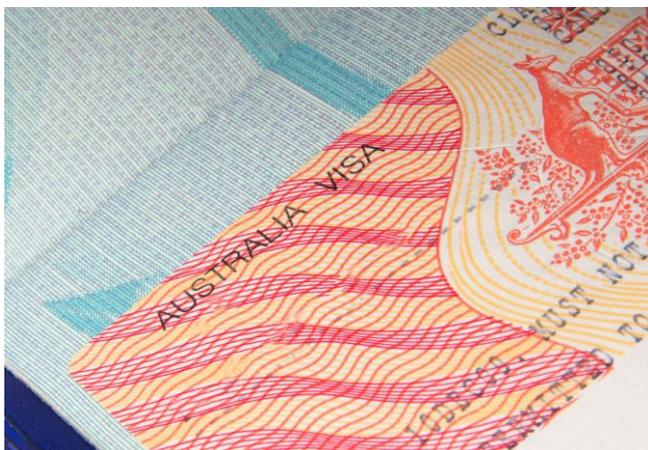


QCOSS

Queensland Council
of Social Service

Indefinite temporaries

*Scoping the impact of
Trans-Tasman travel
arrangements on
Queensland communities*



March 2016

About QCOSS

The Queensland Council of Social Service (QCOSS) is the state-wide peak body for individuals and organisations working in the social and community service sector.

For more than 50 years, QCOSS has been a leading force for social change to build social and economic wellbeing for all. With almost 600 members, QCOSS supports a strong community service sector.

QCOSS, together with our members continues to play a crucial lobbying and advocacy role in a broad number of areas including:

- sector capacity building and support
- homelessness and housing issues
- early intervention and prevention
- cost of living pressures including low income energy concessions and improved consumer protections in the electricity, gas and water markets
- energy efficiency support for culturally and linguistically diverse people
- early childhood support for Aboriginal and Torres Strait Islander and culturally and linguistically diverse peoples.

QCOSS is part of the national network of Councils of Social Service lending support and gaining essential insight to national and other state issues.

QCOSS is supported by the vice-regal patronage of His Excellency the Honourable Paul de Jersey AC, Governor of Queensland.

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Introduction

The establishment of the Trans-Tasman Travel Arrangement (TTTA) in 1973 has enabled New Zealanders to travel to, live and work in Australia without restriction and for Australians to do the same in New Zealand. This is a unique arrangement, which reflects the long-held cultural, trade and defence ties between the two countries.

In 2001, the Australian Government announced changes affecting New Zealand citizens in Australia. While the amendments did not affect the ability of New Zealanders to permanently reside in Australia, from this date gaining a permanent visa or citizenship has been harder. Permanent residency or citizenship is necessary to access a number of social policy payments.

Growing anecdotal evidence from Queensland community service providers suggests that this amendment has caused detrimental outcomes for some New Zealander communities. Pacific Islander communities have also been affected because many come to Queensland from New Zealand as New Zealand citizens.

This scoping paper aims to sharpen our understanding of this issue and its impact in Queensland. It provides some background to the TTTA, and identifies potential consequences for Queensland-based New Zealander and Pacific Islander communities. It also provides some guidance for conducting further work to better understand the scale and cost of the problem.

History of the TTTA

The TTTA is not a binding bilateral treaty but operates as a string of procedures in the immigration policies of both countries. It is linked to the Australia–New Zealand Closer Economic Relations Trade Agreement which encourages freedom of travel for labour market and social reasons (DFAT, 2014).

Under the TTTA, Australian and New Zealand citizens are able to enter each other's country to visit, live and work indefinitely, without the need to apply for prior authority. New Zealand is the only country in the world that has such an arrangement with Australia. There are no caps on the numbers of New Zealanders who may enter under the arrangement, and the only limitations on entry relate to health and character requirements (Spinks and Klapdor, 2014).

Since the formalisation of trans-Tasman travel arrangements in 1973, Australia's New Zealand born population has increased sharply from less than 100,000 in 1971 (PC, 2012a) to almost 650,000 in 2013 (DIBP, 2015). But it has not been a two-way flow. Numbers of Australians residing in New Zealand has remained fairly static over the last 40 years, at about 60,000 (PC, 2012a). This reflects the fact that Australia's economy and wage levels have grown much more quickly than New Zealand's over the past 40 years. There is now a gap of about 30 per cent GDP per capita between Australia and New Zealand, and the gap is growing (Jericho, 2014).

The Special Category Visa

In 1994 Australia introduced a universal visa requirement, meaning that every non-citizen in Australia must have a visa. To allow the continued free movement of New Zealanders to Australia, a Special Category Visa (SCV) was introduced. The SCV, or Subclass 444 Visa, was set up as a temporary visa. However, unlike other temporary visas, it has no time limit while the holder is a New Zealand citizen.

Originally, benefits for SCV holders were not too restrictive. New Zealand citizens arriving in Australia on SCVs were able to obtain Australian citizenship without first becoming permanent residents. They were also entitled to unemployment payments immediately on arrival in Australia. Similarly, Australian citizens were entitled to social security benefits in New Zealand.

During the 1980s and 1990s, this became a hotly debated political issue. The social security outlay was fuelling concern among Australians “when ever-more arrivals from New Zealand had never contributed to the Australian national purse through taxation and were not quickly obtaining employment to ensure their own financial security (Kearney, 2012)”. Starting in 1986, New Zealand citizens were required to be resident in Australia for six months before receiving benefits, and in 2000, New Zealand citizens were required to reside in Australia for two years before they could receive payments. This also became the case for Australian citizens residing in New Zealand.

By 2000 Australia was increasingly looking to focus its migration program to attract migrants with experience in areas where there was a skill shortfall in Australia. Concern was growing that New Zealanders had a ‘back door entry’ around the skilled migration program because they did not have to meet these requirements in order to live and work in Australia, and many New Zealand citizens were thought to be unskilled. Also, “by this time about a third of the New Zealand citizens arriving in Australia were from third world countries who had gained New Zealand citizenship after the required three years of residence (now five years)” (Birrell, 2013).¹

This included large groups of Pacific Islanders. Under New Zealand’s immigration schemes many Pacific Islanders were allowed to migrate to New Zealand and automatically have right to New Zealand citizenship. New Zealand citizenship and rights of residence have encouraged the migration of Cook Islanders, Niueans and Tokelauans. There has subsequently been a significant inflow of Pacific Islanders to Australia (Te Ara, 2015).

In February 2001, Australia entered into a new bilateral social security arrangement with New Zealand and amended citizenship laws for New Zealand citizens.

¹ This proportion may have declined since then. In 2012 about 5 per cent of New Zealand citizens in Australia were Pacific-born (DIAC, 2012).

Under these changes, all New Zealand citizens who arrived in Australia after 26 February 2001 and who wanted to access certain social security payments, obtain citizenship or sponsor family members for permanent residence could only do so after applying for, and being granted, permanent residence through the migration program.

With these changes SCV holders became either 'Protected' or 'Non-protected' SCV holders under social security legislation. Protected SCV holders generally arrived prior to 26 February 2001, while Non-protected SCV holders generally arrived after that date. Non-protected SCV holders are not entitled to most social security payments, despite being able to live indefinitely in Australia.

As a result, some individuals and their families who have lived in Australia for a considerable time are denied, or have limited access to, some social safety nets (PC, 2012a). This is in contrast to the situation for Australians residing in New Zealand who generally have the same social security entitlements as New Zealand citizens, provided waiting periods (generally around two years) have expired (Spinks and Klapdor, 2014).

Access to entitlements

Social security

New Zealand citizens who are protected SCV holders (those residing in Australia before or on 26 February 2001) or holders of permanent visas have the same social security entitlements as other Australian residents. This means they have the same eligibility as Australian citizens, provided they have served any applicable waiting period (Spinks and Klapdor, 2014).²

Non-protected SCV holders may be able to access the age pension, or Carer Payment but they would need to have been an Australian resident for more than 10 years. Disability Support Pension can be accessed immediately if the impairment causing inability to work occurred while a person was an Australian resident (DSS, 2014). Non-protected SCV holders are also eligible for Family Tax Benefit, Child Care Benefit and Child Care Rebate, Double Orphan Pension and Parental Leave Pay. They may also be eligible for Rent Assistance (Spinks and Klapdor, 2014).

However, they are not generally able to access workforce age payments such as Parenting Payment (single or partnered), Newstart Allowance, Sickness Allowance or Special Benefit. They have access to a once only payment of Newstart Allowance, Sickness Allowance or Youth Allowance for a maximum continuous period of six months, subject to relevant waiting periods.

² The one exception to this rule is new Job Commitment Bonus, a lump sum payment to be paid to long-term Newstart Allowance and Youth Allowance (Other) recipients who find gainful work for periods of 12 months and 24 months. Protected SCV holders are treated like non-protected SCV holders under this program, that is they need to be granted a permanent visa in order to access the bonus (DHS, 2015)

Disaster relief

Non-protected SCV holders are not generally eligible to receive the Australian Government Disaster Recovery Payment or the Disaster Recovery Allowance (Spinks and Klapdor, 2014).

Education

While New Zealand citizens have access to Commonwealth-subsidised university places they have not been eligible for HECS-HELP, VET FEE-HELP and other study-related assistance. However, in 2015 the Australian Government amended the Higher Education Support Act 2003 so that certain New Zealand citizens who are SCV holders can access HELP loans from 2016 provided they:

- first entered Australia as a dependent minor under the age of 18;
- have been ordinarily resident in Australia for the previous 10 years (that is, physically present in Australia for at least eight out of the past 10 years); and
- have been in Australia for 18 months out of the last two years at the time of application for the loan and are otherwise eligible for the loan.

Social housing

SCV holders are not eligible for social housing in Queensland as this is only open to Australian citizens or permanent residents (DHPW, 2015).

Healthcare

Protected and non-protected SCV holders are entitled to Medicare, under a reciprocal healthcare arrangement, as well as the low income Health Care Card, subject to a two-year waiting period (Spinks and Klapdor, 2014).

Disability

Protected SCV holders will be eligible for the National Disability Insurance Scheme but non-protected SCV holders (including their children) will not. This is a particular point of contention because tax-paying New Zealanders contribute to the scheme through the Medicare Levy.

Secure residency

Non-protected SCV holders have been affected by a recent amendment to section 501 of the Migration Act. Under these laws, effective since December 2014, anyone who is not an Australian citizen and served a 12-month jail sentence or is 'not of good character' can be sent to detention centres or deported.

The recent suicide of a New Zealander awaiting deportation highlights this issue for SCV holders. The young man pleaded to the Immigration Minister stating that he had no family, friends, home or job in New Zealand. As he moved from Auckland to Sydney at the age of four, he said he had "no memory" of New Zealand and was "uncomfortable having the identity of a kiwi." (Kumar, 2015). Since the law came into effect, a reported 406 New Zealanders faced visa cancellations, 95 were deported and 184 sent to detention centres (Kumar, 2015).

Consequences

Many of these individuals who live, work, pay taxes and raise their families in Australia are permanently in a marginal state, indefinitely temporary. The lack of access to the full remit of entitlements has significant bearing on questions of social inclusion and well-being.

This issue is of particular concern in Queensland. New Zealand-born residents are almost twice as likely as the overall population to live in Queensland in 2006 (38 per cent compared with 20 per cent). In particular, they are just over twice as likely to live in Brisbane and more than three times as likely to live on the Gold Coast (ABS, 2010). In 2011, more than one in 12 residents of the Gold Coast and one in 13 residents of Logan were of New Zealand birth. There are pockets where the population levels are significantly higher (for example, 15 per cent of the population in Upper Coomera is New Zealand born) (ABS, 2012).

The number of New Zealand citizens moving to live permanently in Southeast Queensland is still growing rapidly and indications are that this trend will continue (Kearney, 2012).³

In 2009–2010, 45 per cent of permanent arrivals from New Zealand were unemployed or not in the labour force (The Sunday Mail, 22 January 2012 in Kearney, 2012). Because non-protected SCV holders have no or restricted access to some Australian welfare payments (particularly Newstart, Youth and Sickness Allowances and Special Benefit), these individuals have limited options if they require support. The lack of a social safety net leads to poverty, with well-documented consequences including crime, homelessness, and mental health issues. Family violence also increases when there is financial pressure.

Submissions to the Access and Equity Enquiry Panel highlighted these hardship concerns. The Pacific Indigenous Nations Network Gold Coast argued that such restrictions on non-protected SCV holders "creates a policy of exclusion rather than inclusion" (PC, 2012b).

³ In 2010–2011 New Zealand-born arrivals in Australia totalled 1,362,001 with 34,567 intending to remain permanently. This was a 41 per cent annual increase in permanent arrivals of New Zealand citizens. Almost 40 per cent of intending long-term or permanent arrivals reside in Queensland. In 2009–2010, a third of permanent arrivals from New Zealand were skilled workers while 45 per cent were unemployed or not in the labour force (Source: The Sunday Mail, 22 January 2012, p.11).

Similarly, Ethnic Communities Council Queensland noted in their submission that the lack of access to social welfare support “may impact on the capacity to fully participate socially and economically (PC, 2012b).” Moreover, it was argued that limited access to public housing and other social welfare limitations “had contributed to hidden homelessness amongst the Pacific Islanders Community (PC, 2012b).”

The inability of residents from New Zealand to access disaster relief has also caused problems. Tensions were brought to a head in Queensland in 2011 following floods and Cyclone Yasi, with New Zealanders ineligible for disaster relief. An ex-gratia payment was agreed by the government for New Zealander SCV holders.

As non-citizens, if non-protected SCV holders are arrested and serve a jail term they can be sent to detention centres and/or deported, regardless of whether they have any social connections in New Zealand.

The lack of access to HECS-HELP and FEEHelp has been a key problem for many years, keeping families in low skill jobs. The need to pay fees up front is a major obstacle for families who are already struggling to meet daily needs. Many Pacific Islander and Maori families, for example, have skills and experience that limit employment opportunities to lower-paid, less secure employment sectors, such as manufacturing and service industries, which makes it extremely difficult to earn enough to pay upfront university or VET fees.

Young people are under pressure to start earning as soon as possible, even if for low wages and an insecure employment. (Chenoweth, 2014). Research in South East Queensland found that where the child does finish high school, the upfront fees required for tertiary education are not financially viable for most families, especially in families with more than one child. Indeed, as noted in the Productivity Commission’s Report, “New Zealand born people aged 18-24 were half as likely as the overall Australian population to be studying,” while higher education participation rates of Maori and Pacific Islanders in New Zealand were greater than in Australia (PC, 2012b). For those eligible, the 2015 amendments to the Higher Education Support Act should be a step forward.

Some Pacific Islander and Maori youth who were not suited to the academic environment could excel in a workplace, however they are also ineligible for Australian Apprenticeships supported placement once they have left school (Anderssen et al, 2012).

For people who have been residing in Australia most of their lives and have no family or connections in New Zealand, their best option is often to seek permanent Australian residency and/or citizenship. In Australia, permanent residency is a prerequisite for citizenship, and permanent residency visas are subject to selection criteria and quotas.

More than 280,000 New Zealanders in Australia are technically on these temporary visas, and many will never be eligible for citizenship or permanent residency because of their age (aged over 50) or their skill set.

Based on an analysis of passenger cards, the Australian Department of Immigration and Citizenship estimated that between 40 and 60 percent of adult, New Zealand citizen, permanent and long-term arrivals would be eligible to apply for a permanent visa. This suggests that the remaining non-protected SCV holders (that is, between 100,000 and 144,000 people) will never be eligible for a number of safety net payments (PC, 2012b).

Many of these New Zealanders may have been working in Australia for years, but may not be employed in an occupation that is defined as 'in need' or on the Skilled Occupation List when they seek to become permanent residents. Some argue that the ease with which New Zealand citizens can be employed by Australian businesses to meet their specific needs means that these occupations may, ironically, never be defined as 'in need' (PC, 2012b).

Update

On February 19, 2016 the Australian Government announced the creation of a 'streamlined pathway' to citizenship for 'non-protected' SCV holders. Beginning July 1, 2017, this new pathway will allow SCV holders who meet the following residency, income, and character criteria to apply for permanent residency and thereafter for citizenship:

- have been resident in Australia for the five years immediately prior to visa application;
- have contributed to Australia, demonstrated through income tax returns for the period of residence evidencing income at or above the Temporary Skilled Migration Threshold (TSMIT), which is currently set at AUD53,900; and
- have completed mandatory health, character, and security checks.

According to the Department of Immigration and Border Protection, up to half of the 140,000 non-protected SCV holders who have been resident in Australia for at least five years could be eligible to apply for permanent residency under the new pathway.

Nonetheless, the new pathway still leaves a significant number of New Zealand citizens resident in Australia without a clear path to permanent residency, and therefore also without access to key entitlements, such as welfare payments, the NDIS, social housing, or study assistance. Moreover, many of these residents remain ineligible as a result of their marginal position in Australian society, despite their long term contribution to social, economic, and cultural life in Australia – contributions which the income threshold is unable to take into account. This raises questions regarding the extent to which the new pathway substantively addresses the key concerns attendant to the exclusion of vulnerable New Zealand citizens from the full remit of social safety-net entitlements. On this note also, given the particular weight of these issues in Queensland, are further measures necessary in order to curtail both extant and potential negative social and economic impacts for individuals, families, and communities in Queensland?

The Australia Government has noted that there may be exemptions (by application) to the income test for non-protected SCV holders considered particularly vulnerable, but such determinations are still to be worked out between the Minister of Immigration and Border Protection and the Minister for Social Services. While even limited acknowledgement of the obstacles to satisfying the income test faced by vulnerable populations is welcomed, questions remain as to whether a 'case by case' approach can be effective (or simply offer another layer of exclusion) , as well as whether ministerial-level discussions offer sufficient transparency considering the size of the population impacted.

Assessing the scale of the problem in Queensland

In order to understand the scale and depth of this issue and it's impacts in Queensland, with a goal towards finding solutions, the following questions should be considered.

1. How many Queensland residents are affected and what are their characteristics?
 - How many individuals are on non-protected SCVs?
 - How long have they been in Australia?
 - What is their family structure?
 - What is their cultural background (for example Maori, Polynesian, Melanesian)?
 - How many are employed?
 - Are they in secure or insecure employment?
 - How many are living in poverty?
2. Where are they located?
 - Which suburbs/towns in Queensland host large numbers of residents on non-protected SCVs?
3. What support already exists?
 - Which agencies are assisting this client group?
 - What are the gaps in service provision?
4. What are the economic and social consequences of not responding to this issue?
 - What are the social and economic impacts on the criminal justice system?
 - What are the social and economic impacts of homelessness, mental health issues, and family violence?

5. What solutions will work best?

- What solutions are viable and will have an impact on addressing poverty?
- What solutions will have the best social and economic outcomes for Queensland?
- Which levels of government and which agencies are responsible for what?
- What can the service system do?

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