



Submission on
***Social Services Legislation Amendment (Encouraging Self-sufficiency for
Newly Arrived Migrants) Bill 2018***

Senate Standing Committee on Community Affairs

Background

Settlement Services International (SSI) is a community-based, not-for-profit organisation committed to a vision of society that values the diversity of its people and actively provides support to ensure meaningful social and economic participation. SSI provides a range of services in the areas of humanitarian and migrant settlement, housing services, asylum seeker assistance, disability support, foster care, and employment support services in NSW.

SSI is the largest provider in NSW of the Humanitarian Settlement Services program, funded by the Department of Social Services (DSS), to newly arrived refugees and other humanitarian entrants. SSI is also the lead organisation in a consortium, the NSW Settlement Partnership, of 23 partner agencies which deliver the Settlement Services Program, also funded by DSS, to refugees and family stream migrants in the first five years of settlement across NSW.

SSI welcomes the opportunity to provide a submission to the Senate Standing Committee on Community Affairs on the *Social Services Legislation Amendment (Encouraging Self-sufficiency for Newly Arrived Migrants) Bill 2018*

Recommendation

SSI recommends that Parliament does not support the *Social Services Legislation Amendment (Encouraging Self-sufficiency for Newly Arrived Migrants) Bill 2018*.

Comments

Australia is a country of immigrants with successive waves of migration contributing to the social and economic fabric of Australia. Twenty-eight per cent of Australia's population were born overseas (Australian Bureau of Statistics, 2016), the third highest proportion in OECD countries, behind Luxembourg and Switzerland (OECD, 2016).

The source countries of our migration program have shifted towards non-English speaking countries, particularly countries in Asia and the Middle East. Migrants, especially recent migrants, tend to be younger than the rest of the population, with about 50 per cent of those born overseas in the prime working years (25–54) compared with 39 per cent of the Australian-born (NATSEM, 2010).

Migration provides a net benefit to Australia, and is a contributor to Australia's continuing economic growth.

Successful settlement and integration are key objectives of migration policy, with integration usually defined as the ability to participate fully in economic, social, cultural and civic life (Fozdar & Hartley, 2013).

The Bill's proposed changes will extend from two to three years the waiting period for newly arrived permanent residents in Australia, before they can access social security payments, and introduces a three year waiting period before they can access benefits including family tax benefit, youth allowance, austudy, carer allowance, parenting payment, sickness allow and low income health care card.

The fundamental purpose of Australia's social security system and targeted safety nets is to provide support to permanent residents and citizens during times when they are not able to adequately support themselves. These benefits are funded through taxation paid by all residents who are earning a liveable income.

Recently arrived skilled stream migrants have high levels of employment skills, employment participation and make a great contribution to Australia's economy and society. However, skilled and family stream migrants are no different from other Australians in that they are vulnerable if unforeseen events or personal circumstances such as ill health mean that they have a period where they cannot earn a liveable income. In such circumstances they require access to legitimate income support benefits, or they are vulnerable to significant hardship.

Recently arrived permanent residents correctly have an equal obligation to obey Australian laws and pay taxes. If passed into law, the consequence of these proposed changes would be that recent arrivals would not have an equal right to access social security and other benefits when they have a legitimate need for such benefits. This consequence would be fundamentally unfair and against the basic principle of equal rights to the benefits of a liberal democracy, in exchange for the equal obligation to pay taxation.

In addition to migrants who are the primary visa holder, the proposed changes to social security entitlements will have a significant impact on their family members, and in particular:

- Spouses and children of primary visa holders who are unable to earn an income
- Single parents and their children
- Recently arrived women and children experiencing domestic violence
- People seeking to develop their employment skills through formal education.

Family tax benefit

Proposed changes to eligibility for the Family Tax Benefit require a specific reference. The historic and widely supported rationale for this tax benefit is that it supports young parents, most of whom are working, to provide adequate care and support for their children. This is an investment in the future generation and workforce of Australians.

The implication of withholding this family tax benefit from migrant families, meaning that they effectively pay a higher rate of taxation on income, is that the children of migrants are in some way

of less value and less deserving of care and support than other children living permanently in Australia. This would appear to be the very definition of discrimination.

Case studies

To illustrate the practical implications of the proposed changes in this legislation, SSI will forward with this submission a number of case studies around the current impact of two year waiting periods for social security benefits.

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