

Ms Judith Sloan
Commissioner
Productivity Commission
LB2, Collins Street East
MELBOURNE VIC 8003

Dear Ms Sloan

ECONOMIC IMPACT OF MIGRATION AND POPULATION GROWTH STUDY

I refer to the above study commissioned by the Commonwealth Government in July. In lieu of a detailed submission, the Victorian Government would like to table the publication *Beyond Five Million: The Victorian Government's Population Policy* and the Final Report of the Commonwealth-Victoria Working Party on Migration.

Beyond Five Million details the Victorian Government's population policy. Overseas migration is a key component of Victoria's population policy, which seeks to reach a total population of six million people by 2025.

Victoria has been greatly enriched by migration, with more than 40 per cent of the Victorian population comprising either immigrants or the children of immigrants. With the ageing of the population, and reduced natural population growth, increased migration will help Victoria to maintain its strong economic performance. In pursuit of this objective, Victoria has advocated that the Commonwealth Government increase migration levels, with a strong focus on skilled migrants.

The Victorian Government is particularly interested in ensuring that the benefits of migration are not confined to metropolitan areas. While Melbourne will continue to attract a majority of migrants coming to Victoria, the Government has made it a policy priority to encourage greater numbers of migrants to settle in regional areas.

The Victorian Government has worked cooperatively with the Commonwealth Government to promote migration to Victoria. Last year the Department of Immigration and Multicultural and Indigenous Affairs (DIMIA) and the Department of Premier and Cabinet led a highly cooperative effort through the Commonwealth-

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Victoria Working Party on Migration. It involved representatives from eight departments, regional Victoria and local government.

The recommendations fell into five areas:

- (i) The structure and operation of a new Two-Stage Regional (SIR) Visa;
- (ii) Opportunities to improve and integrate communications and marketing strategies to raise awareness of the various visa programs available to potential migrants;
- (iii) Opportunities to improve the current approach to 'facilitating' migration attraction and settlement into regional areas;
- (iv) Strategies to target international students who might be interested in settling in Victoria upon completion of their studies; and
- (v) An in-principle agreement to undertake a pilot project to settle more humanitarian entrants into regional Victoria.

An Implementation Steering Committee has now been established to oversee the implementation of the recommendations contained in the Working Party's Report.

While migration has brought many social and economic benefits to Victoria, migration alone will not address the longer-term economic challenge posed by demographic change. Since sponsoring the first National Population Summit in Melbourne in 2001, the Victorian Government has advocated a national approach to issues of population growth and demographic change. The Victorian Government considers that a national consensus on population is required. It is vital that the Federal Government provides leadership in establishing a process that will produce a national population policy, with full support and engagement with the States and Territories.

If you have any questions on these issues, or the attached documents, please contact Loga Chandrakumar on 9651 1311. I look forward to seeing the draft report later this year.

Yours sincerely

TERRY MORAN
Secretary

