

Submission Paper



Submission to Inquiry into the Abbott Government's Commission of Audit

*Prepared by the Federation of Ethnic Communities' Councils of Australia
(FECCA)*

January 2014

Submission Paper



Contents

Summary of FECCA Recommendations	3
Introduction	6
a) The nature and extent of any cuts or changes to government expenditure recommended by the Commission	6
b) The effect of any proposed cuts or changes on the provision of services, programs or benefits by the Government	8
c) The effect of any proposed cuts or changes on the ability of the public service to provide advice to Government.....	10
d) The effect of any proposed changes to the current split of roles and responsibilities between the Commonwealth Government and state and territory governments on the current levels of government expenditure, taxation and service delivery	11
e) The potential impact of any proposed revenue measures on the Budget and on taxpayers, including access to services like health and education.....	12
f) The potential impact of any proposed cuts or changes to government expenditure or service provision on employment and the economy	15
g) The consistency of the Commission's recommendation with the Government's commitments on spending on health, medical research, education, and defence spending	19
h) The potential impact of any proposed cuts or changes on the structural budget balance of the forward estimates and the next 10 years.....	20
i) The potential impact that any proposed changes to Commonwealth budgeting arrangements might have in undermining public confidence in the provision of Commonwealth government accounts	20
j) The potential effects of any proposed cuts or changes on the Government's medium to long term fiscal position, such as reducing future productivity, reducing the tax base and government revenues, or increasing future demand for government programs or support.....	21
k) Whether the Commission's terms of reference are appropriate.	22
Conclusion	23

Submission Paper



Summary of FECCA Recommendations

FECCA recommends that the Commission of Audit, and the Inquiry, in reviewing the recommendations of the Commission:

- appreciate that CALD Australians are part of a disadvantage group that should be protected from further spending cuts;
- reinstate multiculturalism as a priority by ensuring that appropriate funding is maintained and allocated to programs aimed at fostering social inclusion and equitable access to services for CALD Australians;
- continue and advance its support for services, programs and benefits offered to CALD Australians, to prevent a decline in social inclusion and the provision of core services to disadvantages communities and individuals;
- maintain its commitment to the principles of access and equity through the implementation of Agency Multicultural Plans, and engages with communities and relevant organisations to receive regular feedback on the effectiveness of government policies, programs and services;
- entrench the enhancement of multicultural infrastructure in Commonwealth legislation through the development of a Multicultural Act;
- place structurally the coordination of access and equity and multicultural affairs within the Department of the Prime Minister and Cabinet;
- maintain the important role played by state level advocacy bodies in the ethnic aged care sector development, communication, stakeholder engagement and advice to the public service, regardless of any changes to the roles and responsibilities assumed at state or Commonwealth level;
- allocate funding for specifically targeted CALD health promotion programs;
- enhance interpreting and translating services, with particular emphasis on targeting them in response to local language requirements;
- support the need for outreach work in collaboration with community leaders to disseminate information about preventive health and health promotion;
- acknowledge the challenges facing CALD people in equitably accessing quality education and address these challenges through the allocation of funds to ensure the provision of educational services that are supportive, responsive and

Submission Paper



flexible in responding to specific needs of CALD youth;

- increase the funding for, and re-design of, AMEP in the context of the needs of newer immigrant communities by increasing hours and structuring classes in line with levels of English and cultural needs in order to respond to issues of illiteracy and other specific issues faced by refugees and newly arrived immigrants;
- via the Department of Industry continue to fund childcare services for children under school age of new arrivals undertaking AMEP and to review and increase the mechanism to ensure that all relevant new arrivals are made aware of it;
- extend employment assistance services to all newly arrived immigrants, regardless of visa type;
- establish large-scale mentoring and job experience programs for skilled immigrants (including skilled refugees) through government and business sponsorships, and provide career planning and counselling services to all migrants in vocational and further education;
- facilitate and support volunteering opportunities for immigrants and refugees to enable a smoother transition into the Australian workforce;
- facilitate support for study and skills training for young people including refugees and provide initial social services assistance to ensure people can survive while they study or seek appropriate employment;
- strengthen programs linking unskilled refugees to areas with rural labour shortages, which have proven successful;
- implement and support cultural competence training across all Government agencies and organisations funded by the Government. This should involve training staff to recognise and be able to assist in addressing specific barriers faced by CALD job-seekers, such as those associated with Job Services Australia;
- enable Job Services Australia to focus on teaching CALD job seekers about workplace requirements, expectations, and rights, including appropriate avenues for accessing and using appeal and complaint mechanisms. Workplace orientation and work placement programs should also be further resourced. In addition, assessment instruments, such as the Job Seeker Classification Instrument, should be enhanced in terms of cultural appropriateness;
- strengthen and resource post-employment support to assist CALD and new and

Submission Paper



emerging communities workers to have sustainable and long-term employment;

- recognise the social and economic benefit of existing skills and trades from other cultures to Australia by supporting ethnic entrepreneurs to start new businesses that offer new products or services;
- dedicate funding specifically to increase immigrant and refugee employment over the forward estimates period;
- incorporate funds for readily accessible translating and interpreting services where needed;
- enable Government-funded service providers to up-skill cultural competencies area especially in the aged care work force;
- implement consumer-directed care in conjunction with moves to enhance health literacy;
- support increased awareness and understanding of Advanced Care Planning (ACP) for CALD communities through collaborative consultations with key stakeholders and service providers;
- support develop consultations to promote Mental Health and Suicide Prevention among CALD individuals and communities;
- develop targeted communications to encourage CALD communities to consider employment and training in Aged Care service delivery, especially for the development of a stable bi-lingual workforce;
- work with CALD communities and organisations, research organisations and other stakeholders to develop a program of research to inform equitable, quality, effective, inclusive and accessible aged care services to CALD communities;
- recognise that catering for the needs of a civil society is directly related to the effectiveness of efforts geared towards fostering economic development. As such, funding cuts that undermine this balance would, by extension, undermine public confidence; and
- recognise that cuts to core programs and services catering for CALD Australians will only result in increasing demand for these services to be even more comprehensive and focussed in their coverage and application in the future.

Submission Paper



Introduction

The Federation of Ethnic Communities' Councils of Australia (FECCA) welcomes the opportunity to make a submission to the Senate Select Committee to the Inquiry into the Abbott Government's Commission of Audit.

FECCA is the peak national body representing Australians from culturally and linguistically diverse (CALD) backgrounds and strives to ensure that the needs and aspirations of CALD Australians are given proper recognition in public policy.

FECCA welcomes the establishment of the Commission of Audit and commends its effort to identify ways to balance the Commonwealth budget and foster economic growth. From FECCA's position, however, it is imperative that the Commission must exert due caution and do its utmost to anticipate the compound negative impact that spending cuts on core programs and services for CALD Australians are likely to have on such population groups that are already exposed to vulnerable circumstances.

The submission that follows is FECCA's response to the Terms of Reference guiding the Inquiry and provides a broad overview of key themes and issues that are of concern to FECCA's constituency. FECCA commends this submission to the Inquiry, for its consideration in interpreting and responding to the recommendations put forward by the Commission in its forthcoming report/s.

a) The nature and extent of any cuts or changes to Government expenditure recommended by the Commission

A significant proportion of services made available to, or specifically targeting, culturally and linguistically diverse communities are operated through grant programs outsourced by the government to organisations specialising in focussed service delivery. The purpose of these grants and the programs and services that they support is to ensure that CALD communities receive what may otherwise be difficult for them to access through mainstream services and agencies.

In this context, FECCA is concerned about prospective spending cuts and the redirection of funds away from important programs and services focussing on CALD Australians, given the associated negative impact on their social and economic wellbeing, particularly in the context of them being already disadvantaged or excluded groups, that should not be targeted for budget savings measures.

FECCA joins the Australian Council of Social Services (ACOSS), other peak bodies and service providers, in highlighting that spending cuts in areas such as health, education,

Submission Paper



training, employment and social services also undermine overall productivity and economic growth.

Moreover, FECCA constituents are concerned that the multicultural agenda has been downgraded amongst Government's priorities, and that this may be further reflected in additional funding cuts pursued by the Commission. The multicultural sector already has experienced significant cuts in funding through the cessation of programs such as the Multicultural Communities Employment Fund (MCEF) and the Building Stronger Communities Fund (BSCF) and FECCA believes that further cuts in the sector will significantly impair efforts to foster social inclusion and cohesion, as well as equal access to services for all Australians.

In its capacity representing ethnic communities in Australia since 1979, FECCA recalls the unfortunate community experiences of the similar Hawke-Keating Government cuts in 1986 and 1987, which negatively impacted on ethnic communities across all major policy areas. Responding to community reaction and recognising the specific needs and vulnerability of immigrants and refugees facing significant governments programs cuts, the then Labour Government redressed that by introducing a new multicultural policy initiative which included an Access and Equity Strategy, the establishment of a National Office of Overseas Skills Recognition, the establishment of the Human Rights and Equal Opportunity Commission, and of an Office of Multicultural Affairs (OMA).¹

The Office of Multicultural Affairs (OMA) created within the Department of the Prime Minister and Cabinet in 1987 was, in subsequent years (under the leadership of Professor Peter Shergold), instrumental in ensuring Australian Government decisions throughout the machinery of Government (including Cabinet submissions and determinations) reflected and advanced a specific focus on achieving access and equity to Government services and programs for all Australians, irrespective of their culture, linguistic background, race, colour or ethnic origin.

Drawing on previous developments within the multicultural sector, FECCA calls on the Australian Government to continue its support for multicultural affairs in Australia by allocating appropriate funding to strengthen social inclusion and equitable access to Government programs and services.

¹ Parliament of Australia, *Multiculturalism: a review of Australian policy statements and recent debates in Australia and overseas*, Research Paper no. 6 2010-11, available at http://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/rp1011/11rp06

Submission Paper



FECCA recommends that the Commission of Audit, and the Inquiry, in reviewing the recommendations of the Commission:

- appreciate that CALD Australians are part of a disadvantage group that should be protected from further spending cuts; and
- reinstate multiculturalism as a priority by ensuring that appropriate funding is maintained and allocated to programs aimed at fostering social inclusion and equitable access to services for CALD Australians.

b) The effect of any proposed cuts or changes on the provision of services, programs or benefits by the Government

FECCA believes that the provision of Government services and programs should be culturally adequate and equably accessible to all Australians, irrespective of their cultural, linguistic, or religious background. However, through its access and equity consultations with CALD communities, FECCA is aware that immigrants and refugees often face discrimination and other numerous challenges in accessing and benefiting from available Government services.

FECCA has advised the Government on several occasions of the necessity to allocate funds to improve overall cultural competency of service providers and to ensure that CALD people benefit from targeted services that address their specific needs. Despite significant efforts to implement a client-centred service delivery model based on cultural competency and the development of CALD-specific programs, grassroots feedback that FECCA has received demonstrates that the model is not always effectively implemented and requires continuous revision and improvement.

In this context, FECCA acknowledges the introduction of Agency Multicultural Plans (AMPs) in Government agencies and departments, and their aim to ensure a commitment to identifying priority actions, responsibilities, timelines and measurable targets through which to maximise the benefits of cultural diversity and enhance Government policies, programs and services. FECCA looks forward to following progress on implementation of all aspects of departmental and agency AMPs, and continuing engagement with Government on behalf of its constituency, to ensure that feedback is regularly provided on the effectiveness of Government policies, programs and services.

In its Pre-Budget Submission for 2014-15, FECCA advocated for the allocation of additional resources to more effectively support the implementation of *The People of*

Submission Paper



Australia – Australia's Multicultural Policy. The intention of this recommendation was to realise the policy's avowed commitment to strengthening cultural diversity, social cohesion and cultural competency in Government services and identifying ways through which to better promote the economic benefits of multiculturalism and respond to instances of intolerance and discrimination.

FECCA's latest Access and Equity report² for 2012-13 provided the Government with recommendations on how to improve service delivery and program efficiency by suggesting several key services and programs that could benefit from additional funding, such as Job Services Australia, the Adult Migrant English Program, child care services, health services or Centrelink.

For instance, the report suggests that investing in the development of cross-cultural communication skills and awareness of the Job Services Australia's staff, while also creating a CALD and/or refugee specific stream, will significantly improve overall service efficiency and customer satisfaction by ensuring that job placements are adequate and successful in the long term.

FECCA believes that reducing funding geared towards improving cultural competency of services and programs will significantly impair the Government's ability to deliver relevant, inclusive, cost effective and efficient services to all vulnerable Australians. Failing to cater for CALD Australians will economically and socially isolate an already disadvantaged group, while increasing the costs and efforts required to foster social inclusion and cohesiveness, address unemployment, mental health issues and overall economic productivity.

FECCA also supports the submission from ACOSS outlining that a Government initiative to cut spending by outsourcing service provision to private sector providers will negatively impact on the outcomes for the people and communities using those services.³ Like ACOSS, FECCA believes that the provision of social services should be geared toward effectiveness and efficiency which can best be achieved by ensuring that those services respond to local needs, are community-based, have knowledge of the local problems and address the local needs in a targeted and appropriate manner. Looking at saving costs through outsourcing the provision to the private sector creates a risk of devaluing the quality of the service by failing to cater to its customers' complex

² Federation of Ethnic Communities' Councils of Australia (FECCA), 2013, *Multicultural Access and Equity: Strengthening Connections between Communities and Services*. Available at: http://www.fecca.org.au/images/stories/documents/Submissions/2013/fecca_multicultural_access_equity_report_june2013.pdf

³ Australian Council of Social Services, *Balancing the Budget - Submission to the Commission of Audit*, November 2013, p.12, available at http://www.acoss.org.au/images/uploads/ACOSS%20Commission%20of%20Audit%20Submission_FINAL.pdf

Submission Paper



needs, by reducing accessibility and community trust in the service and by detrimentally impacting on overall outcomes for the consumer.

FECCA recommends that the Government:

- continue and advance its support for services, programs and benefits offered to CALD Australians, to prevent a decline in social inclusion and the provision of core services to disadvantages communities and individuals; and
- maintain its commitment to the principles of access and equity through the implementation of Agency Multicultural Plans, and engages with communities and relevant organisations to receive regular feedback on the effectiveness of government policies, programs and services.

c) The effect of any proposed cuts or changes on the ability of the public service to provide advice to Government

The ability of the Government to develop and implement informed and targeted public policies relies on the ability of the public service to provide expert and accurate advice by having in place the infrastructure to receive feedback, identify issues and recommend measures for improved outcomes.

FECCA has continued to express its constituents' concern over the perceived downgrading of multicultural issues on the current Government's agenda, reflected by the removal of multicultural affairs as a core Ministerial portfolio. By incorporating multicultural affairs into the mainstream social services portfolio, the Government is perceived as diminishing its ability to receive informed and targeted advice around core issues concerning CALD Australians. Removing the focus on multiculturalism positions the Government at risk of failing to address the needs of CALD Australians and conversely, overlooking the complex and specific challenges that they face.

Furthermore, FECCA believes that the decision to include multicultural affairs under the mainstream Department of Social Services portfolio may fail to provide the necessary infrastructure and means through which to identify policy shortages and dysfunctional programs specifically affecting CALD Australians. Additional proposed spending cuts affecting the Department of Social Services and community development programs will further hinder the development of CALD-specific streams within the public service.

It is for such reasons that FECCA repeatedly has argued, and continues to argue, for the coordination of access and equity and multicultural affairs to be placed within the

Submission Paper



Department of the Prime Minister and Cabinet, achieving greater efficiencies and effectiveness in service delivery across Australian Government departments and agencies.

FECCA recommends that, in order to cement ongoing institutionalised support for a multicultural, functional and inclusive society, the Australian Government:

- entrench the enhancement of multicultural infrastructure in Commonwealth legislation through the development of a Multicultural Act; and
- place structurally the coordination of access and equity and multicultural affairs within the Department of the Prime Minister and Cabinet.

d) The effect of any proposed changes to the current split of roles and responsibilities between the Commonwealth Government and state and territory governments on the current levels of government expenditure, taxation and service delivery

FECCA acknowledges that effective service delivery should be informed by, and often coordinated at, state and territory level to ensure that services are based on knowledge of local needs, are therefore targeted more efficiently. However, the Commonwealth Government should assume responsibility to provide the infrastructure necessary to develop core policies.

FECCA has received feedback related to the new Home and Community Care (HACC) arrangements whereby the Australian Government assumes responsibility for the HACC Program that provides support for older people. State-based ethnic and multicultural councils have been providing advice to the state level public services on diversity planning in aged care that has led to positive outcomes with improved culturally responsive HACC aged care policies and programs. It is important that the existing culturally responsive aged care programs in ethnic and multicultural community-based organisations are continued under the coordination of the Commonwealth Government in order to minimise any service delivery disruption.

FECCA believes that any efforts to centralise service delivery should ensure that the remoteness from the local situation will not affect the quality of the service provided and that policies will not overlook the situation on the ground by imposing a mainstream and standardised approach.

Submission Paper



FECCA recommends that:

- the important role played by state level advocacy bodies in the ethnic aged care sector development, communication, stakeholder engagement and advice to the public service be maintained regardless of any changes to the roles and responsibilities assumed at state or Commonwealth level.

e) The potential impact of any proposed revenue measures on the Budget and on taxpayers, including access to services like health and education

Equitable access to health and education is paramount for the wellbeing of immigrants and refugees in Australia. There are, however, several challenges that remain unaddressed which impair CALD Australians in their ability to benefit from these services. Overcoming the barriers faced by people from CALD communities requires further investment to ensure that CALD-specific needs are catered for.

Access to health

In addition to the cultural competency of health services, ongoing issues in the health sector that require increased investment are related to health literacy, language and communication issues. Failing to address communication barriers through appropriate funding for translation and other support services, especially through the provision of telephone help or other online options, will negatively affect information provision and health literacy improvements for CALD people.

Information dissemination is increasingly being affected by the initiative to move to electronic health records. Despite being seen a cost-effective strategy, this change will negatively affect the most disadvantaged communities that lack digital literacy or access to digital infrastructure. In an effort to overcome these barriers and to complement the already existing means, FECCA believes that it is important that the Government also undertakes outreach work in collaboration with community leaders to disseminate information about preventive health and health promotion.

The recent intake of humanitarian immigrants from areas of conflict means that many new and emerging communities in Australia have torture and trauma backgrounds, which render them susceptible to mental health issues, and in need of culturally sensitive and appropriate support services. Feedback from the community shows great

Submission Paper



concerns over the Government's recent decision to disband the Immigration Health Advisory Group (IHAG) which is a step backwards in ensuring that asylum seekers and refugees receive appropriate health care. Failing to appropriately address the mental health needs of the most recent entrants has significant risks and costs in the long term as it will delay if not hinder this vulnerable group's ability to become productive participants in society.

FECCA believes it is important that the Government allocates mental health funding support and broaden community education and outreach programs to counter stigma and other barriers to engaging with mental health services, with a focus on those particularly vulnerable to mental health issues such as the aged, newly-arrived, youth, homeless, and those with torture and trauma backgrounds.

FECCA is also concerned about discussions to introduce a fee for visiting a General Practitioner. FECCA believes that additional charges will further deter disadvantaged CALD people from seeking preventative medical advice and will only add to the already large range of barriers to accessing health including languages, cultural beliefs, lack of trust or poor health literacy. A National Health Performance Authority report shows that there is already a large proportion of the population who avoids seeking early medical advice because it cannot afford it, which leads to an increased demand for acute treatment in emergency departments.⁴

FECCA recommends that the Australian Government:

- allocate funding for specifically targeted CALD health promotion programs;
- enhance interpreting and translating services, with particular emphasis on targeting them in response to local language requirements; and
- support the need for outreach work in collaboration with community leaders to disseminate information about preventive health and health promotion.

Access to education

⁴ National Health Performance Authority, New MyHealthyCommunities website reveals extent of cost barriers, Media Release, 20 June 2013, available at [http://www.nhpa.gov.au/internet/nhpa/publishing.nsf/Content/Media-Release-New-MyHealthyCommunities-website-reveals-extent-of-cost-barriers/\\$file/NHPA_HC_Report_Patient_Exp_Media_Release_June_2013.pdf](http://www.nhpa.gov.au/internet/nhpa/publishing.nsf/Content/Media-Release-New-MyHealthyCommunities-website-reveals-extent-of-cost-barriers/$file/NHPA_HC_Report_Patient_Exp_Media_Release_June_2013.pdf) and Sue Dunlevy, 'Health groups fear \$5 GP fee will hit hospital emergency departments', *News Limited Network*, 29 December 2013, available at <http://www.news.com.au/lifestyle/health/health-groups-fear-5-gp-fee-will-hit-hospital-emergency-departments/story-fneuz9ev-1226791543887>

Submission Paper



Allocating appropriate funding to ensure the improvement of educational outcomes for children from non-English speaking and/or culturally diverse backgrounds should be amongst the key priorities of any proposed reforms funding of the education system. FECCA is concerned that the current education funding system, whereby public schools attended by disadvantaged students could receive less funding than private schools, is detrimental to those groups in the community who need additional resources the most.

FECCA believes that all children, youth and adults have the right to seek and acquire a quality education to fulfill career and life ambitions and people CALD backgrounds should receive necessary assistance in achieving these basic entitlements. CALD people face several challenges to accessing meaningful education, including language barriers, low literacy levels, lack of familiarity with the Australian schooling system, low digital literacy, lack of family support or family obligations, lack of transport, cultural beliefs or gaps in training or disrupted education due to lack of opportunities/refugee experience in country of origin. These factors impact significantly on the ability of refugees and immigrants to successfully participate in language and education programs.

FECCA believes that the complexity of these factors can only be addressed by an education system that is flexible and responsive to the learning needs of refugees and immigrants and an understanding of their specific circumstances.

FECCA considers that language is key to facilitating empowered participation for all Australians. However, the complexity of language acquisition is underestimated in the current programs such as the Adult Migrant English Program (AMEP). FECCA's annual Access and Equity consultations indicate that the duration, the training modes and the lack of bilingual teachers in Government-funded English language training courses can result in a number of learners acquiring very few skills in English after these courses. It is clear that this major program requires additional resources in order to better support new immigrants to learn English.

FECCA believes the Government should address the low uptake of language and training programs among new and emerging communities by increasing people's awareness of available programs and entitlements, designing more flexible programs that are tailored to the religious values of particular communities and are suited to students with low levels of literacy, and by addressing related issues such as difficulty in accessing transport and childcare.

AMEP clients with children under school age should be eligible to have their childcare needs funded by the Australian Government. However, FECCA is concerned that the Government is not adequately ensuring that all new arrivals eligible for AMEP who have young children are being reached by service providers and being made aware of the provision of childcare assistance.

Submission Paper



Moreover, the affordability of both university and TAFE education is steadily rising, and many recently arrived immigrants are not eligible for higher education loans. The increasing cost of TAFE education is concerning as TAFE has been shown to be a critical springboard for self-determination and participation in society.

FECCA recommends that the Australian Government:

- acknowledge the challenges facing CALD people in equitably accessing quality education and address these challenges through the allocation of funds to ensure the provision of educational services that are supportive, responsive and flexible in responding to specific needs of CALD youth;
- increase the funding for, and re-design of, AMEP in the context of the needs of newer immigrant communities by increasing hours and structuring classes in line with levels of English and cultural needs in order to respond to issues of illiteracy and other specific issues faced by refugees and newly arrived immigrants; and
- via the Department of Industry continue to fund childcare services for children under school age of new arrivals undertaking AMEP and to review and increase the mechanism to ensure that all relevant new arrivals are made aware of it.

f) The potential impact of any proposed cuts or changes to Government expenditure or service provision on employment and the economy

Failing to support vulnerable groups seeking to participate in the workforce has a negative impact on overall unemployment rates and the economic growth, given the potential contribution that such individuals can make in broadening the skill and experience base reflected by the Australian workforce. Investing in skills development and employment support for the most disadvantaged jobseekers in order to foster overall economic growth should be a priority for the Australian Government and a key recommendation of the Commission of Audit.

Unemployment or underemployment amongst CALD Australians have a significant negative impact on the health, happiness and general wellbeing, including such issues as social isolation, exclusion and mental health issues, the creation of ethnic enclaves, higher school drop-out rates for CALD youth, homelessness, higher rates of incarceration, and lower overall health outcomes all of which inhibit social cohesion.

Submission Paper



The negative impacts of Australia's insecure employment on CALD employees not only affects individuals and their workplaces but, on a much larger scale, impacts Australia's productivity, welfare systems and social cohesion, as unemployment and poverty not only cause reliance on the welfare system but also a range of associated costs such as potential need for mental health or law enforcement services.

In the same time, improved employment outcomes for the most vulnerable groups have a significant economic benefit. Research has shown that immigrants contribute more in taxes than they consume in government goods and services⁵, therefore their contribution should be valued and their participation in the workforce encouraged. Creating the conditions to facilitate equal employment opportunities for all Australians does involve outlay before recuperation of such monies via taxation, however in the long-term, high employment participation and halting the perpetuation of poverty also brings economic benefits.

FECCA believes that Australia must strive for consistent, targeted and culturally and linguistically appropriate employment support for CALD job seekers, as well as actively work to address the distinct barriers faced by different CALD communities and groups in gaining and retaining employment. The risks of failing to allocate sufficient funding to support immigrants to achieve successful employment outcomes must be recognised.

Higher unemployment amongst immigrants occurs for a range of reasons, including discrimination, limited language skills and education, overseas qualifications not being recognised, and a lack of local experience, training, and labour market knowledge. Unemployment rates can also increase as a result of volatility in certain industries such as manufacturing⁶, where immigrants are disproportionately represented.

Humanitarian entrants often face additional or exacerbated barriers to employment more so than skilled immigrants, and, in correlation to the latter, tend to experience higher rates of unemployment. Graeme Hugo's 2011 report, *Economic, Social and Civic Contributions of First and Second Generation Humanitarian Entrants*, highlighted that humanitarian entrants have significantly higher rates of unemployment as compared to immigrants of other visa categories.

Ethnic and multicultural organisations expressed their concern that loss of funding for employment programs targeting immigrants and refugees might lead to a failure to

⁵ Department of Immigration and Citizenship, *Submission to the DEEWR Issues Paper: Employment Services- Building on Success*, March 2013, available at https://submissions.deewr.gov.au/sites/submissions/BuildingonSuccess/Documents/DIAC_b.pdf

⁶ Australian Bureau of Statistics (ABS). 2013. *Australian Labour Market Statistics, July 2013*. Available at: <http://www.abs.gov.au/ausstats/abs@.nsf/Latestproducts/6105.0Feature%20Article1July%202013?opendocument&tabname=Summary&prodno=6105.0&issue=July%202013&num=&view=>

Submission Paper



address barriers to employment while increasing social issues such as gambling and alcohol abuse.⁷

Feedback received from the Refugee Council of Australia drew attention to the long-term consequences of policies which place asylum seekers and refugees in situations of enforced dependence or which hamper engagement with and participation in the community, such as the denial of work rights and restrictions on access to educational opportunities (including English language tuition). There was concern that such policies could lead to serious marginalisation and social exclusion over the long term or create intergenerational disadvantage. As noted by a service provider in Melbourne:

Young people in CD (community detention) participate in schooling but are not eligible to receive a VCE (Victorian Certificate of Education) if they are over 18. Lay over that the lack of work rights and lack of income if you are on a Centrelink payment and the long-term ramifications of this in terms of entrenched poverty. What is the cost of this in the long term?

FECCA strongly believes that it is in Australia's economic and social interests to ensure that CALD job seekers experience a smooth transition into the labour market to ensure the wealth of skills and experience that they bring is used to its full potential. In turn, sustainable employment opportunities for CALD Australians offer one of the most effective means through which to improve social cohesion and facilitate strong community engagement through the settlement process.

⁷ SBS Podcasts, *Concern over loss of migrant job program*, 8 January 2014, available at <http://www.sbs.com.au/podcasts/naca/radionews/episode/310870/Concern-over-loss-of-migrant-job-program>

Submission Paper



FECCA recommends that the Commission of Audit consider the allocation of funding to:

1. extend employment assistance services to all newly arrived immigrants, regardless of visa type;
2. establish large-scale mentoring and job experience programs for skilled immigrants (including skilled refugees) through government and business sponsorships, and provide career planning and counselling services to all migrants in vocational and further education;
3. facilitate and support volunteering opportunities for immigrants and refugees to enable a smoother transition into the Australian workforce;
4. facilitate support for study and skills training for young people including refugees and provide initial social services assistance to ensure people can survive while they study or seek appropriate employment;
5. strengthen programs linking unskilled refugees to areas with rural labour shortages, which have proven successful;
6. implement and support cultural competence training across all Government agencies and organisations funded by the Government. This should involve training staff to recognise and be able to assist in addressing specific barriers faced by CALD job-seekers, such as those associated with Job Services Australia;
7. enable Job Services Australia to focus on teaching CALD job seekers about workplace requirements, expectations, and rights, including appropriate avenues for accessing and using appeal and complaint mechanisms. Workplace orientation and work placement programs should also be further resourced. In addition, assessment instruments, such as the Job Seeker Classification Instrument, should be enhanced in terms of cultural appropriateness;
8. strengthen and resource post-employment support to assist CALD and new and emerging communities workers to have sustainable and long-term employment;
9. recognise the social and economic benefit of existing skills and trades from other cultures to Australia by supporting ethnic entrepreneurs to start new businesses that offer new products or services; and
10. dedicate funding specifically to increase immigrant and refugee employment over the forward estimates period.

Submission Paper



g) The consistency of the Commission's recommendation with the Government's commitments on spending on health, medical research, education, and defence spending

FECCA seeks the Australian Government's continued support to ensure that all measured geared towards the improvement of services for ageing people from CALD backgrounds are responsive to their needs.

The current aged care system can be difficult for older people, their families and carers to understand and navigate. The sources of information available are wide and varied, often difficult to access and understand and do not support informed decision-making. This is especially the case for people from CALD backgrounds.

A key challenge is to integrate CALD perspectives into the overall aged care and health delivery frameworks so that ageing people from CALD backgrounds have access and equity to a full range of appropriate aged care services, and are empowered and confident in their ability to access them.

The current ten-year aged care reform program is likely to make a positive contribution to improving access to quality aged care for all Australia. The Strategy's primary aims are to:

- deliver important benefits to older Australian that include more support and care at home, better access to residential care (as it is required), increased recognition of carers and people from CALD backgrounds, more support for people with dementia, and better access to information; and
- lay the foundations for longer term sustainable reform through more robust and transparent funding structure, improved quality, transparency, more choices and how it is paid for.

FECCA seeks assurance from the Government that funding already allocated to specific areas aimed at advancing the needs of ageing CALD Australians will continue in its entirety and without revision.

Submission Paper



FECCA recommends that the Australian Government:

1. incorporate funds for readily accessible translating and interpreting services where needed;
2. enable Government-funded service providers to up-skill cultural competencies area especially in the aged care work force;
3. implement consumer-directed care in conjunction with moves to enhance health literacy;
4. support increased awareness and understanding of Advanced Care Planning (ACP) for CALD communities through collaborative consultations with key stakeholders and service providers;
5. support develop consultations to promote Mental Health and Suicide Prevention among CALD individuals and communities;
6. develop targeted communications to encourage CALD communities to consider employment and training in Aged Care service delivery, especially for the development of a stable bi-lingual workforce ; and
7. work with CALD communities and organisations, research organisations and other stakeholders to develop a program of research to inform equitable, quality, effective, inclusive and accessible aged care services to CALD communities.

h) The potential impact of any proposed cuts or changes on the structural budget balance of the forward estimates and the next 10 years

FECCA has no specific comments on this point at this stage.

i) The potential impact that any proposed changes to Commonwealth budgeting arrangements might have in undermining public confidence in the provision of Commonwealth government accounts

From the perspective of CALD Australians, it is important that there is continuity in the provision of services to ensure their effectiveness.

Submission Paper



Many CALD clients who access Government services come from a position of distrusting programs, policies and initiatives offered by Government on the basis of their past experiences in their countries of origin. Developing user confidence through effective and ongoing service provision is therefore an important step in providing vital services to disadvantaged members of the community, facilitating social inclusion and community confidence and support for Government policies and programs.

There are carry-on effects regarding lack of consumer confidence in services that are important to recognise in this context. For instance, with regard to employment services, cuts or changes to minimise core services in this area would result in many CALD clients struggling to secure sustainable employment, and therefore lacking confidence in Government to provide necessary support in this respect. The flow-on effect is the subsequent impact on stability in the Australian workforce, whereby CALD workers constitute a substantive worker base, and offer the potential for new skills, experience and perspectives to be offered.

FECCA and other organisations in the multicultural and settlement sectors consider it vital that the needs of a civil society are seriously considered as underpinning economic development. As such, funding cuts that undermine this balance would, by extension, undermine public confidence.

FECCA recommends that the Australian Government:

- recognise that catering for the needs of a civil society is directly related to the effectiveness of efforts geared towards fostering economic development. As such, funding cuts that undermine this balance would, by extension, undermine public confidence.

j) The potential effects of any proposed cuts or changes on the Government's medium to long term fiscal position, such as reducing future productivity, reducing the tax base and Government revenues, or increasing future demand for government programs or support

FECCA has previously expressed its concern that cuts in programs such as the BMCP and MCEF have ramifications for social inclusion, the ability of CALD Australians to more effectively participate in the workforce and bring with them skills and experience to allow Australian businesses and organisations to excel. There is subsequently a direct correlation between the cancellation of important programs and activities such as BMCP and MCEF and reductions to future productivity and growth.

Submission Paper



In addition, cuts to such programs as these have the flow-on effect of increasing future demand for similar government programs and support that will inevitably be introduced in response to public demand. Programs and services geared towards supporting CALD Australians will not decrease in accordance with budget cuts on the basis of Australia's cultural diversity constituting a demographic reality that requires recognition and reflection through decision-making processes and the Government's overall fiscal position and planning.

Therefore, given that demand for community and social inclusion programs will not decrease, cuts to these core programs and services now will only result in increasing demand for these services to be even more comprehensive and focussed in their coverage and application in the future. There will also be additional costs associated with potential outsourcing of core services, should the Government no longer control or regulate these.

FECCA recommends that the Australian Government:

- recognise that cuts to core programs and services catering for CALD Australians will only result in increasing demand for these services to be even more comprehensive and focussed in their coverage and application in the future.

k) whether the Commission's terms of reference are appropriate, and, in particular, whether consideration ought to be given to alternative means of:

- i. **improving the efficiency and effectiveness of government expenditure**
- ii. **improving the state of the Commonwealth's finances and addressing medium term risks to the integrity of the budget position,**
- iii. **improving the fairness and efficiency of revenue raising, including that businesses cover the full cost of their activities, and that individuals with greater capacity contribute more to government revenue,**
- iv. **funding infrastructure and enhancing Australia's human, economic and natural capital, or**
- v. **improving the public service;**

Submission Paper



FECCA has the following comments to make with regard to the appropriateness of specific aspects of the Commission's Terms of Reference:

- *"identify areas of unnecessary duplication between the activities of the Commonwealth and other levels of government"*

It is important to ensure that eradicating areas of duplication does not come at the expense of cutting out important services and programs catering for diverse communities and individuals that fulfil functions not otherwise covered by existing Government services. It is important to thoroughly investigate instances of perceived duplication to ensure that unique and vital services are not cut to the detriment of those that access and often rely on them. In summary, it is imperative that community services and programs that support the needs of particularly disadvantaged or excluded groups should not be targeted for budget savings measures.

- *"improve the overall efficiency and effectiveness with which government services and policy advice are delivered"*

It is vital that Government continues to receive advice from communities that they service, and support non-government and community organisations to collect such feedback and advice, in order to ensure that Government receives direct feedback from consumers on the most effective ways through which to target and deliver services. This is vital in ensuring a commitment to the principles of access and equity, now institutionalised in government agencies and departments through the introduction of Agency Multicultural Plans (AMPs).

Conclusion

In its review of the recommendations forwarded by the Commission of Audit, FECCA requests that the Inquiry focus on:

- the extent to which multicultural services and programs support a large proportion of Australia's diverse population and provide a foundation upon which to foster greater social inclusion and community harmony;
- the extent to which community and non-government organisations such as FECCA offer value for money for the Government, through the provision of feedback on the effectiveness of Government programs and services, and through the targeted delivery of programs for CALD Australians;

Submission Paper



- the extent to which cuts to programs and services currently supported by Government would result in future costs related to reintroducing such services again on the basis of popular demand, highlighting the efficiencies enabled by continuous and sustained service provision; and
- the need for continuous and sustained service provision to ensure consumer confidence and effective services targeted to the needs of CALD Australians.

FECCA recommends against any resource cuts or changes that would compromise important programs and services that currently respond to the needs of CALD Australians, and by extension, foster social inclusion and harmony to the benefit of all Australians.