trade	3.4	3.5	1.7	17
Retail Trade	11.2	10.6	-6.5	-212
Accommodation & Food Services	5.4	5.9	7.8	123
Transport, Postal & Warehousing	4.3	4.3	-2.4	-30
Information Media & Telecommunications	0.9	0.7	-26.4	-70
Financial & Insurance Services	1.3	1.2	-14.2	-56
Rental, Hiring & Real Estate Services	1.0	0.8	-21.5	-62
Professional, Scientific & Technical Services	1.8	2.1	17.3	91
Administrative & Support Services	3.9	3.9	-2.5	-28
Public Administration & Safety	4.4	4.7	6.3	80
Education & Training	5.7	6.5	10.9	183
Health Care & Social Assistance	9.6	11.6	19.5	547
Arts & Recreation Services	0.5	0.7	27.7	43
Other Services	3.3	3.5	5.4	52
Inadequately described / not stated	2.4	3.6	47.0	331
Total	100.0	100.0	-1.6	-467

Source: ABS, Census of Population and Housing, TableBuilder.

Even though agriculture is a primary economic driver in the region, employment in the sector has declined over time in response to trends such as improvements in labour productivity and increasing capital intensity. Between 2006 and 2016, total employment in agriculture, forestry and fishing fell by 15 per cent or approximately 900 persons. The region has also experienced a large decline in manufacturing employment (down 28 per cent), although not to the same degree that has occurred across South Australia as a whole (down 33 per cent). There have also been job losses in service industries such as retail trade, financial and insurance services, information media and telecommunications, and rental, hiring and real estate services, which is a pattern generally shared with South Australia, although the declines for the region have been relatively larger. Meanwhile, ageing of the population and increasing demand for aged care services contributed to a strong rise in employment in health care and social assistance over the same period (up 20 per cent). Other sectors that have enjoyed relatively strong employment growth include construction (301 persons), education and training (183 persons) and mining (177 persons).

Due to the importance of primary production and associated value-adding activities to local employment, a relatively larger share of the RDAMR's workforce compared to the South Australian workforce are employed as managers (which includes farmers), labourers and machinery operators and drivers – Figure 6.3. On the other hand, the RDAMR has significantly lower employment among professionals, which could point toward potential skill shortages across key high skilled occupations.

Figure 6.2   Employment Persons by Industry – RDA Murraylands and Riverland and SA
Per cent of total employment, 2016
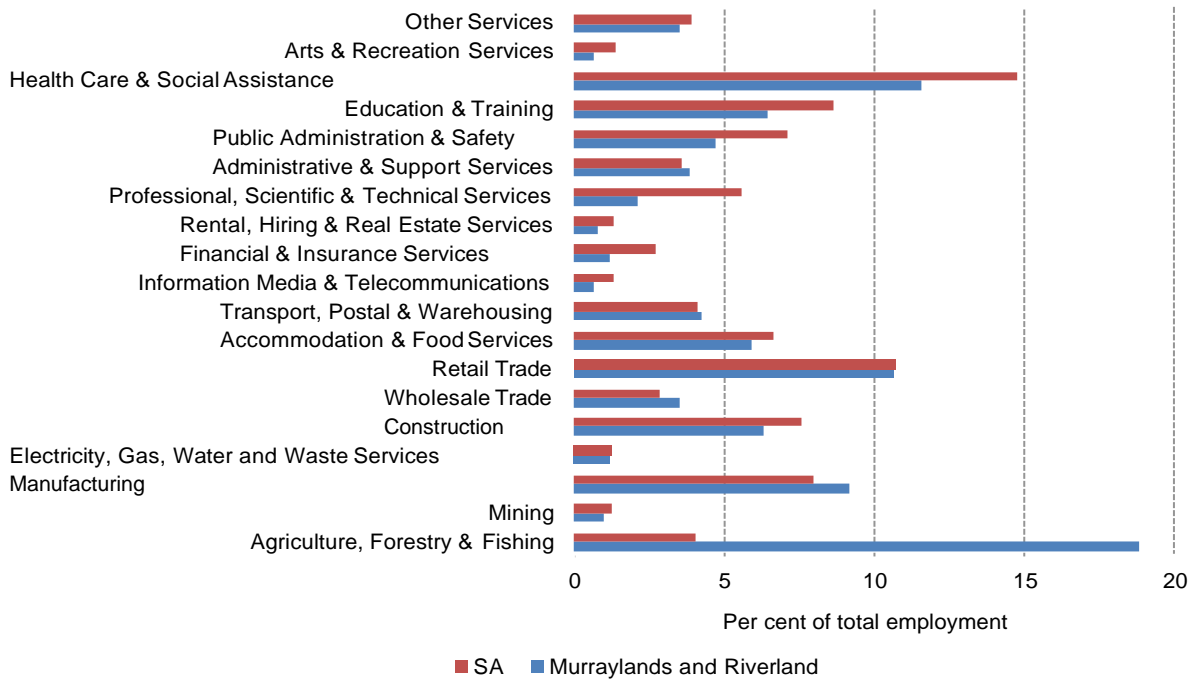
Source: ABS, Census of Population and Housing, TableBuilder.

Figure 6.3   Employment Persons by Occupation – RDA Murraylands and Riverland and SA
Per cent of total employment, 2016
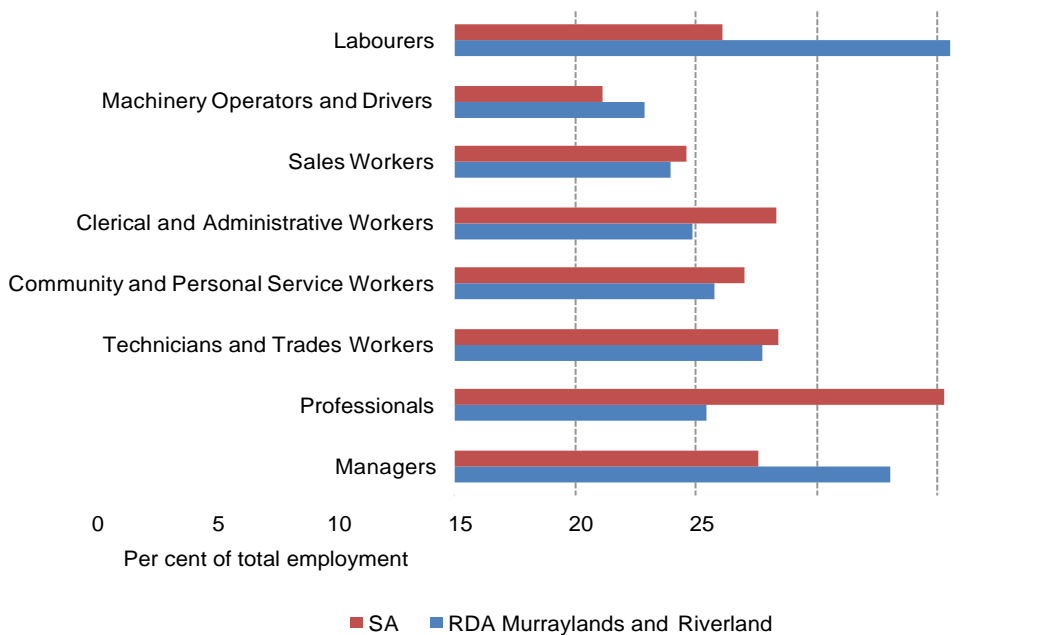
Source: ABS, Census of Population and Housing, TableBuilder.

6.4   Key challenges and opportunities

Key population and workforce issues for the region were identified based on the latest strategic plan and related strategic and workforce development reports for the region, and feedback provided by RDA Murraylands and Riverland through the strategic population policy questionnaire.

General population and workforce issues

RDAMR (pers. comm.) advised that the region has good prospects with significant levels of capital investment planned or underway across various industries that will increase demand for employees with various skill sets,

qualifications and experience levels. In a broader environment of elevated unemployment but limited local availability of suitable labour, this creates opportunities for relocation and new settlement to the region.

Existing workforce constraints are considered to be a significant barrier to growth. The Murraylands Food Alliance (MFA) – a collective of the largest food producers in the Murraylands – has identified the difficulty of sourcing a reliable and sustainable workforce as a key barrier to meeting expectations of significant business growth. While various strategies and programs have been implemented to address workforce needs they "continue to fail to attract sufficient local workers" (Strategon 2016, p.3). Meanwhile, a survey of employers in the broader region found that 60 per cent reported moderate to very serious difficulty in recruiting staff (RDAMR 2016).

A lack of skills, motivation and other complex social issues (e.g. drug and alcohol abuse) are commonly identified as factors preventing the attraction and retention of local people. As a consequence, local businesses typically turn to foreign workers, typically on 457 Visas (now replaced by the Temporary Skill Shortage visa), to meet their labour needs. However, this in turn raises retention issues due to visa conditions (Strategon 2016, p.3). Nonetheless, the Murraylands, and specifically Murray Bridge, provides a successful example of a region meeting its workforce needs by targeting overseas migrants, in this case through 457 visas.

There is a recognition that addressing workforce issues requires a holistic strategy, involving collaboration across industry, government, education and the community (Strategon 2016). Local stakeholders such as the MFA collaborate with the state and federal government and provide feedback on proposed changes as well as proposing new Visa policies and arrangements. Given the relative importance of foreign workers, changes in Federal Government policies can have a serious impact on local businesses as the controversy over changes to taxation arrangements for backpackers in 2016 showed.

Furthermore, recent changes to visa arrangements reduce temporary skilled migration as a potential source of population gain. The new Temporary Skill Shortage (482) visa offers reduced pathways to permanent residency compared to the former 457 visa, with those on the short-term stream not able to transition to permanent residency, while those on the medium-term stream may be able to apply.

Specific occupations and skills which are difficult to source in the region include crop workers and meat and poultry workers (which are currently met by foreign workers); skilled labour such as managers and supervisors, marketing and business development personnel; sales persons; small goods packers; and maintenance personnel (Strategon 2016). The remote nature of the region and shallow labour market are generally considered to be barriers to meeting labour needs.

Strategic issues and constraints

Beyond existing workforce constraints, RDAMR has identified various infrastructure and policy issues which pose significant barriers to meeting regional strategic population objectives. These constraints include:

- "Transport – minimal public transport options in region.
- Education – minimal tertiary education pathway in region that allows integrated learning approach, retaining the students in region and increasing completion rate.
- Reduction of community services seen in regional and remote locations based on reducing population i.e. Health and Ageing.
- Minimal incentives to relocate and live in regional SA.
- Communication and Connectivity – Mobile black spots remain a constraint for regional and remote businesses in attracting workforce and settlement." (RDAMR pers. comm. 2018)

Maintaining and attracting skills and people

RDAMR engages in a range of activities to maintain and attract skills and people in order to facilitate economic development of the region and overcome other regional barriers. RDAMR engages with business and industry and undertakes workforce planning to identify workforce needs; delivers pre-employment training programs; facilitates information sharing across government and businesses to promote new and existing programs and provide feedback on policy; connects businesses to Business Migrants; and collaborates with organisation that support the migrant workforce such as the Australian Migrant Resource Centre.

The Murraylands and Riverland was recently selected as a Regional Employment Trails region by the Australian Government Department of Jobs and Small Business. This trial program provides more intensive support to disadvantaged regions through the provision of an Employment Facilitator and grants to local stakeholders for employment related projects. Working with RDA committees, the Employment Facilitators will enable local stakeholders such as local government, employers, training providers, community organisations etc., to address employment issues. It is anticipated that the trial will deliver:

- "Stronger connections between regional stakeholders, including employment service providers;

- Tailored employment initiatives that meet local needs;
- Improved awareness of local labour markets;
- The potential for improved regional employment outcomes" (DJSB 2018).

A number of strategies and proposals have been identified that could be implemented to increase population growth through overseas and internal migration and through retention of the existing population. These strategies as advised by RDAMR include:

- establishing Murray Bridge as a Settlement Area in recognition of its success to date in terms of embracing new migrants and anticipated substantial future workforce requirements;
- establishing the Murraylands and Riverland region as a Designated Area Migration Agreement (DAMA) in a similar vein to the existing Northern Territory DAMA. The latter allows employers to sponsor skilled and semi-skilled overseas workers in areas of skills and labour shortage by providing less restrictive criteria for Temporary Skill Shortage visa (Subclass 482);
- the creation of an Agricultural Visa that recognises the workforce issues specific to the industry;
- increasing the provision of migrant and settlement support services (the Australian Migrant Resource Centre currently only operates 2 day per week);
- provide incentives to migrants currently living in Australia to relocate to regional areas (we note the recently released Northern Territory Population Growth Strategy includes financial incentives in the form of subsidising relocation costs, a one-off local spending benefit after 6 months of local residence, and a retention bonus after 5 years of local residence)[4];
- recognise regional South Australia as a potential location for the decentralisation of government agencies and departments; and
- activate a region Study Hub that provides a pathway for young people to complete post-secondary school education while remaining in the region, improve participation and completion in further education.

On this last point, the Rural City of Murray Bridge recently received funding support from the Australian Government to establish a Regional Study Hub at Murray Bridge.

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[4]   Northern Territory Government (2018), *2018-28 Northern Territory Population Growth Strategy.*

7. RDA Whyalla and Eyre Peninsula

Key points

Demographic profile
- Population characterised by growing proportion of older people and net out-migration of young people.
- The region has a relatively high share of children aged less than 15 years, mainly due to the sizable Indigenous population in the region which is relatively younger.
- An older age structure across the working age population with a lower share of persons aged in the prime ages of 15 to 44 years, and higher share aged 45 to 64 years compared to the state.

Population change and compositional change
- A very slow growing population with a majority of councils experiencing a loss of population over the past decade, with population growth concentrated in the southern coastal regions of Eyre Peninsula.
- Significant loss of population in Whyalla in the two years to 2017 due to the earlier downsizing and then near closure of Whyalla steelworks in 2016.
- Substantial net out migration from the region in 2016-17, only partially offset by a relatively strong contribution from natural increase and relatively small contribution from net overseas migration.

Employment change and composition
- The top four employing industries in 2016 were agriculture, forestry and fishing, healthcare and social assistance, retail trade, and education and training, with higher proportion of the workforce employed as managers and technicians and trade workers.
- Relatively high unemployment rate in Whyalla, relatively low unemployment rates elsewhere, but no improvement in employment levels over the past decade for the region overall.

Migration issues
- Current and potential mining, industrial and energy developments have substantial future workforce needs and the potential to stimulate employment and population, but an ageing population leading to increasing retirement and net out-migration means the region is not well placed to meet future workforce needs, making recruitment from outside the region necessary.
- RDA recognises healthcare and social assistance including roll-out of NDIS are future growth sectors with significant employment needs, but attraction and retention is a major factor for this sector.
- Requires improvements in infrastructure to unlock economic development potential, especially power, but also transport, internet and water supply.
- Various strategies have been identified to help meet future workforce needs, including training and upskilling unemployed and disadvantaged people; strengthening school-to-career pathways; attracting skilled and experienced workers from overseas, interstate and elsewhere in South Australia; and improving local amenity and liveability.

7.1 Region at a glance

The Regional Development Australia Whyalla and Eyre Peninsula (RDAWEP) region covers an area of more than 235,000 square kilometres located in the far west of South Australia. Starting from an easterly point in the City of Whyalla, the region stretches westward across the Eyre Peninsula all the way to the Western Australian border, and takes in the Maralinga Tjarutja Lands north of the Trans Australian Railway Line. The RDA comprises twelve local government areas, including:

- City of Whyalla;
- City of Port Lincoln;
- District Council of Ceduna;
- District Council of Cleve;
- District Council of Elliston;
- District Council of Franklin Harbour;
- District Council of Kimba;
- District Council of Lower Eyre Peninsula;
- District Council of Streaky Bay;
- District Council of Tumby Bay;
- District Council of Wudinna; and
- Maralinga Tjarutja Aboriginal Council.

7.2   Population size, change and composition

Population size and density

RDAWEP has a resident population of 58,072 people which is equal to 3.4 per cent of South Australia's population – Table 7.1. The region has a very low population density of less than one person per km^2. However, a large share of the region's population is concentrated in the cities of Whyalla (38 per cent) and Port Lincoln (25 per cent).

Table 7.1   Key Population Metrics – RDA Whyalla and Eyre Peninsula

Demographics	RDA WEP	South Australia
Total population, persons (2017)[(a)]	58,072	1,723,671
Population as a percentage of state population (2017)	3.4	100.0
Annual average population growth rate, 10 years to 2017, per cent	0.2	0.9
Population density, persons per km^2 (2017)	0.4	1.8
Proportion by gender (2016):		
Males	50.4	49.5
Females	49.6	50.5

Note: (a) Total region estimates based on Statistical Area Level 3: Eyre Peninsula and South West, and therefore includes unincorporated areas.
Source: ABS, Regional Population Growth (Cat. No. 3218.0) and Population by Age and Sex, Regions of Australia, 2016 (cat. no. 3235.0).

Population change

The region has experienced relatively sluggish population growth. Over the decade of 2017, the population of the region grew at an average rate of just 0.2 per cent per annum compared to an average growth rate of 0.9 per cent for South Australia.

Between 2007 and 2017 the total estimated resident population in RDAWEP rose by just 2.2 per cent, which is 7.5 percentage points less than recorded by South Australia's population over this period – Table 7.2. A majority of councils in the region (7 of 12) experienced a loss of population over the decade, although not consistently throughout this period. The largest declines in aggregate terms over the last 10 years occurred in Whyalla (-158 persons), Cleve (-150 persons), Ceduna (-144 persons) and Elliston (-96 persons).

Table 7.2   Population Growth – RDA Whyalla and Eyre Peninsula

Council / Region	Persons at 30 June			Change (per cent)		
	2007	2012	2017	2007-2012	2012-2017	2007-2017
Ceduna	3,693	3,594	3,549	-2.7	-1.3	-3.9
Cleve	1,970	1,806	1,820	-8.3	0.8	-7.6
Elliston	1,150	1,066	1,054	-7.3	-1.1	-8.3
Franklin Harbour	1,252	1,281	1,322	2.3	3.2	5.6
Kimba	1,135	1,109	1,074	-2.3	-3.2	-5.4
Lower Eyre Peninsula	4,619	5,186	5,721	12.3	10.3	23.9
Maralinga Tjarutja	98	78	61	-20.4	-21.8	-37.8
Port Lincoln	14,144	14,495	14,592	2.5	0.7	3.2
Streaky Bay	2,100	2,170	2,181	3.3	0.5	3.9
Tumby Bay	2,610	2,626	2,688	0.6	2.4	3.0
Whyalla	22,165	22,617	22,007	2.0	-2.7	-0.7
Wudinna	1,321	1,271	1,292	-3.8	1.7	-2.2
Total RDA WEP[(a)]	56,799	57,985	58,072	2.1	0.2	2.2
South Australia	1,570,619	1,656,725	1,723,671	5.5	4.0	9.7

Note: (a) Total region estimates based on Statistical Area Level 3: Eyre Peninsula and South West, and therefore includes unincorporated areas.
Source: ABS, Regional Population Growth (Cat. No. 3218.0)

Population losses for the major industrial City of Whyalla have been concentrated in the last two years with the region losing 663 people over the two years to 30 June 2017. This major downturn can be directly attributed to the negative impacts associated with earlier downsizing and then near closure of the Whyalla steelworks in early 2016, which is by far the largest employer in the region. The subsequent acquisition of the steelworks by the GFG Alliance and its plans to restructure the business, which includes undertaking major associated investments, should help to mitigate and even potentially reverse these population trends.

Population growth in RDAWEP over the past decade has been concentrated in the southern coastal areas of Eyre Peninsula. The largest aggregated rises over this period were recorded in Lower Eyre Peninsula (1,102 persons) and Port Lincoln (448 persons). Relatively large gains in the former may partly reflect spill-over of development from Port Lincoln into the surrounding districts. Meanwhile, modest population gains have been recorded over the past 10 years in the coastal Eyre Peninsula districts of Franklin Harbour, Streaky Bay and

Tumby Bay, whereas populations in inner regional Eyre Peninsula districts such as Kimba and Wudinna have declined (although population of the latter has stabilised over recent years).

Age profile

The RDAWEP region has a relatively high share of children: 20 per cent of the region's population in 2016 was aged less than 15 years compared with 18 per cent of the state population – Table 7.3. This is in large part due to the relatively large share of Indigenous persons within the region. Over a third of the Aboriginal and Torres Strait Island population in the region was aged under 15 years in 2016 compared to 18 per cent of the non-indigenous population (ABS 2017a). At the other end of the age spectrum, the percentage of the entire population who were 65 years and over in 2016 was in line with state figure of almost 18 per cent.

The region does have a relatively older age structure across the working age population. Compared to the state age profile, the region has a lower share of persons aged in the prime ages of 15 to 44 years, and a relatively larger share in the mature age working years of 45 to 64 years. The lower share of younger adults reflects the tendency of regional students to migrate to Adelaide for tertiary education, and then pursue career opportunities in the city of elsewhere. Meanwhile, the region's population has also been ageing at a faster rate. The proportion of the regions' population aged over 65 years rose by 3.7 percentage points between 2006 and 2016, which compares with a 2.6 percentage point rise for South Australia.

There are some noticeable age profile differences across the regions. The share of the population aged over 65 years was particularly high in Tumby Bay (28 per cent) and Franklin Harbour (26 per cent) in 2016, while the share of the population aged less than 15 years was relatively high in Kimba (24 per cent) and Wudinna (22 per cent). Nonetheless, most regions have relatively lower representation among prime working ages and higher representation among mature working ages compared to the state age profile.

Table 7.3   Population Age Profile – RDA Whyalla and Eyre Peninsula[(a)]
Age group as proportion of total population

	RDAWEP			South Australia		
	2006	**2011**	**2016**	**2006**	**2011**	**2016**
0-14 years	21.4	20.2	19.9	18.3	17.7	17.8
15-24 years	12.3	12.4	11.3	13.5	13.5	12.8
25-34 years	12.1	11.8	12.3	12.7	13.1	13.5
35-44 years	14.7	13.5	11.6	14.5	13.5	12.4
45-54 years	14.1	14.4	13.9	14.2	14.0	13.3
55-64 years	11.6	12.2	13.4	11.6	12.3	12.5
65 years and over	13.9	15.5	17.6	15.1	16.0	17.7
Total	100.0	100.0	100.0	100.0	100.0	100.0

Note: (a) Total region estimates based on Statistical Area Level 3: Eyre Peninsula and South West, and therefore includes unincorporated areas.
Source: ABS, Population by Age, Sex Regions of Australia, 2016 (Cat. No. 3235.0)

Sources of population change in 2016-17

Latest annual population estimates reveal that the RDAWEP region has suffered relatively large net migration outflows – see Figure 7.1 and Table 7.4. In the year to 30 June 2017, net internal migration outflows reduced the region's population by 1.2 per cent, which is a significantly larger loss than experienced by the state due to net interstate migration outflows (-0.4 percentage points). Population loss due to internal migration was particularly severe for Whyalla (-2.7 ppts) due to the earlier downsizing and then near closure of the Whyalla steelworks. Other regions have also experienced large population losses via internal migration over the last year, including Kimba (-1.8 ppts), Elliston (-1.7 ppts), Maralinga Tjarutja (-1.6 ppts) and Ceduna (-1.4 ppts). However, some regions did experience positive internal migration inflows, including Lower Eyre Peninsula, Tumby Bay, Wudinna and Streaky Bay.

With the exception of Maralinga Tjarutja, net overseas migration made a positive contribution to growing the population of all other regions in the RDAWEP in the year to 30 June 2017. However, the contribution from net overseas migration was much lower across all regions relative to the broader state experience, which reflects that overseas migrants predominantly settle in the metropolitan area. In fact, most regions only gained between 1 and 3 people through net overseas migration.

Some regions experienced relatively high gains in population from natural increase in 2016-17, including Kimba (0.8 percentage points), Ceduna (0.8 percentage points) and Port Lincoln (0.6 percentage points).

Table 7.4 **Components of Population Change – RDA Whyalla and Eyre Peninsula[a]**
Change in persons, 2016 to 2017 (30 June)

Council / Region	Natural increase	Net internal migration	Net overseas migration	Total net change
Ceduna	27	-50	6	-17
Cleve	5	-2	1	4
Elliston	0	-18	2	-16
Franklin Harbour	-3	-10	1	-12
Kimba	9	-19	1	-9
Lower Eyre Peninsula	26	25	9	60
Maralinga Tjarutja	0	-1	0	-1
Port Lincoln	85	-46	30	69
Streaky Bay	8	2	3	13
Tumby Bay	-3	13	3	13
Whyalla	73	-616	39	-504
Wudinna	4	7	2	13
Total RDAWEP	231	-715	97	-387
South Australia	5,938	-6,778	11,668	10,828

Note: (a) RDAWEP region total based on total for the 12 local government areas.
Source: ABS, Regional Population Growth (Cat. No. 3218.0).

Figure 7.1 **Component Contribution to Total Population Growth – RDA Whyalla and Eyre Peninsula[a]**
Component change (2016 to 2017) as proportion of 2016 total population
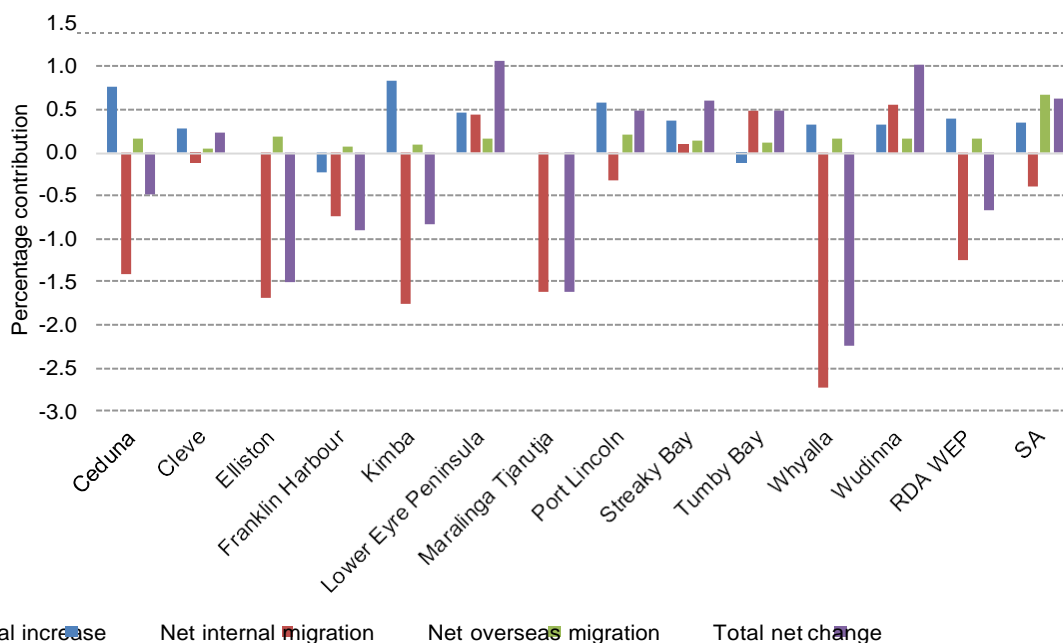
Note: (a) RDAWEP region total based on total for the 12 local government areas.
Source: ABS, Regional Population Growth (Cat. No. 3218.0)

7.3   Employment by industry and occupation, and labour force

On the surface, data from the most recent census suggests labour market conditions in RDAWEP were not too dissimilar to the state. In 2016 the region had an unemployment rate of 7.7 per cent, which was only 0.2 percentage points higher than the state unemployment rate of 7.5 per cent – Table 7.5. An equivalent percentage of employed persons were employed on a full-time basis in 2016 compared to the state's employed workforce (58 per cent respectively). However, both the labour force participation rate and employment to working age population ratio were lower for the region than the corresponding state figures, which can be partly attributed to the relatively larger youth dependent population in the region.

The overall region labour market figures hide some areas of weakness. In particular, Whyalla had a very high unemployment rate in 2016 (12.4 per cent). Unemployment rates in all others council areas were lower compared to the state average. However, these low unemployment rates exaggerate the strength of local labour market conditions in some regions given they have been held down by people leaving the region in response to a lack of new job formation. For instance, census data indicates that total employment levels in RDAWEP fell slightly (by 0.4 per cent) between 2006 and 2016 (ABS 2017a).

Table 7.5   Labour Force Characteristics – RDA Whyalla and Eyre Peninsula

	RDAWEP	South Australia
Employment status as % total employed		
Employed: worked full-time	58.2	58.3
Employed: worked part-time	35.2	36.2
Employed: away from work	6.6	5.4
Employed: total	100.0	100.0
Unemployment rate (%)	7.7	7.5
Labour force participation rate (%)	56.7	58.3
Employment to working age population ratio (%)	52.4	53.9

Source: ABS, 2016 Census of Population and Housing, TableBuilder.

Primary industries, such as agriculture and to a lesser degree aquaculture and fishing, are key economic drivers across the region. As such, agriculture, forestry and fishing was the largest employing sector in 2016 (14 per cent of total employment) – see Table 7.6 and Figure 7.2. Other major employing sectors included healthcare and social assistance (12 per cent), retail trade (11 per cent), education and training (8.4 per cent), and manufacturing (8.2 per cent), which is consistent with the overall South Australian pattern. Apart from agriculture, the other noticeable area where RDAWEP has a relatively higher share of employment compared to the state profile is in respect of mining (4.8 per cent c.f. 1.2 per cent).

Even though agriculture is a primary economic driver, employment in agri-businesses has declined over time in response to the consolidation of farming properties, adoption of labour saving technologies and smarter management practices (RDWEP 2018). Between 2006 and 2016, total employment in agriculture, forestry and fishing fell by more than 16 per cent. The region has also experienced a large decline in manufacturing employment (down 31 per cent) that is consistent with the South Australian experience over this period (down 33 per cent). There have also be job losses in service industries such as retail trade, financial and insurance services, information media and telecommunications, and rental, hiring and real estate services. On the other hand, high levels of resource exploration activity contributed to a large rise in mining employment over the decade to 2016 (up 124 per cent). The ageing of the regional population and increasing demand for aged care services contributed to a strong rise in employment in health care and social assistance over the same period (up 14 per cent). Other sectors that have enjoyed relatively strong employment growth include accommodation and food services (11 per cent), public administration and safety (7.8 per cent), and electricity, gas, water and waste services (33 per cent).

Table 7.6   Employed Persons by Industry – RDA Whyalla and Eyre Peninsula

	Share of total employment (%)		Change: 2006 to 2016	
	2006	2016	Per cent	Persons
Agriculture, Forestry & Fishing	16.2	13.7	-16.1	-625
Mining	2.1	4.8	123.8	635
Manufacturing	11.8	8.2	-30.5	-863
Electricity, Gas, Water and Waste Services	0.8	1.1	33.3	67
Construction	6.8	6.8	-0.1	-1
Wholesale Trade	2.5	2.7	7.7	47
Retail Trade	11.5	10.5	-8.8	-243
Accommodation & Food Services	5.8	6.5	11.3	157
Transport, Postal & Warehousing	4.0	4.2	4.5	43
Information Media & Telecommunications	0.6	0.4	-32.2	-49
Financial & Insurance Services	1.6	1.3	-19.5	-74
Rental, Hiring & Real Estate Services	1.1	1.0	-12.9	-34
Professional, Scientific & Technical Services	2.5	2.5	-0.3	-2
Administrative & Support Services	2.8	2.9	3.8	25
Public Administration & Safety	4.5	4.9	7.8	84
Education & Training	8.1	8.4	3.3	65
Health Care & Social Assistance	10.7	12.3	14.3	366
Arts & Recreation Services	0.5	0.7	47.0	55
Other Services	3.5	3.7	4.9	42
Inadequately described / not stated	2.5	3.3	32.2	194
Total	100.0	100.0	-0.4	-107

Source: ABS, Census of Population and Housing, TableBuilder.

The largest employing occupations in RDAWEP in 2016 were managers and technicians and trades workers – Figure 7.3. This was followed closely by professionals and labourers. Owing to the relative importance of primary industries such as agriculture and mining and associated manufacturing activities, a large share of the workforce are employment in occupations such as managers (i.e. farm managers), technicians and trades workers, machinery operators and drivers, and labourers compared to the state overall.

Figure 7.2   Employment Persons by Industry – RDA Whyalla and Eyre Peninsula and SA
Per cent of total employment, 2016
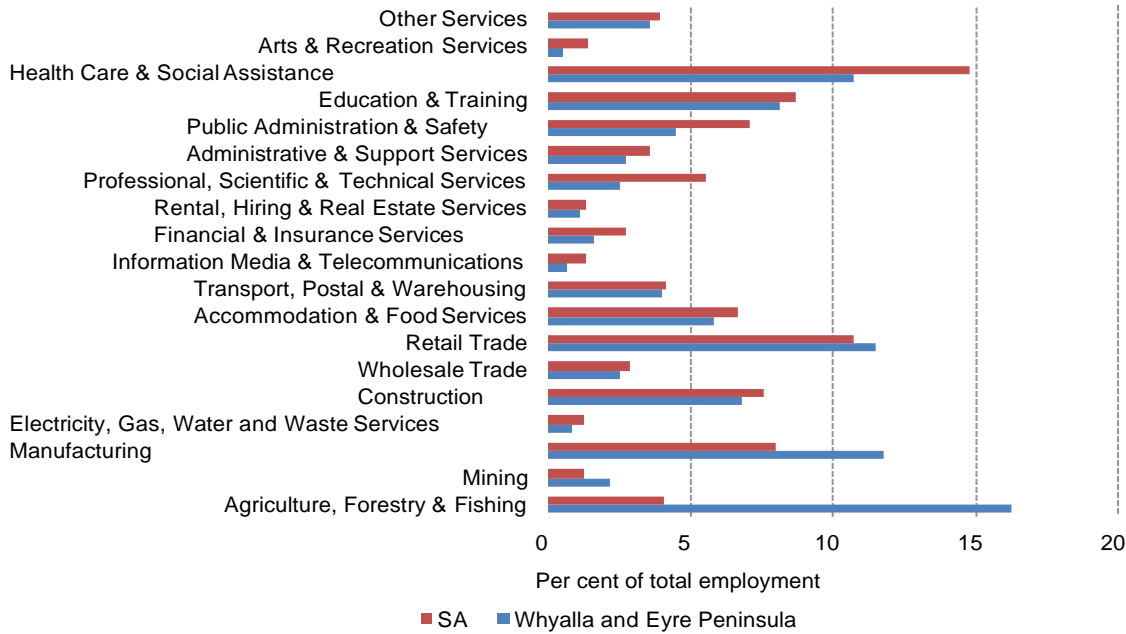
Source: ABS, Census of Population and Housing, TableBuilder.

Figure 7.3   Employment Persons by Occupation – RDA Whyalla and Eyre Peninsula and SA
Per cent of total employment, 2016
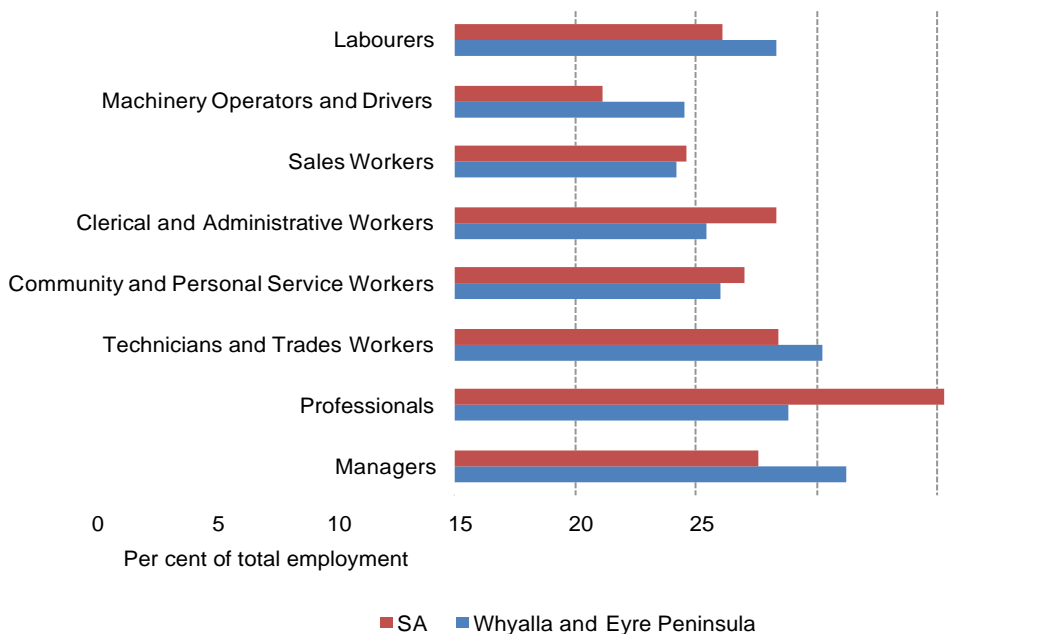
Source: ABS, 2016 Census of Population and Housing, TableBuilder.

7.4   Key challenges and opportunities

The latest regional plan and documents relating to the economic profile and workforce challenges for the Whyalla and Eyre Peninsula region were reviewed to identify key workforce and population issues for the region.

General population and workforce issues

RDAWEP (2014) acknowledges that achieving population growth is one of the key factors required to secure the economic sustainability of the region. The region's small population currently contributes to a lack of economies of scale that makes it difficult to sustain business growth. There are a range of large scale developments at various stages of planning and implementation that have the potential to stimulate economic

and population growth in the region. These include, but are not limited to, mining prospects such as the Iron Road – Central Eyre Iron Project and associated deep-sea port development at Cape Hardy, upgrade and expansion of the Whyalla steelworks and associated energy projects (e.g. Cultana solar project). If fully implemented, these projects will substantially increase workforce requirements within the region over coming years (i.e. in the order of one-fifth of the existing workforce). However, given an ageing population which will lead to increasing retirement and migration of young people to Adelaide, the region currently does not have the population to provide the desired skilled and experienced workforce to sustain these developments. Hence recruitment from outside the region is considered a necessity.

Although the health care and social assistance sector is a large employing sector and expected to grow strongly in the future due to an ageing population, it faces major workforce attraction and retention issues. The existing workforce is itself ageing rapidly and existing providers face recruitment and retention challenges given issues such as relatively lower pay and formal qualifications needs. Ongoing training is a necessity for aged care service providers and a need for aged care training in the region's smaller townships has been previously identified (RDAWEP 2014). Meanwhile, rollout of the National Disability Insurance Scheme is now a key driver in terms of attracting allied health professionals

Strategic issues and constraints

Beyond meeting future workforce requirements, "inadequate, ageing and failing infrastructure" in the region has been identified as a significant structural barrier to facilitating the region's economic development. Specific infrastructure constraints and requirements that have been identified by RDAWEP (2018) include:

- Replacing outdated power transmission infrastructure and consider options to achieve a reliable power source (e.g. investigation of renewable energy solutions, including solar and pumped hydro).
- Overhauling and substantially upgrading Eyre Peninsula's isolated narrow gauge railway system, preferably with standard gauge replacement.
- Improving the operational capability of the Thevenard, Port Lincoln and Whyalla Ports, including facilitating construction of a new deep-sea port facility to deliver strategic provision of container infrastructure.
- Resolving mobile and Internet communication blackspots and poor service connectivity, which are constraining community functioning, business development and workforce attraction.
- Providing an abundant long-term and sustainable supply of quality water to support population growth and new business initiatives.

Energy supply and reliability present significant constraints to those large scale mining and industrial developments currently being considered in the region.

Maintaining and attracting skills and people

Several regional labour sources have been identified (as part of a workforce recruitment strategy) to help meet the future substantial workforce requirements associated with potential mining and industrial developments. These sources include:

- training and upskilling unemployed people, including vulnerable and disadvantaged people such as long-term unemployed and Aboriginal people, to improve future workforce participation;
- training school leavers for employment in positions needed by industry to strengthen school-to-career pathways and reduce the migration of young people from the region;
- utilising skilled and experienced workers migrating from overseas, interstate, greater metropolitan Adelaide and other SA Regions to RDAWEP; and
- in order to support the latter strategy by encouraging people to relocate to the region, RDAWEP has planned a Regional Prospectus that can be used as a marketing tool to promote the benefits of living and working in the region. (RDAWEP undated).

RDAWEP recognises that attracting people forms only one side of a successful workforce recruitment strategy, retaining people is also critical. Both retention and attraction are in turn influenced by amenity and liveability considerations. There is consequently a need to ensure that the "region's towns and communities have the housing, infrastructure, services and amenity to attract and retain workforce families" (RDAWEP undated).

While mining and industrial developments are seen as an opportunity to provide workforce attraction, fly-in fly-out or drive-in drive-outs are not preferred options due to their detrimental impacts on local regional communities (RDAWEP 2014).

In terms of the trend of regional students moving to Adelaide to pursue tertiary education, one strategy that has been identified to mitigate this trend is to secure provision of better education facilities and greater course diversity within the region. Improved provision to undertake tertiary courses either locally or online would help to raise tertiary education participation rates that are currently low in comparison with the metropolitan population, and in turn reduce the need for young people to leave the region (RDAWEP 2018a).

Like many regional areas, RDAWEP currently suffers from a lack of seasonal and short-term workers in industries such as agriculture. One approach that is currently being tried to meet these employment needs is to provide unemployed and underemployed people with the skills sought by the agricultural sector. For example, a successful Jobs First Employment Projects application was made in conjunction with the agriculture sector to deliver the formal training and assistance specifically required by the sector (RDAWEP 2018a).

8.   RDA Yorke and Mid North

Key points

Demographic profile
- A substantially larger aged dependent population relative to the state population that is also ageing more rapidly.
- The older age structure extends to the working age population with a relatively lower share of persons aged in the prime ages of 15 to 44 years and larger share aged 45 to 64 years.

Population change and compositional change
- Population has been growing at a slow rate with a majority of councils experiencing a fall in population over the decade to 2017. Population growth has been concentrated in the southern parts of the region, especially Copper Coast and Clare and Gilbert Valleys.
- Due to the relatively older age structure of the population natural decrease (i.e. more deaths than births) detracted from population growth in 2016-17.
- In contrast to the broader state experience, net internal migration made a positive though small contribution to growing the region's population in 2016-17. Net overseas migration also made a positive contribution but at a much lower rate compared to the state as a whole.

Employment change and composition
- The top four employing industries in 2016 were agriculture, forestry and fishing, healthcare and social assistance, retail trade, and manufacturing with a higher proportion of the workforce working as managers, labourers and technicians and trade workers.
- Unemployment at the time of the 2016 census was around the state average, but relatively high in Peterborough, Port Pirie and Copper Coast, while employment levels fell during the last intercensal period.
- With a low skills equilibrium, the region needs to improve its human capital resources in order to take advantage of the opportunities emerging from energy projects, recovery in the resources sector, NDIS and tourism.

Migration issues
- In light of the demographic challenges facing the region, population strategies form core areas of focus of the current regional plan. Growing the residential and workforce population is considered vital to unlocking opportunities for employment, education and investment, while retaining and attracting younger people is also a key focus.
- Various actions have been identified to attract and retain infrastructure including, *inter alia*, ensuring adequate provision of social infrastructure, providing diverse employment opportunities, targeting new immigrants, promoting the region as a tree change lifestyle migration destination, and scholarship programs to encourage young people to return to the region.
- RDA has identified a need for more local tertiary options for young people and the Upper Spencer Gulf Community Tertiary Education Centre is being established with the first campus to open at Port Pirie.

8.1   The region

RDA Yorke and Mid North (RDAYMN) covers an area of approximately 34,900 square kilometres or 3.5 per cent of the State's land mass. Stretching from the Yorke Peninsula through to the state's mid north and Southern Flinders, the RDAYMN region is dominated by agricultural landscapes. The region has an extensive coastline spanning 800km from the Spencer Gulf on the west coast to Gulf of St Vincent in the east. The RDA comprises eleven coastal and inland local government areas, including:

- Barunga West Council;
- Clare and Gilbert Valleys Council;
- Copper Coast Council;
- Regional Council of Goyder;
- District Council of Mount Remarkable;
- Northern Areas Council;
- District Council of Orroroo/Carrieton;
- District Council of Peterborough;
- Port Pirie Regional Council;
- Wakefield Regional Council; and
- Yorke Peninsula Council.

8.2   Population size, change and composition

Population size and density

An estimated 76,843 people were residing in the RDAYMN on 30 June 2017, which is equivalent to 4.5 per cent of South Australia's population – Table 8.1. The region has a low population density of 2.2 person per km². The population is widely dispersed across the region, with the largest populations being found in Port Pirie (23 per cent), Copper Coast (19 per cent), Yorke Peninsula (15 per cent) and Clare and Gilbert Valleys (12 per cent).

RDAYMN had a perfect split between males and females in 2016.

Population change

The region's population has been growing at a sluggish rate equivalent to 0.4 percent per annum over the past decade, which compares with an annual average growth rate of 0.9 per cent for South Australia – Table 8.1.

Table 8.1   Key Population Metrics – RDA Yorke and Mid North

Demographics	RDA Yorke and Mid North	South Australia
Total population, persons (2017)	76,843	1,723,671
Population as a percentage of state population (2017)	4.5	100.0
Annual average population growth rate, 10 years to 2017, per cent	0.4	0.9
Population density, persons per km² (2017)	2.2	1.8
Proportion by gender (2016):		
Males	50.0	49.5
Females	50.0	50.5

Source: ABS, Regional Population Growth (Cat. No. 3218.0) and Population by Age and Sex, Regions of Australia, 2016 (cat. no. 3235.0).

Between 2007 and 2017 the total estimated resident population in RDAYMN grew by 4.6 per cent, which is 5.1 percentage points less than recorded by South Australia's population over this period – Table 8.2. A majority of councils in the region (7 of 11) experienced population decline over the decade. The largest declines in aggregate terms over this period occurred in Peterborough (-204 persons), Northern Areas (-148 persons) and Yorke Peninsula (-106 persons). Meanwhile, population in the major centre of Port Pirie has grown only marginally over the last 10 years (up 0.6 per cent / 108 persons).

Population growth has been concentrated in the southern parts of the region over the past decade. The population of the Copper Coast has grown quite strongly by regional and state standards (up 22 per cent / 2,610 persons). To the east, the Clare and Gilbert Valleys population has grown in line with the state population (up 10 per cent), while Wakefield has exhibited modest growth (5.5 per cent).

Table 8.2   Population Growth – RDA Yorke and Mid North

Council / Region	Persons at 30 June			Change (per cent)		
	2007	2012	2017	2007-2012	2012-2017	2007-2017
Barunga West	2,587	2,488	2,568	-3.8	3.2	-0.7
Clare and Gilbert Valleys	8,448	8,963	9,317	6.1	3.9	10.3
Copper Coast	12,042	13,466	14,652	11.8	8.8	21.7
Goyder	4,265	4,245	4,240	-0.5	-0.1	-0.6
Mount Remarkable	2,918	2,902	2,902	-0.5	0.0	-0.5
Northern Areas	4,755	4,590	4,607	-3.5	0.4	-3.1
Orroroo/Carrieton	958	894	896	-6.7	0.2	-6.5
Peterborough	1,925	1,740	1,721	-9.6	-1.1	-10.6
Port Pirie City and Dists..	17,610	17,714	17,718	0.6	0.0	0.6
Wakefield	6,559	6,778	6,919	3.3	2.1	5.5
Yorke Peninsula	11,409	11,231	11,303	-1.6	0.6	-0.9
Total RDA YMN	73,476	75,011	76,843	2.1	2.4	4.6
South Australia	1,570,619	1,656,725	1,723,671	5.5	4.0	9.7

Source: ABS, Regional Population Growth (Cat. No. 3218.0).

Age profile

The RDAYMN region has a significantly older age structure compared to the state population. Almost one quarter (24 per cent) of the region's population in 2016 was aged over 65 years compared to 18 per cent of the total state population. The region's population has also been ageing more rapidly. The proportion of the region's population aged over 65 years rose by 5 percentage points between 2006 and 2016, which compares with a
2.6 percentage point rise for South Australia.

The older age structure extends to the working age population. The region had a substantially lower share of persons aged in the prime ages of 15 to 44 years compared to the state in 2016 (29 per cent c.f. 39 per cent), and a relatively larger share in the mature age working years of 45 to 64 years (29 per cent c.f. 26 per cent).

While all of the council areas in the region have relatively older age structures, population ageing is particularly pronounced in Kingston (33 per cent aged over 65 years) and Robe (31 per cent). The populations of Port Pirie and Wakefield most closely mirror the age structure of the broader state population.

Table 8.3   Population Age Profile – RDA Yorke and Mid North
Age group as proportion of total population

	RDA Yorke and Mid North			South Australia		
	2006	2011	2016	2006	2011	2016
0-14 years	19.2	18.3	17.0	18.3	17.7	17.8
15-24 years	10.0	10.3	9.9	13.5	13.5	12.8
25-34 years	9.2	9.0	9.5	12.7	13.1	13.5
35-44 years	13.2	11.4	9.8	14.5	13.5	12.4
45-54 years	14.6	14.4	13.6	14.2	14.0	13.3
55-64 years	14.2	15.0	15.8	11.6	12.3	12.5
65 years and over	19.6	21.6	24.4	15.1	16.0	17.7
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: ABS, Population by Age and Sex, Regions of Australia, 2016 (Cat. No.3235.0).

Sources of population change in 2016-17

Due to the older age structure of the region's population natural increase (i.e. births less deaths) has actually been detracting from population growth in the region recently, which is significantly different to the South Australian experience. In the year to 30 June 2017, natural decrease subtracted 0.1 percentage points from overall population growth, whereas at the state level natural increase made a positive contribution of 0.3 percentage points. Negative contributions due to natural decrease were particularly large for Barunga West (-1.0 percentage points), Peterborough (-0.6 ppts), Yorke Peninsula (-0.5 ppts) and Orroroo-Carrieton (-0.3 ppts).

For the region overall, internal migration actually made a positive contribution to growing the region's population in the year to 30 June 2017 (0.2 percentage points) whereas for South Australia internal migration detracted from population growth (0.4 percentage points) – Figure 8.1. There were quite disparate experiences across the regions in terms of internal migration. Copper Coast, Peterborough, Yorke Peninsula and Clare & Gilbert Valleys enjoyed relatively large population gains via internal migration. On the other hand, Orroroo-Carrieton, Wakefield, Northern Areas and Wakefield endured relatively large losses via internal migration, while several other councils' experienced net internal migration losses.

Almost all council areas in the region experienced positive contributions to population via net overseas migration in 2016-17, but at much lower rates compared to the South Australian experience.

Table 8.4   Components of Population Change – RDA Yorke and Mid North
Change in persons, 2016 to 2017 (30 June)

Council / Region	Natural increase	Net internal migration	Net overseas migration	Total net change
Barunga West	-25	-3	4	-24
Clare and Gilbert Valleys	16	43	14	73
Copper Coast	-30	197	13	180
Goyder	11	-16	5	0
Mount Remarkable	0	-20	2	-18
Northern Areas	14	-32	2	-16
Orroroo-Carrieton	-3	-13	0	-16
Peterborough	-10	17	2	9
Port Pirie City and Dists	-21	-46	18	-49
Wakefield	20	-63	12	-31
Yorke Peninsula	-51	60	3	12
Total RDA YMN	-79	124	75	120
South Australia	5,938	-6,778	11,668	10,828

Source: ABS, Regional Population Growth (Cat. No. 3218.0)

Figure 8.1   Component Contribution to Total Population Growth – RDA Yorke and Mid North

Component change (2016 to 2017) as proportion of 2016 total population
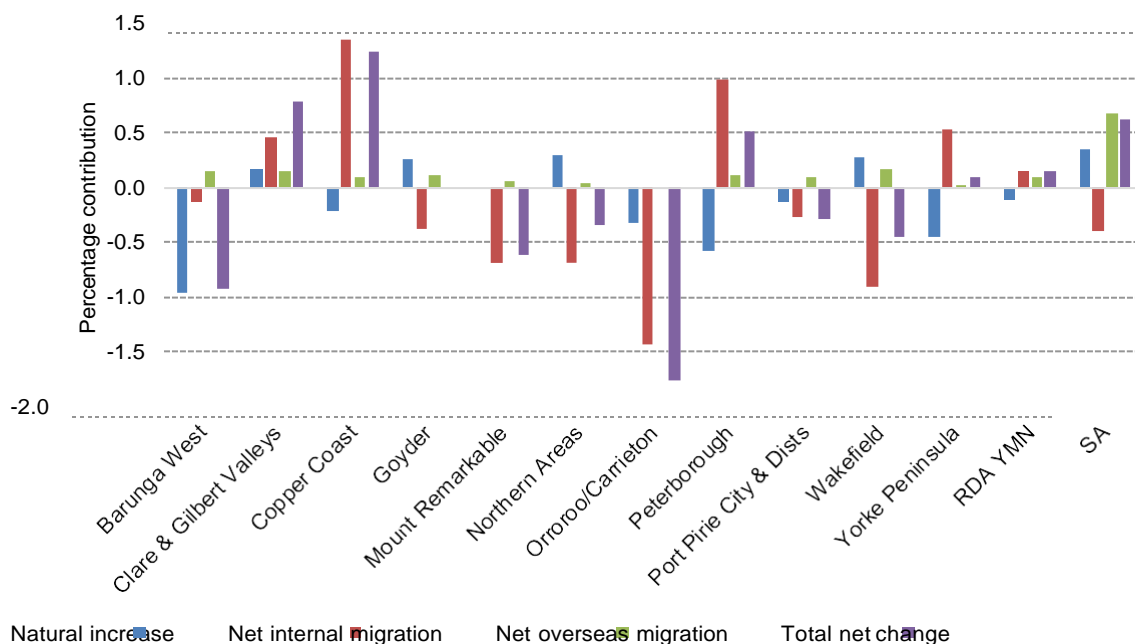
8.3   Employment by industry and occupation, and labour force

RDAYMN had an unemployment rate (7.3 per cent) that was close to South Australia's at the time of the 2016 census. However, the regional result masks relatively high unemployment rates in Peterborough (13.5 per cent), Port Pirie (10.8 per cent), and Copper Coast (8.8 per cent). Unemployment rates for all other councils areas were below the state average. Due to the relatively older age structure of the region's population, both the labour force participation rate and employment to working age population ratio were significantly lower for the RDAYMN than the state in 2016 – Table 8.5.

There has been a lack of employment growth within the region over recent years. Census data indicates that total employment levels in RDAYMN fell by 1.7 per cent between 2011 and 2016. However, employment levels were still 4.5 per cent higher compared to a decade earlier, which is in line with population growth over this period.

Table 8.5   Labour Force Characteristics – RDA Yorke and Mid North

	RDA Yorke and Mid North	South Australia
Employment status as % total employed		
Employed: worked full-time	55.8	58.3
Employed: worked part-time	37.5	36.2
Employed: away from work	6.7	5.4
Employed: total	100.0	100.0
Unemployment rate (%)	7.3	7.5
Labour force participation rate (%)	50.3	58.3
Employment to working age population ratio (%)	46.7	53.9

Source: ABS, 2016 Census of Population and Housing, TableBuilder.

A majority of land in the region is used for agricultural production and this is reflected in the structure of the economy and employment. Agriculture, forestry and fishing was the largest employing sector in 2016 (17 per cent of total employment) – Table 8.6 and Figure 8.2. Other major employing sectors include healthcare and social assistance (14 per cent), retail trade (10 per cent) and manufacturing (9 per cent), which is quite similar to South Australian employment patterns.

Like most regional areas, employment in agriculture has fallen over time in response to secular forces such as farm enterprise consolidation, technological change, and improved farm management practices. Between 2006 and 2016, total employment in agriculture, forestry and fishing fell by 11 per cent. Manufacturing employment levels have also fallen (-8 per cent), but to nowhere near the extent that has occurred for South Australia as a whole over this period (-33 per cent). In terms of growth sectors, employment in health care and

social assistance has risen strongly over the past (+591 persons) in response to ageing of the regional population and increasing demand for aged care services. This trend is likely to continue given further population ageing and the introduction of the National Disability Insurance Scheme. Other sectors that have enjoyed relatively large increases in employment over the past decade include education and training (+294 persons), construction (+273 persons) and mining (+201 persons).

Table 8.6   Employed Persons by Industry – RDA Yorke and Mid North

	Share of total employment (%)		Change: 2006 to 2016	
	2006	2016	Per cent	Persons
Agriculture, Forestry & Fishing	20.4	17.3	-11.1	-631
Mining	1.4	2.1	50.0	201
Manufacturing	9.6	8.5	-8.3	-224
Electricity, Gas, Water and Waste Services	1.0	1.2	27.8	79
Construction	5.9	6.5	16.7	273
Wholesale Trade	2.8	2.6	-2.4	-19
Retail Trade	11.5	10.4	-5.6	-180
Accommodation & Food Services	6.4	6.6	7.0	125
Transport, Postal & Warehousing	4.0	3.9	2.7	30
Information Media & Telecommunications	0.7	0.6	-12.9	-24
Financial & Insurance Services	1.6	1.3	-16.8	-74
Rental, Hiring & Real Estate Services	0.9	0.8	-9.5	-23
Professional, Scientific & Technical Services	2.0	2.3	22.4	122
Administrative & Support Services	2.4	2.7	18.0	120
Public Administration & Safety	4.3	4.5	10.3	124
Education & Training	7.3	8.0	14.4	294
Health Care & Social Assistance	12.0	13.5	17.7	591
Arts & Recreation Services	0.4	0.5	45.9	50
Other Services	3.2	3.5	17.2	152
Inadequately described / not stated	2.4	3.2	38.8	261
Total	100.0	100.0	4.5	1,247

Source: ABS, Census of Population and Housing, TableBuilder.

Figure 8.2   Employment Persons by Industry – RDA Yorke and Mid North and SA
             Per cent of total employment, 2016
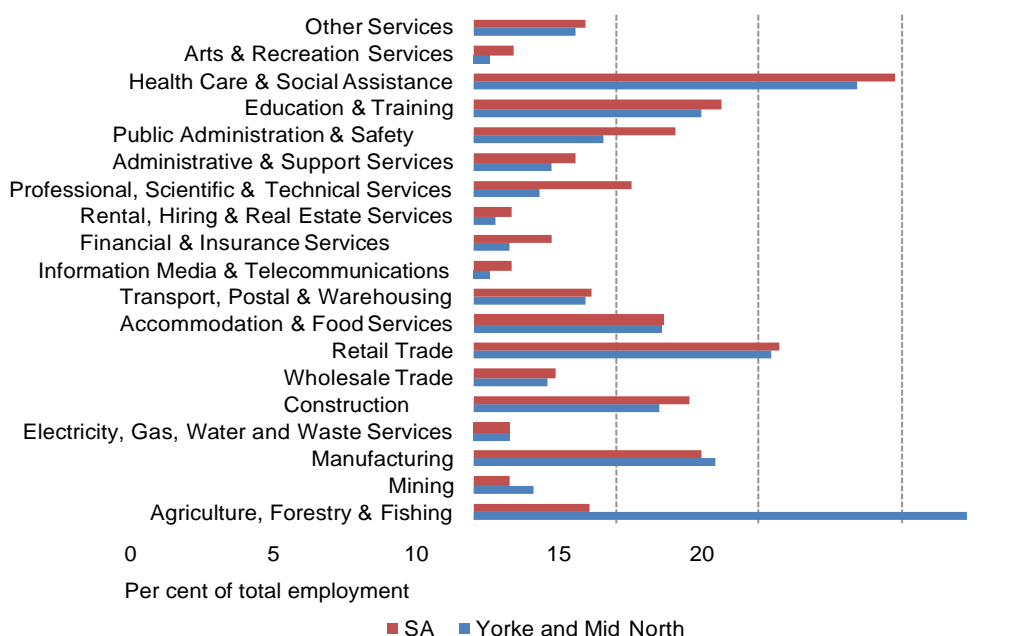
Source: ABS, Census of Population and Housing, TableBuilder.

Given the importance of agricultural activities to the regional economy, a relatively larger share of the workforce in 2016 were employed as managers (20 per cent), labourers (15 per cent) and machinery operators and drivers (8.6 per cent) – Figure 8.3. Both managers – a majority of which comprises farmers – and labourers were the two largest employing occupations in 2016, followed by technicians and trades workers (13 per cent). It is recognised that the region has a low skills equilibrium in terms of low demand for and low supply of skills (RDAYMN 2018).

Figure 8.3   Employment Persons by Occupation – RDA Yorke and Mid North and SA
Per cent of total employment, 2016

SA   Yorke and Mid North
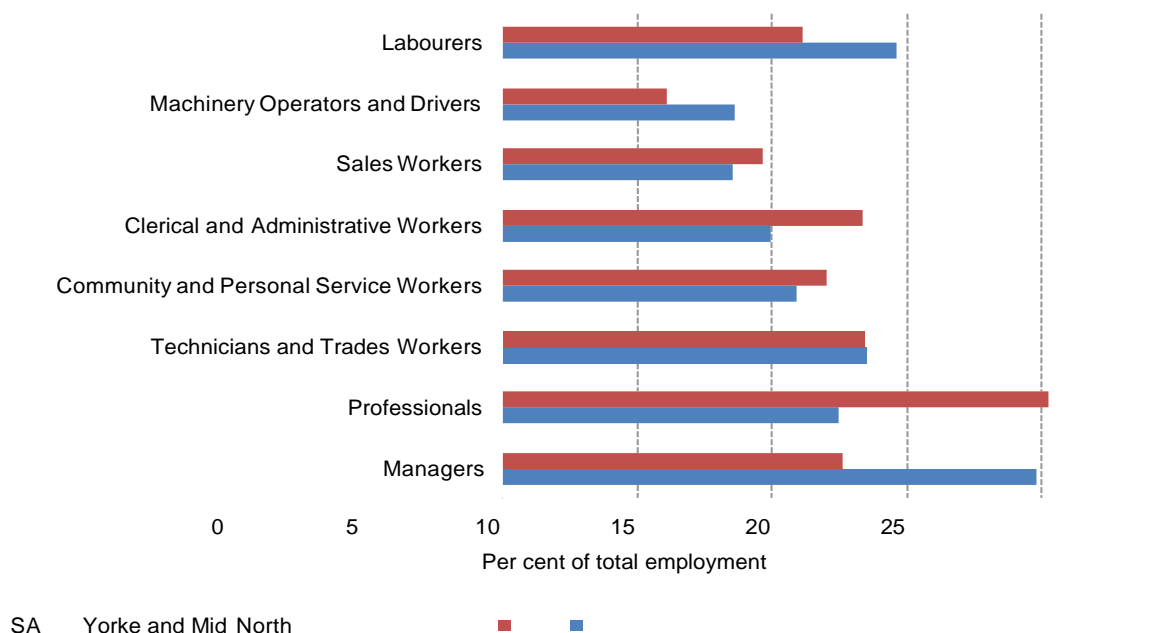
8.4   Key challenges and opportunities

The latest RDAYMN (2018) regional roadmap was reviewed to identify key challenges, opportunities and potential strategies relating to strategic population and workforce issues within the region. The key issues are summarised below.

General population and workforce issues

There is an awareness that demographic trends pose a challenge to the York and Mid North's future prosperity. The region has an older population compared to South Australia with proportionally more older people (55 to 84 years) and proportionally less young people (20 to 44 years). The region is characterised by low population growth with low growth or declining populations in many councils. An ageing population and declining birth rate combined with low population growth has negative implications for meeting future workforce needs and supporting investment opportunities.

An older population with more seniors places greater pressure on local services and community organisations. Data from the 2016 census shows that more people in the region require help with core activities such as self-care, mobility and/or communication compared to the broader South Australian population (7.6 per cent versus 6.0 per cent).

In terms of workforce issues the region is considered to have a "low skills equilibrium" in the sense it has a low supply and demand for skills (RDAYMN 2018). It also has low levels of tertiary educational attainment and overall workforce participation. There is a need to improve the region's human capital to improve productivity and to ensure the appropriate skills and workforce are available to take advantage of emerging economic opportunities. These prospects include renewable energy initiatives, ongoing roll-out of the NDIS, recovery of the resources sector and expanding domestic and internal tourism.

Maintaining and attracting skills and people

The region recognises that ensuring adequate provision of local services plays a key role in attracting, maintaining and growing the regional population. "Essential" local services include healthcare, education, transport, government services, recreation and retail. Provision of such services also furthers economic development by increasing localised employment and offering opportunities for investment and innovation. Meanwhile, inconsistent mobile and internet coverage and ageing infrastructure, particularly in relation to roads, potentially inhibit investment and productivity.

In light of the demographic challenges facing the region, population strategies form core areas of focus of the recently developed regional plan. For instance, growing the residential and workforce population is considered to be "vital to support opportunities for employment, education and investment". Actions that the region proposes to undertake to meet its focus on "growing and diverse populations" include:

- "Ensure the adequate provision of social infrastructure to support healthy and active communities, including childcare, schools, health services and recreational facilities.
- Provide diverse and sufficient employment opportunities to encourage people to live and work in the region.
- Building on the lifestyle of our communities to retain residents that travel outside of the region for work.
- Support and celebrate volunteering, community initiatives and opportunities for participation.
- Build on and promote the unique characteristics, identifies and offerings of each of our townships and communities" (RDAYMN 2018, p.37).

A further strategy will be made to attract people to live and work in the region by targeting new immigrants and promoting the region as a tree change lifestyle migration destination. An example of a current initiative is the Copper Coast Council which is in the process of developing a marketing campaign to promote the Copper Coast to a broader audience, including businesses, tourists and potential future residents.

Retaining and attracting younger people is identified as a separate key regional focus as doing so is considered "essential to ensure an ongoing sustainable population and a workforce for the future". Young people not only form the next generation of community leaders, they bring new ideas that can rejuvenate industries and generate new forms of economic activity. Strategies that the region plans to pursue to achieve its "younger people living, working and investing in the region" focus include:

- "Support the development of a loan program to assist young people to cover the costs of tertiary accommodation, with a repayment discount if they return to the region.
- Increase scholarship programs that encourage young people to return to the region.
- Attract a university to establish a campus in the Region to enable young people to live, work and study locally.
- Provide diverse employment opportunities and career progression of young people in the region, including supporting local industry and encouraging investment." (RDAYMN 2018, p.39).

In terms of the improving the availability of local tertiary options within the region, Uni Hub Spencer Gulf is currently being established with the first campus to open at Port Pirie. An initiative of the Upper Spencer Gulf Common Purpose Group which advocates for the regional cities of Port Pirie, Port Augusta and Whyalla, Uni Hub Spencer Gulf provides a new model for delivery of higher education in the region. By providing additional local tertiary study options that are tailored to local needs, Uni Hub Spencer Gulf will help meet emerging industry and skilled workforce needs and minimise the brain drain of young people to Adelaide for study purposes (some further detail on the Uni Hub is provided in section 4.4).

9. RDA Adelaide Metropolitan

Key points

Demographic profile
- The age profile of the region is naturally similar to the broader state population given the region accounts for the bulk of the state's population. Nonetheless, the region's population is modestly younger with a relatively higher share of the population being aged 15 to 44 years compared to the state average.
- In terms of the proportion of people aged over 65 years in 2016, Holdfast Bay had one of the largest aged dependent populations, while populations also tend to be older in inner eastern and southern council areas such as Walkerville, Burnside, Campbelltown, Norwood Payneham and St Peters and Mitcham.
- Younger populations can be found in the outer suburbs where housing tends to be more affordable for families with young children such as Playford, Salisbury, and Onkaparinga.

Population change and compositional change
- Population has grown in line with the state population, which is weak by national standards.
- Population growth over last decade was strongest for Adelaide and other northern suburbs such as Playford and Salisbury, and relatively weak for inner eastern and southern suburbs.
- Strong overseas migration and natural increase have together more than offset significant net internal migration outflows.

Employment change and composition
- Top three employing industries are healthcare and social assistance, retail trade and education and training.
- Large increases in employment in healthcare and social assistance and education and training over the past decade in part reflects demographic trends such as an ageing population and larger international student enrolments respectively.
- Unemployment rate is slightly higher than the state average reflecting the impact of large job losses in manufacturing but also possibly the role of people migrating to the metropolitan area given the greater availability of job opportunities and services.

Migration issues
- RDA recognises the region's ageing population and ageing workforce and the need for overseas migration and retention of young people to fill skill gaps and fuel the future workforce.
- Increasing participation of disadvantaged groups in higher education and employment is considered another approach to meeting required skills needs in lieu of migration.
- RDA identifies the need for maintaining and improving existing physical and social infrastructure to ensure that Adelaide's advantages in terms of affordability and liveability are preserved to accommodate future population expansion and demographic change.

9.1 The region

The RDA Adelaide Metropolitan (RDAAM) region has a land area of 1,596 square km, which is equivalent to 0.2 per cent of the state's landmass (RDAAM 2016). The metropolitan region ranges 90 km from the City of Playford in the north to the City of Onkaparinga in the south, and is bounded in the west by the Gulf St Vincent and in the east by the Adelaide Hills that form part of the Mount Lofty Ranges. The RDAAM comprises the following seventeen metropolitan councils:

- Adelaide;
- Burnside;
- Campbelltown;
- Charles Sturt;
- Holdfast Bay;
- Marion;
- Mitcham;
- Norwood Payneham St Peters;
- Onkaparinga;
- Playford;
- Port Adelaide Enfield;
- Prospect;
- Salisbury;
- Tea Tree Gully;
- Unley;
- Walkerville; and
- West Torrens.

The RDAAM region does not include some local government areas that are typically considered part of the greater Adelaide metropolitan area, most notably Gawler in the north and the Adelaide Hills in the east.

9.2   Population size, change and composition

Population

Although it only comprises a sliver of the state's landmass, RDAAM is home to 71 per cent of South Australia's population, or approximately 1.2 million people. It consequently has a very high population density of 787 persons per km^2. Population density ranges from a high of 2,739 persons per km^2 in Unley to a low of 267 persons per km^2 in Playford.

Population change

The total estimated population in RDAAM has grown at an annual average rate of 1.0 per cent over the past decade, which is 0.1 percentage points higher than for the state as a whole over this period – Table 9.1.

Table 9.1   Key Population Metrics – RDA Adelaide Metro

Demographics	RDA Adelaide Metro	South Australia
Total population, persons (2017)	1,224,142	1,723,671
Population as a percentage of state population (2017)	71	100.0
Annual average population growth rate, 10 years to 2017, per cent	1.0	0.9
Population density, persons per km^2 (2017)	787.3	1.8
Proportion by gender (2016):		
Males	49.2	49.5
Females	50.8	50.5

Source: ABS, Regional Population Growth (Cat. No. 3218.0) and Population by Age and Sex, Regions of Australia, 2016 (cat. no. 3235.0).

Between 2007 and 2017 the total estimated resident population in RDAAM expanded by 11 per cent or almost 117,500 persons. The rate of population increase has slowed over this time. In the 5 years to 2012 the population rose by 5.5 per cent (67,748 persons), whereas in the more recent 5 year period to 2017 it grew by 4.2 per cent (49,720 persons).

Population increase over the past decade has been concentrated in the periphery of the metropolitan area although the centre has also experienced strong growth in relative terms. With urban expansion in the region being constrained by the waters of Gulf of St Vincent in the west and the hills in the east, population expansion has been concentrated in the north and, to a lesser degree, the south. Hence the largest increases in population in aggregate terms over the 10 years to 2017 have occurred in the north in Playford (up 19,384 persons) and Salisbury (17,695 persons), and in the north-west in Port Adelaide Enfield (17,000 persons). In the south, the City of Onkaparinga has experienced a large increase in population (15,563 persons). However, this in large part reflects that Onkaparinga is the largest council in terms of both landmass and population. In proportional terms the Onkaparinga population has not grown quite as strongly as the broader RDAAM population.

In the centre of the region, the City of Adelaide experienced the largest proportional increase in population of any RDAAM council area over the past decade (up 30 per cent or 5,644 persons). The city centre has benefitted from a large influx of international students since the early 2000s, facilitated by the location of higher education institutions and associated student accommodation within the council area.[5]

Population growth has been pretty weak in the established inner eastern and southern suburbs. Between 2007 and 2017 there were relatively small increases in population for Norwood, Payneham and St Peters (up 3.5 per cent), Unley (4.2 per cent), Mitcham (4.4 per cent), Burnside (4.5 per cent) and Prospect (4.7 per cent). With the exception of Mitcham, these councils have some of the highest population densities in the metropolitan area which may act as a barrier to higher density development (higher housing costs may also be a deterrent). Meanwhile, the outer north-eastern suburb of Tea Tree Gully recorded the smallest rise in population over the past decade of just 1.0 per cent.

Population in the western and south western council areas has generally grown in line with the RDAMA over the past decade. Marion (up 12 per cent), Charles Sturt (12 per cent) and West Torrens (9.3 per cent) recorded the largest proportional increases in population in the western area. The exception has been Holdfast Bay (4.9 per cent), which is one of the more densely populated council areas in the metropolitan area.

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[5]   Estimates of population are based on the concept of usual residence. Overseas visitors such as international students are considered to be usual residents if the live in Australia for 12 months or more over a 16-month period.

Table 9.2   Population Growth – RDA Adelaide Metro

Council / Region	Persons at 30 June			Change (per cent)		
	2007	2012	2017	2007-2012	2012-2017	2007-2017
Adelaide	18,549	21,537	24,193	16.1	12.3	30.4
Burnside	43,549	44,282	45,491	1.7	2.7	4.5
Campbelltown	47,886	50,244	51,165	4.9	1.8	6.8
Charles Sturt	103,897	110,050	116,009	5.9	5.4	11.7
Holdfast Bay	34,817	36,215	36,671	4.0	1.3	5.3
Marion	81,616	86,863	91,391	6.4	5.2	12.0
Mitcham	64,017	65,364	66,834	2.1	2.2	4.4
Norwood Payneham St Peters	35,315	36,343	36,553	2.9	0.6	3.5
Onkaparinga	154,841	165,034	170,404	6.6	3.3	10.1
Playford	72,682	83,022	92,066	14.2	10.9	26.7
Port Adelaide Enfield	107,820	118,185	124,818	9.6	5.6	15.8
Prospect	20,219	20,842	21,166	3.1	1.6	4.7
Salisbury	123,789	134,381	141,484	8.6	5.3	14.3
Tea Tree Gully	98,458	98,547	99,405	0.1	0.9	1.0
Unley	37,512	38,514	39,083	2.7	1.5	4.2
Walkerville	7,199	7,367	7,859	2.3	6.7	9.2
West Torrens	54,508	57,632	59,550	5.7	3.3	9.3
Total RDA Adelaide	1,106,674	1,174,422	1,224,142	6.1	4.2	10.6
South Australia	1,570,619	1,656,725	1,723,671	5.5	4.0	9.7

Source: ABS, Regional Population Growth (Cat. No. 3218.0).

Age profile

The age profile of the RDAAM population is naturally broadly similar to the broader state population given the region accounts for the bulk of the state's population. Nonetheless, the region's population is modestly younger. A slightly larger share of the region's population was aged 15 to 44 years in 2016 (41 per cent c.f. 39 per cent for the state), while a lower share was aged over 44 years (42 per cent c.f. 44 per cent) – Table 9.3. Several factors would account for the greater prevalence of younger adults within the region, including the role of younger people migrating from other regions of the state for further education and career opportunities, the presence of international students, and a higher level of net overseas migration (see below). On the other hand there is a tendency for older cohorts, especially retirees, to leave the metropolitan area for lifestyle reasons such as sea change and tree change.

While the RDAAM population is relatively younger compared to the broader South Australian population, it is relatively older compared to the Australian population and other capital cities. Approximately 17 per cent of the Adelaide metropolitan population was aged 65 years and over in 2016 compared with 15 per cent of the national population.

There are noticeable differences in age structure across the metropolitan area. Going by the share of people aged over 65 years in 2016, Holdfast Bay (23 per cent) has one of the oldest populations, while populations also tend to be older in inner eastern and southern council areas such as Walkerville (22 per cent), Burnside (21 per cent), Campbelltown (20 per cent), Norwood Payneham and St Peters (19 per cent) and Mitcham (19 per cent). On the other hand, relatively younger populations can be found in the outer suburbs where housing tends to be more affordable for families with young children. For example, council areas with the largest share of population under 15 years include Playford (23 per cent), Salisbury (20 per cent), and Onkaparinga (19 per cent).

The City of Adelaide is a notable outlier in terms of age structure. A much larger share of the population is of working age (81 per cent) compared to the overall metropolitan population (66 per cent). This discrepancy can be largely attributed to the greater presence of students and possibly young professionals: 35 per cent of the city's population was aged in their 20s in 2016 compared to 15 per cent of the broader Adelaide metropolitan population. The City of Adelaide also has a substantially lower share of children (5.7 per cent aged less than 15 years) compared to all other metropolitan councils.

The Adelaide metropolitan population has aged over time although not to the same degree as the broader South Australian population. Between 2006 and 2016 the share of the region's population aged 65 years and over rose by 1.7 percentage points compared to 2.6 percentage points for the state. Furthermore, the share of the population aged less than 15 years remained the same between these years whereas it fell by 0.5 percentage points for South Australia.

Table 9.3   **Population Age Profile – RDA Adelaide Metro**
Age group as proportion of total population

	RDA Adelaide Metro			South Australia		
	2006	2011	2016	2006	2011	2016
0-14 years	17.5	17.1	17.5	18.3	17.7	17.8
15-24 years	14.3	14.2	13.5	13.5	13.5	12.8
25-34 years	13.4	14.2	14.6	12.7	13.1	13.5
35-44 years	14.4	13.6	12.9	14.5	13.5	12.4
45-54 years	14.0	13.7	13.1	14.2	14.0	13.3
55-64 years	11.2	11.8	11.8	11.6	12.3	12.5
65 years and over	15.1	15.5	16.8	15.1	16.0	17.7
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: ABS, Population by Age and Sex, Regions of Australia, 2016 (Cat. No.3235.0).

Sources of population change in 2016-17

The most recent annual population estimates reveal that RDAAM lost a relatively large proportion of population through net internal migration movements – Table 9.4. In the year to 30 June 2017, net internal migration flows reduced the RDAAM population by 0.6 percentage points (-6,718 persons), whereas such flows reduced the overall state population by 0.4 percentage points (-6,778 persons) – Figures 9.1a and 9.1b. This result reflects an increase in interstate migration outflows over recent years in response to an earlier prolonged period of weak employment growth and heightened structural change that was punctuated by the closure of local auto manufacturing. A lack of good quality jobs for graduates and those looking to move up the career ladder would also be a contributing factor.

Table 9.4   **Components of Population Change – RDA Adelaide Metro**
Change in persons, 2016 to 2017 (30 June)

Council / Region	Natural increase	Net internal migration	Net overseas migration	Total net change
Adelaide	20	-172	793	641
Burnside	3	-93	365	275
Campbelltown	85	-574	574	85
Charles Sturt	283	-259	1,005	1,029
Holdfast Bay	-97	-117	348	134
Marion	369	-443	957	883
Mitcham	189	-342	505	352
Norwood Payneham St Peters	44	-364	477	157
Onkaparinga	711	-144	465	1,032
Playford	860	294	359	1,513
Port Adelaide Enfield	772	-1,285	1,324	811
Prospect	136	-337	243	42
Salisbury	1,107	-1,092	1,123	1,138
Tea Tree Gully	391	-591	452	252
Unley	-57	-187	388	144
Walkerville	-12	5	85	78
West Torrens	189	-1,017	970	142
Total RDA Adelaide	4,993	-6,718	10,433	8,708
South Australia	5,938	-6,778	11,668	10,828

Source: ABS, Regional Population Growth (Cat. No. 3218.0).

With the exceptions of Playford and Walkerville, all other local government areas in the RDAAM experienced a loss in population due to internal migration outflows in 2016-17. The largest impacts in proportional terms occurred in West Torrens (-1.7 percentage points), Prospect (-1.6 ppts), Campbelltown (-1.1 ppts), Port Adelaide Enfield (-1.0 ppts) and Norwood, Payneham and St Peters (-1.0 ppts).

In the face of interstate migration outflows, overall population growth in the RDAMA has been maintained by overseas migration and, to a lesser degree, natural increase. Net overseas migration made a 0.9 percentage point contribution to growing the Adelaide metropolitan population in 2016-17, while natural increase made a 0.4 percentage point contribution. Both forms of gain made relatively larger contributions to growing the RDAAM population than overall state population last year. In the case of overseas migration this outcome indicates that the Adelaide metropolitan area is a preferred destination for migrants rather than regional areas, but it is also a consequence of the metro area being a natural destination for international students.

All councils in the metro area enjoyed positive contributions to their population in 2016-17 due to overseas migration. In proportional terms the largest gains occurred in Adelaide, West Torrens, Norwood, Payneham and St Peters, and Prospect, while there were also large aggregate increases for Port Adelaide Enfield,

Salisbury and Charles Sturt – Table 9.4. Gains through overseas migration were relatively low for Onkaparinga, Playford and Tea Tree Gully.

Most councils experienced population gains via natural increase in 2016-17. The notable exceptions were Holdfast Bay, Unley and Walkerville where older age structures led to natural decrease (i.e. more deaths than births). Natural increase made the largest proportion contributions to population growth in Playford, Salisbury, Prospect, and Port Adelaide Enfield.

Figure 9.1a **Component Contribution to Total Population Growth – RDA Adelaide Metro**
Component change (2016 to 2017) as proportion of 2016 total population
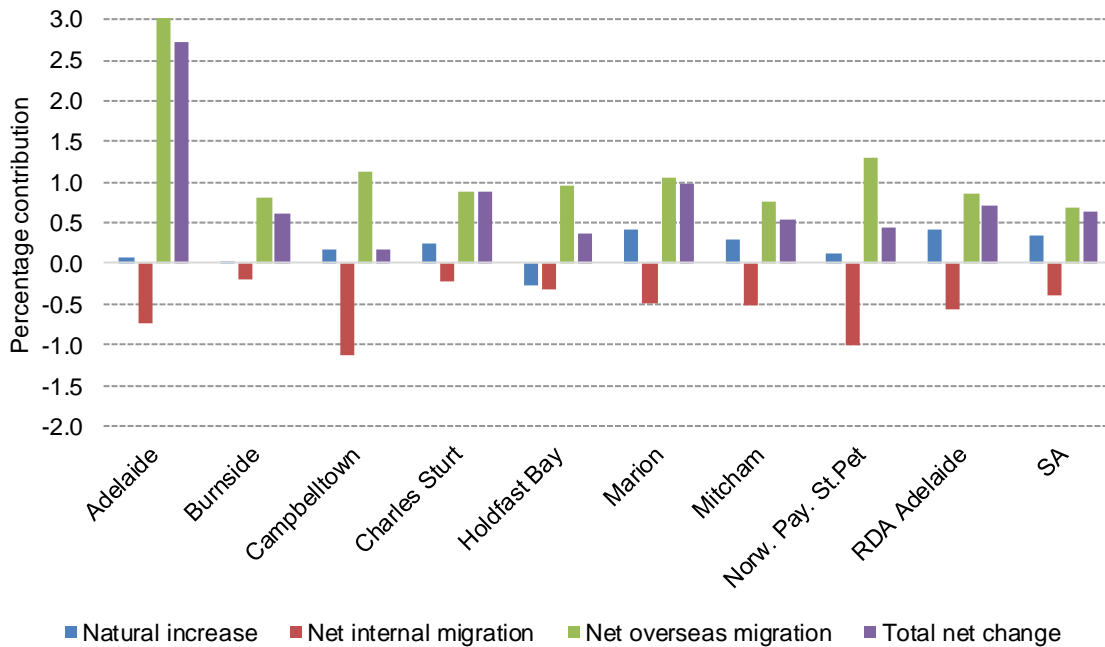
Source: ABS, Regional Population Growth (Cat. No. 3218.0).

Figure 9.1b **Component Contribution to Total Population Growth – RDA Adelaide Metro**
Component change (2016 to 2017) as proportion of 2016 total population
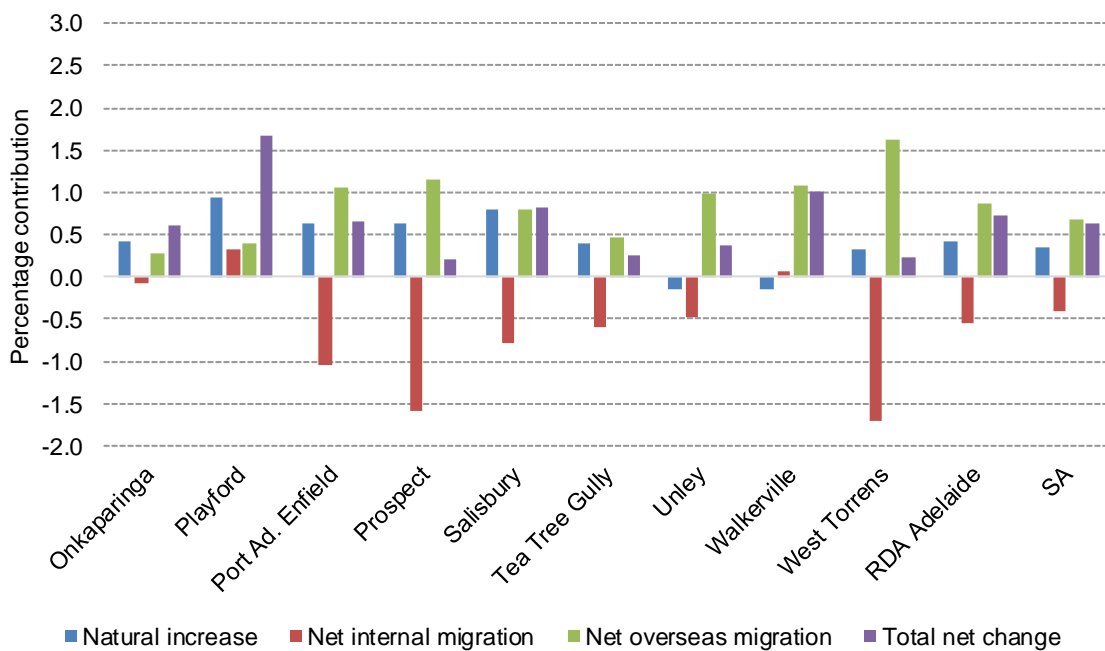
Source: ABS, Regional Population Growth (Cat. No. 3218.0).

9.3   Employment by industry and occupation, and labour force

At the time of the 2016 census the RDAMA region had a modestly higher unemployment rate (7.9 per cent) compared to the state average (7.5 per cent). The previous inter-census period was characterised by stagnant employment growth, large job losses in manufacturing, including winding down of local automotive manufacturing. The tendency for people from regional areas to migrate to the metropolitan area given the greater availability of job opportunities and services would also contribute to a higher unemployment rate in the RDAMA.

There were substantial variations in unemployment across the metropolitan area at the time of the 2016 census which almost certainly still persist. Unemployment levels were particularly elevated in the northern suburbs that have been hit hard by the decline in manufacturing. Playford (12.7 per cent), Salisbury (10.1 per cent) and Port Adelaide Enfield (9.3 per cent) had three of the four highest unemployment rates among the council areas. Interestingly, the City of Adelaide had the second highest unemployment rate (11.9 per cent), which may in part reflect students being unable to find jobs that accommodate their studies. On the other hand, unemployment rates were well below the state and even national average (6.9 per cent) in Holdfast Bay (5.6 per cent), Walkerville (5.8 per cent), Unley (5.8 per cent), Burnside (5.9 per cent) and Mitcham (6.0 per cent).

The RDAAM region had both a higher labour force participation rate and employment to working age population compared to South Australia overall in 2016 – Table 9.5. These variances in part reflect the younger age structure of the metropolitan population across adult ages, but also the concentration of services within the metro area. Labour force participation varied from a low of 51 per cent in Adelaide (due largely to the concentration of students) to a high of 66 per cent in Prospect. Similarly, the employment to working age population ratio ranged from a low of 45 per cent in Adelaide to a high of 62 per cent in Prospect.

Table 9.5   Labour Force Characteristics – RDA Adelaide Metro

	RDA Adelaide Metro	South Australia
Employment status as % total employed		
Employed: worked full-time	58.6	58.3
Employed: worked part-time	36.3	36.2
Employed: away from work	5.1	5.4
Employed: total	100.0	100.0
Unemployment rate (%)	7.9	7.5
Labour force participation rate (%)	59.1	58.3
Employment to working age population ratio (%)	54.5	53.9

Source: ABS, 2016 Census of Population and Housing, TableBuilder.

The RDAAM region has a highly diverse industrial base. The top three employing industries in 2016 were healthcare and social assistance (16 per cent), retail trade (11 per cent), and education and training (9 per cent), which follows a similar pattern to the overall state – Table 9.6 and Figure 9.2. There is naturally relatively little employment in agriculture (0.9 per cent) and mining (0.8 per cent), which are key wealth generating activities in the state's regions, including the peri-urban areas beyond the metropolitan area.

In aggregate terms the largest increases in employment by industry sector over the decade to 2016 were in health care and social assistance (up 19,456 persons), education and training (9,427 persons), construction (8,434 persons) and accommodation and food services (7,953 persons). Ageing of the population has contributed to increased demand for both health care and social assistance services such as aged care. Meanwhile, jobs growth in education and training has been driven by higher international students enrolments and, to a lesser degree, expansion in the school age population (the aggregate number of people aged 5 to 19 years rose by 8,855 persons or 4.3 per cent between 2006 and 2016).

Similar to trends across Australia and other advanced economies, RDAAM experienced large job losses in manufacturing over the past decade (down 36 per cent or 22,872 persons). In aggregate terms Onkaparinga (-4,659 persons) experienced the largest loss in manufacturing jobs over this period, while northern suburbs such as Salisbury (-3,849 persons), Tea Tree Gully (-2,349 persons) and Playford (-2,012 persons) also suffered large falls. Elsewhere, there were also large declines for Charles Sturt (-1,845 persons) and Marion (-1,789).

In terms of other sectoral declines over the past decade, there were decreases in employment in wholesale trade (-3,989), financial and insurance services (-1,336 persons), retail trade (-1,106 persons), and information media and telecommunications services (-724 persons) – Table 9.6. Declines for these sectors have been brought about by consolidation and technological change. For example, greater internet penetration has shifted purchasing behaviour and financial services toward online systems, reducing the need for local physical presences.

Table 9.6   Employed Persons by Industry – RDA Adelaide Metro

	Share of total employment (%)		Change: 2006 to 2016	
	2006	2016	Per cent	Persons
Agriculture, Forestry & Fishing	0.8	0.9	24.6	996
Mining	0.5	0.8	54.8	1,449
Manufacturing	13.0	7.6	-36.1	-22,872
Electricity, Gas, Water and Waste Services	1.1	1.3	31.6	1,634
Construction	6.6	7.6	26.0	8,434
Wholesale Trade	4.0	2.9	-20.4	-3,989
Retail Trade	12.1	10.8	-1.9	-1,106
Accommodation & Food Services	5.8	6.8	28.2	7,953
Transport, Postal & Warehousing	4.2	4.2	8.5	1,758
Information Media & Telecommunications	1.8	1.5	-8.2	-724
Financial & Insurance Services	3.8	3.2	-7.3	-1,336
Rental, Hiring & Real Estate Services	1.5	1.4	5.1	374
Professional, Scientific & Technical Services	6.1	6.4	14.0	4,191
Administrative & Support Services	3.5	3.7	16.4	2,777
Public Administration & Safety	7.1	7.7	19.3	6,650
Education & Training	7.7	8.8	24.9	9,427
Health Care & Social Assistance	13.2	15.7	30.1	19,456
Arts & Recreation Services	1.3	1.5	25.8	1,647
Other Services	4.0	4.0	10.1	1,954
Inadequately described / not stated	2.0	3.3	82.7	7,914
Total	100.0	100.0	9.5	46,587

Source: ABS, Census of Population and Housing, TableBuilder.

Figure 9.2   Employment Persons by Industry – RDA Adelaide Metro and SA
Per cent of total employment, 2016
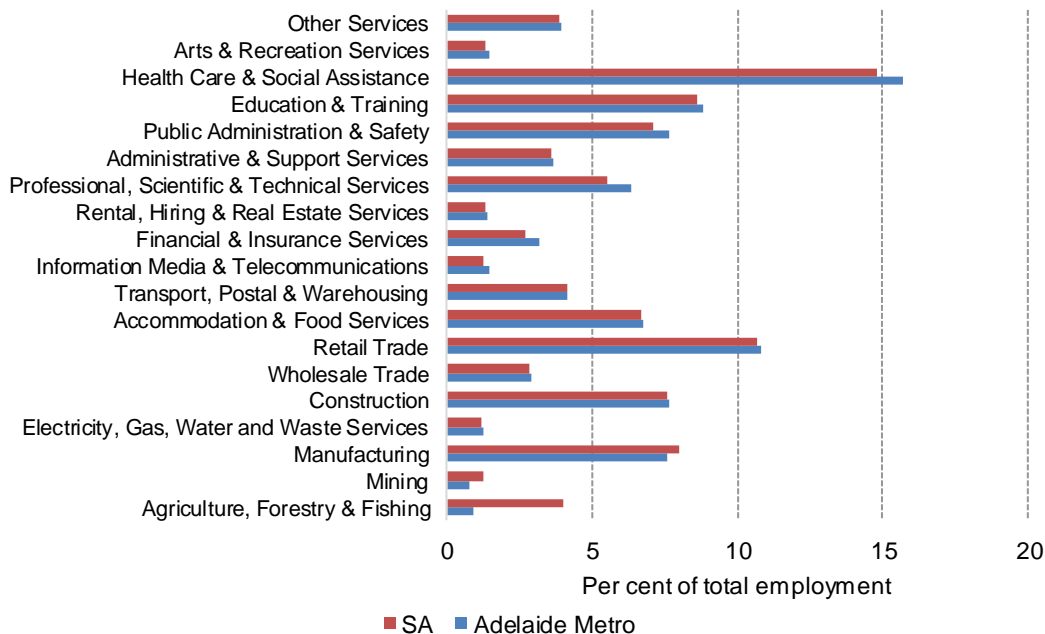
Source: ABS, Census of Population and Housing, TableBuilder.

RDAAM has a significant concentration of highly qualified people with a relatively larger share of the workforce being employed as professionals in comparison to South Australia in 2016 – Figure 9.3. The higher share of professionals is a consequence of greater employment in health care and social assistance, professional, scientific and technical services, and to a lesser degree, education and training. The top three occupations in RDAAM in 2016 were professionals (23 per cent), clerical and administrative workers (14 per cent) and technicians and trades workers (13 per cent). A smaller share of the RDAAM workforce are employed as managers, which would in part reflect that farmers are included in this occupation group and consequently have naturally higher representation among the non-metropolitan workforce.

Figure 9.3   Employment Persons by Occupation – RDA Adelaide Metro and SA
Per cent of total employment, 2016
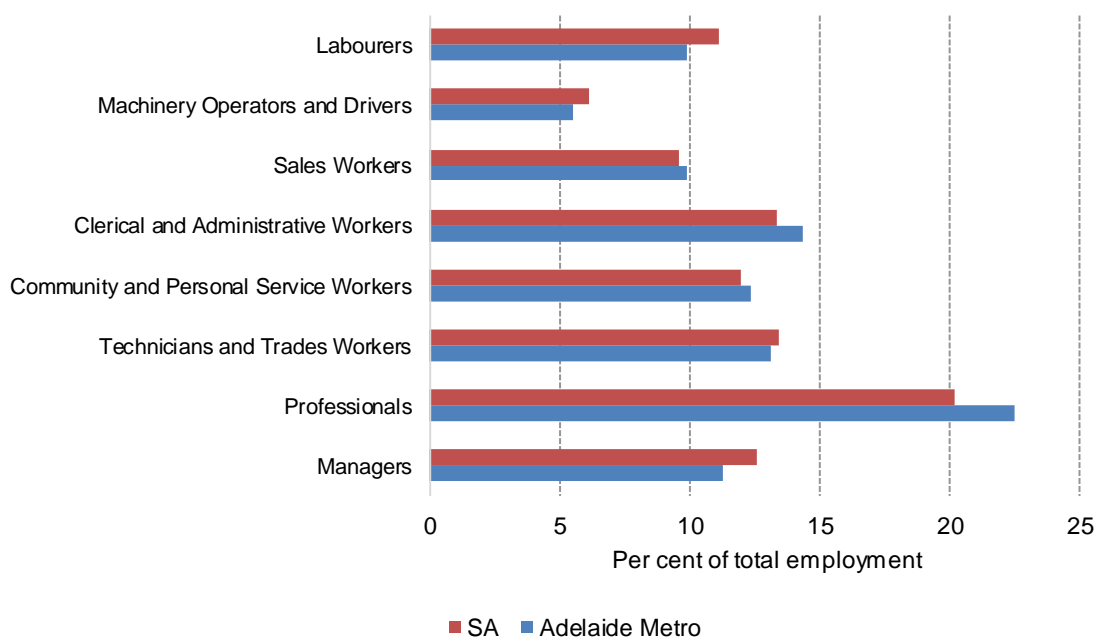
Source: ABS, 2016 Census of Population and Housing, TableBuilder.

9.4   Key challenges and opportunities

The latest RDAAM (2016) regional plan was reviewed to identify key challenges, opportunities and potential strategies relating to strategic population and workforce issues in the Adelaide metropolitan area.

General population and workforce issues

An ageing population and ageing workforce has been identified as one of the key challenges facing the Adelaide metropolitan area (RDAAM 2016). With ageing of the baby boomers, the size and share of the population within retirement ages is set to expand significantly over the coming decades. The number of people aged 65 years and over in Greater Adelaide is projected to double to 410,000 by 2036, while the number aged 85 and over is expected to almost triple to 85,000 persons (RDAAM 2016).

In the face of increasing movements of people from the workforce to retirement and the ongoing net loss of younger cohorts interstate, the "retention of young people to fuel the required future workforce" has been identified as one of the "needs" for maintaining and enhancing economic growth within the Adelaide metropolitan area (RDAAM 2016). While the means for improving retention of young people are not fully formed, and depend in part on broader economic uplift that leads to more job opportunities, proposed strategies include enhancing career pathways to key local industry sectors (e.g. promoting career opportunities), and implementing programs to support young people in start-up businesses.

Maintaining and attracting skills and people

Overseas migration has been an important source of population growth since the millennium and will continue to be an important source of future population gains. With an ageing population and workforce, overseas migrants with appropriate skills will be relied upon to fill skills shortages in the region. On this point the RDAAM observes that "the Adelaide metropolitan region must ensure it actively competes with the other states and capital cities for migrants with the required skills for economic growth through public policy development" (RDA 2016, p.32.). Furthermore, while Adelaide has traditionally done well in terms of welcoming and integrating new migrants, there is scope for improving the capacity of new arrivals and how they are embedded into existing communities to ensure they flourish. For the Adelaide metropolitan area this calls for "the provision of key specific health, settlement and language services to assist newly arrived refugees settle into their new communities and culture" (RDAAM 2016, p.32.).

Beyond retaining existing young people and overseas migrants, increasing participation of disadvantaged groups in higher education and employment is considered another approach to meeting required skill needs.

Strategic issues

In order to accommodate future population expansion and demographic change, existing infrastructure will need to be maintained and improved to ensure that Adelaide's advantages in terms of affordability and liveability are preserved. This requires an integrated planning approach that addresses not only physical infrastructure such as roads and public transport to minimise urban congestion etc., but also social infrastructure and services such as schools, health, community facilities and services, retail etc. (RDA 2016).

Ageing of the population not only has implications for workforce development needs but also urban development. An ageing population combined with other social trends, such as young people delaying having children, is leading to increasing demand for smaller homes, typically located near amenities such as public transport, services and entertainment (RDA 2016). Growth in lone person households and international students will probably further compound this trend. Demand for new housing is consequently projected to outstrip population growth – impacting housing affordability. Several strategies and trends have emerged for addressing housing affordability, including:

- redevelopment of brownfield sites near employment bases;
- higher density housing around and along transport nodes and corridors; and
- medium and high density development within the city centre and nearby suburbs.

Population issues and challenges facing individual councils naturally varies across the metropolitan area according to differences in local conditions and historical aspects of their economic, social and physical development. As such, a council located near the urban fringe experiencing relatively fast population growth due to urban development of greenfield land faces a different set of challenges to an inner council which has high population density and housing affordability issues.

10. Immigration and Migration Trends and Policies

10.1 Recent trends in overseas and interstate migration

One of the most defining aspects of South Australian population patterns since the millennium is the prominent role played by overseas migration. As Figure 10.1 shows, population growth in South Australia has closely tracked movements in net overseas migration over the last 15 years. Total net population gains rose strongly during the 2000s in response to a surge in net overseas migration, and then moderated in line with a contraction in overseas migration following the global financial crisis. Since early 2012, overseas migration has been steadily adding almost 12,000 people per year to the state's population. As a consequence of these trends overseas migration has been the main source of population gain for the state. In the decade to 2017 net overseas migration accounted for about two-thirds of the net increase in state population that arose through overseas migration and natural increase.

The rapid increase in overseas migration that commenced from around 2004 was a product of demand side and supply side responses. Around this time the resources boom was forming and the national economy was in the middle of a strong expansion, helping drive unemployment to its lowest level in decades. In order to meet the labour demands of the thriving economy, the Howard Government significantly raised Australia's permanent migration intake, shifting the emphasis from family to skilled migration, while short term migration in the form of short-term work visas (the old 457 visas) and international students ramped up. Of particular importance to South Australia was the introduction of the Skilled Regional Sponsored (SRS) visa which became available on 1st July 2004. The SRS visa required applicants to settle in a low population growth regional area, which was defined as a region having a population growth rate less than 50 per cent of the national average over the previous two censuses. As the whole of South Australia was classified as a low growth population area and, more significantly, Adelaide was the only mainland state capital city that could accept these types of visa applicants, South Australia received a disproportionate number of SRS visa holders (SACES 2011).

Figure 10.1   Population Change by Component
   South Australia – Moving Annual Totals
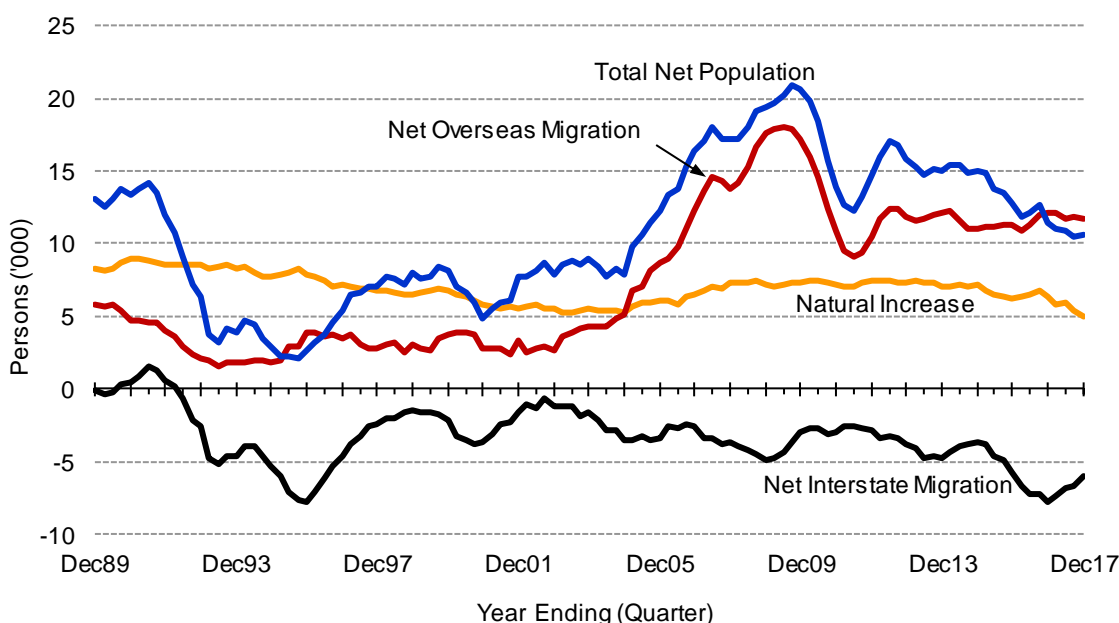
Source: ABS, *ABS.Stat, People*: www.abs.gov.au

As the only large capital designated a low population growth "regional" area, Adelaide was an attractive destination for SRS migrants given lifestyle factors, availability of services and employment opportunities. Like native residents, migrants have a strong preference for such liveability features:

> *"In a survey conducted by Hugo, Khoo and McDonald (2006) involving skilled migrants living in capital cities, half of the respondents indicated they would not have accepted a job in a regional area. The principal reasons cited for this preference included lifestyle factors, access to health and education facilities (especially if the skilled migrant had school-aged children) and job opportunities for their partners."* (SACES, 2011, p6.)

Data from the 2016 Census of Population and Housing was analysed to assess the degree to which overseas migrants have been settling in the regional areas of South Australia. Table 10.1 shows the regional shares of those people who were born overseas and whose place of usual residence 5 years prior to the 2016 census was overseas, by the time period in which they arrived in Australia. The data does not perfectly capture recent migrants since it potentially includes people who originally moved to Australia a long time ago (and potentially been an Australian Citizen for a long period). Nonetheless, the data should still be indicative of spatial settlement patterns for recent migrants.

Table 10.1   People born overseas who resided overseas 5 years ago by year arrived in Australia by place of usual residence on Census night, 2016[a]
Proportion of total for year of arrival, Statistical Area Level 3

Statistical Area Level 3 (SA3)	Time of arrival relative to 2016 Census				Total Estimated Resident Population
	Last 2 years	3 - 5 years prior	> 5 years prior	Total	
Adelaide RDA SA3s					
Adelaide City	10.7	6.8	3.9	7.9	1.4
Burnside	4.3	4.8	5.2	4.7	2.6
Campbelltown (SA)	4.7	4.7	5.9	4.8	3.0
Norwood - Payneham - St Peters	4.8	4.0	4.2	4.3	2.1
Prospect - Walkerville	2.8	2.5	2.6	2.5	1.7
Unley	3.9	3.3	3.4	3.5	2.3
Playford	2.8	3.5	3.3	3.2	5.4
Port Adelaide - East	8.4	9.6	8.7	9.1	4.1
Salisbury	9.3	11.2	10.3	10.4	8.1
Tea Tree Gully	2.8	3.4	4.1	3.2	5.5
Holdfast Bay	2.0	2.3	2.6	2.2	2.0
Marion	7.9	7.3	7.5	7.6	5.4
Mitcham	5.1	4.0	3.9	4.3	3.8
Onkaparinga	2.9	5.3	7.7	4.7	10.0
Charles Sturt	7.5	7.2	8.6	7.4	6.5
Port Adelaide - West	3.6	3.8	3.3	3.7	3.4
West Torrens	8.9	7.1	6.2	7.6	3.6
Adelaide RDA Total	***92.4***	***90.7***	***91.3***	***91.1***	***71.0***
Regional SA3s					
Adelaide Hills	0.7	1.4	2.2	1.3	4.3
Barossa	0.3	0.3	0.3	0.3	2.1
Gawler - Two Wells	0.3	0.6	0.5	0.5	2.1
Lower North	0.3	0.3	0.1	0.3	1.3
Mid North	0.2	0.3	0.3	0.2	1.6
Yorke Peninsula	0.1	0.2	0.1	0.2	1.5
Eyre Peninsula and South West	0.6	0.9	0.7	0.8	3.4
Outback - North and East	0.4	0.6	0.5	0.5	1.6
Fleurieu - Kangaroo Island	0.4	0.6	1.1	0.6	3.0
Limestone Coast	1.3	1.9	1.4	1.7	3.9
Murray and Mallee	2.5	2.0	1.1	2.2	4.2
Regional SA3s Total	***7.0***	***9.1***	***8.5***	***8.5***	***29.0***
Migratory - Offshore - Shipping (SA)	0.0	0.0	0.0	0.0	na
No Usual Address (SA)	0.7	0.2	0.2	0.3	na
Total	100.0	100.0	100.0	100.0	100.0

Note: (a) Would include people who have been born overseas and been Australian citizens for more than 5 years.
Source: ABS, *Census of Population and Housing*, TableBuilder, and ABS, *Regional Population Growth* (Cat. No. 3218.0).

The latest census data shows that recent overseas migrants are less likely to settle in regional areas of the state compared to the metropolitan area. Of those people who were born overseas and arrived in Australia in the two years prior to the last census (i.e. in 2015 or 2016), only 7.0 per cent were living in the non-metropolitan area of South Australia at the time of the 2016 census. This share of overseas migrants is well below the non-metropolitan region's share of the total South Australian estimated resident population in 2017 (29 per cent).

On a more positive note, the census data provides little immediate evidence that overseas migrants who initially settle in regional areas subsequently leave these regions in significant numbers. For example, the non-metropolitan region's share of overseas migrants who arrived in Australia 3 to 5 years prior to the 2016 census (9.1 per cent) was actually higher than the region's share of those people who arrived 1 to 2 years prior to the census (7.0 per cent).

Although regional areas tends to struggle to attract overseas migrants compared to metropolitan areas, there are examples of towns and regions successfully targeting and integrating overseas migrant communities. Box 1 summarises several interstate examples.

Box 1 – Overseas Migrants and Rejuvenation of Small Towns

Nhill is a small agricultural town in the Wimmera region of Victoria. A report published by AMES and Deloitte Access Economics (2015) describes the economic and social impact of Karen migrants from Myanmar in this small town which was characterised by a declining population and very low unemployment. This report found that over 160 Karen migrants have settled in Nhill over a period of five years. The migrant community has made possible the expansion of Luv-a-Duck – a supplier of duck meat products and the largest local commercial business. The Karen community over a process of staged recruitment and resettlement have contributed to a significant increase in the number of working age adults, which combined with families with young children has reversed the downward population trend in Nhill. The Karen migrants have found direct and indirect employment through Luv-a-Duck while the increased population has led to the creation and filling of additional jobs across a number of broader community businesses and services. Deloitte estimated a total of 70.5 full-time equivalent jobs has been added to the regional economy as a consequence of the increased labour supply while the economic impact in terms of Gross Regional Product is estimated to be $41.5 million in net present value terms. In terms of social impact, settlement of the Karen community has abated a decline in the population of the town, attracted government funding, revitalised local services and increased social capital across both communities. Other than employment, strong leadership was identified as the other key contributing factor behind the success story that Nhill is today.

Mingoola is a small rural farming community town on the border of New South Wales and Queensland. It has a population of about 150 people and was facing the challenges of an ageing community where children have grown up and gone elsewhere to work. Farmers would often find it hard to find seasonal workers and an urgency arose when Mingoola Primary School was due to close due to lack of new enrolments (ABC 2016). The town gained a new lease of life when, as part of an initiative of the local progress association, refugees from Rwanda were targeted for resettlement from the capital cities. Three families comprising 29 refugees including primary school aged children were soon relocated from Sydney and Adelaide. As a result, the primary school was saved and school staff evaded unemployment, farmers employed their new neighbours to do seasonal work previously done by an unsteady supply of backpackers, and some abandoned houses were renovated. Although a success story, there were concerns in the region about the welfare of the refugees, while refugee agencies were initially reluctant to settle the migrants in a rural area given the lack of services despite many of the refugees having a rural background (ABC 2016).

Great South Coast Economic Migration Pilot is a Victorian based program that comprises a partnership between Leadership Great South Coast, iGen Foundation, Southern Grampian and Glenelg Shire Councils and the Great Lakes Agency for Peace and Development. The project aims to relocate 10 families from Adelaide and Melbourne, comprising African refugees from Democratic Republic of Congo, Rwanda and Burundi, to Southern Grampian and Glenelg shire. The regions have good infrastructure, education and health facilities, and low unemployment rates with there being opportunities for people to work in both skilled and unskilled occupations (ABC 2018). However, both shires have a declining or stagnant population. As part of the program, skills and qualifications of potential migrants are matched with local employers and locations, while community partners assist families to find schools, housing and encourage them to join community groups (ABC 2018). This pilot project has the potential to solve the problem of declining and static population faced by most regional and remote areas in Australia.

Source: ABC (2018), "Migrants and refugees stem population decline in regional areas". Available: http://www.abc.net.au/news/2018-03-18/international-refugees-migrants-saving-local-towns/9508586. ABC (2016), "African refugees reinvigorating rural Mingoola in social experiment to boost ageing community". Available: http://www.abc.net.au/news/2016-11-07/how-african-refugees-are-reinvigorating-mingoola/7970876. AMES and Deloitte Access Economic (2015) Small towns Big returns, Economic and social impact of the Karen resettlement in Nhill.

Returning to overall population trends for South Australia, overseas migration combined with natural increase has maintained population growth in the face of persistent losses stemming from net internal migration. Unfortunately net interstate migration outflows have increased noticeably over recent years – Figure 10.1. In the three years to 2017, the state lost an average of 6,500 people per year through net interstate migration compared to an average of 3,600 people per annum over the previous 5 years (an 81 per cent increase). The recent increase in net interstate migration is a direct response to an earlier period of protracted weakness in labour market conditions. Employment levels in South Australia fell sharply in 2013 and it took until late 2016 for total employment to reach its previous peak (meanwhile employment in most other states and territories continued to grow during the period). This downturn in labour market conditions was brought about by various factors including the downturn in the resources sector, broad based contraction in manufacturing due to, *inter alia*, competition from emerging economies and shock to competitiveness resulting from the earlier surge in the Australia dollar during the resources boom, and subsequent closure of local automotive manufacturing.

A notable consequence of the increase in interstate migration is that working age people and their children have been leaving South Australia in greater numbers. As Figure 10.2 shows, net interstate losses of adults aged 15 to 34 years and 35 to 64 years, and their children aged 0 to 14 years, have risen to historically high levels over recent years. In contrast, net migration flows of people aged 65 years and over have hardly changed and had a neutral impact on overall population growth. The net impact of these interstate movements is an ageing of the South Australian population and a brain drain. Such trends in turn have negative implications for the South Australian economy in terms of, *inter alia*, satisfying skilled labour needs, improving productivity, and rejuvenating the economy through creativity and innovation. There are also negative financial implications for government to the extent there are fewer working age people to support the older dependent population and increased pressure on public and community services.

Figure 10.2   Net Interstate Migration by Age Group
South Australia – Proportion of Estimated Resident Population
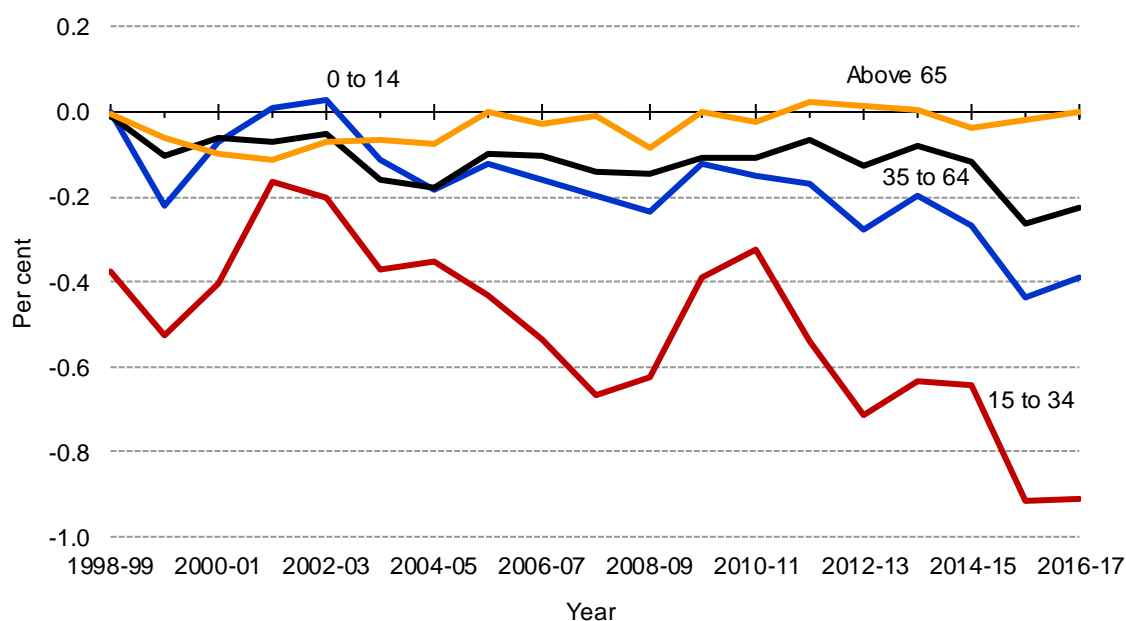
There is little that state or local government can do to directly influence interstate migration flows of Australian residents. However, SACES recently concluded that:

> *"… policy changes that lead to an improvement in the state's relative economic performance, or enhance other aspects of the State that interstate and overseas migrants find appealing (e.g. quality of life, cost of living), can positively affect the State's ability to attract and retain population. Different population groups will be drawn to different attributes. The young may be attracted strongly to high quality jobs with good development prospects, the vibrancy of large cities and high quality education opportunities. Those at or near the end of their working lives may be drawn more to aspects of urban amenity such as safety and mobility, lower costs of living and a quality health system".* (SACES 2018, p27).

With the ability to influence interstate migration flows being quite limited, overseas migrations remains the most effective policy lever for bringing about meaningful changes in population outcomes in the short to medium term. However, decisions regarding intake levels, skilled occupation needs and eligibility criteria regarding the overseas migration system are the domain of the federal government. Furthermore, current features of the nation's overseas migration system do not appear to be properly attuned to the population and workforce needs of South Australia. In the following section we explore some of these issues and the potential reform options that could bring about better outcomes for the state.

10.2 Overseas migration policy issues and reform options

In 2017, SACES was commissioned by a consortium of businesses and peak bodies to investigate national immigration policy in the context of challenges facing economic and business development in South Australia, especially regional South Australia. This work involved extensive consultations with various stakeholders including businesses and organisations representing businesses, Regional Development Australia agencies, organisations providing or promoting training, and the Local Government Association. The results of this research were published in a series of three reports (SACES 2017, 2017a and 2017b). Over the remainder of this chapter we draw out the key findings and sections from these reports which have direct relevance to strategic workforce and related population policy issues in South Australia.

10.2.1   Skill shortages and recruitment difficulties

Despite South Australia's unemployment rate, reports of skills shortages and recruitment difficulties were widespread amongst the firms and peak bodies with which we consulted in 2017. This is interesting as it is at odds with findings of the Australian Government Department of Employment skills in demand research which identified relatively few skills shortages relevant to the organisations we consulted with.

There was significant dissatisfaction with the way in which all the mechanisms for meeting labour demand were functioning at the time:

- employers expressed a view that a significant proportion of jobseekers they are seeing have significant barriers to their work readiness that makes them unsuitable for employment. It was felt that the existing programs such as the Australian Government's network of jobactive providers were not sufficiently addressing these barriers. Substance use (particularly methamphetamines) was mentioned by several consultees and was particularly of concern for employers in the food product manufacturing sector;

- it was felt that VET education, particularly since the end of 'Skills for All' was too expensive, too inflexible, and not targeted at regional skill needs;[6] and

- the process of securing a 457 visa (replaced from 18 March 2018 with the Temporary Skills Shortage Subclass 482 visa) was too time consuming, bureaucratic and costly, and that for many of the employers covered by our consultation either the Temporary Skilled Migration Threshold (TSMIT) and or the relevant skill lists meant that in many cases they could not use, or could only partly use, the migration system to address their unmet demand for skilled/semi-skilled labour.

It is of course possible that the firms and industry associations with whom we spoke were unrepresentative of their broader sectors. However, it is worth noting that because of the involvement of peak industry bodies and RDAs our consultations covered a wide range of firms and their experiences.

An interesting consequence of this difficulty in recruiting suitable labour is that firms are increasingly using working holiday visa holders – who can work for a given firm for no more than six months – to fill permanent positions. This results in significantly higher recruitment, induction and training costs for the firm than if they were able to fill the position with either a domestic worker or a migrant on a long-stay visa. It also means that it is unlikely that these positions will be picked up in studies used to identify skill shortages which, amongst other things, feed into the list of occupations that are eligible for various long-stay skill category visas.

10.2.2   Recent changes to skilled migration programs

In mid-2017 the Australian Government announced a number of changes made to Australia's skilled migration system, particularly the Regional Sponsored Migration Scheme (RSMS) and the 457 Visa. Details of these changes have been taken from two fact sheets prepared by the Department of Immigration and Border Protection, the Department's website, and the May 2017 edition of the Department's '457 agent news'.

As our consultations preceded the announcement of these changes, employers' experiences relate to the previous policy settings. However, as all of the announced changes act to reduce access to skilled migrants, the difficulties identified by employers are likely to be (if anything) exacerbated by these changes. The restrictions on the RSMS program are particularly concerning for South Australia as this is one of the few skilled visa categories where South Australia achieve a share of outcomes that is above our population share.

Throughout the remainder of this chapter we use 457 visa to refer to both the 457 visa and its replacement the Temporary Skills Shortage (TSS) visa.

Important changes to Employer Nomination Scheme (ENS) and Regional Sponsored Migration Scheme (RSMS) visas

The Employer Nomination Scheme (ENS) and Regional Sponsored Migration Scheme (RSMS) visas were modified (with changes introduced progressively from April 2017 to March 2018) to:

- require the position to meet the TSMIT for its normal earnings (currently $53,900), bringing it into line with the 457 Visa;

- reduce the number of eligible occupations for the ENS in April 2017 (removing 216 occupation from eligibility, with applications for the ENS program restricted to occupations listed on the new Short-Term Skilled Occupation List (STSOL) (minus 16 occupations that cannot be used for ENS applications). There are also a further 24 occupations which can only be used for ENS applications where the position will be located in regional Australia);

- reduce the number of eligible occupations for the RSMS from March 2018 when the current occupation list specifically for the RSMS will be abolished, with eligible occupations for these visa classes to be restricted to the occupations on the new Medium and Long-Term Strategic Skills List (MLTSSL), of which there are currently 184, with some additional (regionally focussed) occupations eligible for the RSMS;

[6]   The State Government is currently implementing significant reforms to TAFE SA and the VET sector following critical reviews of TAFE SA.

- increase the minimum English language proficiency requirement;
- require at least 3 years relevant work experience (which effectively removes the current pathway whereby international VET students could previously apply for a RSMS visa at the end of their studies if they could find a sponsoring employer);
- reduce the age limit from 50 to 45 for the direct entry stream of the RSMS in June 2017, with the maximum age for all streams of these visas reduced to 45 in March 2018; and
- inflows to the RSMS visa are also likely to be reduced due to the new two tier structure for the 457 visa, with a number of occupations now being precluded from transitioning from a 457 visa to an RSMS visa.

Important changes to 457 visas

The 457 visa has been abolished and replaced with a new Temporary Skill Shortage (TSS) visa, with broadly similar eligibility, however it differs from the 457 visa in several important ways (with changes being introduced in a staggered fashion over the period to March 2018). Most importantly, the new approach to temporary skilled migration:

- Has a 'two-tiered' structure of 2 year and 4 year visas.
  The 2 year visa can be used for (almost) all occupations on the STSOL, although 59 occupations have a caveat restricting the circumstances in which a 457 visa can be used to fill a vacancy, but it can no longer lead to permanent residency, reducing its attractiveness to potential migrants (and to employers who will need to fill the vacancy again after 2 years).
  The 4 year visa can only be applied for if the migrants occupation is one of 168 occupations included on the new MLTSSL, however this visa can lead to permanent residency.
- Requires 2 year's relevant work experience from applicants;
- Increases the minimum English language proficiency requirement;
- Strengthens the mandatory labour market testing required;
- Reduces the number of occupations eligible for the visa from 651 to 435 (with access to 59 of the remaining occupations restricted for 457 applicants in some way); and
- Introduces a (subjective) 'genuine temporary entrant' test where an officer of the Department will make an assessment as to whether the applicant is only seeking to move to Australia temporarily.

Changes to training requirements

The training requirement for employers sponsoring a 457 visa holder have also changed.

Under the old arrangements for the 457 visa, a sponsoring employer was required to demonstrate that they were spending an amount equal to at least 1 per cent of their payroll on training (or pay a training levy equal to 2 per cent of payroll).

Under the recent changes, sponsoring employers are now required to pay an annual training levy of $1,200 per year or part year for small businesses (those with annual turnover of less than $10 million) and $1,800 per year or part year for other businesses. The training benchmark will also be retained. The Department has also flagged that the policy settings for training benchmark requirements are being clarified and tightened, by setting out the types of training funds and training expenditures that are acceptable for meeting the benchmark.

It would not be surprising if employers funded the training levy by reducing their internal spending on training (although this would not be possible if it would mean total training fell below the training benchmark). As there is currently no commitment that funds collected from the training levy will be spent in the region from which they derive, it is possible that this change could actually *reduce* the availability of training in regional SA.

It is also likely to significantly increase the costs to businesses of accessing the skilled migration system.

Changes to the occupation lists

The previous system of having three occupation lists used by the migration system, the Consolidated Skilled Occupations List (CSOL), the Skilled Occupation List (SOL) and the RSMS occupation list is being consolidated slightly into two lists, the STSOL and the Medium and Long-Term Strategic Skills List (MLTSSL), although the RSMS will only transfer to using the MLTSSL in March 2018.

As part of this change the total number of occupations eligible for skilled migration programs has fallen from 651 occupations to 435 occupations.

The STSOL which includes 435 occupations will be used for applications for the following programs:

- Employer Nominated Scheme (subclass 186) – Direct Entry Stream, up to March 2018;
- Skilled Nominated visa (subclass 190);
- Skilled Regional (Provisional) visa (subclass 489) - State or Territory nominated;
- Temporary Work (Skilled) visa (subclass 457) (once the TSS has replaced the 457 visa, occupations which are listed on the STSOL but not the MLTSSL will only be eligible for the 2 year stream of this visa); and
- Training visa (subclass 407) - Nomination eligibility type 2 – Occupational training to enhance skills in an eligible occupation.

The following visa types can only be applied for if they relate to an occupation on the MLTSSL:

- Skilled Independent visa (subclass 189);
- Skilled Regional (Provisional) visa (subclass 489) - Family nominated;
- Temporary Graduate visa (subclass 485) – Graduate Work Stream;
- (from March 2018) the Regional Sponsored Migration Scheme visa (subclass 187); and
- (from March 2018) the Employer Nominated Scheme (subclass 186).

Temporary Skilled Migration Income Threshold (TSMIT)

In addition to raising the bar for immigration by limiting eligibility to specific occupations and minimum qualifications, Australian immigration policy also enforces requirements that market rates be paid to those on temporary skilled worker visa, as well as requiring that the existing wage for the position being filled meets a set threshold[7] (the Temporary Skilled Migration Income Threshold (TSMIT), currently set at $53,900). The three objectives here are to ensure that migrants are paid a wage that secures a decent standard of living, protecting existing local labour wages from undercutting by migrant labour, and acting as a check that the position is genuinely high skilled through requiring its normal wage to be equal to the TSMIT. Such wage thresholds, however, mean that many job vacancies (particularly in regional areas) cannot be filled using temporary skilled migration as their market wage is below the TSMIT, a factor acknowledged in the recent review of the TSMIT (Azarias 2017, p. 52).

Many businesses reported that the TSMIT was a significant barrier to using the migration system to address skills shortages. The justification for the TSMIT is that it acts as a proxy for the skill level of a position, and that it ensures migrants have an adequate income. However often quite large differences in wage levels and in the cost of living across regions of Australia mean that a single level for the TSMIT cannot fulfil its functions in all regions of the country.

The Australia-wide uniform application of the TSMIT to subclass 457 visas (and its planned extension in 2018 to also cover RSMS visas) systematically disadvantages businesses located in low wage regions, which is a feature that characterises much of South Australia. Our research with businesses found that the TSMIT makes this visa sub class unusable for many regional SA business whose market salary rates are typically below this minimum level, meaning their vacancy cannot be filled by a 457 visa holder even if the employer would be willing to pay the TSMIT rate (unless they are in an industry with an exception such as the meat industry with a labour agreement that allows salaries to be inflated to meet the TSMIT).

Potential impact of extending the TSMIT to the RSMS visa

One of the recently announced changes to skilled migration system was to extend the TSMIT to the RSMS visa, which had previously only been required to demonstrate that a market salary rate was being paid, with this change being one of the recommendations of the recent review into the TSMIT (Azarias 2017).

As South Australian employers are disproportionately reliant on the RSMS visa to address their skilled labour shortages this change has the potential to affect the South Australian economy.

As the regional certifying body (RCB), Immigration SA has produced data on the proportion of RSMS applications with wages below the TSMIT (applications made under the 'direct entry' stream of the RSMS). The other two streams of the RSMS visa – the Temporary Residence Transition and Agreement streams – are only open to workers already on a 457 visa who are already being paid the TSMIT or who are covered by a labour agreement which allows a discount to the TSMIT. Rates of this type of grant will not be affected by extending the TSMIT to RSMS visas (although the new 'two tier' structure of the TSS visa, with many occupations now no longer eligible for permanent residence, may further reduce RSMS visas granted).

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[7]   A limited exception to this exists for employers in the meat industry, which, whilst they still have to pay at least the TSMIT to workers brought in under a 457 visa subclass can fill positions where the existing market wage does not meet the TSMIT.

There is a slight limitation in this data in that it only covers the number of individuals whose applications were assessed as having satisfied the criteria, rather than the number who achieved a successful immigration outcome, but there is no reason to believe that it will be significantly different.

Whilst the proportion of those with income below the TSMIT has been declining slightly even in the most recent years' data, it still represents 39 per cent of the applicants for this stream assessed as satisfying the criteria.

Table 10.2   Income levels of 'direct entry' RSMS applications assessed by Immigration SA as satisfying the program criteria

Year	$53,900 or more	Less than $53,900	Per cent below $53,900
2016/17 (year to April)	333	216	39.3
2015/16	377	265	41.3
2014/15	338	259	43.4
2013/14	277	358	56.4
Total	1,325	1,098	45.3

Source: Immigration SA, pers. comm.

This data suggests that if the TSMIT had been in place for RSMS visas since 2013/14, then there would have been over 1,000 fewer skilled workers migrating to SA over that period, leaving the employers with the choice of either producing less output or with lower productivity as they fill positions with less skilled or less experienced workers. The impact on regional labour markets would have been even more significant than this as a proportion of RSMS applicants are accompanied by family members of working age who are active in the labour market.

10.2.3   Conclusions and recommendations from the Migration project

A set of broad approaches to addressing the limitations of the existing migration system to the needs of South Australian employers emerged from our consultations. This discussion is structured around first describing the limitation of the current system as experienced by South Australian employers or visa applicants, and then identifying potential modifications that could address (at least in part) these challenges.

The current visa system no longer offers regional employers the flexibility necessary to meet their skill needs

In the past, the Australian visa system has often had a degree of regional flexibility. This recognises that the substantially smaller labour market of regional areas, together with the difficulties often experienced in attracting Australians from major urban centres to move to regional areas, means that jobs which may be able to be filled from the local workforce in Sydney and Melbourne, cannot necessarily be filled in a regional area without recourse to the migration system. Equally, the cost of living (which is one of the drivers of setting a wage floor for temporary skilled migration, currently through the use of the TSMIT) varies significantly across the country and is often lower in regional areas.

For example, up to 2007 there was a "regional" 457 visa which offered a number of elements of additional flexibility for regional employers, including access to a greater range of occupations, and a lower minimum salary level than for the broader 457 visa.

Since the abolition of the 'regional' 457 visa, much of that regional flexibility has been lost from the Australian migration system, with the RSMS visa representing the greatest remaining regional concession. The recently announced changes, particularly the extension of the TSMIT to RSMS and Employment Nomination Scheme (ENS) visas, will further reduce what little flexibility still exists in the migration system for regional areas.

The recently announced changes to the skilled migration system are removing much of this flexibility, requiring positions filled through the RSMS visa to pay a wage that at least meets the TSMIT, and reducing the number of occupations available for the visa (perhaps significantly, although the final impact will not be clear until the final list of occupations is released by the Department).

Recommendation 1: Create a new regionally focussed visa based on the 457/TSS visa. For the purposes of this discussion we will use the nomenclature 'Temporary Regional Visa'

Essentially, a program is required which is broadly similar to the former "regional" 457 visa, with some adjustments to reflect changes to the broader migration system since then, and to reduce the potential for abuse of the visa conditions.

The key elements that we believe should be included in a temporary regional visa are:

- **A TSMIT that reflects local labour market conditions.**

    As detailed by SACES (2017a), a single national level for the TSMIT meets neither of the objectives of the TSMIT (acting as a proxy the skill level of the job; and ensuring that the migrant can enjoy a reasonable standard of living) due to differences in regional labour markets and differences in local cost of living.

    A solution to this would be to allow the TSMIT to vary downwards in those regions where both the cost of living, and prevailing wages were below the national average. There should be a limit of the degree of variation, no more than perhaps 10% to 15% below the national TSMIT. Importantly, this process needs to be less bureaucratic than the existing DAMA process (which only the NT has attempted), and be driven by local stakeholders, either the local Regional Development Australia office or the State Government.

- **Allow access to a greater range of occupations (and to lower skill levels).**

    Regional labour markets typically do not have the depth of labour markets of major metropolitan centres. This means the typical split in migration systems between 'skilled' jobs requiring several years of training and several more of on-the-job experience, and un-skilled jobs, which can be rapidly supplied by the training system (and thus are not suitable for skilled migration) does not necessarily apply. As such, hard to fill vacancies in regional areas can occur at lower skill levels than would be the case in a large city. This means the Temporary Regional Visa should have a wider range of occupations available to it than is the case for national visas such as the 457/TSS. Additional occupations permitted under the Temporary Regional Visa should be based on labour market conditions in that particular region, rather than restricted to only those occupations which are in shortage nationally.

    Any increase in the range of occupations available through this regional visa need a process of scrutiny to establish that they genuinely cannot be filled in the local labour market. This should be subject to the more robust labour market testing process flagged in the recent changes to the migration system (ideally with third party validation).

    A somewhat broader approach would be to abandon the idea of a pre-established occupation list entirely. If the process for undertaking and verifying 'market testing' is sufficiently robust then that process, in itself, should be sufficient evidence that there is a regional skill need that cannot be readily addressed.

- **Allow greater pathways to permanent residence**

    Many regional areas of Australia are experiencing either absolute population loss or population growth rates that are well below the Australian average. It is also not unusual for them to have greater proportions of older residents, and relatively fewer of prime working age. This means that migrant settlement is more beneficial to the demographic structure of regional centres than to the major cities.

    An obvious mechanism for this would be to allow any individual with a Temporary Regional Skilled visa resident in a qualifying regional area to apply for either an RSMS or a 489 visa (as appropriate) after two years of residence in a qualifying regional area, providing that the residence in the qualifying regional area will be maintained for the life of the RSMS or 489 visa. The pathway to permanent residence would then follow the standard procedure for those visa classes.

- **Verification of compliance with visa conditions**

    Previous regional visas (and the 457 program more generally) have from time to time experienced issues with compliance with visa requirements, particularly those around residence in regional areas and payment of the required wage.

    Data matching with the ATO should make it easier to undertake compliance checks to ensure the visa holder is still resident in, and working in, a qualifying regional area and that their employer is paying them the wage stipulated in the visa application.

    Some form of whistle blower protection should be introduced for visa holders who alert the Department to irregularities on the part of their employer such as under payment of wages or demands for ex-gratia payments from the employee.

- **Exempt regional employers from paying the new training levy if they meet a training benchmark based on good practice for their industry sector**

    Employers willing to fund training in regional areas are a valuable resource, particularly as the lack of economies of scale typically means that TAFE offers a narrower range of courses in regional areas. However, one aspect of the recently announced changes is to apply a training level to all employers applying for a TSS visa to fill a skilled vacancy regardless of whether they fund training or not.

    This is likely to lead those employers currently doing the right thing to reduce spending on offering their own training to fund the additional cost of the visa. We recommend that, as was previously the case with

the 457 visa, employers (or at least employers in regional areas where there is less access to training) be exempted from the training levy if they meet some industry appropriate training benchmark.

Recommendation 2: Restore the Regional Flexibility of the RSMS Visa

The recently announced changes – which would apply the TSMIT to the RSMS, have the potential to significantly reduce the number of occupations eligible for this visa class, and introduce a 3 year minimum relevant work experience requirement for applicants – has the potential to remove most of the additional flexibility this visa class gave regional employers to address their workforce needs.

As a minimum, we recommend that all those elements of regional flexibility recommended for the proposed new Temporary Regional Visa should also be extended to the RSMS visa, to ensure it remains a valuable tool for regional employers who cannot fill skilled and semi-skilled job vacancies. The 3 year minimum relevant work experience requirement should also be removed in qualifying regional areas.

Recommendation 3: Improve post-study work rights for VET graduates working in regional areas whose occupation faces unmet demand in their region

Since 2013, post-study work rights have been strictly controlled, with access to the Post-Study Work stream restricted to those completing a qualification at Bachelors' degree level or higher. (While there is a shorter duration 18 month 'Graduate Work' stream of the Temporary Graduate visa (subclass 485) available to those international students completing diploma or trade qualifications, the eligibility requirements are quite restrictive – they must have undertaken two years of study in Australia, the position they are taking in Australia must be closely related to their qualification, and their position must relate to an occupation on the STSOL.) Industry representatives were concerned these changes were already adversely affecting international student enrolments in VET in South Australia and that, in turn, this would further reduce an already insufficient pool of sufficiently trained and qualified workers in the state.

- **Grant full post-study work rights to VET graduates filling positions in a regional area if the position being filled is in an occupation facing skills shortages in that region**

    International students completing VET courses are a significant potential pool of skilled labour. If these VET graduates were allowed to access full post-study work rights in those cases where the position they are filling is located in a regional area, and the position is in an occupation which is experiencing skill shortages in that region, then this could significantly reduce skill shortages in regional areas.

    Such visa grants should be subject to verification that the position is genuinely in the regional area, and that the role being undertaken is in the nominated occupation.

- **Allow VET graduates working in a regional area in an occupation facing skills shortages to apply for other skilled visas in regional areas**

    Where a VET graduate is working in a qualifying regional area under the 'Graduate Work' stream of the Temporary Graduate visa they should be able to apply for a Temporary Regional Skilled visa or an RSMS visa if the occupation they are working in faces unmet demand in their region, and should their application be successful they would be entitled to the full rights and responsibilities of those visa classes, including ability to renew visas and to apply for permanent residency (or a visa class that creates a pathway to permanent residency) if they meet the relevant criteria.

- **Abolish or amend the genuine temporary entrant (GTE) test for potential international VET students planning to study in a regional area and undertake a course linked to an occupation in unmet demand in regional areas**

    Where a VET graduate is applying to study at a VET provider located in a qualifying regional area, and where the course they will be studying is linked to an occupation with unmet demand in regional Australia, then the GTE test should either not be applied, or applied in a less rigorous way (e.g. to not preclude entry on the basis that they might seek to take up post-study work rights in a regional area), as it would be beneficial for that regional area for them to subsequently apply for post-study work rights in the occupation facing unmet demand.

The way in which skills are defined in the current skilled migration system does not appear to reflect current industry practice

Many stakeholders were critical of the use of the ABS's ANZSCO classification system as the basis of the description and naming of occupations that appeared in the CSOL/SOL/ RSMS Occupation List (and this is being carried over into the new structure of the Short-Term Skilled Occupation List (STSOL) and the Medium and Long-Term Strategic Skills List (MLTSSL)). The ANZSCO classification structure was developed to allow the statistical agencies of Australia and New Zealand to group jobs in a systematic and consistent manner when processing survey and census data, and to provide administrative agencies with a framework to record occupation data systematically. The basis of the classification system is to group jobs into occupations based on their skill level and level of skill specialisation.

Whilst the ANZSCO framework has generally performed its functions well for most of the uses to which it is put, the naming of occupations raised concerns among individuals and organisations consulted in this study who thought they did not reflect current industry and employee terminology. Some industry representatives felt a lack of shared understanding of occupations, their contents and titles resulted in occupations being left off the relevant occupation list, while industry believed them to be in short supply. Similarly, the job content descriptions that are currently being used for identifying visa-eligible occupations were seen to be ill-aligned with the experiences and daily working practices of employers, particularly in primary industries. The potential for such changes in usage is recognised in ANZSCO which has undergone two minor sets of revisions since it replaced the ASCO classification in 2006 to reflect contemporary usage in job titles and job descriptions.

A good example of this problem is Production Horticulture. This occupation involves the management of production in horticultural establishments spanning the range of crops from orchards to vegetables to mushroom cultivation. Individuals filling this role manage a range of production activities including preparing soil, managing the harvest, controlling pests, and managing teams of horticultural labourers on site. For horticulture businesses (particularly the larger ones) having appropriately skilled individuals to undertake this role is critical, however a number of employers indicated they found it difficult to fill these positions. Despite the skill shortage in this area, and despite it being a well-defined occupation linked to a specific training courses in the VET system as part of the Agriculture, Horticulture and Conservation and Land Management Training Package[8], employers cannot fill these positions using the current skilled migration system as the occupation is not included in ANZSCO. This problem could be avoided if the Department were willing to include other forms of evidence for the nature and skill level of an occupation, such as the training packages approved for the VET sector.

A second problem with the applicability of the classification system was that, especially in the primary industries sectors, it is not unusual for workers to have jobs that straddled two or more occupations, however this is not recognised in the visa eligible occupation lists. Skilled visa applications, which must be for a single specified occupation, then risk being rejected if the employers' nominated position and/or the applicants' work experience were more diverse than stipulated in the ANZSCO codes. The visa applicant then appears not to meet the minimum set of skill requirements, or job duties, pertaining to the nominated occupation.

Employers also reported that a number of the occupations they experienced difficulty in filling were coded in ANZSCO under generic 'not elsewhere classified' categories, grouped with a number of other only loosely related occupations. These more generic categories are typically not eligible for inclusion in the occupation lists as they contain a range of occupations not all of which will be facing unmet demand.

Recommendation 4: Update definitions used for occupations in demand, and draw on a wider range of information

Many of these issues could be addressed if the Department were to draw on a wider range of information in identifying occupations experiencing skills shortages and in defining occupations.

For occupations which normally require some level of VET qualification (or equivalent experience), training packages provide up to date descriptions of the skills, competencies and capabilities required for occupations, including details of the nature of activities that might be undertaken by those working in the occupation. This information is well sourced and verified and has been accepted by the Australian Government as the appropriate way to design the content of VET courses. However this rich, industry led, data source only appears to feed into the migration system when they influence periodic revisions to ANZSCO (if at all). A number of individuals consulted in this research suggested that training packages could be used as an alternative way to demonstrate the skill level of a position or to map a job opening at an employer to an occupation on the relevant skills list.

The Department should also establish structures to draw in information from state and territory agencies responsible for skills planning and regional development, such as the Training and Skills Commission in South Australia, into its lists of occupations experiencing skills shortages, and in defining occupations at all skill levels.

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8   See for example https://training.gov.au/Training/Details/AHC30616

Recommendation 5: Remove caveats from skill lists for employers in regional areas

The recent set of visa changes have also introduced a number of caveats for occupations which are eligible for a 457/TSS visa. In a number of cases these restrict applications for certain occupations to employers above a minimum turnover size.

Whilst there may be a rational for these caveats in large metropolitan areas, they do not reflect the reality of many regions, where no (or few) employers seeking individuals to work in those occupations would be large enough to meet the caveat.

As such, these caveats should not be applied to employers in regional areas (or should be applied at a lower level that reflects the actual distribution of firm sizes in regional Australia).

South Australia would benefit from faster population growth, and in particular growth in the working age population

The current economic and demographic challenges faced by South Australia are an important background to the issues raised by those we consulted with.

South Australia lags the rest of the country in economic output and employment growth whether measured in absolute terms or per capita. The South Australian population is amongst the oldest in Australia and is getting older over time, as well as decreasing as a proportion of the country's total population due to lower population growth rates. Over the last three decades, the state's annual population growth rate of 0.7 per cent was roughly half that of Australia as a whole (1.4 per cent) (ABS 2018).

There seem to be three main causes for South Australia's economic underperformance:

- weaker initial economic conditions stemming from the adjustment (or lack thereof) to the first set of trade liberalisation in the early 70s;
- persistently lower population growth; and
- an older population.

The two latter factors have both been exacerbated by the relatively high level of net interstate migration loss, which is disproportionately concentrated amongst South Australians of prime working age.

A reduction in the share of the population who are of prime working age is likely (all other factors being equal) to reduce economic output, through a smaller labour force, through a less skilled labour force, and through lower consumption spending (prime working age households typically consume a higher proportion of their incomes). In South Australia's case the age structure of the population represents a "demographic deficit" reducing the potential output of our state. Net overseas migration represents an important potential solution to demographic issues facing the state. For example, a recent Productivity Commission Inquiry into skilled migration concluded that:

> "By increasing the proportion of people in the workforce, immigration can provide a demographic dividend to the Australian economy and reduce the impacts of population ageing." (2016, p.14)

A significant driver of the current Australian migration policy debate appears to be the fact that the populations of Sydney and Melbourne have been increasing at a faster rate than supporting infrastructure, both private (housing) and public (transport infrastructure, schools, hospitals etc.). This is a legitimate concern for these jurisdictions, and a policy response in the migration system may well be warranted, but there is no reason to expect that changes to national migration settings are likely to be the optimal response. Indeed, it is possible that the recent set of changes may not make any meaningful reduction in the number of migrants settling in Sydney and Melbourne, but instead reduce migration outcomes for those jurisdictions where greater population growth would be potentially beneficial.

Recommendation 6: Increase regional flexibility in migration policy settings

- **Set upper limits to migration regionally rather than nationally, based on consultations with state/territory governments**

    There is no reason why regional migration targets cannot exist alongside the existing broad national "soft" targets, with those jurisdictions that were facing pressures on their infrastructure able to request limits on the number of visa grants under relevant programs, and those which would benefit from greater population growth able to request an increase in the number of visas available to those who meet the relevant program criteria. Implementing such a 'regionalisation' would potentially require an additional condition for any visa with a regional element, that the individual continued to live in, and work for an employer located in, an area eligible for that visa category and, where appropriate, in one of the regions eligible for additional visa grants.

- **Target regional flexibility at regions identified by state/territory governments**

  Alternatively, regional flexibility could be introduced by only applying the regional concessions (including those recommended in this report) to areas identified in consultation with states/territories as experiencing difficulties in securing skilled and semi-skilled labour and as having the capacity to absorb additional population. As with the previous point, implementing such a 'regionalisation' would require an additional condition in the visa that the individual continued to live in, and work for an employer located in an area eligible for that visa category and, where appropriate, in one of the regions eligible for additional visa grants.

  The potential for data linkage with ATO tax return data provides a lower cost option for such verification.

National 'occupational lists' used to identify job vacancies eligible for skilled migration programs do not necessarily reflect local skill needs

Occupation lists; formally the SOL, CSOL and RSMS Occupation List, now the STSOL and MLTSSL respectively, are an important component of the skill migration system. These occupation lists define occupations eligible for most of the skilled visa classes such as subclass 457 and the RSMS. In the course of this study, SA business owners and industry representatives expressed concern about the identification and naming of occupations that qualified for inclusion in the CSOL/SOL/ RSMS Occupation List and the occupations included in ANZSCO levels 1-3.

Criticism of the occupation lists was primarily directed at what was perceived to be the exclusion of certain sectors, occupations and levels of qualification from the list, in particular the exclusion of skill levels below Certificate IV. The purpose of the occupation lists is to record medium to long-term[9] skills needs; with migration activity traditionally focussed at higher skill levels than the shortages identified by many South Australian businesses. The reason for this focus is that addressing a shortage for a higher skill level through the training system takes, at a minimum, several years due to the time required to complete the qualification. In theory at least, shortages for lower skill levels should be able to be addressed by offering short courses to existing lower skill level employees or to individuals who are currently unemployed. In larger metropolitan areas this largely works, however in the smaller labour markets such as Adelaide, and even more so in regional SA, there are not necessarily suitable individuals able to be upskilled in this way, and so even occupations at a lower skill level can experience medium- to long-term skill shortages of the type that are typically addressed at least in part through the skilled migration system.

It should be noted that the new structure of the STSOL and MLTSSL does not address any of the concerns raised in our consultations, and if anything will exacerbate the problems.

The greater industry preference for Certificate III and lower level qualifications amongst South Australian employers appears to be reflected in the Training and Skills Commission's (TaSC) 2016 Report on South Australia's Industry Priority Qualifications (the TaSC's role is to advise "the Minister for Higher Education and Skills on South Australia's skills and workforce development priorities and is responsible for the regulation of the State's apprenticeship and traineeship system"). However, the Department of Immigration and Border Protection has no apparent mechanism to take into account state based analyses of skills shortages and incorporate their evidence into decisions on occupation lists.

Recommendation 7: Include region specific occupations in the skill lists

The Department should also establish structures to draw in information from state and territory agencies responsible for skills planning and regional development, such as the Training and Skills Commission in South Australia, and Regional Development Australia offices into its lists of occupations experiencing skills shortages, and in defining occupations.

These could then be used to create region or state/territory additions to the skill lists (or if the feedback is that there is an excess supply of a particularly occupation in a region, to exclude certain occupations from visa classes for the region in question) with this implemented through the use of caveats in the skills lists.

The recent changes to student visas for VET students may have different effects across regions

A more immediate challenge to international VET and university student registration may result from the new Streamlined Visa Processing (SVP) and Simplified Student Visa Framework (SSVF) for student visas, including the introduction of the genuine temporary entrant (GTE) test and the associated immigration risk rating of countries. SA's educational institutions currently recruit a large share of their students from what were until recently known as Assessment Level (AL) 3 countries. Over half (57 per cent) of South Australia's

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9   Defined as a period of around two to ten years.

international students originate from AL3 countries, mainly from India, China, Vietnam and the Philippines. Across Australia, 38 per cent of VET students originate from AL3 countries.

Course and student visa applicants from these countries must meet particularly stringent evidentiary requirements that verify their ability to support themselves financially, their English language and academic competencies, and to satisfy the GTE test. Under the SSVF, student country risk ratings (similar to AL) and provider risk ratings will be combined to determine the level of evidentiary proof required from student visa applicants.

This greater reliance on AL3 country students is likely to pose an additional administrative burden on South Australian education providers relative to their competitors interstate for two reasons. First, under the new SSVF, education providers are required to determine that a prospective student meets the Genuine Temporary Entrant conditions at the point of course application. Secondly the GTE provision potentially penalises providers targeting students from those countries the Department has identified as 'high risk'.

Finally, providers expressed concern that the application of the GTE test appeared to be arbitrary, with no evidence that consistent guidelines or protocols were being used in applying it. The absence of an appeal channel for offshore applicants was also regarded a problematic, particularly given that the refusal could have an on-going impact on the applicant as it would have to be disclosed in any further visa applications and, in and of itself, creates grounds for the Department to reject future visa applications.

Recommendation 8: Review impact of GTE and country risk ratings on SA based VET providers, and assess the extent to which it is addressing a genuine risk to management of the migration system

We recommend that the Department commission an independent review of the impacts and implementation of the recent changes to student visas. Important focuses of the review should be to assess:

- whether the risk rating of country of origin reflects actual risk of students overstaying their visa, and whether the new requirements are a proportionate response to any threat to the management of the migration system;

- whether the potentially subjective GTE test is being applied in a consistent fashion and whether its application is consistent with evidence of risk of visa overstay or other breach of visa conditions; and

- monitoring financial impacts on SA VET providers as prior to the recent changes they sourced a disproportionate share of students from countries now classified as higher risk.

Recommendation 9: Create an independent appeal process for determinations of student visa applications

As the application of the GTE test is inherently subjective, an appeal process should be created so that decisions are not solely subject to the assessment made by one individual. This degree of potential subjectivity extends to other elements of the determination process, however there are currently no avenues for appeal for determinations of non-sponsored offshore visa applications. As with immigration matters more generally, the Administrative Appeals Tribunal would appear to be the appropriate body to consider any appeals.

Consideration should also be given to ways to reduce the impact of an adverse determination on the individual in the future. For example by excluding previous adverse determinations under the GTE test from future visa assessment processes.

BIIP visas appear overly focussed on individuals with high net worth rather than on those who could run successful businesses in Australia

One feature of most of the streams of the BIIP visa, which is at least somewhat at odds with its stated objectives, is that only in the Business Innovation and entrepreneur streams are visa holders required to invest in establishing or purchasing an Australian company. In contrast, those in the 'Investor Stream' must invest all of their $1.5 million ($1 million in regional area) complying investment in State or Territory Government bonds, those in the Significant Investor Stream are only required invest $0.5 million of their $5.0 million total investment in 'venture capital and growth private equity funds which invest in start-ups and small private companies', and for those in the Premium Investor Stream, none of their $15 million required investment needs to be allocated to establishing their own business or funding emerging firms.

This seems illogical as there is no shortage of funds flowing to government bonds, listed stocks or commercial property in Australia (and no reason for those funds to come from Australian residents). As such, the benefits to Australia from the required investments of most streams of the BIIP are likely to be very small. The gaps in access to funding that do exist are concentrated in funding of small and medium enterprises and in early stage

and venture capital, and a program that directed funding to these uses would be much more likely to deliver broad based benefits to the country.

The most promising stream of the BII Program is the entrepreneur stream, but even that has elements which make it difficult for potential entrepreneurs to access, most notably the requirement that the applicant has an enforceable funding agreement for an investment of at least $200,000 from one of the following:

- Australian Government agency;
- State or Territory Government;
- Publicly Funded Research Organisation;
- Investor registered as an Australian Venture Capital Limited Partnership or Early State Venture Capital Limited Partnership; and
- Specified Higher Education Provider.

Research in South Australia suggests that immigrant entrepreneurs experience more difficulty in accessing elements of the innovation support system such as government grants and venture capital funding (O'Connor and Reed, 2015).

The restrictions on the form of funding also does not reflect the way in which entrepreneurs typically receive their funding, with 72 per cent of 'nascent firms' and 51 per cent of 'young firms' using personal savings as a major source of funding (more than 20 per cent of required funding), with personal credit cards and personally secured bank loans as the next most common major sources of funding. Only 2 per cent of new firms reported that government grants were a major source of their funding and only 1 per cent reported private investors (such as business angels). Almost no firms (only 2 in total in the survey sample) reported venture capital as a major source of funding. (Department of Industry, Innovation, Science, Research and Tertiary Education, 2012, p. 14).

This suggests that many typical entrepreneurs would not be able to access the Entrepreneur stream of the BIIP, meaning that it too, in its current form, may not allow migration to fulfil its potential in increasing the rate of entrepreneurship in South Australia.

Recommendation 10: Re-target BIIP visas at those planning to establish or take over businesses in Australia

- **Increase visa grants for 'business innovation' and 'entrepreneur' streams**

  The Department should increase the proportion of visas granted within the BIIP visa to those applying under the 'Business Innovation' and 'Entrepreneur' streams as these are the two streams of the visa with a direct link to establishing or operating a business in Australia.

  Visa grants for other streams in the program can be reduced if the Department wishes to keep overall visa grants for the BIIP to a certain level.

- **Allow applicants 'entrepreneur' streams to access funds from a wider range of sources**

  The current requirement that applicants for the 'entrepreneur' stream be funded through an investment of at least $200,000 from a small number of approved sources is unduly restrictive and does not reflect the funding sources generally accessed by Australian entrepreneurs. We recommend removing the requirement that the funds be sourced from the approved sources allowing the $200,000 to come from any investor, and instead focus any assessment of entrepreneurship on the business plan of the applicant.

  It would also be worthwhile to offer some level of concession to the required funding for those establishing a business in a regional area (or at least a regional area with lower wage levels and lower cost of living). This would reflect the lower expected scale of such businesses, the lower cost of operating a business in such a region, and the lower cost of living facing the entrepreneur themselves.

Recommendation 11: Create a 'start-up' visa for those in the country temporarily on other grounds.

Individual residents in Australia under temporary visas such as student visas, 457 visas, or working holiday visas, are a potential source of entrepreneurial ideas, and in some cases, persons under these visa categories will already be establishing businesses. However, at present, they are not permitted to apply for a visa to allow them to continue to develop the business when their current visa comes to an end.

We recommend that those legally allowed to work in Australia under their temporary visa class be eligible to apply for a 'start-up' visa whilst still resident in Australia. Similar criteria for assessing applicants should apply as is currently used for the entrepreneur stream of the BIIP (including regional concessions for funding

requirements if adopted), but any business they have already established should be taken into consideration as evidence of their capabilities.

Thresholds for minimum investments, and minimum size of businesses operated, under the BIIP visa appear high relative to the SA small business sector

As with most other aspects of the skilled migration system, a national approach is used to the size of the business investment that qualifies under the business innovation stream of the BIIP visa. Specifically, applicants need to have had an ownership interest in two of the past four years in a business with a turnover of more than $500,000, and have personal and business assets of at least $800,000 which are available to be transferred into Australia. And in order to move to a permanent business visa (the 888 visa subclass) through the business innovation stream, applicants need to be running a business which had an annual turnover of at least AUD$300 000 from the main business (or businesses) in the 12 months before you apply.

Whilst these thresholds may be reasonable based on national averages, the distribution of business incomes (and therefore values) varies significantly between states and territories. For example, based on data from the 2011 census, businesses earning $104,000 per annum for their owner/operator are roughly half as common in South Australian or Tasmania as they are in the Australian Capital Territory and Western Australia. This reduces the potential number of applicants for this visa subclass who would be interested in settling in South Australia. It also reduces the potential of this visa to assist business owners with their succession planning – an issue that will become increasingly important for the South Australian economy given the high average age of business owners in the state (especially in regional areas).

Recommendation: 12 Allow the minimum business size thresholds for the 'Business Innovation' stream to vary by region.

The minimum prior business size, and the minimum personal and business assets threshold for the Business Innovation stream of the BII (provisional) visa (and for subsequent applications for the Business Innovation and Investment (Permanent) visa) should vary between states/territories or between regions to reflect the local economic conditions and to encourage BIIP visa holders to settle (and invest) in regional areas. The degree of variation allowed would need to be determined by further research, but variations of 10 to 20 per cent would seem reasonable given the variations in typical business incomes.

Excess processing times reduce the effectiveness of migration in meeting skill needs.

The effectiveness of any migration system ultimately relies on efficient administration. The extent to which it can support the efficient operation of businesses by addressing areas of skill shortage will be heavily influenced by the time required to secure a migration outcome.

The DIBP has issued directives[10] on processing priorities, assigning highest priority to RSMS. This study's consultations with SA businesses nonetheless suggest continued delays in the procession of applications, and that the actual processing priorities of the DIBP do not necessarily appear to be reflecting the relevant Ministerial direction. This uncertainty is detrimental to the economy and efficiency of commercial operations as well as the visa applicant, and should be addressed.

DIBP information indicates the average 'Direct Stream' RSMS application processing time is 14 months (as at September 2017), in which it seeks to process 75 per cent of applications. The actual time between a decision to lodge an application and receiving a decision, however, may well be considerably longer with 10 per cent of applications currently taking more than 15 months.

Recommendation 13: Ensure priorities are reflected in visas available

We recommend that the Department reviews its internal allocation of visa grants between visa categories to ensure that "demand driven" visas such as the 457 and the RSMS can be genuinely demand driven, rather than subject to extreme delays. If necessary, this could be achieved by shifting places into the demand driven visa classes from other visa categories such as the GSM visa categories.

To the extent that any of the above recommendations were to be adopted they would need to be implemented at the federal level by the Australian Government. There is consequently no direct role for other levels of government. Nonetheless, state and local government, and other stakeholders, do have a role to play in terms of advocating for these changes where they feel they will contribute to the economic and social development of the state and their regions. Such advocacy will be more effective to the extent it is undertaken in a collaborative and coordinated manner.

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10   Direction No. 67 - Migration Act 1958 - DIRECTION UNDER SECTION 499 - Order of consideration - certain skilled migration visas.

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Appendix A

Population Questionnaire

Strategic Population Policy in Your Region

Respondent organisation: ....

1. To what extent is there evidence that existing population trends (e.g. population decline or growth, ageing, migration etc.) are having a discernible impact on skills and labour requirements in your region?
   Please describe

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2. What strategies do you employ to attract and/or maintain skills and people to your region?

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3. Migration as an option.
   (a) Do you have any information on notable inward migration trends for you region? *If yes, please describe or provide.*

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   (b) What is your assessment of the future possibility of a 'migrant group' settling in your region, including consideration of community attitudes?

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4. Are there certain infrastructure or policy constraints that are obstacles to meeting regional strategic population objectives? *If yes, please describe.*

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5. What do you believe might be a successful strategy in respect of a strategic population policy? (Alternatively, what one policy or development could be implemented at either a local, state or national level that would impact your region the most?)

   ....
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   ....

   Upon completion, please return this questionnaire to the SA Centre for Economic Studies by emailing to Anthony Kosturjak: anthony.kosturjak@adelaide.edu.au Please provide your response by **Friday, 7th September 2018.**