

10 April 2018

Ms Jeanette Radcliffe
Committee Secretary
Senate Standing Committees on Community Affairs
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Parliament House
Canberra ACT 2600

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Dear Ms Radcliffe

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

Thank you for the opportunity to comment on the *Social Services Legislation Amendment (Encouraging Self-sufficiency for Newly Arrived Migrants) Bill 2018* (the Bill).

Anglicare Australia is a network of over 40 independent local, state, national and international organisations that are linked to the Anglican Church and are joined by values of service, innovation, leadership and the Christian faith that every individual has intrinsic value. With a joint budget of \$1.48 billion, a workforce of over 18,000 staff and more than 11,000 volunteers, the Anglicare Network contributes to more than 50 service areas in the community. Our services are delivered to more than one million Australians, in partnership with them, the communities in which they live, and other like-minded organisations in those areas.

Anglicare Australia is extremely concerned that if passed, this Bill would further disadvantage vulnerable Australian residents. The Bill would increase the already significant waiting period from two to three years for “newly arrived” residents seeking access to working age income support payments. The Bill also introduces a three year waiting period for other crucial supports where no waiting period currently exists, including Family Tax Benefit, Parental Leave Pay and Dad and Partner Pay.

Critically, the Government presents no argument to deny the fact that recently arrived residents seeking access to income support payments are materially eligible in terms of their financial circumstances. In other words, the entire premise of this Bill is arbitrarily increasing waiting periods for receipt of government assistance in order to reduce the budget bottom line. In proposing to do so, the Government provides no cost-benefit analysis, ignoring both the harm that people will suffer and the likely increase in demand to more costly services (such as crisis interventions) that it will generate.

The proposed changes would have a drastic impact, with an estimated 50,000 families (including 110,000 children) and 30,000 individuals serving wait times between the proposed start date of 1 July 2018 through to 2021, with the majority of those affected on a skilled or family visa.¹

The extensive experience of Anglicare Australia network members in supporting vulnerable people (such as through family and community services, emergency relief and financial counselling) is that access to adequate income support payments are vital in enabling individuals and families in periods of crisis or ongoing disadvantage to engage with society, successfully seek employment and live a dignified life free from poverty - increasing the waiting time for already vulnerable people will simply increase unnecessary hardship and further diminish their capacity to reach a point where government assistance is no longer necessary.

Analysis by the Productivity Commission has found that recent immigrants on a skilled visa (who make up the majority of those impacted by this Bill) are already less likely than the general population to receive income support, and to be on income support for a shorter period of time if they do receive payments.² As emphasised by the Productivity Commission in this inquiry, immigrants make a strong positive contribution to Australian society, especially when their integration is supported. Arbitrarily delaying access for permanent residents to reasonable means of government support undermines social integration and resilience.

While the proposed legislation maintains exemptions from wait periods for some identified vulnerable groups (such as refugees), Australia already has one of the most targeted social security systems in the world,³ and increasing or introducing a substantial waiting period for new residents ignores the inherent demonstrated vulnerability of *all* those who qualify for income support benefits.

The complete lack of consultation with external stakeholders and representative bodies during development of this proposed legislation reveals a lack of concern for the significant impact of these measures on the people it targets.⁴ The Bill appears to be based solely in an ideological drive for budget cuts to the welfare system.

Anglicare Australia fundamentally disagrees with this unjust approach to balancing the Federal Budget by cutting support to those who need it most. Recent research commissioned by Anglicare Australia has found that tax concessions for the wealthiest 20% far outweigh the support to any single welfare recipient group.⁵ This Bill is yet another example of an increasingly punitive approach to welfare and erosion of the social security net, in the face of growing inequality and reducing social cohesion.

Anglicare Australia urges the Committee and the Senate to reject this Bill.

¹ Department of Social Services, Senate Estimates, Community Affairs Legislation Committee, 1 March 2018, Hansard p.56, available at:

<http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=Id:%22committees/estimate/a5d869b6-8275-46ad-837b-54c362066f4a/0000%22>

² Productivity Commission, *Migrant Intake into Australia* Inquiry Report, April 2016, p. available at:

<https://www.pc.gov.au/inquiries/completed/migrant-intake/report/migrant-intake-report.pdf>

³ Whiteford, P. (2016) 'Ideas for Australia: Welfare reform needs to be about improving well-being, not punishing the poor.' *The Conversation*. Available at: <https://theconversation.com/ideas-for-australia-welfare-reform-needs-to-be-about-improving-well-being-not-punishing-the-poor-56355>

⁴ Department of Social Services, *Ibid.*, pp.59-60

⁵ Dawson, E., and Warwick, S., (2018) *The Cost of Privilege*, Anglicare Australia and Per Capita, available at: <http://www.anglicare.asn.au/docs/default-source/default-document-library/cost-of-privilege-report.pdf?sfvrsn=0>

We thank the Committee for its consideration of our position on this issue. Should you require further information, please contact the Anglicare Australia office on (02) 6230 1775.

Yours sincerely



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