



9 February 2020

Committee Secretary
Joint Standing Committee on Foreign Affairs, Defence and Trade
PO Box 6021
Parliament House
Canberra ACT 2600

By email: jscfadt@aph.gov.au

Inquiry into Australia activating greater trade and investment with Pacific island countries

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 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 inquiries please contact FECCA CEO Mr Mohammad Al-Khafaji at ceo@fecca.org.au or on (02) 6282 5755.

This submission relates to the following Terms of Reference;

- the role and effectiveness of support structures and networks, including government, business, sport, Pacific diaspora communities in Australia, and areas of civil society, and how they can assist with identifying and capturing trade and investment opportunities for Australia and Pacific island countries;
- the views, norms and cultural practices relating to trade and investment in Australia and Pacific island countries and how differences can be accommodated.

Key recommendations

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FECCA makes the following recommendations

1. The Pacific Labour Scheme and Seasonal Worker Program must be accessible and affordable for its target demographic, in order to encourage labour mobility and boost Australian-Pacific economic relations.
2. The working rights of Pacific Islander employees are understood and protected especially in terms of underpayment and work safety.
3. Greater analysis and research need to be completed to better understand labour mobility in the Pacific and its economic ramifications for Australia
4. Higher education needs to be made accessible for Pacific Islander families
5. A pathway to permanency for Pacific Islanders in Australia needs to be accessible and affordable, particularly to those who have arrived under the unprotected Special Category Visas after 2001.

Discussion

1. The Pacific Labour Scheme (PLS) and Seasonal Worker Program (SWP) must be accessible and affordable for its target demographic, in order to encourage labour mobility and boost Australian-Pacific economic relations

In FECCA consultations, Pacific Islander community members reported economic safety is of the main reasons they migrated to Australia.¹ Australia plays a key strategic role in enhancing labour mobility in the Pacific, but the costs and bureaucracy associated with entering the PLS and SWP continue to deter many potential workers. Prior to applying for the Pacific Labour Scheme stream visa subclass 403, applicants are required to provide medical tests and identification documents. These must be translated at the cost of applicants, who are already paying a minimum of \$310 to apply. Understandably, the process of gathering relevant documents, finding suitable medical practitioners and having the documents translated by qualified translators is costly and accessible to few. Once in Australia, workers must be able to afford expensive health insurance premiums and cover their costs of living while working on a minimum wage.

Currently, both PLS and SWP visa holders have an extensive list of strict restrictions placed on them. Most significantly, applicants are barred from bringing family members with them. Workers under the PLS have the option of working in rural and regional Australia for up to 3 years. Expecting workers to be separated from their families and communities for such extended period of times is harmful and damaging for all involved. This disregards the

¹ NSW FECCA consultations, 2019

significance of family in Pacific Islander cultures and has a negative impact on Pacific diaspora communities.

2. The working rights of Pacific Islander employees are protected especially in terms of underpayment and work safety

Under the SWP, workers have no autonomy and are given no choice to make financial decisions that are in their best interests. Workers' flights, travel to and from work, and accommodation are all organised by their employers and the costs are deducted from overtime pay.² Giving employers the right to deduct costs from employees' wages places employees in a vulnerable position. Some have reported coming back home to the Pacific with even less than what they left with or being left in debt.³ There have been numerous cases since 2016 of SWP being significantly underpaid and overworked by their employers.^{4 5} Seeking repayments or making claims is a complex and lengthy legal process that would dissuade any employee, and especially those who are only given temporary residency rights. A disproportionate power dynamic is often experienced between employers and newly arrived migrants as employees. Often a person's visa type and conditions will exacerbate their reliance on their employer with those on 401 Visas requiring their employers sign-off to allow them to remain in Australia. If employees are in fragile financial situations this disproportionate balance of power diminishes the ability for workers to report illegal practices and harassment due to fear of losing their job, income, safety at work and their right to live in Australia.

The SWP was designed by DFAT to act as a foreign aid program however, it has resulted in a business-oriented scheme that gives considerable advantages to employers as opposed to employees.

3. Greater analysis and research need to be completed to better understand labour mobility in the Pacific and its economic ramifications for Australia

² Seasonal Worker Programme expansion

https://www.cherrygrowers.org.au/assets/Seasonal_Worker_Programme_-_FAQs.pdf

³ <https://catholicleader.com.au/news/church-advocates-seek-lost-wages-for-22-pacific-island-seasonal-workers-exploited-in-queensland>

⁴ Exploited Pacific migrant farm workers settle significant case

<https://www.smh.com.au/business/workplace/exploited-pacific-migrant-farm-workers-settle-landmark-case-20190801-p52cvi.html>

⁵ Seasonal Farm Services fined \$102,000 for underpaying workers

<https://www.workforceguardian.com.au/resources/blog/seasonal-farm-services-fined-for-underpaying-workers/>

While the trends around labour mobility in the Pacific region have been recognised by Australia as a key to development and Australian-Pacific relations, there has been little follow up research and data collection on those who have moved to Australia. In comparison, there have been two major pieces of government funded research into the New Zealand context.

Better quality data and current research on a national scale will help to determine which social issues need to be prioritised. FECCA suggests that new research needs to have clear indicators of who Pacific Islander people are and allow them to self-identify.

4. Higher education needs to be made accessible for Pacific Islander

Consultation reports with the Australian-Cook Islands Community Council (ACICC) showed that being ineligible for HECS-HELP loans was a major barrier faced by Pacific Islander communities hoping to establish themselves in Australia. Pacific Islander families with Pacific Islander families with a New Zealand citizenship cannot qualify for HECS-HELP loans due to the conditions of the Special Category Visa that allows New Zealand citizens to reside in Australia. These students are expected to pay domestic university fees upfront. Similarly, those with citizenships from the Pacific Islands, are expected to pay exorbitant international university fees. Due to these conditions, generations of Pacific Islander children are being raised without the prospect of being able to pursue higher education. Even for the families who can afford to pay for the university fees upfront, this has placed a huge burden and financial stress on them.

The inability to pursue further education gives many Pacific Islanders little hope for the future and serves to prematurely box them in to lower paying jobs and limit their potential.

5. A pathway to permanency for Pacific Islanders in Australia needs to be accessible and affordable, particularly to those who have arrived under the unprotected Special Category Visas after 2001.

The exact numbers of Pacific Islanders who have migrated to Australia through New Zealand's Special Category Visas are unknown and undocumented. However, FECCA consultations

reveal that entire communities have migrated under the Special Category Visa who are now ineligible for most forms of social security and assistance in Australia.

The pathway to permanency has been made long and arduous, leaving families waiting for years. As of December 2019, the Department of Home Affairs has 128,383 citizenship applications (by conferrals) that have not yet been processed. These are applications that have been submitted by migrants or those who are not an Australian citizen by descent. The processing time for 90% of applications is 23 months. The cost of a permanent residency application for each applicant is currently \$3,600 and \$1,800 for dependants. Applicants also need to be earning a minimum of \$53,900 annually for the last five years. For larger Pacific Islander families, this cost can quickly add up and act as a major barrier. Pacific Islanders in Australia cannot truly settle into their new communities and participate equally in the Australian workforce until they have the certainty that Australia will be their permanent home.

This issue disproportionately affects Pacific Islander communities as a large number of them have migrated to Australia via New Zealand. Understandably, this has a detrimental effect on the younger Pacific Islander diaspora. They find it hard to identify as Australian, despite living here for the majority of their lives, when they are not recognised as Australian citizens.