

# FECCA Statement to the Standing Committee on Community Affairs' Reference Committee

The following is the opening statement by the Federation of Ethnic Communities' Council of Australia (FECCA) Director, Dr Emma Campbell, to the Standing Committee on Community Affairs' References Committee Inquiry into the design, scope, cost-benefit analysis, contracts awarded and implementation associated with the Better Management of the Social Welfare System initiative.

I would like to begin by acknowledging the Traditional Owners of the land on which we meet today. I would also like to pay my respects to their elders past and present.

I am here to speak on behalf of the Federation of Ethnic Communities' Councils of Australia, FECCA, national peak body representing Australia's culturally and linguistically diverse (CALD) communities and their organisations as Director of FECCA. I am accompanied here today by Mr Benjamin Smith FECCA's Senior Policy and Project Officer. We thank the Committee for inviting FECCA to represent the interests of Australia's CALD communities with regards this Inquiry.

FECCA would like to acknowledge the Department of Social Services and the Department of Human Services for their work to improve access and equity for culturally and linguistically diverse Australians when engaging with Government services.

With regards to this Inquiry, we would particularly like to recognise the work of the Department of Human Services' National Multicultural Advisory Group and their efforts to improve the experience of CALD Australians when dealing with Centrelink and other divisions of the Department of Human Services.

This work is so important because some of Australian's most vulnerable people come from CALD backgrounds. Their vulnerability is accentuated by an intersection of challenges.

For example, the vulnerability that necessitates Centrelink support – unemployment or insecure employment, caring responsibilities, financial insecurity in older age, or disability – may be accentuated by poor English literacy and a limited understanding of the Australian Government System.

It is for these reasons that many CALD Australians have a 'vulnerability indicator' in their Centrelink record. FECCA understands that debt recovery letters were not sent to Centrelink clients with vulnerability indicators and this shielded many CALD Centrelink clients from the stress and anxiety caused by these debt recovery letters. This should be acknowledged.

It is inevitable, however, that some CALD Australians who were not identified by a vulnerability indicator would have received a welfare debt compliance letter.

FECCA appreciates that debt management is a necessary party of the social welfare network and that automated services are an attractive alternative to more resource intensive-processes.

But you cannot justify exposing many vulnerable people to confusion and anxiety as a result of receiving incorrect debt demands by saying "at least the *most* vulnerable Australians were protected." By definition, those receiving support from Centrelink will likely have vulnerabilities, whether or not they are severe enough to be noted with a 'vulnerability indicator' in their record. That vulnerability is likely to be compounded if you are from a CALD background.

If the reports are correct that the data-matching process used to investigate welfare compliance simply divides yearly income reported to the ATO equally across the 12 months of the year rather than reflecting actual income receipts in each month, CALD Australians would be particularly susceptible to being sent debt compliance letters incorrectly.

This is because many CALD Australians are employed in insecure work. The complex work patterns, increased job mobility and inconsistent monthly income of many CALD people mean that they are at greater risk of being wrongly identified as having a debt.

Many migrants and refugees come from countries where challenging authority is dangerous, where if you're asked to do something by a Government representative you simply do it, or else. Other migrants and refugees may be fearful of the consequences for their immigration status if they challenge authority. The relationship and understanding of officialdom by many migrants and refugees means that they may be less likely to challenge official letters, or may interpret these letters as a threat implying impropriety on their part even if the allegation that they owe a debt is wrong.

Migrants and refugees, older CALD Australians might not know how to challenge the letter. They may be turned away from a Centrelink office given the reports that Centrelink staff were told not to process debt disputes in person. If they are unaware of Centrelink's multilingual phone service language might discourage them from using the general Centrelink phone services. Many CALD Australians have limited digital literacy and low levels of English language, meaning they are unable to navigate government services through online portals.

And so they just pay – whether or not they were liable for that debt.

When dealing with vulnerable people there is a duty of care to ensure that they are protected. Centrelink should only initiate contact with clients through the welfare compliance system if there is clear evidence of an overpayment or debt.

We would like to emphasise the importance of funding for Multicultural Services and other initiatives dedicated to accommodate CALD Australian when accessing government services, particularly in cases of complex interactions such as resolution of discrepancies.

And there needs to be recognition that in some cases it is only through face-to-face human interaction that CALD individuals are able to effectively communicate with government and other service providers.

Once again, I thank you for the opportunity to address this Inquiry and we look forward to continuing our productive relationship with the Department of Human Services to ensure fairness, equity and ease of access for all Australians, including those from culturally and linguistically diverse backgrounds.

Media contact: (0424) 910617 / [emma@fecca.org.au](mailto:emma@fecca.org.au)