



Joint Standing Committee on Migration
Inquiry into Australia's skilled migration program
Response to Terms of Reference

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Inquiry into Australia’s Skilled Migration Program	2
Why this Inquiry is important to the National Growth Areas Alliance	2
About the National Growth Areas Alliance (NGAA)	3
Analysis and Insights: Addressing the Committee’s Terms of Reference	5
1. Economic, Social and Cultural Value of Skilled Migration	5
2. Effectiveness of Current Skilled Migration Settings	6
3. Targeting Critical Skills Gaps	7
4. Supporting Businesses, Boosting Productivity and Encouraging Innovation	7
5. Enhancing Public Awareness and Understanding	7
6. Learning from International Approaches	8
Conclusion	10
References	10
Contact	10

Inquiry into Australia’s Skilled Migration Program

The Joint Standing Committee on Migration is currently inquiring into Australia’s skilled migration program, with a focus on:

- The ongoing economic, social, and cultural value of skilled migration to Australia.
- The effectiveness of current skilled migration settings in meeting the needs of states and territories, particularly regarding housing and infrastructure.
- The potential to better target skills gaps and shortages in critical sectors to benefit Australian communities.
- How skilled migration settings can more effectively support businesses, boost productivity, and encourage innovation.
- Strategies to enhance public awareness and understanding of skilled migration’s role.
- Approaches taken by other countries with similar migration objectives.

Why this Inquiry is important to the National Growth Areas Alliance

The National Growth Areas Alliance (NGAA) welcomes the Committee’s inquiry and its comprehensive terms of reference, which are of critical importance to our member councils and the communities they represent. Australia’s outer suburban growth areas are the proud home of a diverse population, including a significant proportion of the nation’s skilled migrants. These regions are not only attractive destinations for those seeking affordable home ownership and a better quality of life, but also offer much more through economic and social agglomeration. When

supported by the right investment, growth areas foster strong community cohesion, vibrant local economies, and opportunities for all residents to thrive. Our members are proud to be at the forefront of welcoming skilled migrants, who contribute to the innovation, resilience, and prosperity of these rapidly developing communities.

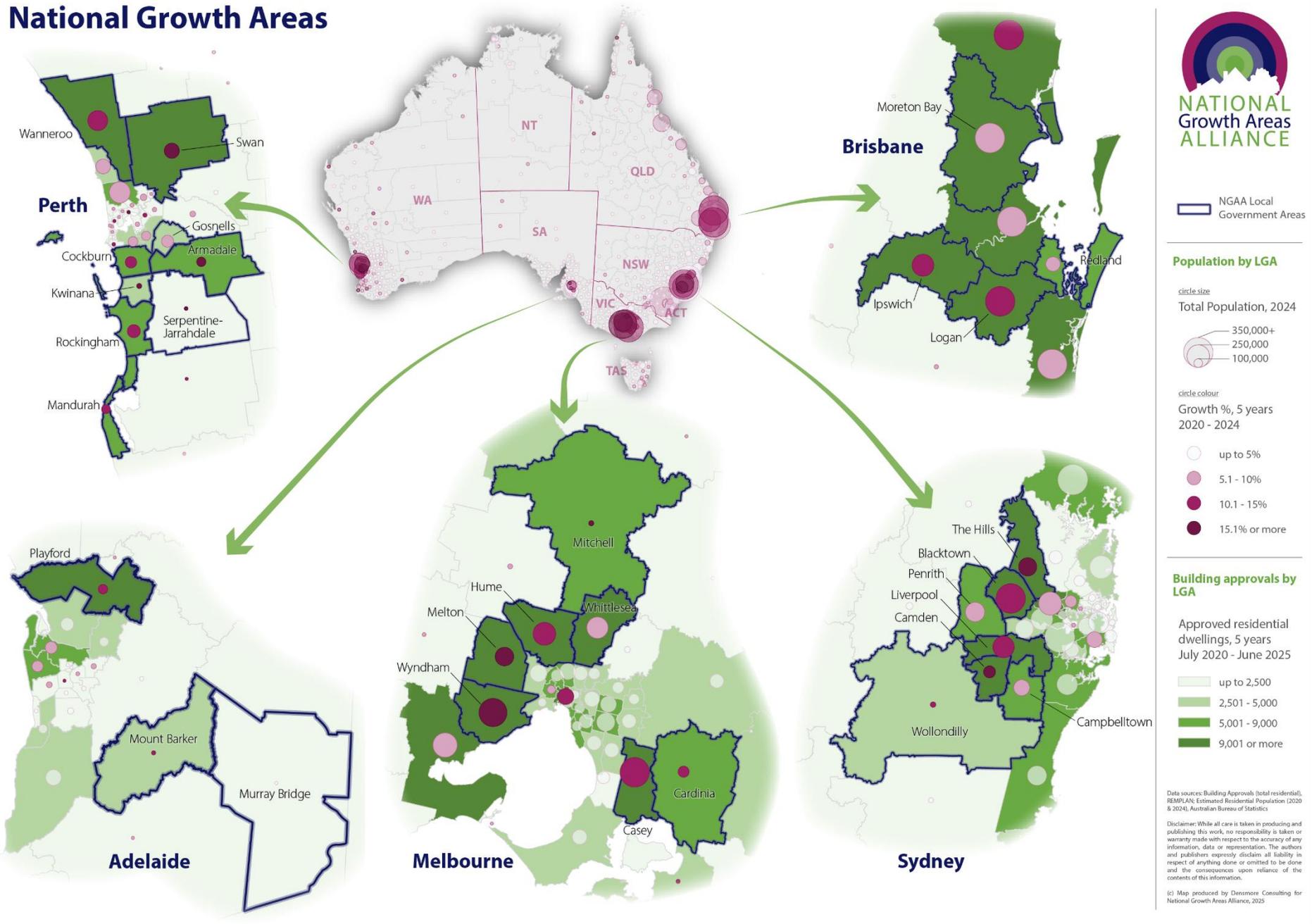
Migration does not happen in a vacuum. The NGAA appreciates that the Committee's terms of reference look beyond migration as a numbers game, instead considering the broader impacts and opportunities that migration brings to Australia's cities and regions. By examining skilled migration in a holistic way—including its relationship with housing, infrastructure, economic growth, and community wellbeing—the Committee is helping to ensure that policy settings reflect the real experiences and aspirations of both new arrivals and established residents. This approach is essential for building inclusive, liveable, and future-ready communities across the nation.

About the National Growth Areas Alliance (NGAA)

The National Growth Areas Alliance (NGAA) is the peak body for local governments in Australia's fast-growing outer metropolitan regions. These areas are home to more than one in five Australians and are experiencing population growth rates double the national average. NGAA member councils are united by the challenges of rapid greenfield development and long-term under-investment in strategic transport and social infrastructure. The Alliance advocates for improved policies and equitable funding to support growth area councils, aiming to create resilient, liveable, and thriving communities.

NGAA's advocacy is grounded in evidence-based policy, collaborative government engagement, and a commitment to addressing the unique needs of outer metropolitan communities. The Alliance works closely with all levels of government, leveraging local knowledge and research to inform national policy and investment decisions.

National Growth Areas



Analysis and Insights: Addressing the Committee's Terms of Reference

1. Economic, Social and Cultural Value of Skilled Migration

Skilled migration is fundamental to the economic vitality and social fabric of outer metropolitan growth areas. Migrants underpin service delivery, contribute to local economies, and enhance the resilience of population-serving industries. NGAA regions contribute over 12.2% of GDP despite representing about 5.5% of LGAs nationwide, and host more than 5.3 million residents.

Migrants bring diverse skills, entrepreneurial energy, and cultural richness, which are reflected in the growing number of professional and technical roles filled by overseas-born residents. This diversity strengthens community cohesion and supports the delivery of essential services, particularly in health, education, and construction.

Skilled migration is a key driver of economic growth and social cohesion in Australia's outer suburban growth areas. Migrants are drawn to these regions by the prospect of affordable home ownership in detached dwellings, which matches the aspirations of many individuals and families moving to Australia for employment opportunities. These communities are not just places of settlement—they are engines of economic and social agglomeration, amplifying the benefits of migration through scale and diversity. NGAA member councils are proudly home to 33% of Australia's migrants, reflecting the vital role these regions play in the nation's migration story. Migration does not occur in a vacuum; the place-based impacts and opportunities for targeted investment must be recognised.

Recommendation

- Prioritise investment in enabling infrastructure in growth areas to unlock housing supply and support the aspirations of skilled migrants for home ownership and community connection

Demographic Change and Migration Patterns

NGAA regions have experienced rapid population growth and increasing cultural diversity. In 2021, 33.4% of residents were born overseas, compared with 27.7% nationally. The largest growth has been among people born in India, rising from 33,100 in 2006 to 266,913 in 2021 (5.1% of the NGAA population). Other significant groups include residents born in New Zealand, the Philippines, and China. The proportion of overseas-born residents in NGAA areas increased from 25.7% in 2006 to 33.4% in 2021, with the largest waves of arrivals between 2001 and 2015.

Workforce and Occupational Shifts

The occupational structure in NGAA regions has shifted towards higher-skilled roles. Professionals now make up 18.4% of employed residents (up from 13.5% in 2006). There have also been significant increases in community and personal service workers and managers. Employer-sponsored entrants in health care, trades, and logistics have risen strongly, with Technicians and Trades Workers up 50.5% year-on-year and Professionals comprising 43.1% of grants to 31 March 2025.

Education and Living Standards

Educational attainment has improved markedly. The proportion of residents with a Bachelor degree or higher increased from 9.9% in 2006 to 20.7% in 2021. Vocational qualifications also rose, while the proportion with no formal qualifications fell from 52.1% to 40.1%. Household income quartiles show a modest improvement, with the share of households in the lowest income quartile falling from 23.1% in 2006 to 22.7% in 2021, and the largest group now in the medium-highest quartile (28.1%).

Correlation Between Migration and Living Standards

There is a clear association between the increase in migration and improvements in living standards, as measured by education, occupation, and household income. Overseas-born residents have contributed significantly to the rise in professional employment and higher educational attainment in NGAA areas.

2. Effectiveness of Current Skilled Migration Settings

Current migration settings do not consistently align settlement patterns with housing and infrastructure delivery – two areas of significant concern for growth are local governments. Growth LGAs often experience a lag in transport, health, education, and community facilities relative to population growth driven in part by migration. This disconnect is exacerbated by the division of responsibilities between federal, state, and local governments. For example, while the Federal Government sets migration and taxation levels, it does not bear direct responsibility for the outcomes in local communities, leading to gaps in service provision and infrastructure.

NGAA recommends mandated cross-government coordination so that federal migration and housing targets are synchronised with state and local infrastructure pipelines. This would ensure that the benefits of skilled migration are fully realised and that communities are not left behind.

Current migration and housing policies have favoured infill development in inner and middle-ring suburbs, assuming that existing infrastructure can absorb new residents. However, this approach has not delivered the scale of housing required, and has neglected the infrastructure needs of outer metropolitan growth areas, where population growth and housing delivery are already occurring at pace. Over 300,000 new homes are slated for growth areas, yet development-ready land remains constrained due to lack of enabling infrastructure. Internal migration data shows that people are choosing to live and stay in growth areas, not just inner city locations.

Recommendation:

- Realign Commonwealth funding programs for immediate use and impact in growth areas, moving away from competitive grant funding models that are not fit for purpose.
- Allocate unused New Homes Bonus funding, prioritise urgent enabling infrastructure through the Housing Support Program, and broaden urban precincts programs to include regionally significant infrastructure in growth areas.
- Reinstate and expand programs like Thriving Suburbs (Thriving Places) and Local Roads and Community Infrastructure to address infrastructure deficits.

3. Targeting Critical Skills Gaps

Employer-sponsored visas have surged in Health Care and Social Assistance and Accommodation and Food Services, with chefs, resident medical officers, and key trades among the top nominated occupations. Prioritising core outer-metro services—such as primary care, allied health, aged care, school infrastructure, and construction trades—will materially improve liveability for growth-area communities.

NGAA advocates for migration settings that are responsive to local labour market needs, with a focus on shortage occupations in growth areas. This includes faster skills recognition, targeted English-language support, and streamlined pathways from temporary to permanent residence for workers in critical sectors.

4. Supporting Businesses, Boosting Productivity and Encouraging Innovation

Logistics, manufacturing, and construction sectors concentrated in NGAA LGAs rely on skilled migration to meet project timelines and quality standards. Strengthening pathways from temporary skills visas to permanent residence in shortage occupations improves retention and reduces recruitment churn, which lifts productivity. Streamlined recognition of overseas qualifications and targeted English-language support in outer-metro locations will accelerate skills utilisation and reduce underemployment.

NGAA's research highlights the importance of aligning migration policy with economic development strategies, ensuring that skilled migrants are able to fully participate in the workforce and contribute to innovation and productivity gains.

5. Enhancing Public Awareness and Understanding

Clear, evidence-based messaging that connects skilled migrants to the delivery of local services residents use daily will build trust. NGAA proposes a national communications approach highlighting roles filled in growth corridors, paired with local case studies from member councils.

This approach can help counter misconceptions and build broader community support for skilled migration.

Growth area local governments are a vital source of evidence for what makes communities successful, cohesive, and diverse. Across Australia's outer suburbs, councils have firsthand experience in welcoming skilled migrants and fostering environments where people from all backgrounds can thrive together. NGAA member councils are uniquely placed to lead the coordination of case studies, media initiatives, and community activities that showcase the achievements and strengths of these vibrant communities. By sharing real stories and practical examples, we can help build broader public understanding of the value of skilled migration and the importance of investing in growth areas.

Recommendation

- We invite the Committee and government partners to work with us in amplifying these voices and demonstrating how inclusive, well-supported communities contribute to Australia's prosperity and social fabric.

6. Learning from International Approaches

The Committee's Terms of Reference 6 calls for consideration of international approaches to skilled migration and infrastructure. The evidence shows that countries with long-term, place-based funding models are better equipped to manage the challenges and opportunities of rapid population growth, including those driven by skilled migration.

Why this matters for Australia's Growth Areas

- Skilled migration is a major contributor to population and economic growth in outer suburbs, bringing people who aspire to home ownership and strong community connections.
- Without stable, long-term funding and coordinated planning, infrastructure delivery in these areas is fragmented and often lags behind demand, undermining economic productivity and community cohesion.
- International best practice demonstrates that when funding is stable, collaborative, and tailored to local needs, communities are better able to absorb population growth, support new migrants, and foster economic and social integration.

Adopting long-term, place-based funding models—backed by strong intergovernmental collaboration and robust accountability—will help Australia's growth areas harness the full benefits of skilled migration. This approach supports not only housing and infrastructure delivery, but also economic growth and community cohesion, ensuring that both new and established residents can thrive.

Research on International Best Practice in Planning and Infrastructure Delivery

2024 research with Western Sydney University analysed successful planning and infrastructure funding that was long-term, place-based and coordinated across levels of government

1. Long-term, Stable Funding Frameworks

International models—such as the Netherlands’ Infrastructure Fund, Canada’s Investing in Canada Plan, and the UK’s Local Enterprise Partnerships—demonstrate the value of multi-year, stable funding arrangements. These frameworks provide certainty for large-scale projects, protect investment from short-term political cycles, and ensure consistent delivery of infrastructure that supports both current and future community needs.

2. Collaboration Across All Levels of Government and Sectors

Successful international approaches prioritise strong collaboration between national, regional, and local governments, as well as with the private sector and community stakeholders. This ensures that infrastructure investment is coordinated, responsive to local needs, and leverages the strengths of each sector for maximum impact.

3. Place-based, Community-driven Solutions with Robust Accountability

Best practice overseas puts a strong emphasis on place-based planning—tailoring solutions to the unique needs and aspirations of each community. Investment decisions are informed by robust evaluation and accountability mechanisms, ensuring that infrastructure delivers real benefits for residents and supports sustainable, inclusive growth.

Recommendations

NGAA recommends the following actions to ensure that skilled migration delivers maximum benefit to Australia’s growth areas and the nation as a whole:

- **Link Migration Planning to Funded Infrastructure Sequencing**
 - Require federal-state-local coordination so skilled migrant inflows into growth corridors are matched with funded transport, education, health, and community infrastructure.
 - Implement national settlement forecasting, using data on pre- and post-Covid settlement patterns, to anticipate where migrants are likely to settle and plan infrastructure accordingly.
- **Transparent Place-Based Reporting**
 - Publish annual LGA-level dashboards of skilled permanent arrivals, integrated with housing delivery metrics under the National Housing Accord.
 - Use this data to inform policy decisions and ensure accountability in infrastructure and service delivery.
- **Mandate Cross-Government Coordination**
 - Establish clear national coordination arrangements, including consideration of local government knowledge, priorities, and funding issues.
 - Ensure that all levels of government work together in genuine collaboration to deliver a cohesive approach to planning, funding, and delivering housing and infrastructure to new communities.

Conclusion

Australia's skilled migration program is a vital driver of economic growth, social cohesion, and cultural diversity, particularly in the nation's fast-growing outer metropolitan regions. To maximise its benefits, migration policy must be closely aligned with infrastructure planning, local labour market needs, and community aspirations. The NGAA's evidence-based recommendations provide a roadmap for achieving this alignment, ensuring that growth areas remain resilient, liveable, and prosperous for all Australians.

References

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- [Beyond Bricks: Delivering the Housing we need sooner in Australia's Growth Areas](#), NGAA publication November 2025
- [International Best Practices in Infrastructure Funding: Lessons for Australia's Outer Metropolitan Growth Areas](#), Western Sydney University Urban Transformation Research Centre for NGAA, November 2024

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