

10 June 2015

Committee Secretary
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Submission to inquiry on *Social Services Legislation Amendment (Fair and Sustainable Pensions) Bill 2015*

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 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 opposes the proposed changes to the portability of benefits in relation to the Age Pension and a small number of other payments in the *Social Services Legislation Amendment (Fair and Sustainable Pensions) Bill 2015*. If this legislation is passed, pension recipients who arrived in Australia within the last 35 years will have their benefits reduced if they travel overseas for more than 6 weeks in a year according to the length of their Australian working life residence, while those who were born in Australia or have lived in Australia for over 35 years ago will not.

Nearly 40% of those receiving the Age Pension were not born in Australia.¹ It is concerning to see tightening of portability provisions, as they will disadvantage a significant section of the Australian population who were born overseas and maintain important ties with their places of birth. We note that the Government has acknowledged that Australia is a migrant country, with approximately one in four Australians being born overseas.²

¹ Department of Social Services, 'Statistical Paper No. 12: Income support customers: a statistical overview 2013'

² Department of Social Services, 'Portfolio Budget Statements 2015-2016, Budget Related Paper No. 1.15A, Social Services Portfolio', 40

The Australian Government already imposes waiting periods of ten years for people born overseas before they can access Age Pensions. Further disadvantaging measures, with a large group of people having a significantly lower level of rights than another part of the population, are inequitable and do not contribute to social cohesion within Australian society.

The explanatory memorandum to this Bill states that individuals who have spent part of their working life in another country should be able to receive a pension for their years of contributions or residence in that country. FECCA notes that states will not necessarily provide pensions to an individual who takes up permanent residence or citizenship elsewhere.

All migrants contribute not only to Australia's economy and rich cultural diversity. There is no rationale for this action to treat some citizens differently from others. FECCA strongly opposes these discriminatory measures.

Recommendation: FECCA recommends that Schedule 2 of the *Social Services Legislation Amendment (Fair and Sustainable Pensions) Bill 2015* not be passed.

For further information, contact the FECCA office on 02 6282 5755 or admin@fecca.org.au