

24 April 2018

Committee Secretary
Senate Committee on Community Affairs
PO Box 6100
Parliament House
Canberra ACT 2600

Via email: community.affairs.sen@aph.gov.au

Social Services Legislation Amendment (Encouraging Self Sufficiency for Newly Arrived Migrants) Bill 2018

This supplementary submission is provided jointly by the Migration Council Australia (MCA) and the Settlement Council of Australia (SCoA).

MCA and SCoA appeared before the Committee on Tuesday 17 April 2018 and, at that time, offered to provide follow up information concerning the impact of the existing two-year Newly Arrived Residents Waiting Period (NARWP).

In order to assist the Committee, we offered to set out examples of how the existing NARWP affects migrants, and to demonstrate how this may be exacerbated if the NARWP is extended in both time and scope.

We regret that in the available time we have been unable to collect a comprehensive set of case studies, however we have consulted with members of the settlement sector and other stakeholders. Our findings are set out below.

As is understood, the NARWP is not new. In 1993 a six month waiting period was introduced, and this was increased to two years in 1997. The waiting period applies to most social security benefits. These include Newstart, sickness, youth training, widow, partner, parenting, mature age allowances and Special Benefit payments. The current exemptions have been well-explored by the Committee and we do not need to provide any further discussion now.

However, notwithstanding the existence of those exemptions, we have become aware of instances across the country that have seen recently-arrived migrants suffer hardship as a result of the existing NARWP.

A commonly cited example relates to skilled migrants who have arrived in Australia with a set of recognised skills and, usually, access to their own financial resources. It should be noted, of course, that such migrants do not enter Australia with the intention of seeking or receiving any form of social security support. However, for reasons that have already been explored both in the submissions provided and by way of evidence at the Committee's hearing, it occurs that some migrants may find the settlement process more difficult than others.

This can be seen perhaps most clearly in the ongoing challenge to secure meaningful work. For those migrants who experience this challenge more acutely, the lack of any kind of support in the early years of settlement quite commonly exacerbates their troubles.

It is often reported that these migrants may soon find their own resources depleted due to the high number of expenses involved with establishing life in Australia and, if work is not easily sourced, can suffer significant financial destitution. The potential for this to occur is far greater in certain cohorts of migrants, including women, young people and those who have vulnerable family members.

For such migrants, access to employment support and associated payments would assist them to achieve independence and financial stability in the quickest time possible, ensuring they are able to establish themselves in Australia and reach their full potential as contributing members of the community.

As has been suggested, these types of issues are exacerbated where migrants suffer significant changes of circumstances following their arrival in Australia. We have received anecdotes of situations where a migrant who arrived in Australia on a skilled visa with their family has subsequently found themselves unable to work due to prolonged illness, or the need to care for a family member, or as a result of a death in the family. For such migrants, the lack of support can be overwhelming, and the Special Benefit payment, while gratefully received, can be difficult to access or insufficient to cover the broad range of financial obligations they face.

A final example of note is the specific circumstances of non-skilled migrants, especially women and children, in regional Australia where community and charity services are less concentrated and at times non-existent. For this cohort, the settlement process can be particularly isolated and while one member of the family unit may be in paid employment, the vast range of other pressures involved with establishing life in Australia can prove overwhelming.

For the same reasons as set out above, a change in circumstances, even just a gradual deterioration of health and financial stability, can have lasting economic impacts. The absence of government support, except in exceptional circumstances, can subject these migrants to long-term poverty.

While it is again accepted that those migrants should, and in most cases do, have sufficient resources and capacity to settle, as well as access to family members for some support, it is clear from information received from our members across the country that if more dedicated government support is extended to them, the settlement journey would be enhanced.

In closing, it is worth repeating two matters that we explored with the Committee at the hearing on 17 April 2018:

- settlement support services have proven to be highly effective in assisting humanitarian entrants. It is suggested that if similar (though less intense) services could be provided to the broader cohort of migrants, then many of the issues impacting them as they settle in Australia could be avoided, and the debate about the NARWP would become less important;
- it is not directly relevant to compare experiences under the current NARWP with the proposed changes under the Bill. Not only does the Bill extend the waiting period to three years, but it includes a number of crucial social service payments that had previously not been covered. The true effect of removing access to those payments for a period of three years, while likely only to be felt by a small number of migrants, could be significant.

For the above reasons, MCA and SCoA submit that the Committee should carefully consider whether the Bill is capable of “encouraging self-sufficiency” as its title suggests or rather, whether it has the potential to generate greater economic hardship and thereby deny Australia the contributions of migrants who otherwise have so much to offer.