Heading north, staying north? The increasing importance of international migrants to northern and remote Australia

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ISSN 2207-3388

Suggested citation
1. Introduction

At around 85% of the Australian land mass, northern and remote areas of Australia are experiencing an unremitting period of low population and economic growth subsequent to global downturns in the prices of resource export commodities, most of which derive from northern regions. More specifically, in 2014 almost half of the nation’s exports were resources or resource based products (Australian Government, 2016) and the two largest of these, iron ore and coal (comprising collectively a third of all exports), fell in price by 80% (Mining.com, 2015) and 60% (Sydney Morning Herald, 2015) respectively during 2011 to 2015. The end of the more than decade-long ‘mining boom’ in the post-2011 period has exposed Australia’s economy for its lack of diversity and a low political capacity or commitment to ‘nest-egg’ financial (for example, royalties or resource rents) and resource-based assets, in order to shield the economy from negative impacts after the inevitable end of the boom.

The relationship between the resource economy and population change in northern and remote Australia is, nevertheless, neither predictable nor consistent. Although the resource economy is not the largest employer in the north overall (this is the public sector), peaks and troughs in population growth rates are often related to resource prices, resource extraction projects and other major construction projects (resource related or otherwise). Despite this, some towns and cities are almost completely dependent on resource industries and at the local level, populations and population systems in the north are diverse in their fundamental characteristics and subject to localised and rapid changes from multifarious internal and external factors (Carson et al., 2011; Taylor, 2016).

Not least, the small sizes of settlements in northern jurisdictions means substantial changes can manifest from relatively small events, like a cluster of migrants arriving from overseas or a few teenagers leaving for university elsewhere. Despite a lack of linear relationships between the two, areas with significant resource industries tend to have relatively high population growth when there is strong demand and prices for resource exports on the global market, and indeed, resource settlements may become ‘locked in’ to cycles of boom and bust (Saxinger et al., 2016).

A growing body of literature has outlined some of features of population systems in northern developed contexts and the importance of understanding their demographic diversity as well as differences to southern urban and peripheral areas (Carson et al., 2011; Hörnström et al., 2015). In Australia, key population and economic characteristics are much like those in northern areas of other developed nations and include:

- Sparsely populated regions with relatively large Indigenous populations and proportions;
- Male dominated populations with many more males per 100 females;
- A great deal of internal demographic and economic diversity;
- Volatile population growth resulting primarily from changes in migration flows;
- Poor internal connections and weak links to the ‘cores’ of labour, finance and transport;
- Distanced from centres of political power, financial decisions and product or service markets;
- Extreme climates which makes remote and northern areas subject to natural disasters; and
- Even the ‘big’ places like Anchorage, Nuuk, Cairns and Reykjavik are small by global standards.

Population growth in northern and remote areas of Australia is economically important, not only for creating jobs and incomes locally, but for governments of remote jurisdictions to sustain a consistent share of the national fiscal pool of funds generated from the Goods and Services Tax (Australia’s 10% version of the VAT or sales tax). Introduced in the year 2000, States and Territories with significant remote population shares (namely Western
Australia, Queensland and the Northern Territory – see Figure 1) rely heavily on these funds to provide services and infrastructure to remote populations through jurisdictional budgets (Corr, 2016).

Under a system called the Horizontal Fiscal Equalisation Scheme an individual State or Territory’s share of the national population is an important factor in the algorithms determining distributions (Taylor and Barnes, 2010). The absolute share is adjusted according to the number of Indigenous residents and the distribution of the population. These adjustments mean, for example, the Northern Territory (with a high number of Indigenous residents and a large share of the population living in very remote areas) receives around five times the amount of funding from the national pool than its population size alone would warrant. Accordingly, population growth is a central focus for northern jurisdictional governments. With internal migration flows subject to volatility and large swings from positive to net negative migration flows (with more years than not being negative), achieving net international migration gains are therefore an imperative to both providing labour (especially skilled workers) to northern economies and for financial stability through population growth.

Figure 1. Northern Australia (orange colour), as defined by the Australian Government in 2015

Source: Taylor et al., 2015

In this paper, I utilise a number of data sources and two case examples to provide the demographic context within which international migration is growing in significance for economic development in the north. The focus is on skilled migration as this has been a fast growing stream and is most important to attracting and retaining migrants to the north. I situate the study within a recent national policy for economic development in northern Australia - the “White Paper for Developing Northern Australia” (titled Our North, Our Future: Australian Government, 2015), which states that low population growth in the region is the key impediment to economic growth. It proposes increasing the size of several northern cities to more than one million residents and the northern Australia region to around six million, up from the present population of just over one million (Taylor et al., 2015a). The case examples include a place-based intervention emphasising migrant attraction and retention can be highly effective
for small remote communities under targeted approaches, and a broader evaluation of the effectiveness of skilled migration schemes in place to assist in attracting migrants to northern and remote areas.

2. Growing the north: A national imperative yet again!

The White Paper for Developing Northern Australia (Our North, Our Future: Australian Government, 2015) emanates from a pre-2014 election commitment by the then Abbott Government - the 2030 Vision for Developing Northern Australia (Liberal Party of Australia, 2013). The policy’s central element was to deliver a white paper outlining the Australian Government’s strategies in relation to northern development. In the Australian political context, white papers are official and national level elucidations of policy platforms on specific macro-level issues deemed as strategically important to the nation. In the past there have been white papers in areas such as national defence, education and engagement with Asia. The present policy mirrors many similar past attempts at a national level to develop the north, with the effectiveness of many of these questionable (Taylor et al., 2015a).

The White Paper details aspirations to increase the size of several northern cities to more than one million residents by the year 2060, with the largest settlement, Townsville, presently at 180,000 residents (Australian Government, 2015; Australian Bureau of Statistics [ABS], 2016a). Analysis suggests these targets are very ambitious (Taylor, 2015) and demographic change in northern parts of Australia is increasingly volatile in the post-mining boom era. Population change features large net interstate migration losses, very low or negative growth outside of a handful of cities and a growing gender imbalance as net interstate migration losses increase (Taylor and Wilson, 2016). Table 1 shows that pre-existing population characteristics for northern Australia, such as a high and increasing gender imbalance, are in opposition to rapid population growth. Other features are increasing urbanisation within the north into ‘urban zones’, the onset of population ageing and, as is most relevant to this paper, strong growth in the overseas born population.

Within this context, growth in northern Australia is becoming increasingly dependent on international migration sustaining at net positive levels and on the retention of new and long-settled migrants to the region. Past studies have painted a relatively gloomy picture in terms of the ongoing capacity of international migration to drive population growth in northern and remote Australia (for example, Hugo and Harris, 2011; Taylor et al., 2014); primarily attributing this to the leakage of overseas migrants interstate from a range of factors.

Table 1. Key demographic characteristics for northern Australia, 2006 and 2011

<table>
<thead>
<tr>
<th>Demographic indicator</th>
<th>2006</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Urban zones</td>
<td>Remainder</td>
</tr>
<tr>
<td>Population share of northern Australia</td>
<td>57.1%</td>
<td>42.9%</td>
</tr>
<tr>
<td>Indigenous share of the region</td>
<td>34.6%</td>
<td>65.4%</td>
</tr>
<tr>
<td>Indigenous proportion in the population</td>
<td>9.1%</td>
<td>22.7%</td>
</tr>
<tr>
<td>Proportion born overseas</td>
<td>15.2%</td>
<td>10.3%</td>
</tr>
<tr>
<td>Men per 100 women</td>
<td>102.6</td>
<td>107.5</td>
</tr>
<tr>
<td>Proportion under 15 years</td>
<td>22.1%</td>
<td>24.2%</td>
</tr>
<tr>
<td>Proportion over 65 years</td>
<td>8.7%</td>
<td>9.2%</td>
</tr>
<tr>
<td>Dependency ratio</td>
<td>30.8%</td>
<td>32.2%</td>
</tr>
</tbody>
</table>

Source: Modified by the author from Taylor et al., 2015a
3. The growing importance of international migration to population growth in northern and remote Australia

With natural change at relatively stable numbers for decades, population growth in northern and remote Australia is heavily influenced by net internal (between northern and other Australian regions) and overseas migration flows. During the mining boom, net overseas migration reached record levels and, for most areas, internal migration made net positive contributions to population growth (author calculations from ABS, 2016a). This dual net population gain from migration is against long-term trends because, for many northern and remote areas, net internal migration is generally negative (with remote and northern areas losing more people through internal migration to elsewhere in Australia than they gain). The transition away from the mining boom saw most resource areas experience a return to net negative internal migration, on scales which were not previously seen. In the meantime, net overseas migration has maintained at positive levels in most regions, albeit at reduced levels to those observed during the mining boom.

The Northern Territory of Australia is a good example of population growth and change transitioning due to migration changes from the wind-down from the mining boom as well as a gap in major project construction employing locally sourced labour. From 2008-2009 onwards, the Northern Territory encountered a progressively increasing internal migration deficit (represented by the green area under the zero net interstate migration line in Figure 2) while overseas migration has remained in the positive and natural increase (the excess of births over deaths) stable as the main contributor to population growth in the past decade. Indeed, without high net overseas migration contributions during 2010 to 2013, population growth would have been negative with dire impacts on its financial position from changes in its revenue shares. The long-term trend for northern and remote Australia is an increasing dependence on positive net overseas migration flows to prevent low or negative population growth and, importantly, to reduce the loss of national population share and consequently maintain financial distributions from the national pool for the Goods and Services Tax.

Figure 2. Changes in the components of population change, Northern Territory, 2005-06 to 2015-16

Source: Author calculations from 3101.0 - Australian Demographic Statistics, June 2016
4. Attracting and retaining skilled migrants for population growth

A long term and significant increase in the numbers of skilled stream migrants and the share of the skilled stream to the overall permanent migration intake for Australia has occurred in the past two decades (Golebiowska, 2015). During the mining boom, skilled migration led growth in immigration to northern and remote regions and major construction projects continue to depend on overseas sourced labour. Rapid growth in the skilled migrant intake nationally has seen skilled migration visa numbers outstrip the combined permanent intake from humanitarian, family and non-program migration by 2010-2011 (Phillips and Spinks, 2012). Prior to the mid-1990s, skilled migration streams comprised just 20 per cent of the permanent migration intake (Khoo, 2002). This increased sharply under the Federal Howard Government (1996-2007) and grew by 360%, from 25,000 in 1995-96 to 115,000 in 2010-11, to comprise 67 percent of the total intake (Productivity Commission, 2006; DIAC, 2011). In 2015-2016 skilled stream migrants comprised 68% of the national permanent migration program intake of 190,000, with family stream migration (i.e. family re-union or family ‘chain’ migration) making up the majority of the remaining permanent stream at 57,000 (Department of Immigration and Border Protection, 2017).

Despite rapid growth in national skilled migration intake numbers, northern and remote areas of Australia have long been reported in academic and general literature as having struggled to attract and retain skilled and other permanent stream migrants (DIBP, 2014) as the majority of skilled migrants settle in urban areas of Australia (Withers and Powell, 2003). To help attract migrants, the Regional Sponsored Migration Scheme (RSMS) and State Specific Regional Migration (SSRM) schemes were enacted and progressively altered by the Australian Government (in consultation with State and Territory governments) in order to attract skilled migrants to remote areas where skill shortages have been most acute (Taylor et al., 2014). The stated aim of these programs is “…to attract young, skilled, English speaking migrants to areas of Australia where they are most needed, and include specific visa categories for migrants moving to regional areas, flexible program provisions and threshold criteria for skilled migrants, and a range of settlement services for humanitarian entrants in rural and regional areas.” (DIBP, 2014, p.10). Both feature measures to encourage skilled migrants to reside and remain in remote and regional areas by offering incentives such as reductions in the number of eligibility points required for obtaining visas. These schemes allow northern jurisdictions to maintain their own skilled occupation shortage lists to target the intake to specific and changing needs. One of our subsequent case studies examines the effectiveness of these schemes in the northern context.

Although the RSMS and SSRM schemes may help attract skilled migrants to northern and remote areas (and regional Australia more broadly), a broad summary of past literature on the topic indicates that the retention of skilled and other migrants in northern and remote Australia is relatively poor (for example, Hugo and Harris, 2011). Concerns about the leakage of skilled migrants are longstanding. Employment is a key factor for attraction, but new employment opportunities may also draw people away from northern and remote areas (DIBP, 2014). Other important factors include the inability of regional and remote areas to compete with urban centres in providing for quality housing, education, health, cultural and social needs (O’Neil et al., 2009; Griffiths et al., 2010; DIBP, 2014). Meanwhile, geographically-specific studies point to high rates of leakage once residential obligations for individual visa types are met (DIAC, 2007; Hugo, 2008) and low rates of actualisation in terms of intended settlement commitments (Department of Immigration and Multicultural and Indigenous Affairs (DIMIA), 2005; Griffiths et al., 2010). These and other dynamics have in the past contributed to lower rates of population growth than would have been experienced with better retention rates for skilled settlers and their families (Hugo, 2004; Hugo and Harris, 2011).

However, an important consideration in assessing the success of policies and initiatives for attracting and retaining migrants to northern and remote Australia (especially skilled migrants who are costly to recruit and settle) is how the ‘success’ or effectiveness of policies and schemes for attracting and retaining migrants north are assessed and measured. For many small and remote communities across the north, permanent retention of a handful of skilled
migrants and their families can significantly improve demographic and economic trajectories. For these reasons, place-based assessments and evaluations of initiatives and schemes may be most beneficial since:

a. Population systems in northern regions are highly diverse and different (Taylor, 2016; Carson, 2016) such that a top-down or regional development approach is meaningless;
b. Populations and processes of change in northern and remote Australia are fundamentally different to regional (hinterland and rural) and urban areas (Carson, 2016; Taylor, 2016);
c. International migrant attraction and retention cannot be evaluated in isolation from general population, and especially migration, trends (DIBP, 2014); and
d. The successes of localised and targeted interventions are more readily assessable and may hold promise for other locations and regions through adaptation or modification (DIBP, 2014).

On that basis, examining net migration numbers and rates based on amorphous regions (like ‘northern Australia’ as defined in the recent policy), may be less insightful than detailed reviews of individual and localised programs and initiatives. Consequently, case examples are presented in the following part of this paper, which demonstrate the potential for overseas migration to alter demographic, economic and social pathways for northern and remote communities and regions; thereby contributing to population growth in the broader region. The first examines a highly targeted intervention to attract skilled migrants and their families to the ‘red centre’ town of Alice Springs. The second assesses the effectiveness of the RSMS and SSRM schemes for the NT, with a focus on skilled migrant retention and contributions to the economy.

5. Case example 1: New migrant communities in the ‘Red Centre’ of Alice Springs

Alice Springs in the ‘red centre’ of Australia (and considered part of the northern Australia region) had a population of 28,000 in 2015 with resident numbers hovering between 25,000 and 28,000 in the decade prior. One in five residents of the town (20%) was Indigenous in Australian’s (in 2011) and it is an important service centre to the surrounding Central Australian region, where nearly 80% of the population are Indigenous. Alice Springs is a focus for tourism as a base for visitors to experience Uluru (Ayers Rock) and Watarrka National Park. It is the second largest settlement in the Northern Territory after Darwin (population circa 140,000). During the past decade, year on year the resident population of Alice Springs has either fallen by a few hundred residents or risen by a similar amount. The town is seeking to reach 30,000 residents as a threshold that attracts additional funding from the Australian Government. Alice Springs more often than not has an annual net loss of residents through migration to interstate and within the NT (Yuhun et al., 2013). More specifically, as for most of northern Australia, Alice Springs loses teenagers, has a greater in migration of males than females and loses retirees to interstate (Yuhun et al., 2013; Taylor et al., 2015a). Population turnover and the excess of men have led to shortages of skilled workers in the past decade, particularly for the relatively large health and social services sectors (and especially for the busy and large hospital).

During 2009-2011 the Northern Territory government department responsible for ‘recruiting’ skilled migrants under the RSMS and SSRM made targeted visits to overseas regions likely to send new skilled migrants and their families. This strategy sought to fill skilled vacancies
in the hospital and other health related occupations. The proceeding Census data for Alice Springs has revealed that the strategy was highly successful. By 2011 the town had an emergent and rapidly growing set of ‘new migrant communities’ from India, Zimbabwe, the Philippines and New Zealand. These source countries are quite different to the past and without their arrival, the town’s population would have reduced by five percent. The intake also significantly changed the demographic profile of the town, raising the overseas born population share to 20%, the same as the Indigenous population. Table 2 demonstrates the growth of the new migrant communities with a rapid rise in the size and prominence of the Indian and Philippines communities most noticeable.

Table 2. Changes in the top ten sources for overseas born residents in Alice Springs

<table>
<thead>
<tr>
<th>Rank</th>
<th>2001</th>
<th>2006</th>
<th>2011</th>
<th>% of o/s born2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>UK</td>
<td>UK</td>
<td>UK</td>
<td>17.2%</td>
</tr>
<tr>
<td>2</td>
<td>USA</td>
<td>USA</td>
<td>NZ</td>
<td>13.2%</td>
</tr>
<tr>
<td>3</td>
<td>NZ</td>
<td>NZ</td>
<td>USA</td>
<td>12.4%</td>
</tr>
<tr>
<td>4</td>
<td>Philippines</td>
<td>Philippines</td>
<td>India</td>
<td>8.6%</td>
</tr>
<tr>
<td>5</td>
<td>Germany</td>
<td>Germany</td>
<td>Philippines</td>
<td>6.8%</td>
</tr>
<tr>
<td>6</td>
<td>Netherlands</td>
<td>South Africa</td>
<td>Zimbabwe</td>
<td>3.7%</td>
</tr>
<tr>
<td>7</td>
<td>Italy</td>
<td>Netherlands</td>
<td>South Africa</td>
<td>2.9%</td>
</tr>
<tr>
<td>8</td>
<td>PNG</td>
<td>India</td>
<td>Germany</td>
<td>2.4%</td>
</tr>
<tr>
<td>9</td>
<td>India</td>
<td>Italy</td>
<td>Ireland</td>
<td>1.9%</td>
</tr>
<tr>
<td>10</td>
<td>South Africa</td>
<td>Ireland</td>
<td>Netherlands</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

Source: Author calculations using data extracted from the ABS Table Builder program

A full examination of the data reveals occupations for new migrants were concentrated in the Health Care and Social Assistance industry and dominated by women who came with partners or a small family. Male partners of these newly attracted health workers were employed across a wider range of industry sectors (Figure 4) and in a range of occupations including Nursing Support and Personal Care Workers, Shelf Fillers, Taxi Drivers, Cooks, Registered Nurses, Chefs, Aged and Disabled Carers.
New migrants to Alice Springs, and especially the females, were highly educated and qualified compared to other residents. By identifying the languages spoken by new migrants we have established that 56% originated from the Indian state of Kerala. Kerala is one of the most progressive states in India and has a millennial history as an international sending region for working migrants. Of all Indian states, Kerala has the highest Human Development Index for education and health, the second highest income index, highest literacy rate and the most women per 100 men in the population. In short, its population is highly suited to sending skilled migrants to northern and remote regions, both in terms of filling skilled occupations and redressing population imbalances and low growth. Impressively, the data shows that 86% of migrant’s occupations in Alice Springs match their qualifications, a factor likely to help retain them in the town.

New migrant communities in Alice Springs offer the potential to further grow the town and change its demographic, cultural and social makeup. Firstly, clusters of new migrants now living in Alice Springs provide the opportunity for chain migration under family stream migration programs. This may have long-term and snowballing effects on population growth, especially as the extant communities are relatively young with a greater proportion than the overall population having partners. The latter creates opportunities for growth through child bearing. Importantly new migrants are likely to attract friends and families to visit the ‘red centre’, generating further income and business opportunities for the town and partly offsetting recent falls in visitor numbers. Thirdly, this highly qualified cohort may seek further educational qualifications, presenting the second largest employer in the town, the university, with new and relatively highly paid markets. The key to realising these opportunities will be retaining new migrants which, given their qualifications and experience in occupations in increasing demand elsewhere in the country, may be difficult. Ultimately, retaining new migrant communities could be the key the town reaching the prized goal 30,000 residents, and marking long-term success for this highly targeted intervention. Retention will depend on ongoing employment opportunities and the provision of things that most migrants seek: good education, health and housing; community safety and vibrancy; and ongoing acceptance in the community (DIBP, 2014).
6. Case example 2: Attraction and retention of skilled migration under the RSMS and SSRM schemes

Given the substantial efforts to attract and retain skilled workers to northern and remote Australia made under the RSMS and SSRM schemes, it is crucial to understand whether, how and why such programs are succeeding in filling skilled vacancies and contributing more holistically to the economy and livelihoods. Simply put, the retention of skilled migrants and their families within such areas and within their occupations reduces employee turnover costs and provides greater population stability (Golebiowska and Carson, 2009). In light of overall pessimism found in existing literature which points to skilled migrant 'leakages' from northern and remote Australia to larger cities, this case study provides an assessment of the contributions of the schemes to the Northern Territory of Australia.

During 2012 surveys were administered to skilled migrants who had arrived to the NT during 2008 to 2011 under the SSRM and RSMS schemes (see Taylor et al., 2014). It canvassed demographics, family details, visa classes, places and length of residence, employment history and satisfaction with employers. There were 166 completed responses for the SSRM (a 50 percent response rate) and 278 for the RSMS (a 45 percent response rate).

Table 2 summarises the results of the surveys under the themes of demographic contributions, labour force contributions and retention in the region. The final column provides some indicative comparisons using other sources of data (listed underneath the table). The data suggest that migrants under the schemes make significant contributions economically and demographically, as well as providing positive indications about their likely retention in the region and with the same employer. Migrants are younger with a much higher partnering rate, and most partners were employed full time when the study was conducted. Out migration rates and intentions to leave the NT were relatively low.

Table 3. Summary indicators of the success of skilled migrant programs for the NT

<table>
<thead>
<tr>
<th>Measure</th>
<th>SSRM</th>
<th>RSMS</th>
<th>Comparison data (sources below)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demographic contributions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Median age</td>
<td>32</td>
<td>36</td>
<td>Median age of employed NT non-Indigenous residents (1) = 39</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Median age of employed NT Indigenous residents (1) = 36</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Median age of all employed NT residents (1) = 38</td>
</tr>
<tr>
<td>Had partner on or after settlement</td>
<td>79%</td>
<td>82%</td>
<td>Partnered in the NT (2) = 56%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Partnered in Australia (2) = 58%</td>
</tr>
<tr>
<td>Had children on or after settlement</td>
<td>28%</td>
<td>62%</td>
<td>Individuals with children in the NT (2) = 57%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Families with children in the NT (2) = 64%</td>
</tr>
<tr>
<td>Labour force contributions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unemployed</td>
<td>2%</td>
<td>6%</td>
<td>Unemployment rate NT Feb 2012 (3) = 4.1%</td>
</tr>
<tr>
<td>Employed with same employer</td>
<td>n.a.</td>
<td>94%</td>
<td></td>
</tr>
<tr>
<td>Employed in same occupation</td>
<td>74%</td>
<td>84%</td>
<td></td>
</tr>
<tr>
<td>Spouse/Partner employed</td>
<td>83%</td>
<td>75%</td>
<td>Australian Spouse/Partner participation rate for RSMS (4) = 77%</td>
</tr>
<tr>
<td>Future retention</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Has migrated out of the NT</td>
<td>10%</td>
<td>7%</td>
<td>Two year out-migration rate from the NT for employed non-Indigenous people (1) = 8.3%</td>
</tr>
<tr>
<td>Plans to leave the NT</td>
<td>17%</td>
<td>22%</td>
<td></td>
</tr>
<tr>
<td>Plan to work with sponsoring employer indefinitely</td>
<td>n.a.</td>
<td>52%</td>
<td>n.a</td>
</tr>
</tbody>
</table>

For those who had already left the NT or planned to leave, main reasons were similar across the two schemes and shown in Figure 5. Costs of living and housing costs were potential barriers to long-term settlement, and this is consistent with past literature on push factors for skilled migrants in northern and remote areas. In the NT context, housing shortages, the lack of suitable accommodation and uncertainty relating to the housing market, or an inability to enter it are perennial problems (Demographia, 2010; Taylor, 2010) with rents and purchase prices high in the national context. Differences between the schemes for reasons for leaving were accounted for by the family and employment situations of respective migrants. For example, two thirds of RSMS migrants had children compared to fewer than 30% of SSRM migrants, making the cost of housing greater for the former, such that more RSMS respondents indicated they left or might leave due to housing costs (45% compared to 30%).

**Figure 5.** Reasons for skilled migrants to leave the NT (SSRM on the left and RSMS on the right)

![Chart showing reasons for skilled migrants leaving the NT](chart)

**Source:** Author calculations using survey data from the study

The study suggests both programs are delivering positive labour market outcomes with only 2% of SSRM participants unemployed at the time of the survey, about half the NT’s overall unemployment rate of 4.1%. Greater portions (6%) of RSMS migrants were unemployed but this is likely a function of their arrival or existing presence in the country without having commenced with a sponsoring employer. Rates of RSMS retention in the nominated job and with the nominated employer were promising. Greater than 94 percent were still with the same employer and 84 percent were in the same job. The difference between these two figures suggests that 10 percent of those who were still with the original employer had progressed to other positions in that organisation. Many skilled migrants (83% for SSRM and 75% for the RSMS, compared to 77% for skilled migrants to Australia overall) settled with partners who are employed and contributing to economic output.

### 7. Up-to-date indicators on migrant attraction and retention

To round off the analysis in this paper, we now examine some author-devised indicators on the relative success of the NT in attracting and retaining migrants based on its national population share and across migration streams. We also examine retention on a similar basis. At one percent of the national population, the NT should, all else being equal, attract around one percent of migrants in each stream. While this is a simplified approach it provides an indication of the ‘competitiveness’ of northern regions in attracting and retaining migrants, and notably skilled migrants.

Figure 6 shows the proportion of the national intake for each stream which settled in the NT compared to its national population share (the green dotted line). The data suggest the NT has been relatively consistent in maintaining its intake of temporary skilled (457 visa) and family migrants in the long-term. However, its share of skilled migrants, while increasing since 2009, has remained well below one percent of the national intake such that...
the NT is ‘missing out’ on its share of skilled migrants; a factor which may help explain the relatively good situation in relation to attracting temporary skilled migrants on 457 visas.

Figure 6. Comparing migrant intake share and population share for the NT across streams, 2003 to 2013

![Graph of migrant intake share and population share for the NT across streams, 2003 to 2013](image)

**Sources:** Author calculations from 3412.0 - Migration, Australia, 2014-15 and 3101.0 - Australian Demographic Statistics, Dec 2015.

We use a similar comparison to measure the equivalent for retention. Figure 7 shows the proportion of the national share of migrants leaving for overseas who originated from the NT (comparable data for migration from the NT to within Australia are not available). Relative success in retaining migrants would be indicated by the share departing from the NT being lower than its population share. The data suggest that this is the case for all streams other than family migrants towards the end of the period and temporary skilled workers during some years in the period from 2003 to 2013. The position concerning skilled migrants has worsened substantially during the decade with an increase in share of migrants moving overseas from 0.4% to 0.8% of the national average.

Figure 7. Proportion within each stream leaving the NT for overseas, 2003 to 2013

![Graph of proportion within each stream leaving the NT for overseas, 2003 to 2013](image)

**Sources:** 3412.0 - Migration, Australia, 2014-15 & 3101.0 - Australian Demographic Statistics, Dec 2015
While on the surface the data appears to indicate relatively good retention across most streams for the NT, this does not show the results for migrants who left the NT for other parts of Australia, and, based on past literature, this is thought to be the main source of leakage from the north.

8. Discussion and conclusions

The broad conclusion from the case examples presented in this paper is that pre-existing literature purporting the poor retention of skilled migrants in northern and remote areas of Australia may need updating and may benefit from more examinations of targeted migration strategies and initiatives (for example, Hugo, 2008). While limited to the NT, the case examples here resonate for communities across the north which might seek to attract and retain skilled and other permanent migrants. Industries benefiting the most from the RSMS and SSRM programs in the NT include healthcare and social assistance, accommodation and food services, construction, and public administration and safety, all of which have faced shortages at various points in time.

Our data on the NTs relative successes in attracting and retaining shares of migrants across streams and according to its national population share presents mixed results. While attraction is good for temporary migrants, it is not so good for skilled migrants in the permanent stream. Of equal concern is the diminishing retention of skilled migrants over time relative to population share. Combined, these data indicate a worsening national competitiveness for northern jurisdictions in relation to being able to attract and retain economic migrants who are also vital to the aspirations for economic and population growth articulated in the White Paper on developing northern Australia. This partly explains the growing reliance on temporary skilled migrants in the Northern Territory and beyond. Whether some of these are and will convert to permanent migrants is an area requiring further research.

However, the Alice Springs case study highlights that for small communities there is scope for major impacts from relatively small initiatives. The potential exists for international migrants to generate snowball effects into the future to enhance population growth at a time when the town and surrounding region is economically challenged and losing residents to interstate. Finding the right match between source regions, jobs and migrants was clearly the key for the targeted Alice Springs approach and the town is indebted to the government workers and others who operationalised the initiative.

The second case example on the SSRM and RSMS shows that both schemes are lowering the age of the workforce, and the SSRM substantially so. Like most of regional Australia, the NT and northern Australia labour force is ageing (Table 1) and will face associated costs and skills shortages as a result. Skilled migrants are therefore helping to offset the impacts of population and labour force ageing for the economy. Along with this, high partnering rates, the female balance of the migrant cohort and apparent desire to remain in the NT is adding to population stability and growth.

With high partnering rates, good actualisation of qualifications to employment in their field of study and community acceptance, Alice Springs and the NT more broadly are positioned to attract more international migrants. However, communities must work continually to ensure that migrants and their families are welcomed, receive good education and housing services and feel safe. Importantly, the happiness of accompanying family members is important amongst the plethora of other factors contributing to migrant retention in remote places (DIBP, 2014; Rural Health West, 2013). Individual regions should be considering longitudinal research that plots the migration and life courses of workers and their families, who at some point have engaged with that region, to better understand local push and pull factors. Through retaining migrants, and especially skilled migrants, northern communities can cushion the effects of boom and bust population and economic cycles associated with resources. Migrants help balance out gender ratios towards equal numbers of men and women and can help to retain more senior residents. The overall impact will be more region-wide stability in the population and consequently the economy. This bottom up approach is likely the real key to ‘developing northern Australia’, demonstrating that the population targets in the present northern development policy are rather fanciful.
9. References


Taylor, A., Bell, L., & and Gerritsen, R. (2014) Benefits of Skilled Migration Programs for Regional Australia: Perspectives from the Northern Territory. *Journal of Economic and Social Policy*, 16(1), Article 3.


