



Australian Government

Department of Home Affairs

Department of Home Affairs input to the Aged Care Royal Commission

Information Paper

Skilled migration and the Aged Care Sector

August 2019

Background

According to the Productivity Commission Inquiry Report, *Caring for older Australians*, by 2050 more than 3.5 million Australians are expected to be using aged care services each year. In order to adequately provide services for these individuals, the Productivity Commission has estimated the aged care workforce will need to quadruple in size by 2050 and employ around 980,000 workers.

Current Skilled Visa Options

A range of existing permanent, and temporary skilled visa options are available to support the aged care sector. These include:

- **Employer Nomination Scheme visa:** a demand-driven permanent visa that enables Australian businesses to sponsor skilled migrants with specific skills for migration to Australia, including in nursing and aged care occupations.
- **Regional Sponsored Migration Scheme visa:** a demand-driven permanent visa that allows employers in regional, remote or low population growth areas, outside the major metropolitan centres to sponsor overseas skilled workers in additional occupations that are not available to employers through the Employer Nomination Scheme visa.
- **Skilled Independent visa:** a point-tested visa that enables workers with skills Australia needs to live and work permanently anywhere in Australia.
- **State and Territory Nominated visas:** points-tested visas that enable state and territory governments to meet skills shortages identified in those states or territories. The Skilled Nominated visa is a permanent visa available nationally. The Skilled Regional (Provisional) visa is a provisional visa for skilled workers who intend to live and work in regional Australia.
- **Temporary Skill Shortage visa:** a demand-driven temporary visa that enables employers to address short and medium-term skill shortages by sponsoring skilled overseas workers where employers cannot source appropriately skilled Australian workers.

Relevant program statistics on the number of visas granted to health and aged care occupations are listed in **Appendix A**.

This paper provides further information on:

- Skilled Occupation Lists;
- Labour Agreements for aged care providers;
- Designated Area Migration Agreements;
- Linkages with other industry sectors; and
- Recent reforms and initiatives.

Skilled Occupation Lists

Three occupation lists are used for skilled migration:

- the **Medium and Long-term Strategic Skills List**, which is designed to fill high value occupations over the long-term;
- the **Short-term Skilled Occupation List**, containing occupations to address short-term labour market needs; and
- the **Regional Occupation List**, comprising additional occupations available to regional employers.

Currently, there are 13 nursing and aged care occupations on the Medium and Long-term Strategic Skills List that are eligible for skilled migration (see **Table 1**).

Table 1: Nursing and Aged Care occupations eligible for skilled migration

ANZSCO Code / Group	Occupation	Skill Level
254412	Registered Nurse (Aged Care)	1
254413	Registered Nurse (Child and Family Health)	1
254414	Registered Nurse (Community Health)	1
254415	Registered Nurse (Critical Care and Emergency)	1
254416	Registered Nurse (Developmental Disability)	1
254417	Registered Nurse (Disability and Rehabilitation)	1
254418	Registered Nurse (Medical)	1
254421	Registered Nurse (Medical Practice)	1
254422	Registered Nurse (Mental Health)	1
254423	Registered Nurse (Perioperative)	1
254424	Registered Nurse (Surgical)	1
254425	Registered Nurse (Paediatrics)	1
254499	Registered Nurses nec	1

Source: Department of Home Affairs, 2019

A number of occupations in shortage such as Nursing Support Worker and Personal Care Assistant are not eligible for skilled migration through the mainstream visa program. However, access for specific employers to sponsor migrants in these occupations can be agreed through a Labour Agreement (see **Labour Agreements** on p.5)

Occupation lists are reviewed regularly by the Department of Employment, Skills, Small and Family Business based on labour market analysis and stakeholder consultation. Stakeholders are invited to provide evidence on occupations that they consider in shortage or surplus in the Australian labour market. Following this review, the Minister for Employment, Skills, Small and Family Business provides advice regarding recommended changes to occupation lists to the Minister for Immigration, Citizenship, Migrant Services and Multicultural Affairs (the Immigration Minister).

The Immigration Minister prescribes the occupation lists through legislative instruments under the *Migration Regulations 1994*.

Stakeholders, including in the aged care sector, are able to engage with the Departments of Employment, Skills, Small and Family Business, and Home Affairs, at any time regarding the composition of the occupation lists.

Labour Agreements for aged care providers

A labour agreement is a formal agreement between an Australian employer and the Australian Government. It allows the employer to recruit overseas workers on a permanent or temporary basis when there is a demonstrated need that cannot be met by the Australian labour market and standard temporary or permanent visa programs are not available.

The labour agreement program provides a flexible mechanism to support Australian businesses where required and where any associated risks can be managed – with labour agreements carefully considered on a case-by-case basis.

Labour Agreements can be used, for example, to enable employers to sponsor workers in occupations not otherwise eligible for mainstream skilled migration.

Supporting multicultural communities in Australia

Aged care businesses that support communities of older Australians from multicultural backgrounds can enter into labour agreements to bring in overseas workers where suitably qualified Australians cannot be sourced.

On 8 March 2019, the Minister for Immigration, Citizenship and Multicultural Affairs announced changes that allow aged care providers that support multicultural communities to seek the following specialised terms and/or concessions to be included in a company specific labour agreement:

- access to a permanent Employer Nomination Scheme visa, subject to meeting other visa criteria;
- an age concession allowing Employer Nomination Scheme visa nominees to be up to 55 years old (applicants are usually required to be under 45 years old); and
- concessions for criteria relating to English language proficiency.

These changes came into effect on 11 March 2019.

On-hire Industry Labour Agreements

While not directly providing aged care services, a small number of on-hire Industry labour agreement holders utilise their agreements to provide nurses under labour hire arrangements. These agreements assist their clients in the health services sector to address skill shortages in skilled nursing occupations. On-hire industry labour agreements do not provide a permanent residency pathway, nor allow concessions to standard Temporary Skill Shortage nomination and visa requirements.

Designated Area Migration Agreements

A Designated Area Migration Agreement (DAMA) is an agreement between the Australian Government and a regional, state or territory authority representative. It provides broader access to overseas workers than the standard skilled migration program. DAMAs operate under an agreement-based framework, providing flexibility for regions to respond to their unique economic and labour market conditions.

A DAMA is a two-tier framework covering a defined regional area. The first tier is an overarching five-year deed of agreement (head agreement) with the region's representative. The second tier comprises individual labour agreements with employers under the settings of the head agreement for that region. Of the existing DAMAs where head agreements have been entered into, **Table 2** lists the approved occupations relevant to the aged care sector.

Table 2: Nursing and Aged Care occupations covered by DAMAs

Designated Area Migration Agreement	Occupations
Northern Territory	Personal Care Assistant Residential Care Worker
South Australia – Regional	Personal Care Assistant Residential Care Worker
Orana Region NSW	Personal Care Assistant Residential Care Worker Registered Nurse

Source: Department of Home Affairs, 2019

Aged care businesses in these regions can sponsor overseas workers in the above occupations, subject to endorsement from the relevant regional representative.

Linkages with other industry sectors

In addition to its direct economic contribution, the aged care sector utilises inputs from other industries in the Australian economy, such as food, accommodation and medical services. This indirectly generates economic activity by facilitating production and paying wages and returns in these other industries. According to Deloitte modelling, the estimated total value of this indirect economic contribution was \$4.1 billion in 2014-15. The main industries used as intermediate inputs to the aged care sector are shown in **Table 3**.

Table 3: Intermediate Industries supporting the aged care sector

Industry	Proportion of intermediate input (%)
Health Care and Social Assistance Services	30.9
Accommodation and Food Services	20.6
Administrative and Support Services	24.1
Rental Hiring and Real Estate Services	4.7
Professional, Scientific and Technical Services	4.7
Electricity, Gas, Water and Waste Services Industries	4.3
Financial and Insurance Services	1.9
All other industries	8.7
Total:	100

Source: Adapted from [Deloitte Access Economics \(2016\), Australia's aged care sector: economic contribution and future directions](#)

Australia's skilled migration programs support these industries by enabling employers to sponsor skilled migrants, when there are no suitably qualified Australians available. The number of primary skilled visas granted to these industries is shown in **Table 4**.

Table 4: Number of primary skilled visas¹ granted to occupations in intermediate industries that indirectly support the aged care sector

Industry	2016-17	2017-18	2018-19
Professional, Scientific and Technical	8244	7107	8539
Accommodation and Food Services	9615	6122	7551
Information Media and Telecommunications	7202	5297	7171
Health Care and Social Assistance	6606	5873	5679
Financial and Insurance Services	2504	1867	2640
Electricity, Gas, Water and Waste Services	724	690	836
Transport Postal and Warehousing	970	633	820
Administrative and Support Services	461	372	385
Rental, Hiring and Real Estate Services	444	213	304

Source: [Department of Home Affairs, 2019](#)

Note:¹ Primary visas refer those granted to the main visa applicant. Skilled visas include:

Employer Nomination Scheme visa (subclass 186)

Regional Sponsored Migration Scheme visa (subclass 187)

Temporary Work (skilled) (subclass 457) visa / Temporary Skill Shortage visa (subclass 482)

Recent Reforms and Initiatives

Australia's skilled migration program is designed to meet Australia's economic, and labour market needs. It aims to address domestic skill gaps and position Australia to better meet the challenges of an ageing population without displacing employment opportunities for Australians.

The Skilled Migration Program was reformed in 2017-18, introducing the Temporary Skill Shortage visa and complementary reforms to permanent employer sponsored visas, to better meet Australia's skills needs, incentivise employers to give first preference to skilled and available Australian workers and increase the quality and economic contribution of skilled migrants.

On 20 March 2019, the Government announced further changes, including two new provisional skilled regional visas commencing on 16 November 2019, as well as other measures to encourage skilled migrants to settle in regional Australia. These measures will enable regional businesses to fill vacant jobs faster including in the aged care sector and related industries.

New Regional Visas

On 16 November 2019, two new Skilled Regional Provisional visas will be introduced.

Skilled Regional Provisional visa holders will be required to live and work in a regional area for three years in order to be eligible for permanent residence, encouraging migrants to stay in a regional area long-term and build ties to that area.

The definition of regional Australia will include all of Australia except for Sydney, Melbourne, Brisbane, the Gold Coast, and Perth.

Priority visa processing will be available for all regional visas, to fill positions more quickly. These initiatives will assist Aged Care Sector employers in regional areas to address their skills shortages.

ATTACHMENT A

Skilled visa statistics

Number of primary skilled visas¹ granted to nursing and aged care related occupations, 2014 to 2019

Occupation	2014-15	2015-16	2016-17	2017-18	2018-19
Registered Nurse (Aged Care)	703	592	533	450	504
Registered Nurse (Child and Family Health)	37	17	27	17	19
Registered Nurse (Community Health)	44	28	21	35	38
Registered Nurse (Critical Care and Emergency)	585	488	422	510	604
Registered Nurse (Developmental Disability)	6	9	<5	7	<5
Registered Nurse (Disability and Rehabilitation)	52	31	33	18	23
Registered Nurse (Medical)	648	518	484	533	510
Registered Nurse (Medical Practice)	90	84	86	70	104
Registered Nurse (Mental Health)	228	217	194	176	194
Registered Nurse (Perioperative)	302	273	234	256	289
Registered Nurse (Surgical)	394	323	258	252	254
Registered Nurse (Paediatrics)	41	86	91	76	59
Registered Nurses nec	2102	2405	2111	1656	1384
Total	5232	5071	4498	4056	3985

Source: Department of Home Affairs, 2019

Note: ¹Primary skilled visas include the following visa programs:

- Employer Nomination Scheme visa (subclass 186)
- Regional Sponsored Migration Scheme visa (subclass 187)
- Skilled Independent visa (subclass 189)
- State and Territory nominated visa (subclass 190)
- Skilled Regional (provisional) visa (subclass 489)
- Temporary Work (Skilled) (subclass 457) visa / Temporary Skill Shortage visa (subclass 482)