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FECCA submission regarding the economic contribution of migration to South Australia

The Federation of Ethnic Communities' Councils of Australia (FECCA) is the national peak body representing Australia's culturally and linguistically diverse (CALD) communities and their organisations.

FECCA provides advocacy, develops policy and promotes issues on behalf of its constituency to Government and the broader community. FECCA strives to ensure that the needs and aspirations of Australians from diverse cultural and linguistic backgrounds are given proper recognition in public policy.

FECCA supports multiculturalism, community harmony, social justice and the rejection of all forms of discrimination and racism so as to build a productive and culturally rich Australian society. FECCA's policies are developed around the concepts of empowerment and inclusion and are formulated with the common good of all Australians in mind.

FECCA would welcome the opportunity to expand on this submission as required. For enquiries please contact FECCA CEO Dr Emma Campbell at emma@fecca.org.au or on (02) 6282 5755.

Recommendations

FECCA recommends that the SA Government:

- Increase data collection and analysis to understand and match vacancies with the State Nominated Occupations List in South Australia to better target immigration programs and to
- Advocate to the Commonwealth to ensure clear pathways to permanency for those visa types focused on attracting migrants to SA and rural and regional Australia
- Oppose any changes to Commonwealth legislation that makes it more difficult for temporary visa holders to become permanent residents (for example the introduction of English language testing) or that increase barriers to permanent residents becoming Australian Citizens (for example, extended waiting periods or English language testing)
- Increase support for skilled migrants and their families to build sustainable, prosperous and fulfilling lives by ensuring appropriate employment, challenging racism and discrimination,

- improving access and equity to government and other services providers and ensuring reliable funding for multicultural and ethno-specific community organisations and programs
- Advocate to the Commonwealth Government and introduce state programs to develop the capacity of job service providers to support migrant Australians to secure meaningful employment by: introducing compulsory cultural competency training to engage with their diverse clients; the engagement of bilingual and bicultural workers; improve understanding of overseas skills, qualifications and experience; and to extend services to migrants not currently receiving Newstart
 - Reduce the barriers to employment of migrants by supporting employers with the skills needed to manage diverse workplaces including; cultural competence training; support to increase understanding of and confidence in overseas qualifications and English language assessments; and support in designing Multicultural Access and Equity Plans and inclusive workplace policies
 - Improve the provision of culturally and linguistically appropriate information regarding Australian legislation and worker rights to migrant employers and employees with a focus on new arrivals and vulnerable migrants
 - Expand subject coverage of South Australia's skilled work support services to include information on starting a business in South Australia and opportunities in growth industries such as aged care. These support services must be extended and promoted to all skilled visa holders, their spouses and children and family visa holders
 - Oppose any Commonwealth legislation that weakens current racial discrimination legislation and protections.
 - Oppose the current Social Services Legislation Amendment (Encouraging Self-sufficiency for Newly Arrived Migrants) Bill 2018 that will increase the waiting period before new migrants can access critical welfare supports available to all other Australians.

Discussion

The economic contribution of migration to South Australia with specific reference to:

a) The impact of migration and population growth to South Australia's productivity and economic performance

41 per cent of all South Australians are first or second generation Australian¹ but South Australia's share of national Net Overseas Migration (NOM) is decreasing; South Australia received 5.1 per cent of national NOM in 2016 compared to 7.4 per cent in 2010.² Over the past three decades South Australia's annual population growth rate of 0.74 per cent was roughly half that of Australia as a whole (1.37 per cent).³ Furthermore South Australia is ageing, between 2011 and 2016 South Australians aged 65 and over has increased from 16.0 per cent to 17.7 per cent.

A targeted migration program must address issues such as; a sparse and ageing population, skill shortages and small business ownership, with 20 per cent of South Australia's business owners aged over 60⁴ many without succession plans, by encouraging the settlement of young, skilled, qualified, entrepreneurial minded migrants often with ties to markets beyond our borders. In South Australia and Adelaide, 28.9 per cent and 31.8 per cent⁵ respectively of the population was overseas-born showing a preference for the capital city. Well planned and thoughtful regional development relies on the ability to meet the needs of employers seeking to fill positions and attract appropriately skilled migrants. This skill matching for vacant positions is essential with South Australia's higher than the national average unemployment rate of 5.7

¹ <http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/2071.02016?OpenDocument>

² https://www.saplanningportal.sa.gov.au/data_and_research/population_change

³ <https://welcomingcities.org.au/home-migration-solutions/>

⁴ The Potential Benefits of Reforming Migration Policies to Address South Australia's Needs, April 2017

⁵ http://www.abs.gov.au/websitedbs/D3310114.nsf/Home/2016_per_cent20Data_per_cent20in_per_cent20Pictures

per cent⁶ and 31 per cent of all recent migrants and temporary residents in South Australia unemployed as at November 2016⁷.

b) South Australia's long term population growth relative to other states in Australia over the past thirty years

c) Current programs in place to attract migrants to SA, in both private and public sector

FECCA's own consultations have highlighted that Australia's current political and immigration environment is perceived by some new migrants and hostile and unwelcoming. The Scanlon Foundation found that the reported experience of discrimination on the basis of 'skin colour, ethnic origin or religion' has significantly increased from 15 percent in 2015 to 20 percent in 2017⁸. To attract migrants to South Australia programs must challenge the perception, and reality, of racism and reality of an increase in anti-migrant sentiment.

The Federal Government's proposal to bind migrants to regional areas for 5 years may not result in long term migration outcomes for South Australia and FECCA does not support the restriction of movement of any people. With opportunities for a better lifestyle, more affordable housing and lower cost of living, regional and rural areas are attractive for settlement, however if these areas lack suitable job opportunities and communities are not welcoming, migrants will be pulled towards to Australia's large cities. The South Australia Government must continue to focus on jobs, opportunity and fostering a welcoming environment for all designed in accordance with the needs of the State.

Employment is critical to social cohesion, wellbeing and the retention of migrants in the State. Immigration SA Skilled Arrival Services supports newly arrived State Nominated South Australians with free job support including 'Job Essentials for Migrants' events, group sessions, spotlight seminars and individualised assistance⁹. This support should be extended and promoted beyond skilled migrants to include their spouses and children, and to family visa holders. An evaluation of the settlement outcomes of Skilled Arrival Services programs and information packs could further direct its future growth and structure to utilise the opportunity to inform skilled migrants and their families about the South Australian job market and information regarding CALD community groups and services.

One in three small businesses in Australia are run by migrants¹⁰ and 1.41 million Australians are employed by migrant business owners suggesting the importance of supporting migrants to take advantage of small business opportunities. The SA Migrant Small Business Expo is run each year by Community Corporate. 100 per cent of attendees in 2016 agreed that they 'learnt something new about better understanding small business in South Australia'¹¹. FECCA encourages the State Government to continue with this and similar programs.

FECCA supports the Welcoming Cities network in setting the National Standard for cultural diversity and inclusion policy and practice and notes that the City of Adelaide recently became the first capital city to join the network. We recommend that more South Australian councils beyond the City of Tea Tree Gully and the City of Port Adelaide Enfield join the network and apply The Standard¹².

⁶http://www.abs.gov.au/ausstats/abs@.nsf/Latestproducts/6202.0Main_per_cent20Features2August_per_cent202018?opendocument&tabname=Summary&prodno=6202.0&issue=August_per_cent202018&num=&view=

⁷[http://stat.abs.gov.au/itt/r.jsp?RegionSummary®ion=4&dataset=ABS_REGIONAL_ASGS&geoconcept=REGION&measure=MEASURE&datasetASGS=ABS_REGIONAL_ASGS&datasetLGA=ABS_NRP9_LGA®ionLGA=REGION®ionASGS=REG](http://stat.abs.gov.au/itt/r.jsp?RegionSummary®ion=4&dataset=ABS_REGIONAL_ASGS&geoconcept=REGION&measure=MEASURE&datasetASGS=ABS_REGIONAL_ASGS&datasetLGA=ABS_NRP9_LGA®ionLGA=REGION®ionASGS=REGION)

⁸ Scanlon Foundation, *Mapping Social Cohesion: The Scanlon Foundation surveys 2017* (2017).

⁹ <https://migration.sa.gov.au/skilled-migrants/finding-skilled-work>

¹⁰ <https://www.cgu.com.au/migrantsmallbusiness/>

¹¹ <http://www.samsbe.com.au/> - Fact Sheet

¹² https://welcomingcities.org.au/wp-content/uploads/2018/03/AustralianStandardWC_digital_2_0.pdf

It is the view of FECCA, and the tradition of Australia's immigration system, that Australian permanent residents should seek citizenship as soon as practically possible to foster a sense of inclusion and encourage integration. For migrants to Australia, the granting of Australian citizenship is a symbol of welcoming into the Australian community and provides security and certainty. Citizenship is not only an offer of welcome by Australia; it is also an expression of commitment by an arriving migrant and measures which delay or deter this should be resisted by South Australia.

d) Adequacy of available data

True skill shortage data

Job availability is essential to effective long term settlement of migrants. State nomination influences the intake of skilled migrants by adding five points to an applicant's overall point score and instigating a visa invitation from the Department of Home Affairs. It has been reported by the South Australian Centre for Economic Studies that business owners believe the occupation lists used by the Department of Immigration and Border Protection (subsumed by Department of Home Affairs) did not accurately reflect their needs¹³. Inconsistencies exist between the State Nominated Occupations list (Immigration South Australia), the Short Term Skilled Occupation List (Department of Home Affairs) and the South Australia Labour Market Analysis of Skilled Occupations (Department of Jobs and Small Business). This highlights incongruities between individual State and Territory needs with regards to immigration policy and Commonwealth Government policy, (arguably) disproportionately influenced by the interest of larger metropolitan cities such as Melbourne, Sydney and Brisbane. For a successful migration policy that attracts and retains migrants to South Australia much more needs to be done to ensure the skills of migrants match the skills needed in the South Australian economy.

Data disaggregation

Given the diversity amongst the migrant population, the collection of data on CALD migrants in South Australia needs to be disaggregated by country of birth, work status, visa status, cultural background, language, gender, age and if an individual is living with disability for the successful planning and delivery of medium and long-term services including aged care.

e) The practical measures that could be implemented to attract and retain skilled migrants to South Australia with particular regard to regional workforce shortages

Family connections, job opportunities and life style are three major reasons given by migrants for settling in regional and rural areas. Successful retention of migrants requires close collaboration of all stakeholders and the sharing of best practice models between regional areas, government and agencies to cater to the needs of skilled migrants and their families.

Migrants are attracted and retained in regional and rural areas by factors such as:

- presence of family or friends and a welcoming community. For example, places of worship, and access to familiar consumer goods
- local community and culturally appropriate support mechanisms and settlement services
- appropriate employment opportunities free from exploitation
- service providers with culturally competent information regarding worker rights
- information on access to services such as health care
- cost of living and access to transport
- social cohesion and an environment free of discrimination or racism

¹³ The Potential Benefits of Reforming Migration Policies to Address South Australia's Needs, April 2017 Part 1

- pathways to permanency for all visa types

Family and Community

Family reunion is important to the wellbeing of migrants and is a fundamental human right. Parents of skilled migrants often assist with child care enabling the skilled migrant to enter the workforce more readily. The current wait of up to 30 years for the granting of Parent (non-contributory) visas¹⁴ must be addressed to ensure long term settlement. In 2016 over half of permanent migrants were secondary skilled visa applicants (spouse and children)¹⁵ highlighting the importance for all settlement, employment and language services to be inclusive of all migrants including spouses and parents to ensure successful settlement and maximum economic contribution.

A survey administered by Dr Graeme Hugo revealed that ‘community’ was very important to newly arrived migrants as a resource, a majority of settled immigrants had a strong network of friends within their ethnic community and 90 per cent of migrants provided at least one form of assistance to newly arrived migrants¹⁶. However in one example, community groups and initiatives aimed at supporting migrants in Murray Bridge were discontinued due to insufficient or unreliable funding¹⁷. Some other challenges faced by these groups in supporting new arrivals include:¹⁸

- lack of accessibility of funding opportunities
- limited availability of information
- language barriers
- difficulty understanding eligibility criteria and addressing selection criteria
- availability of resources
- competing against established organisations
- lack of compatibility between funding priorities and community needs

Migrants better integrate into a society that is welcoming and free from discrimination. Consulting with local communities to undertake locally-led needs assessments and identify workforce requirements could be used to ensure communities understand and support migration. Two community focused case studies from regional Victoria (Small Town Big Returns 2015¹⁹ and FECCA’s case study on Shepparton²⁰) reveal that the community factors to settlement success are; information targeted at typically isolated groups (women and the elderly), strong leadership, support from the community, adequate support infrastructure and English language services. Strong local leadership was important to community attitudes and social cohesion in Murray Bridge where the council declared the city as ‘Refugee Friendly’ and adopted the inclusive term ‘new neighbours’ in favour of refugee or migrant resulting in all migrants reporting a welcoming and accepting community attitude²¹.

Transport

In regional and rural South Australia public transport within and between towns are limited and costly. Decreased access to public transport in regional areas increase the dependence on

¹⁴ ‘Parent Visa Queue’, <https://www.homeaffairs.gov.au/trav/brin/fami/capping-and-queuing/parent-visa-queue> (accessed 05 October 2018).

¹⁵ Datacube – Australia <http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/3417.02016?OpenDocument>

¹⁶ G Hugo, ‘Economic, social and civil contributions of first and second generation humanitarian entrants’, Department of Immigration and Citizenship (May, 2011)

¹⁷ <https://welcomingcities.org.au/murray-bridge/>

¹⁸ <http://fecca.org.au/wp-content/uploads/2015/11/Improving-access-to-funding-for-NECcommunities.Pdf>

¹⁹ Small towns, Big returns, March 2015

²⁰ <http://fecca.org.au/wp-content/uploads/2015/06/FECCA-Rural-and-Regional-report-June-2015-00000002.pdf>

²¹ <https://welcomingcities.org.au/murray-bridge/>

private vehicles²² to participate in employment, health care, community and social opportunities which all increase social cohesion. Access to targeted CALD driver programs are essential for migrants to understanding: road rules, insurance, buying a car, and dealing with police. Culturally and linguistically sensitive driver program should be accessible for all migrants and include information about driving in Australia and driver practice.

Employment

One of the most effective ways of ensuring migrants to Australia are empowered and included in the community is through meaningful, legal and sustainable employment. Beyond the obvious financial benefits, employment is linked to improved social cohesion, self-confidence, independence, English language skills, and the physical and mental health of individuals and families. These positive outcomes support the participation and inclusion of CALD communities from the immediate settlement period and throughout their life in Australia²³.

Employment services and employers

The 2016 census data shows 31 per cent of recent migrants who have had a job in Australia reported experiencing some difficulty finding their first job. The most common perceived difficulties in finding work were:

- a lack of Australian work experience or references (65 per cent)
- a lack of local contacts or networks (31 per cent)
- language difficulties (25 per cent)²⁴

There are challenges with regards to professional qualification and a tendency for some employment service providers to ignore their client's previous skills and not provide information about formal recognition of qualifications to enable appropriate employment. The OECD has recognised Australia's administrative complexities including decentralisation and overlap as barriers to formal recognition²⁵. To assist migrants with overseas skills and qualifications enter the job market, the capacity of employment services to provide information on the free qualification assessments provided by Immigration South Australia and the options for other skill recognition should be prioritised.

When hiring, employers call applicants with non-Anglo-Celtic names at a significantly lower rate than other applicants²⁶ and discriminate based on accent²⁷. As compared with applicants with Anglo-Celtic names, Aboriginal and Torres Strait Islander people must submit 35 per cent more applications, those with Chinese names must submit 68 per cent more, Italian names require 12 per cent more and 'Middle Eastern' names 64 per cent more applications.

Employment services should aim to overcome hiring bias using advocacy with employers to build their confidence in overseas skill accreditation and English language tests. The opportunity for employers to fill vacant positions with skilled migrants should be communicated to increase skill matching in areas of skill shortage. Employers need assistance when facing policy and practical challenges in employment of migrant workers, including: valuing overseas qualifications, English language skill level, and overseas work experience when recruiting migrant workers, complying with complex administrative processes, managing relations in multicultural workplaces and assuring training and workplace protection in multilingual contexts. Greater implementation of cultural competence training for all employers and staff ca

²² <http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/1381.0main+features2002013>

²³ FECCA 2011, *Settlement is a Life-Long Process*, FECCA, Canberra

²⁴ <http://www.abs.gov.au/ausstats/abs@.nsf/mf/6250.0>

²⁵ Migrant intake into Australia 2016

²⁶ Migrant Intake into Australia 2016 pp.269

²⁷ FECCA survey into CALD youth employment 2014

help to promote systemic changes and build confidence in the positive impact of migrants on economic performance of an organisation.

Insecure Work and Exploitation

The Australian Council of Trade Unions (ACTU) states ‘around 40 per cent of workers are engaged in insecure work arrangements such as casual work, fixed term work, contracting or labour hire.’²⁸ Many people from a CALD background are employed in insecure work, which is often low paid, unsustainable, dangerous and isolating. The balance of power between an employee and employer where that employee has struggled to find employment and/or relies on their employer for proof of work is one reason people from CALD backgrounds are disproportionately victims of exploitation. As women are overrepresented in insecure employment fields, paid parental leave, accessible child care and flexible working arrangements are important aspects for their return to work.

Insecure work affects:

- financial security due to low wages, fluctuating hours and limited paid leave entitlements
- occupational health and safety of workers due to limited knowledge and access to information
- wellbeing and health outside the workplace, including impact on family due to demanding work hours, stress, physical injury and financial insecurity
- training and skills development leading to career stagnation, skills reduction and inability to enter more sustainable and appropriate work opportunities
- career progression and opportunities due to workers being considered expendable with little recognition of the skills utilised in such employment
- social inclusion due to isolation, racism, bullying, instability and low pay that do not create feelings of belonging nor do they foster trust and feelings of security
- ability to influence workplace standards or report illegal practices due to fear

FECCA urges the SA Government to oppose moves by the Commonwealth Government to introduce the Social Services Legislation Amendment (Encouraging Self-Sufficiency for Newly Arrived Migrants) Bill 2018. This legislation will increase the wait times for newly arrived residents to qualify for social security support from 2 years to 3 years. It also introduces a waiting period of 3 years for a range of payments and concessions which did not previously require a waiting period including carer allowance, family tax benefit, dad and partner pay. The extension of the waiting period to include these payments will directly affect the wellbeing of women, children and people with disability.

It should be noted that the 2018 Budget proposes a further lengthening of the waiting period to 4 years.

Removing access to safety nets such as income, carer and parenting support reduces women’s financial independence and, when relationships breakdown, their ability to safely exit dangerous family situations. Newly arrived migrant women are particularly vulnerable in this regard because they lack alternative support networks which more established community members can access.

We strongly believe that this legislation will not ‘encourage’ migrant self-sufficiency but will punish those migrants who unexpectedly face life circumstances and require a small amount of financial support. We are deeply concerned that migrants who are in employment, paying taxes and contributing financially to Australia’s economy will be punished for deciding to have a child with the withholding of family tax benefit and dad and partner pay. This legislation therefore discriminates against Australian children born to newly arrived migrant parents. It

²⁸ https://www.australianunions.org.au/about_actu

places these Australian newborns at risk of poverty by denying their families payments which other Australian newborns (those whose parents are not newly arrived) can benefit from.

f) Future opportunities to support population growth in SA

Aged Care Workforce

Almost one in three older Australians were born overseas, with a significant number of these coming from CALD backgrounds. Almost 40 per cent of all migrants from non-English speaking countries are aged 50 years and over, compared to 32.4 per cent of Australia's total population aged 50+ years²⁹. As this trend continues issues of ageing and providing assistance to older CALD community members will increase including care in their preferred language as many elderly people lose their acquired English language skills. Efforts must be made to ensure that this sector offers rewarding jobs, with appropriate compensation, security, prospects for promotion and development.

Entrepreneurs and small business owners

South Australia has a high share of unincorporated business with reliance on owner managers often without succession plans. In regional South Australia and in Adelaide 23 per cent and 18 per cent of business owners are over 60³⁰ which has implications for the sustainability of these businesses. Attracting migrants as potential buyers for these businesses through a new scheme or existing mechanisms could ensure South Australia's strong economic future.

Some immigrant groups, such as the Koreans, Taiwanese, Greeks and Italians have at least a 50 per cent higher presence as entrepreneurs compared to the Australian-born. Many of these small business owners came to Australia on family visas or humanitarian visas and 83 per cent of them did not previously own or run a small business prior to migration³¹ demonstrating an impressive degree of entrepreneurialism and zeal for making unique and significant contributions to the broader Australian community. Given this entrepreneurial zeal, the Entrepreneur Visa and the 12 month pilot of the Global Talent Scheme is an opportunity for South Australia to reach out to and attract migrants with innovative ideas of products and services or in business development.

²⁹ FECCA, *Review of Australian Research on Older People from Culturally and Linguistically Diverse Backgrounds*

³⁰ The Potential Benefits of Reforming Migration Policies to Address South Australia's Needs, April 2017

³¹ Ibid, p9