November 2022

Regional Skills Relocation Grant (RSRG)
Strategic Review Response

Introduction

The Regional Skills Relocation Grant (RSRG) was established in 2018 and administered by Training Services NSW (TSNSW).

The objective of RSRG is to increase the availability of skilled and experienced workers for businesses setting up in, relocating to, or operating in regional NSW. Grant funding of up to $10,000 per employee is available to businesses operating in eligible industries in regional NSW, to assist with the relocation costs of skilled workers they employ that move from metropolitan areas to regional NSW.

Administration of the grant was transferred to the Department of Regional NSW (DRNSW) in February 2021, with advice that there were opportunities to improve program design to increase uptake of the grant.

DRNSW commissioned a research project to determine the level of awareness of the RSRG and collect feedback from skilled workers that maybe interested in relocating (or have previously relocated) to regional NSW, in order to understand the barriers preventing them from relocating and the potential programs and incentives that might encourage them to do so. The research also involved consultation with recruitment agencies that provide assistance to skilled workers looking to relocate.

Based on the findings, recommendations were made to improve the design of the program. Table 1 outlines the recommendations and how the Department has responded.

Table 1 - Response to Findings of Review

Recommendations for the Department of Regional NSW (DRNSW)	Departmental Response

1. **Develop a program logic and evaluation plan**
   1.1 *Develop an RSRG specific Program Logic that clearly articulates the program objective, outputs and outcome measures*
   1.2 *Develop a complementary evaluation plan to measure the effects of changes made to the program*
	1.1 **Accepted -** DRNSW has completed a program logic and used this to develop the objectives for refreshed RSRG Program Guidelines.
	
	1.2 **Accepted -** A Performance Monitoring and Evaluation Plan has been developed by DRNSW.

2. **Review skilled worker and industry classifications as a priority to ensure that local needs are reflected and can be accommodated** 2.1 *Retain the use of the Commonwealth Skilled Occupation List for the Skilled Work Regional (Provisional) visa (subclass 491), while allowing a*	2.1 **Accepted** - Use of the Commonwealth Skilled Occupation List for the Skilled Work Regional (Provisional) visa (subclass 491) has been retained. Where the position is not listed, at the Department's

level of discretion to accept other forms of evidence (reasonable attempts to recruit locally)	discretion other forms of evidence may be considered where there is a demonstrated need for the position in the region.
2.2 *Investigate the feasibility of including non-permanent, and interstate regional candidates in the program*	2.2 **Accepted** - Eligible applicant definition broadened to include skilled workers relocating from Outside NSW, including interstate regional candidates.
2.3 *Consider the inclusion of other employing entities, such as non-government organisations*	2.3 **Not Accepted** - Inclusion of non-government organisations as Eligible Business is not aligned to the refreshed objectives of RSRG.
2.4 *Consider a region's employment needs based on specialisation or endowments outside of the REDs recommended engine industries, e.g. through other Government strategies such as the Refreshed 20-year Economic Vision, or other identified and documented regional needs.*	2.4 **Accepted** – The eligible Industry definition has been broadened to include key industries aligned with NSW Government policies, priorities, and strategies, including: o 20-Year Economic Vision for Regional NSW o 2040 Economic Blueprint and o the relevant Regional Economic Development Strategy (REDS).
2.5 *Ensure the program has enough flexibility in industry sectors to be able to respond to changes in the economic landscape in response to external factors, e.g. COVID-19 or extreme weather event.*	2.5 **Accepted –** The eligible Industry definition has been broadened and Department discretion is available to adjust to change in circumstances.
3. Explore attraction incentives, and the extent to which these could be incorporated into a complimentary program 3.1 *Consideration be given to allowing employers to access up to 10% of their pre-approved amount with proof of actuals prior to employment of a candidate for eligible attraction activities such as:* o *Engagement of a specialist recruitment firm,* o *Support for in-situ interviews that give candidates an opportunity to visit the regional area and 'try before they buy'.* 3.2 *Consider extending the length of time allowed between pre-approval and candidate appointment*	3.1 **Accepted -** Refreshed Program Guidelines include: o Reimbursements of up to $1,000 for pre-employment site visits, or in-situ interviews within the $12,500 limit per employee; and o Reimbursements of up to $2,500 within the $12,500 limit per employee, to access qualified recruitment services for the pre-approved role/s to assist business to attract candidates with appropriate skills. 3.2 **Noted -** Candidates will be notified in advance of their pre-approval expiring and can request an extension if required.
4. Develop a communication and promotion plan 4.1 *Develop a clear communications plan prior to re-launch, which identifies all relevant stakeholders who can support promotion, such as the Regional Network, councils, JOs, recruitment firms and other job services.* 4.2 *Consider the potential benefits of identifying and involving industry groups in promotion.* 4.3 *Leverage other State and Commonwealth funded programs that are aligned to maximise promotion opportunities (e.g. RJCF).*	4.1 **Accepted** – A communications plan has been developed and identifies relevant stakeholders to support promotion of the program. 4.2 **Noted** – program collateral will be actively promoted and shared with key stakeholders 4.3 **Accepted** – RSRG will be promoted through materials such as online webinars or recordings in conjunction with other Regional NSW business-focussed programs

4.4 *Collaborate internally with other departments on projects to promote the program – e.g. Department of Customer Service on regional promotional videos to incentivise movement to regional areas.*	4.4 **Noted** – The promotion of the refreshed program will include the development of case studies to support the program, which will be shared with key stakeholders.
5. Review the application and administration processes to make them simpler and less time consuming 5.1 *Review program guidelines to ensure they reflect objective and purpose as outlined in Program Logic* 5.2 *Review application process including identifying areas for simplification, particularly regarding the online portal.*	5.1 **Accepted** - Program Guidelines have been updated to reflect the key purpose and objective of the program. 5.2 **Accepted –** Program processes have been revised including simplified online application forms and applicant reminder emails to applicants on key program milestones.

Table 1 - Response to Findings of Review