



OZ KIWI SUBMISSION TO THE SENATE INQUIRY ON TEMPORARY MIGRATION

Oz Kiwi welcomes the opportunity to make a submission to the Select Committee on Temporary Migration inquiry into on the impact temporary migration has on the Australian economy, wages and jobs, social cohesion and workplace rights and conditions.

This submission will focus on the impact on New Zealander long-term residents of Australia who reside on the 'temporary' TY444 Special Category Visa (SCV). New Zealanders are, however, negatively impacted by their temporary visa status. They are barred from certain industries such as academia, the Australian Defence Force or Federal government work. In particular, this submission will focus on the following parts of the Terms of Reference:

- a. *government policy settings, including their impact on the employment prospects and social cohesion of Australians;*
- b. *the impact of temporary skilled and unskilled migration on Australia's labour market;*
- d. *whether permanent migration offers better long-term benefits for Australia's economy, Australian workers and social cohesion.*

Background

New Zealanders arriving in Australia have been granted a Special Category Visa (SCV) since the introduction of the universal visa system in 1994. The most recent Australian Census data from 2016 recorded 518,466 New Zealand-born people in Australia, an increase of 7.3 per cent from the 2011 Census. The majority of New Zealand-born residents in Australia, 64.3 per cent, had arrived in Australia prior to 2007. Of the total number of New Zealanders resident in Australia, 17.4% had arrived between 2007 and 2011 and 14.4% had arrived between 2012 and 2016 [Department of Home Affairs, 2016]. Peter Mares in his 2016 book on temporary workers in Australia '*Not quite Australian*' stated that New Zealanders are the largest cohort of temporary residents in Australia.

It is difficult to calculate the exact number of SCV-holders living in Australia. [Net Overseas Migration, see references] All New Zealanders entering Australia are granted the same visa regardless of whether they are on holiday, here for business or taking up long-term residence. There is a large cohort of SCV-holders, anywhere up to 350,000 of whom arrived post 26 February 2001 when the status of the SCV changed from permanent to temporary. This cohort is referred to as 'non-protected' SCV-holders and have far fewer rights than the pre 27 February 2001 arrivals. The latter group are referred to as 'protected' SCVs and considered *Permanent Residents* while in Australia and eligible to apply for citizenship.

New Zealanders visa status in Australia

New Zealanders are not impacted by their temporary visa status as other temporary visa-holders might be because their visa is not time limited. The SCV New Zealanders are granted when entering Australia allows them to live and work here indefinitely the SCV has no pathway to permanent residence (PR) or citizenship for those who first arrive after 26 February 2001. These non-protected SCV-holders must first apply for and be granted a permanent visa in order to gain citizenship.

New Zealanders tend not to get sponsored for Permanent Residency (PR) by an employer as they have the freedom of movement to travel to Australia and can remain here indefinitely. New Zealanders are often recruited into State Emergency Services (SES) sectors, health or academia but are not offered a permanent (skilled) visa unlike other foreign nationals employed in the same or similar roles.



Without a pathway to PR New Zealanders are excluded from areas such as the Australian Defence Force. Most New Zealanders who have served in the New Zealand Defence Force (ADF) cannot serve here unless they have applied for Australian citizenship or are eligible and will apply within three months of joining the ADF [ADF website]. Other areas of Federal employment are also denied to New Zealanders as they cannot work for the Commonwealth government or in some academic roles unless they are an Australian citizen. This means that despite specialist qualifications, training and experience they are denied career advancement and Australia could potentially be missing out on highly skilled workers.

Unlike other temporary visa-holders New Zealanders are less likely to be mistreated by employers as their visa status is not dependent on having a job nor is it time limited. This cohort is also not as likely to be taken advantage of by unscrupulous employers or job agencies for example in the horticulture or hospitality sectors. It is unlikely that New Zealanders would become victims of the modern-day slavery involving temporary unskilled visas.

Recommendation: The special circumstance of New Zealander SCV-holders where they can reside in Australia *indefinitely* on a temporary visa must be taken into consideration when making policy reforms or legislative amendments regarding visa status or work rights.

Denial of access to the National Disability Insurance Scheme

Their unique visa status means New Zealanders are not counted in migration statistics, however, they are not considered in policy decision making processes either. The Medicare levy increase to fund the National Disability Insurance Scheme (NDIS) is one example. Non-protected SCV New Zealanders are the only temporary visa-holders who pay the Medicare levy yet cannot access the NDIS scheme [NDIS website 'Am I eligible?']. Other temporary visa-holders must have private health insurance while New Zealanders are covered by Medicare.

All New Zealanders resident in Australia should have access to the NDIS given they pay the Medicare levy that the NDIS is funded by. One group particularly affected by the denial of NDIS access are those disabled children born in Australia to [two] New Zealand citizen parents. The withholding or denial of vital health care and treatment particularly to young children impacts on their long-term health and social outcomes. Early intervention via NDIS can enable them to become fully contributing members of society through employment and paying taxes.

Recommendation: Allow New Zealanders resident in Australia to access the NDIS.

Social cohesion versus disenfranchisement

New Zealander long-term residents of Australia feel left out of Australian society even though they make a long-term commitment to the country and many want to become permanent residents and/or citizens. New Zealanders would generally consider themselves to be permanently residing in Australia, but many have no pathway to citizenship. After residing for five years people consider themselves to be permanently settled in a country. It is no different with New Zealanders living in Australia, except that for most there is no pathway to PR or citizenship. When they explore their options, they become disenfranchised upon discovering the partner or employer sponsored visa is not an option for them. Some may have an Australian partner and/or children and want to commit to Australia yet are unable to afford sponsor visa fees. Others find themselves ineligible for PR. Oz Kiwi acknowledges the more recent 189 visa pathway for New Zealanders and this is discussed later in the submission.

Despite their work rights being secure many New Zealanders are effectively no better than guest workers given they have no more rights after residing here for decades than they did the day they landed in Australia. The SCV is automatically granted on arrival in Australia, subject to health and character grounds. There is no pathway to permanent residence on the SCV and New Zealanders must apply for and be granted a permanent visa in order to gain citizenship.

New Zealanders have consistently contributed to Australian society and the economy as they easily assimilate, have a strong workforce participation rate and higher income levels, and are generally higher qualified than Australians and other migrant groups [Department of Home Affairs, 2016]. In



contrast, New Zealanders who arrive post 26 February 2001 cannot access social welfare, NDIS or other social security [Department of Social Services website].

Recommendation: The situation of SCV-holders residing long-term in Australia without a fair pathway to PR or citizenship must be addressed. The prohibitive cost of PR applications whether that be via a partner sponsored visa at approximately \$8,000 or a skilled visa at approximately \$4,000 is for many a financial barrier to applying. Other migrants require a skilled visa to work in Australia, therefore visa fees are often met by their employer.

189 visa permanent visa pathway for New Zealanders

Oz Kiwi acknowledges the Skilled Independent 189 (New Zealand) stream visa has offered a pathway to permanent residency for some New Zealanders since 1 July 2017. Figures obtained by Oz Kiwi from the Australian Department of Home Affairs show up to 12,800 applications received to 30 September 2018. This is a very low take up rate if approximately 350,000 of the 518,000 New Zealanders currently residing in Australia arrived post 26 February 2001. Many New Zealanders are not eligible for the 189 visa and the cost can be prohibitive for a family with two or three children. The fee for the primary applicant is \$4,045 plus \$2,020 for their partner and \$2,020 each dependent child aged 18 to 22 or \$1,015 each child aged under 18. Unlike other foreign nationals whose employer pays for the visa application/s a New Zealander must cover the PR application cost for themselves and their family. Some New Zealanders are excluded due to not meeting the income threshold for example students, the semi-retired or retired, and stay-at-home parents.

The 189 visa's narrow eligibility criteria and high application fees have had a negative impact on particularly families' take up rate of this PR option. Oz Kiwi would welcome alternative PR pathways for New Zealanders resident in Australia or a review of the application fee and income threshold which are a barrier for many would-be applicants.

Recommendation: The 189 [New Zealand stream] visa fee should set at a cost recovery rate, similar to the resident return visa (RRV) online fee of \$405.00 for adults or the Australian citizenship fee \$285.00 for an adult.

Recommendations

Oz Kiwi makes the following recommendations to assist New Zealanders to become permanent residents and citizens of their adopted homeland:

- The impact on New Zealander SCV long-term residents in Australia who reside indefinitely on a temporary visa must be taken into consideration when making policy reforms or legislative amendments regarding visa status or work rights;
- Allow New Zealanders resident in Australia to access NDIS services as they help fund it via their Medicare Levy;
- Alternative Permanent Residency pathways for New Zealanders resident in Australia must be provided for the large cohort of disenfranchised New Zealanders who reside long-term without any PR pathway;
- Set the 189 permanent visa application fee to a cost-recovery amount as per resident return visa or citizenship fees as the current \$4,000 fee is a barrier for many would-be applicants.



References

Australian Defence force website *Can I join? Citizenship* page <https://army.defencejobs.gov.au/joining-and-training/can-i-join/citizenship>

Department of Home Affairs (2016), Produced by the Australian Bureau of Statistics for the Department of Home Affairs, *New Zealand-born Community Information Summary*, <https://www.homeaffairs.gov.au/mca/files/2016-cis-new-zealand.pdf>

NDIS website 'Am I eligible' <https://www.ndis.gov.au/applying-access-ndis/am-i-eligible>

Net Overseas Migration - A '12/16 month rule' means all short term movements (such as less than 12 in 16 months) do not count as either NOM arrivals or NOM departures. It also means that people who are not permanent residents of Australia can be counted as NOM arrivals, even if they leave Australia briefly so long as their time in Australia adds up to at least 12 months within a 16 month window. It therefore includes permanent and temporary migrants, as well as New Zealand and Australian citizens. <https://www.homeaffairs.gov.au/research-and-statistics/statistics/visa-statistics/live/net-overseas-migration>

Peter Mares (2016) *Not Quite Australian*, Text Publishing.

Department of Social Security, *Social Security Payments - Residence Criteria*, <https://www.dss.gov.au/about-the-department/international/policy/social-security-payments-residence-criteria#2>