

Global talent action plan

Investment NSW's response to the recommendations
of the Innovation and Productivity Council



Introduction

On 13 March 2022, the NSW Innovation and Productivity Council (IPC) published a report on skilled workers in NSW and the opportunity to attract the best and brightest people from across the globe to call NSW home.

Appropriately named *'Global talent wars: learning from locations that attract the best'*, the report provides insights on the importance of attracting and keeping 'human capital' to grow our key industries. The report explores the experiences of global workers and their motivations for entering and leaving Australia, and NSW.

The report provides information on international strategies used to attract and retain exceptional talent, which serves as the basis for its recommendations to the NSW Government on what it should do to attract global talent. It highlights areas where NSW performs well in attracting and retaining highly skilled talent and identifies specific areas where we could improve.

The report makes three recommendations for the NSW Government to improve talent attraction and retention strategies. While the IPC sits within Investment NSW, its reports are independent and do not constitute NSW Government policy, in line with the IPC Act.

With that in mind, Investment NSW recognises the opportunities set out in this report and is eager to step up to the challenge. In response to the IPC recommendations, our Global Talent Action Plan sets out our actions to improve global talent attraction strategies in NSW.

The Innovation and Productivity Council's recommendations

1. Embed attracting and retaining talent in Investment NSW:
 - a) Develop a clear picture of the skills to target.
 - b) Key industry strategies should identify the skills, experience, and international connections required to support economic growth.
 - c) Deliver programs in key markets to attract global talent to Sydney and NSW.
 - d) Develop connections with NSW expatriates, repatriates, and alumni to build momentum.
2. Better promote and support Sydney and NSW as a destination for global talent.
3. Work with and advocate to the Australian Government on ways of attracting talent to Australia and NSW.

Investment NSW Actions

1. Embed attracting and retaining talent in Investment NSW

a) Develop a clear picture of the skills to target

Investment NSW is co-leading a program of work with the Department of Education and Department of Planning, Industry and Environment to align the way we do skills, migration and population policy and planning. This program seeks to:

- develop a shared framework for how NSW considers current labour shortages and skills shortages, including aligning across government and with industry
- develop a holistic view of current labour shortages and skills shortages in the NSW economy drawing on government, academic and industry intelligence
- understand and plan for future skills required based on demographics and industry dynamics, and on government economic priorities
- establish a common evidence base via the NSW Data Analytics Centre that is used to inform skills, migration and population policy, planning and delivery
- create a shared framework for delivering a skilled, employable and adaptable workforce considering education and training, migration and population policies – this would enable Investment NSW to target global talent and skilled migration efforts to the most appropriate skills in demand in NSW, in complementarity with education and training delivery overseen by the Department of Education.

The NSW Government plans to establish annual reporting on key sectors, showing alignment between migration, skills development, and growth areas from 2022.

b) Key industry strategies should identify the skills, experience, and international connections required to support economic growth

The NSW Government has delivered several industry strategies over recent years, and Investment NSW will continue to deliver and update strategies for key sectors. These industry strategies examined the skills and experience gaps required to build key industry sectors. These industry strategies include:

- The NSW Cyber Security Strategy 2021.
- The NSW Space Industry Development Strategy 2020.
- The NSW Advanced Manufacturing Industry Development Strategy 2018.
- The NSW Medical Technology Industry Development Strategy 2018.
- The NSW Government Defence and Industry Strategy 2017.

Investment NSW has established a dedicated skills and workforce development function to ensure that industry strategies and investment activities are well-informed on skills and workforce development needs to support economic growth, including global talent attraction.

c) Deliver programs in key markets to attract global talent to Sydney and New South Wales

The NSW Innovation and Productivity Council (IPC), within Investment NSW, is partnering with the NSW Productivity Commission on research into the future of work and skills in NSW.

The IPC delivered 15-year projections of the state's future industries, workforce composition, and skills needs, published in the future of work chapter of the 2021-22 NSW Intergenerational Report.

A follow-up Adaptive Workforce report will be published in 2022. It will explore the potential for emerging technologies, like Artificial Intelligence, to revive the state's productivity, and will consider:

- How engine industries — like advanced manufacturing and renewable energy — can drive productivity and economic growth.
- How government can facilitate technological uptake both in the private sector and in public services.
- Managing industry transitions and the rise of the services.
- The dual challenges of developing bleeding edge STEM talent and skilling the bulk of the workforce for new service roles.
- Ensuring the benefits of technology and widely distributed.

Each year, the Commonwealth allocates to NSW approximately 10,000 nomination positions under specific skilled and business, innovation and investment visa categories visas to fill known labour market shortages across the state.

NSW competes against other national and international jurisdictions to attract and retain the 'best and brightest' skilled and business / investor talent to fill those skills gaps and / or create new businesses and jobs in the economy.

Study NSW, is responsible for delivering the Pilot plan to return international students to NSW in line with the State's roadmap to recovery and the National Transition Plan for Australia's COVID-19 response. International students are an important lever to attracting Global Talent to NSW as many end up working in the NSW workforce.

- Reports suggest that anywhere between 35% and 65% of international students were in paid employment during their studies ([University of New South Wales report](#) and [University of Technology Sydney report](#)).
- Approximately 37% of temporary graduate visa holders end up working in NSW.
- Approximately 16% transition to pathways of permanence to live and work in NSW.
- 96% of Temporary Graduates Visa holders are living in a major city, particularly Melbourne and Sydney.
 - › 44% are in full-time employment.
 - › 30% in part-time employment.
 - › 17% work in low skilled jobs in retail, wholesale and hospitality.

Investment NSW is responsible for delivering the \$250 million Jobs Plus program which is designed to support companies who want to establish and expand their footprint in NSW. To qualify for the Jobs Plus program, the applicant must create at least 30 FTE jobs to receive payroll tax relief. This will directly incentivise Global Talent to come to NSW as part of the setting up of companies and/or their expansions in NSW.

d) Develop connections with NSW expatriates, repatriates, and alumni to build momentum

Investment NSW will actively work with Advance.org — the professional network for global Australians — and Australia's network of bilateral Chambers of Commerce to build connections with NSW citizens overseas, and with the alumni of our state, to support long-term opportunities for talent to contribute to our economy.

Investment NSW will leverage our Senior Trade and Investment Commissioners and Agent General offshore to maintain and develop connections with key expatriate networks and alumni to build exposure to NSW and opportunities to work in Australia.

Investment NSW will work in conjunction with DFAT and Austrade to deliver alumni programs in key global markets.

2. Better promote and support Sydney and New South Wales as a destination for global talent

Investment NSW Senior Trade and Investment Commissioners offshore will work in conjunction with Home Affairs, DFAT and Austrade in key markets to target talent and attract companies to establish in NSW and talent to move to NSW.

Levers that can be used in enticing global talent to move to NSW include the Global Talent Visa, NSW's Business and Skilled Migration program and initiatives such as Jobs Plus which incentivise the creation of net 30 jobs in the NSW economy.

The Investment NSW onshore industry teams will provide regular detailed briefings to Senior Trade and Investment Commissioners and Agent General offshore regarding priority industries, approved strategies, and incentive programs.

In collaboration with the Department of Customer Service, Investment NSW will consolidate its corporate brand presence, inclusive of its websites such as Global NSW. This consolidation will better articulate the destination offering that NSW provides for global talent.

Investment NSW will deliver industry events which will engage on attracting industry investment and talent to NSW. These events will be broadcast to the domestic and global network, generating brand touchpoints and familiarity with NSW's destination offering.

Destination NSW, within Investment NSW is responsible for delivering the Visitor Economy 2030 strategy which aims to develop NSW's Visitor Economy attractions and solidify NSW as a Domestic and Global Destination. The Visitor Economy strategy is critical in developing NSW as an attractive place to live and work. In 2019-2020, intrastate tourism accounted for 32.1% of the Visitor Economy, while interstate travel accounted for 21.0%.

The 24-Hour Economy Commissioner, within Investment NSW, is responsible for delivering the 24-Hour Economy Strategy. The aim of the strategy is to support the development of a safe and vibrant nightlife. The delivery of this strategy will contribute to NSW's attractiveness for liveability thus contributing to NSW's efforts to attract Global Talent.

3. Work with and advocate to the Australian Government on ways of attracting talent to Australia and New South Wales

Investment NSW works with the Australian Global Business and Talent Attraction Taskforce and will seek to leverage this relationship to position NSW as the most favourable destination for top global talent and remove unreasonable barriers of entry to businesses seeking to establish a presence in NSW.

Investment NSW will continue to advocate to the Commonwealth Government for NSW to have a greater say on visa allocations and skills required for NSW cities and regions. It will also advocate to and partner with the Commonwealth Government to improve skilled visa pathways. This is with a view to better enable migrants to contribute to our economy by supporting the creation of local jobs, driving innovation, productivity, and economic growth.

This advocacy and partnering on skilled migration is incorporated in the cross-government program of work to align the way we do skills, migration and population policy and planning being co-led by Investment NSW.

Where appropriate, our international network led by Senior Trade and Investment Commissioners and Agent General will work with the Global Talent Officers (Home Affairs) in key global locations to advocate for and identify key talent to move to NSW. In identifying key talent, the NSW Government can refer individuals to Home Affairs to receive priority consideration for Global Talent visas or nominate directly under the NSW Business and Skilled Migration program.

Investment NSW will advocate strategies that promote the state's outstanding innovation that will underpin talent growth. Strategies must be established to attract global talent with the right skills, experience, and international connections to support the growth of NSW's priority industries.

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