

12 June 2015

Migrant Intake
Productivity Commission
GPO Box 1428
Canberra City ACT 2601

By email: migrant.intake@pc.gov.au

Submission to the Productivity Commission inquiry into Australia's Migrant Intake

Introduction

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.

Section 8 of the *Productivity Commission Act 1998* (Cth) provides that "[i]n the performance of its functions, the Commission must have regard to the need to improve the overall economic performance of the economy through higher productivity in the public and private sectors in order to achieve higher living standards for *all members of the Australian community*" (emphasis added). The terms of reference for the *Migrant Intake into Australia* inquiry direct the Commission to consider the living standards of Australian citizens, overlooking the obligation of the Commission under Commonwealth legislation and excluding many members of the Australian community including temporary and permanent residents. It is important that the outcome of this inquiry includes the impacts of migration for *all* members of the Australian community, not only Australian citizens.

FECCA is concerned that the focus of the terms of reference for this inquiry is placed on monetary and economic factors. Migration is a complex policy and cannot be considered without reference to its social benefits to Australian society. Qualitative benefits including the skills, knowledge and experience that migrants can bring to Australia should be considered in addition to quantitative factors when assessing the impact of the country's migrant intake.

Immigrants bring creativity, energy, and productivity to our country as well as help drive economic growth and a diverse and dynamic community.

In making this submission, FECCA endorses the submission made by the National Ethnic Disability Alliance Inc. (NEDA).

Social and cultural benefits of migration

Diversity has helped to build a productive and culturally rich Australian society. The importance of cultural groups across Australia is highlighted through the various activities undertaken by countless ethnic communities. By adding to diversity and living up to our rich multicultural heritage through fair immigration policy, Australian can enjoy – as it currently does – the assortment of sights, flavours, architecture, medicinal, and health practices, festivals, arts, and an increasingly cosmopolitan atmosphere.

Between 1971 and 2006, the number of Australian residents born in the UK and other Western European countries remained unchanged. However, the number born in Asia increased significantly by approximately 1.3 million people. Other significant increases came from Latin America, the Pacific, and Africa.¹ The Australian Bureau of Statistics announced earlier this year that the proportion of Australians who were born overseas is now 28% of the population, the highest in 120 years.² In total 47% of the population comprises first or second generation Australians.³

Allowing immigrants to foster an Australian identity while maintaining their own cultural heritage through cultural expressions is paramount to enriching Australia's multiculturalism. Additionally, it aids in forming strong cultural ties with the world and within Australia. By allowing immigrants a sense of pride in their cultural heritage, and by not disallowing it through discriminatory legislative policies, one can feel a strong sense of pride in both their heritage and Australia. According to Walmsely *et al*, societies that are highly diverse stand a better chance of successfully adjusting to changing environments, especially in the current globalised world arena and, under the right conditions and fair legislation, a society that it is highly diverse can “reduce insularity, foster bridging social capital and promote social tolerance”.⁴ By embracing diversity, Australia stands to gain a globalised population with cosmopolitan attitudes and experiences in addition to different skills, languages, entrepreneurial activities, technologies, arts, among countless other areas.

Skills

Skills from migrants are necessary in order for Australia to participate in our highly competitive world. The transfer of skills and knowledge between a person's home country and their new, resettled country has been extensively researched. The potential to establish knowledge networks between distant locales is essential for the stimulation of innovation and competition.⁵ Accordingly, migrants are significant in bridging the geospatial divide and are often regarded as 'bearers of knowledge'. Williams' paper on knowledge transfer and immigration says that “knowledge is far more widely dispersed than is often recognised”,

¹ A Markus, J Jupp and P McDonald (2009), *Australia's Immigration Revolution*, Allen and Unwin, 57.

² Australian Bureau of Statistics (29 January 2015), 'Overseas born Aussies hit a 120 year peak' accessed: <http://www.abs.gov.au/ausstats/abs@.nsf/latestProducts/3412.0Media%20Release12013-14>

³ Scanlon Foundation(2014), *Mapping Social Cohesion*, 12

⁴ J Walmsely, A McIntosh, K Carrington, M Bittman, F Rolley and R Rajaratam (2007), 'The Social Costs and Benefits of Migration Into Australia', Department of Immigration and Citizenship, 43.

⁵ T G Bunnell and N M Coe (2001), 'Spaces and scales of innovation', *Progress in Human Geography* 25(4), 569-89.

although in most nations, an emphasis on the 'skilled' or 'highly skilled' is commonplace within the immigration context. It is a flawed assumption that only skilled migrants can contribute towards innovation and competitiveness due to their recognised skills or qualifications. In other words, knowledge does not fit solely in the realm of the skilled migrant, it encompasses all migrants. In addition, literature and research regarding immigration policies have revealed the tendency to be highly selective when granting visas, focusing heavily on those with higher qualifications, necessary skills, and ability to participate fully with an economy.⁶ The bias towards highly skilled migrants minimises the impact of the potential knowledge transfer should all migrants be fairly considered for a visa. The selectivity of immigration policies also reduces the potential knowledge transfer in various industries and sectors.

It is clear that skilled migration is largely accepted in practice as a form of economic development.⁷ However, this bias towards the highly skilled also reveals a very narrow social policy creation that engulfs only highly professional personnel such as engineers, doctors, and other highly specialised occupations. It is unfortunate that the emphasis on skilled migration discriminates those unskilled labourers and considers them 'unknowledgeable' given that knowledge is not the 'monopoly' of the skilled migrant.⁸ For example, social skills such as the ability to work in a team or communicate effectively are increasingly important within the labour market,⁹ and the ability to use and share these skills is essential in creating a knowledge economy, thus promoting the transfer of knowledge and skills.

Knowledge does not necessarily have to be of economic value, but can also be of social and civic value. There is a need to take into account migrants who do not earn wages in the discourse of knowledge transfer. While these migrants participate minimally in the economy, their knowledge contribution can be significant and the potential for social or civic impact can be powerful.

Multicultural policy, services and support

The Productivity Commission's issues paper for this inquiry makes no reference to Australia's Multicultural Policy, or Australia's Multicultural Access and Equity policy, in surveying the impacts of migrant intake on the nation. Australia's Multicultural Policy embraces cultural diversity, national unity, community harmony, social cohesion, responsive government services, acceptance, in addition to opposing intolerance and discrimination. The policy acknowledges that multiculturalism will enable Australia to enjoy the cultural and social benefits of diversity, in addition to economic benefits. Australia's *Multicultural Access and Equity Policy: Respecting diversity. Improving responsiveness* acknowledges that the federal government has an obligation to provide equitable access to services regardless of cultural or linguistic background of clients. FECCA considers these policies as integral to social cohesion in Australia. Migrants and refugees cannot contribute to our economy and society without effective access to services.

Empowering immigrants and allowing them the resources and tools to participate in Australian society is critical in fostering their economic and social contributions. Adjusting to their new surrounding can be daunting for a newly arrived migrant, especially if he or she is

⁶ Allan Williams (2005), 'International Migration and Knowledge', Centre on Migration, Policy and Society, Working Paper No. 17, University of Oxford.

⁷ G McLaughlan and J Salt (2002), 'Migration policies toward highly skilled foreign workers', London: University College London, Migration Research Unit, Report to the Home Officer

⁸ Williams (2005), above n 7, 15

⁹ J Payne (2000), 'The unbearable lightness of skill: the challenging meaning of skill in UK policy discourses and some implications for education and training', *Journal of Education Policy*, 15 (3), 353-369.

migrating from a rural region to an urban city. The process of resettlement, in the case of a humanitarian entrant, can be even more frightening and overwhelming. Feedback received by FECCA indicates that some challenges faced by newly arrived migrants and refugees include navigating government systems, accessing appropriate and affordable housing, learning English, understanding Australian workplace systems and securing employment.

Migrants and refugees need to be adequately supported, particularly during the initial resettlement process, so that they can establish themselves in Australia. This support assists new arrivals to participate socially and economically in Australian society by aiding them to develop social networks, knowledge of the Australian job market, and skills for employment. Thus ensuring that migrants and refugees have access to adequate services and support is crucial to achieving social cohesion in our society.

Multicultural and settlement organisations play a significant role in helping transition migrants from their home countries to Australian life, and this is of key importance for fostering their latent contributory powers. A survey administered by Dr Graeme Hugo revealed that 'community' was very important to newly arrived migrants as a resource, especially if the community in which they are resettled in is ethnically akin to their origin.¹⁰ Hugo's findings reveal that a majority of settled immigrants had a strong network of friends within their ethnic community. This further shows the significant social capital that settled immigrants contribute to their community. When asked whether they had helped assist or mentor newly arrived migrants, only 10% of those sampled did not provide at least one of the forms of assistance. Hugo's research demonstrates that ethnic communities are an important source of support to newly arrived immigrants. These ethnic community organisations, along with settled individuals, provide a stepping stone for newly arrived immigrants to gain confidence within their surrounding and eventually participate fully within the wider community and Australia at large.

Ethnic community organisations are the first point of entry for new immigrants into mainstream Australian society – they empower both the individual and community to grow confident and strong. Through the organisation's activities and training programs, communities learn how to strengthen themselves until they can finally engage actively with the wider community. It is clear that Australia gains from having ethnic community networks and organisations which help immigrants navigate through the resettlement process.

Australia's ageing population

According to the 2015 Intergenerational Report, the number of Australians aged 65 years and over is projected to more than double by 2054-55, with 1 in 1,000 people projected to be aged over 100. In 1975, this was 1 in 10,000. Further, the number of people aged 15 to 64 for every person aged 65 and over has fallen from 7.3 people in 1975 to an estimated 4.5 people today. By 2054-55, this is projected to nearly halve again to 2.7 people.¹¹

The Intergenerational Report recognises that migrants are generally younger than the resident population, thus migration reduces the average age of the population and slows the rate of population ageing. Additionally, migration increases the proportion of the population that are of working age and raises aggregate workforce participation.¹² Immigration policy has the potential to counteract the negative social and economic effects of Australia's ageing population.

¹⁰ G Hugo, 'Economic, social and civil contributions of first and second generation humanitarian entrants', Department of Immigration and Citizenship (May, 2011)

¹¹ Commonwealth of Australia, '2015 Intergenerational Report: Australia in 2055' (March 2015), 1

¹² *Ibid*, 11.

A fee for immigration

FECCA considers that the proposal to implement an entry charge for migrants wanting to live in Australia is inequitable and fundamentally overlooks the importance of immigration to Australian society.

The issues paper considers immigration fees as a way of recouping the cost of processing new migrants. This is a short-sighted approach to immigration, overlooking the need to consider the long term outcomes and benefits of migration to Australian society and the economy. A holistic approach should be adopted, looking at the skills and other contributions of migrants, the payment of taxes by migrants, and overall economic growth. The Migration Council of Australia's 2015 report, 'The Economic Impact of Migration', rightly refers to the projected economic impact of migration. FECCA recommends that the Productivity Commission carefully considers the findings of this report.

The availability of family reunion is important for successful settlement, allowing migrants to maintain family ties and connections. Family reunion also related to core human rights principles around the rights of Australians to live with their family members. Restricting the number of people who can access family reunion on the basis of financial means will force people to find whatever resources they can to bring their families to Australia, and this is a punitive approach.

FECCA notes that there are already mechanisms in place to balance Australia's migration intake, including enforced waiting times before migrants can receive welfare and other benefits. The Newly Arrived Resident's Waiting Period of 104 weeks applies before migrants, with the exception of refugees and humanitarian entrants, can access most payments and benefits, with the exception of family assistance payments. There is also a 10 year qualifying residence requirement for receipt of the Age and Disability Support pensions.

Conclusion

FECCA considers that the terms of reference for this inquiry are misconceived. They focus on the monetary and economic impacts of migration, while overlooking the social benefits. In addition, the inquiry must consider the impact of migration on *all* members of the Australian community, not only Australian citizens.

We highlight the importance of Australia's Multicultural Policy, and Australia's Multicultural Access and Equity policy, in recognising the benefits of a diverse society and ensuring effective access to government services for all Australians. Equitable access to services is crucial to foster social inclusion and cohesiveness in our society.

FECCA fundamentally opposes the imposition of a fee for immigration to Australia. Australia's migration intake should be balanced and merit-based, not based on the financial means of a potential migrant.

A substantial part of Australia's immigrant intake must be devoted to family reunion and reflecting Australia's commitment to resettling refugees under our humanitarian program.