

6 August 2021

Committee Secretary
Senate Standing Committees on Community Affairs
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Dear Committee members,

**Submission to the Senate Community Affairs Legislation Committee inquiry into the
Social Services Legislation Amendment (Consistent Waiting Periods for New Migrants) Bill 2021**

The Brotherhood of St. Laurence (BSL) welcomes the opportunity to contribute to this inquiry. BSL is an independent, non-government organisation with strong community links that has been working to reduce poverty in Australia since the 1930s. In 1956, we became the first generalist agency in Australia to welcome and support newly arrived migrants and we continue this work today.

We note our [submission](#) to the Committee's inquiry into the Social Services Legislation Amendment (Encouraging Self-Sufficiency for Newly Arrived Migrants) Bill 2018, which similarly proposed to extend the Newly Arrived Resident's Waiting Period (NARWP) for certain social security payments. The concerns raised in that submission have only been reinforced by further evidence from inquiries, the impact of COVID-19 and other recent challenges posed to new migrants.

Our concerns about the measures set out in this Bill are directly informed by our research and work with newly arrived people in our early childhood, youth, training, employment, aged care and disability services.

The Bill is not in the public interest

This Bill advances bad policy. It is mid-twentieth century policy resuscitated for the twenty-first. The Bill will not only harm new migrants, but also the Australian public more broadly. It misses the evident contribution of migrants to our community. While migration is a key driver of productivity in Australia, the Bill is likely to act as a disincentive to migration. This undermines our national reputation and affects our prospects for economic prosperity based on a balanced population profile. And it does so at the very time when the impacts of population decline on productivity are evident as a consequence of COVID-19.

The Treasury's [2021 Intergenerational Report](#) discusses the role that migration has had in slowing demographic ageing and notes the impact of the COVID-19 pandemic on slowing this down. The authors of

the report observe that ‘the most enduring effect [of the pandemic] is likely to be a smaller population reflecting a period of sharply limited migration and a temporary fall in the fertility rate’ (p. 7). Later they state:

Slower population growth is the main reason for the expected slowdown in economic growth. Australia’s total population is projected to reach 38.8 million in 2060-61. This is lower than previous projections due to the lower level of migration resulting from the COVID-19 pandemic and a lower fertility rate. Migrants are expected to continue to be the largest source of population growth. Migration contributes to economic growth and can help offset population ageing. However, migration needs to be managed well to ensure it supports higher living standards. (p. 8)

Placing additional barriers in the way of migration is counterproductive, and as the [St Vincent de Paul Society observes](#), it acts to penalise those who make a vital contribution to our economy and fill key skills shortages. For example, in 2019, the labour force participation rate was 72 per cent for recent migrants and temporary residents, compared to 68 per cent for people born in Australia ([Australian Bureau of Statistics 2019](#)). Furthermore, one-third of small businesses are migrant-owned, employing 1.41 million people ([CGU 2018](#)). We not only need to encourage migration, we also need to ensure the migrants who settle here are supported to contribute to Australia’s social and economic life.

Instead of doing this, the proposed measures in this Bill will undermine support to enable migrants to quickly settle and contribute to Australia. Furthermore, as a [Refugee Council Report](#) noted, ‘there are significant public costs associated with these effects, including reduced economic consumption, foregone federal income tax, and increased rental vacancies/loss of rental income’. Failing to support people adequately through their settlement journey can also risk placing future burdens on public services such as the health system. Children who experience family trauma and are not supported financially or through the service system can suffer serious consequences in health, education and wellbeing. Prevention and early intervention is better than having to cure an accumulation of problems. While the Bill attempts to provide short-term social security savings, it would create a long-term cost in both financial and social inclusion and community cohesion terms. It would also effectively shift the costs to state human services support systems, and to charities.

The Bill is discriminatory, unreasonable and harsh

The Bill is corrosive to our national as well as individual identity. It is discriminatory and reinforces in law the notion that some among us deserve support while others cannot avail themselves of the safety net of the state. It will also unfairly harm new migrants by further restricting their access to government support and hence increasing the risk that they fall into poverty. The changes are excessive, extending the NARWP to four years for:

- the Carer Payment, Parental Leave Pay and Dad and Partner Pay (previously two years) for new permanent residents and relevant temporary visa holders
- the Carer Allowance and Family Tax Benefit (FTB) Part A (previously one year) for new permanent residents and relevant temporary visa holders
- FTB Part B (previously no NARWP) for new permanent residents and relevant temporary visa holders
- the low-income Health Care Card and Commonwealth Seniors Health Card (previously two years) for relevant temporary visa holders.

In practice, as it can take up to four years for a person to gain permanent residency in Australia, a person could be waiting up to eight years without being able to access this support ([Federation of Ethnic Communities' Council of Australia 2021](#)).

The Bill's explanatory memorandum states that these changes reflect the expectation that new migrants are 'self-sufficient' when settling in Australia. However, the proposed measures will instead increase the risk of poverty for new migrants. Even if a person migrated to Australia with the means to be self-sufficient, over a period of up to eight years, changes in circumstances could make them in need of the safety net of government support. This is particularly the case for women.

Disproportionate impact on women and children

This Bill advances an agenda that is fundamentally discriminatory to women and children, at a time when the policy failing around this issue are front and centre in public debate.

The Bill primarily restricts access to social security support for families, which will overwhelmingly affect mothers and children. As we stated in our previous submission, increasing the NARWP for Family Tax Benefit will discourage participation in early childhood education and care. Lack of exposure to early learning and care disadvantages children in the short and long term. For children from culturally and linguistically diverse backgrounds, early childhood education and care can play an important role in improving their English proficiency before beginning school (O'Connor et al. 2014). The [2018 Australian Early Development Census](#) found that 18.1 per cent of children with a language background other than English (LBOTE) who are also proficient in English are developmentally vulnerable, compared with 94.1 per cent of children who have LBOTE status and are not proficient in English.

Additionally, increasing the waiting period for Parenting Payment will push women and children into destitution. [DSS data](#) shows that in March 2021, 95 per cent of Parenting Payment Single and 91 per cent of Parenting Payment Partnered recipients were women. Our research report, *Trampolines not Traps: enabling economic security for single mothers and their children* shows how single mothers and children in Australia are already at risk of poverty and face high barriers to employment ([Bowman & Wickmarasinghe 2020](#)). This Bill will intensify the risk of poverty for migrant women and children.

Heightened risk of domestic and family violence

Combined with the proposed extension of waiting periods for people on temporary partner visas, the Bill is likely to make newly arrived women more dependent upon their partners for survival. Increasing this power imbalance is known to put women at greater risk of abuse. A recent Monash University study found that women with temporary visas reported higher rates of domestic and family violence (40 per cent) compared to permanent visa holders (28 per cent) and Australian citizens (32 per cent) ([Segrave, Wickes & Keel 2021](#)). Other research has shown that the economic downturn associated with COVID-19 has already resulted in an increase in domestic violence of up to 41 per cent in some parts of New South Wales ([Equity Economics 2020](#)).

Increased waiting periods will exacerbate economic insecurity among migrants and increase demands on charities

At a time when new migrants are likely to be more in need of support than ever, extending the NARWP for key benefits is particularly harsh. A delay in access to income support of up to eight years will also increase demand on charities.

In our last submission we noted barriers that new migrants face to workforce participation. These include not understanding Australia's job market, having to navigate unfamiliar recruitment practices, lacking local experience that employers value, limited recognition of pre-existing skills and qualifications, a lack of local networks to connect with opportunities, and elements of racism. We also raised concern about the mistreatment of migrant workers in Australia. Indeed, since that submission, the Commonwealth Government's 2019 [Migrant Workers' Taskforce Report](#) found widespread exploitation of migrant workers in Australia. The Government introduced [a Bill](#) in 2021 to implement many of the Taskforce's recommendations, including to criminalise the most serious forms of wage theft. Disappointingly, however, the Government abandoned important changes, leaving exploitation of migrant workers largely unaddressed in the eventual Act.

These existing challenges were aggravated by the COVID-19 pandemic. Our research shows that COVID-19 was more harmful to the financial wellbeing of low-income people ([Porter & Bowman 2021](#)). New migrants were more at risk of becoming unemployed during COVID-19 due to their concentration in casual jobs in sectors vulnerable to closures, such as hospitality and accommodation ([van Kooy 2020](#)). Despite this, new migrants missed out on much of the Government's support provided during the pandemic. For example, both temporary visa holders and casual workers were deliberately excluded from the JobKeeper payment scheme, and temporary visa holders from JobSeeker Payment and Coronavirus Supplement.

We urge the committee to reject the provisions set out in this Bill and would welcome the opportunity to speak to our submission.

Yours sincerely

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