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Chinese Community Council of Australia Inc.
National Sikh Council of Australia Inc.
National Chinese Australian Leadership Group
2021-22 Migration and Humanitarian Programs
To the Department of Home Affairs***

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Migration and Australia's Population Directions

In March 2019, Prime Minister Scott Morrison announced a 'population plan' to reduce the permanent migration program 'ceiling' from 190,000 visas per annum to 160,000 per annum – Home Affairs Minister Dutton had already cut the program to 168,000 for the year before so the prime Minister was really just announcing little more than existing policy.

The March 2019 population plan made no mention of the Government's planned future population.

The rationale given for the reduction in the permanent migration program was to 'bust congestion'. The population plan said nothing of the Government's forecast of a dramatic and sustained increase in net migration and natural increase that would be published a month later in the 2019 Budget.

Note that the migration program only reflects permanent resident visas issued, including increasingly to people who are already in Australia, while net migration reflects the actual change in the resident population due to both permanent and long-term migration. Thus net migration is the more important measure in terms of population change, economic impact and indeed on 'congestion-busting'.

The 2019 Budget and associated ten year plan relied on a forecast of Australia's population growing at an unprecedented average of 450,000 per annum with both a major increase in forecast net migration as well as in the contribution of natural increase. There has only been one calendar year in which Australia's population has actually grown by more than 450,000 – that was in 1971.

Never has Australia sustained population growth of 450,000 per annum for two or more consecutive years as forecast in the 2019 Budget. How the Government thought this would 'bust congestion' remains unclear.

The extraordinary level of forecast population growth was an underpinning for the 2019 Budget forecast of real economic growth climbing to 3 percent per annum, creation of 250,000 jobs per annum over the subsequent five years as promised by the Prime Minister and budget surpluses stretching out for the whole decade of the 2020s leading to zero net government debt. That was even after including very large income tax cuts.

But the forecast level of population growth was implausible well before the COVID recession hit Australia. It was never going to happen.

In 2019 itself, the forecast fell short by over 80,000.



COVID has of course completely changed the landscape, including in terms of Australia's future population directions as well as its economic and budget position.

With population by 2023 now likely to be over 1.24 million less than forecast in the 2019 Budget, the crucial question is what the Government's long-term strategy will be for Australia's population and economy?

In a December 2020 paper, Treasury has provided its latest forecasts and projections of population growth to 2030-31. These show forecast population growth in 2020-21 and 2021-22 of less than 100,000 per annum as restrictions on international movements are assumed to remain in place; 219,900 in 2022-23 as restrictions are assumed to be lifted and then averaging around 340,000 per annum from then on.

While these projections are much more plausible than the 450,000 per annum population growth Treasury forecast in the 2019 Budget, they do require close scrutiny.

A substantial part of the reduction in the projected rate of population growth is because Treasury expects annual births to now fall substantially over the next few years to less than 300,000 per annum and then steadily rise with an increase in the fertility rate as well as an increase in net migration in the second half of the decade – young migrants increase the number of annual births. Treasury's revised annual births projection is much more plausible than the one it used in the 2019 Budget.

It does, however, assume Australia will avoid the low fertility trap that nations in East Asia and Europe are currently in. That may be a high risk assumption as failure to adequately support families that want to combine having children with both partners working could result in Australia's fertility rate continuing to fall.

Treasury is also projecting a gradual increase in the number of deaths from less than 170,000 in 2019 to 205,100 in 2030-31. This is a much slower rate of increase in deaths than suggested by the ABS which projects deaths reaching over 200,000 by 2027 and over 220,000 by 2030-31.

In other words, Treasury is projecting natural increase to decline more slowly than the ABS based on some bullish assumptions about the rate at which life expectancy will rise. It should be noted that prior to COVID, life expectancy in the US and the UK had in fact fallen.

Net Migration During the 2020s

In its December 2020 population projections, Treasury forecasts net migration being negative in 2020-21 and 2021-22 based on international border restrictions remaining in place and then rising to 95,900 in 2022-23 and 201,100 in 2023-24 as international travel returns to normal. Treasury then projects net migration steadily rising to 235,000 per annum by 2028-29 and then remaining at that level.

While long-term annual net migration of 235,000 is much more plausible than the 270,000 per annum Treasury used in the 2019 Budget, it is still a very optimistic projection reliant on a rapid return to a strong economy, much lower levels of unemployment, a significant shift in the net



movement of Australian and New Zealand citizens compared to the situation pre-COVID, steady growth in the stock of temporary entrants, particularly students, temporary graduates, provisional visa holders and possibly also asylum seekers who had become a significant part of net migration pre-COVID.

After the 1991 recession it took over a decade for net migration to recover to the levels of the late 1980s. It remained low, generally below 100,000 per annum, primarily due to persistently high levels of unemployment. Recessions have a long-term impact on both unemployment and net migration. Over the past decade, net migration has averaged 215,000 per annum with four calendar years in which it was at or slightly over 235,000. For 2019, the preliminary estimate of net migration is 225,600 compared to the 2019 Budget forecast of 271,000. It was trending down well before COVID.

Once internal and international movement fully resumes, two broad outcomes for net migration in the second half of the 2020s are likely. Either:

1. Australia falls well short of the forecast increase in net migration to 235,000 per annum due to pre-COVID immigration policy settings for both permanent and temporary migration being retained, a persistently weak labour market and re-imposition of the temporarily postponed four year wait for access to social security by newly arrived migrants; or
2. Government takes major risks with temporary resident policy, particularly students and farm labour, leading to net migration of 235,000 per annum being delivered but through the build-up of a record number of overseas students, temporary graduates and farm labourers, many of whom will be at high risk of exploitation and/or destitution in a weak labour market. In a weak labour market, many newly arrived permanent migrants will also be at risk of destitution due to the now four year wait for access to social security.

A persistently weak labour market would almost certainly ensure net migration falls well short of 235,000 per annum. In 2014 and 2015 net migration fell to around 180,000 per annum when unemployment increased to 6 percent. That was when the formal migration program was delivered at 190,000 per annum and a humanitarian program of around 18,000 per annum compared to the current migration program of 160,000 per annum and a humanitarian program of around 13,500 per annum.

Treasury has assumed the Government will return the permanent migration program to 190,000 per annum while leaving the humanitarian program at the reduced level of 13,500 per annum. No explanation is provided by Treasury why the migration program is to be returned to 190,000 per annum but not the humanitarian program. We note that the Government has claimed significant savings from the reduction in the humanitarian program.

No formal announcement of the increase in the migration program has yet been made. Given the Prime Minister's message of cutting immigration to bust congestion prior to the 2019 Election, the ongoing high level of unemployment as well as the Department of Home Affairs continuing to deliver the migration program at levels well below the 160,000 ceiling, the lack of formal announcement that the Government plans to increase the program to 190,000 per annum is understandable.



If the permanent migration program is not increased to 190,000, to achieve average net migration of 235,000 per annum would require taking major risks with temporary entry policy.

Recommendation 1

Home Affairs should publicly clarify whether the Treasury assumption of an increase in the migration program to 190,000 in 2023-24 is indeed government policy and if so, the planned composition of that program so that states, businesses, settlement service organisations, etc can plan accordingly.

Recommendation 2

The Government should clarify why it does not plan to also return the humanitarian program to pre-COVID levels from 2023-24.

Recommendation 3

The DHA should outreach to community organisation and NGOs who are active in advocating immigration policies and form a working partnerships to return Australia to once again be a leading settler nation for humanitarian migration.

Greater transparency on program delivery

Replacement of an annual 'target' for the migration and humanitarian programs with the concept of a 'ceiling' has created greater uncertainty regarding the Government's immigration policy without any obvious benefit.

In recent years, Home Affairs has delivered the migration and humanitarian programs at levels well below the announced ceiling. For 2020-21, it appears likely to do so again although it has made no formal announcement to this effect.

This approach creates significant uncertainty for those who use the Government's announced migration and humanitarian programs as a guide to assist with planning. That includes agencies at Commonwealth, state and local levels as well as businesses and organisations that deliver settlement services.

If the Government intends to retain use of the 'ceiling' concept, it should also announce clear planning levels for each visa type, the breakdown between planned onshore and offshore visa grants as well as a monthly progress report of visas granted to date onshore and offshore. This should be published on the DHA website within a fortnight of the end of each month.

Recommendation 4

Home Affairs should revert to setting migration and humanitarian program 'targets' rather than 'ceilings' with any revisions to targets during the program year being publicly announced. Such a target should be sensitive to global needs.

Recommendation 5

Home Affairs should publish a monthly progress report on visas granted and each major visa category, both onshore and offshore, under the migration and humanitarian programs to assist states, businesses and settlement service organisations to better plan delivery of their responsibilities.



Migration program composition

The increase in places for partner visas in the 2020-21 migration program is strongly supported. The Parliament has twice voted to make it clear that it expects spouse visas to be processed on a demand driven basis. The Government should never again place limits on the number of partner visas granted.

The demand driven approach to partner visas adopted for 2020-21 must continue in 2021-22 and beyond with the aim of returning partner visa processing times to between 6-9 months as was the case before the Government implemented unlawful limits on the number of spouse visas issued.

The large increase in the new Global Talent Independent (GTI) visa to 15,000 in 2020-21 is a very high risk approach. Unlike most other skill stream visa, the GTI visa has very few upfront legal requirements, no legal obligations on proposers (including employers of the migrants being proposed) and no post-visa grant legal obligations other than character.

The GTI visa thus undermines the objectives of all other skill stream visas, especially as the Government has dramatically tightened legal requirements and costs of employer sponsored visas, state/territory government sponsored visas and has now proposed doing the same with business migration visas.

The lack of legal requirements for the GTI visa also raises risks in terms of potential corruption, cronyism and suspicions the visa may be used to undermine Australia's non-discriminatory approach to immigration on grounds of race, religion and nationality.

Recommendation 6

The Government should commission an independent review of the balance of legal requirements for skill stream visas to ensure positive public policy outcomes. This should also examine state-specific and regional migration visas to ensure these are not creating a time bomb for future governments if migrants after five years on provisional visa are still unable to secure permanent residence. Such review panels should be broad based and should include community membership.

Recommendation 7

If the Government intends to persist with a large allocation for GTI visas, it should publish a monthly report on the number of migrants proposed by different organisations and the number of proposals from each organisation that convert to visa grant to ensure transparency and public confidence in Australia's immigration system.

Humanitarian program

In 2019-20, 13,171 visas were granted in the humanitarian program against a ceiling of 18,750. This was the smallest humanitarian program for many years.

The Government has subsequently announced a permanent reduction in the ceiling for Australia's humanitarian program to 13,500 per annum and claimed savings from this. On current indications, there is little prospect of the reduced ceiling being delivered in 2020-21.

Given the significant number of places this opens up in 2020-21 and 2021-22, it would make good policy sense to use these places to resolve the situation of the growing number of temporary



protection visa holders in Australia as well as the rest of the legacy caseload of asylum seekers that arrived by boat.

Many of these people have now been either living in Australia or in offshore detention for over 10 years. With turnback policy in place, there is nothing to be gained from keeping the lives of these people in limbo. There is zero prospect of these people ever being sent home.

Recommendation 8

All temporary protection visa holders should be provided a pathway to permanent residence using spare places in the 2020-21 and 2021-22 humanitarian program, including urgent resolution of the immigration status of the rest of the legacy caseload.

Recommendation 9

Australia should accept the New Zealand offer and immediately re-settle remaining refugees living on Manus and Nauru. This would enable closure of those facilities generating significant savings to the taxpayer.

Recommendation 10

The taxpayer money saved from closure of Manus and Nauru should be used to fund improved, dedicated humanitarian settlement services, particularly to improve the employment outcomes of humanitarian program entrants. The alternative is that humanitarian program entrants face long-term unemployment as a result of the COVID downturn as they did after the 1991 recession.

Recommendation 11

The Government should set itself a target for humanitarian program entrants to achieve within an agreed timeframe after arrival, a participation and employment rate equal to the national average. This would require agreed strategies and funding arrangements.

Migrant worker exploitation and abuse

In its December 2020 population projections, Treasury forecasts net migration being negative in 2020-21 and 2021-22 based on international border restrictions remaining in place and then rising to 95,900 in 2022-23 and 201,100 in 2023-24 as international travel returns to normal. Treasury then projects net migration steadily rising to 235,000 per annum by 2028-29 and then remaining at that level.

Even if the Government increases the annual migration program to 190,000 per annum as assumed by Treasury, net migration of 235,000 per annum would require a substantial increase in temporary migration.

It would mean that by 2030 the number of temporary residents in Australia would begin to approach 3 million - currently it is around 1.9 million but was over 2.3 million prior to COVID. Because most temporary residents don't have access to any form of government welfare support, in a weak labour market there is a strong risk of a further increase in exploitation, wage theft and abuse - many would become destitute and reliant on charity.



Underpayment of temporary migrants was a focus of the Migrant Workers' Task Force (2019) which noted "the underpayment and exploitation of temporary visa holders is a significant problem that has adverse effects on individuals, law-abiding employers and the community in general. Employers who flout the law and mistreat migrant workers are undermining Australia's reputation as a fair country in which to live and work".

In its response to the report of the Task Force, the Government claimed that it had "already taken unprecedented steps to protect all vulnerable workers, including migrant workers. This includes the introduction of tough new laws, a tenfold increase in penalties, additional resources and strengthened investigative powers for the Fair Work Ombudsman (FWO). The Government has also introduced reforms to protect employees' superannuation, address the black economy, ban payments for visa sponsorship and target illegal phoenix activity".

These comments confirm the Government has underestimated the size of the problem.

While the Government agreed 'in-principle' to all the recommendations of the Taskforce, the magnitude of the problem is well beyond the capacity of the FWO, even if it were given much stronger powers and much greater penalties for employers and labour hire companies who exploit migrant workers. In 2019-20, the FWO received 19,345 reports of suspected employer breaches, an increase of 17 percent. Yet it was only able to litigate cases of underpayment on behalf of some 25 people.

It would be impossible for the FWO to properly follow up on even a small portion of the reports of underpayment and exploitation that it receives, particularly those that take place on farms well away from the major cities where FWO workers are located. Moreover, the number of reports of exploitation are likely to be just the tip of the iceberg as many temporary entrants are too afraid to report breaches or would lack confidence in any real action being taken - the FWO's actions against 7-11 notwithstanding.

Similarly, the Department of Home Affairs has significantly reduced its compliance actions against employers who use undocumented labour, including unsuccessful asylum seekers. Either the Department does not have the resources to undertake traditional levels of such compliance action or it is unwilling to incur the wrath of employer bodies, particularly farming lobby groups.

Over the past 5-6 years, Australia has experienced its fifth and by far largest wave of asylum seekers. Prior to COVID, asylum seekers were contributing around 25,000 per annum to net migration. This fifth wave of asylum seekers to Australia is unlike any of the previous four waves. Approval rates for asylum seekers in the previous four waves were generally well over 90 percent. Approval rates for asylum seekers in the fifth wave are generally below 10 percent.

The fifth wave has all the characteristics of labour trafficking scams, particularly to undertake farm labour.

An ABC investigation of foreign language newspapers by journalist Isobel Roe found that of 3,000 job advertisements, around 90 percent were advertising on the basis of below minimum wages. This further highlights the endemic nature of the exploitation problem.



Other indicators of the magnitude of the problem include the fact to date 22 people on the relatively small Pacific Island Seasonal Worker visa have died; the reluctance of farmers to join up to the 'fair farms' initiative; the Mckell Institute reports that backpackers picking fruit are being paid as little as \$3 per hour and being forced to pay exorbitant rents for limited accommodation.

There have also been extensive reports of the struggles unemployed Australians are having securing farm work despite complaints from farmers of a lack of labour. It is clear farmers and labour hire companies have become accustomed to hiring temporary entrants and asylum seekers who may be more 'compliant'.

We do not know many asylum seekers may have died on farms, etc as this does not appear to be an indicator the Commonwealth tracks.

We do know of the recent spate of food delivery cyclists who have been killed on the roads. That is another indicator of the pressure temporary entrants such as students and temporary graduates are under in a weak labour market where they have very few legal protections.

Without a substantial strengthening of the role of unions and settlement service organisations in this space, exploitation of temporary entrants, including around 90,000 asylum seekers currently in Australia, will likely continue to rise.

At the same time, the Government will be under intense pressure from universities and state governments to loosen student visa criteria to allow entry of more students whose financial capacity has not been checked to ensure they can survive in a weak Australian labour market; from various employer bodies for more temporary low skill workers - for example to undertake farm work - as well as from the tourism industry to boost working holiday maker numbers through agreements with working holiday maker agreements with more countries.

How Government balances these competing pressures will be a major challenge. But underfunding the FWO; keeping wage theft laws weak and constantly denigrating the work of unions in this space will not help.

Recommendation 12

Whilst unemployment remains high, the Government should avoid devolving responsibility for checking financial capacity of student visa applicants to education providers and of excessive reliance on overseas workers to do farm labour.

Recommendation 13

The Government must take much stronger steps to address the endemic exploitation of migrant workers, particularly temporary entrants working on farms, and Home Affairs must increase compliance action against employers that use undocumented workers and labour hire companies that organise such activity.

Recommendation 14

The Government should initiate an independent review into the deaths to date of at least 22 Pacific Island Seasonal Workers.

Recommendation 15



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NATIONAL SIKH
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Home Affairs must develop a publicly explained strategy for how it will deal with the 90,000 asylum seekers who have entered Australia in the last 5-6 years, the vast majority of whom are being refused protection. The strategy must also explain how Home Affairs is dealing with the organisers of this very obvious scam that it has allowed to operate for so many years.

Social cohesion and the rise of far-right neo-nazi groups

ASIO has confirmed that 40 percent of its resources are now devoted to dealing with such groups. But this issue is much broader than just a matter for security agencies. It must be dealt with at a society wide level to ensure the on-going success of Australia as a multi-cultural society.

The Australian Government has rightly developed extensive legislation prohibiting use of social media sites to incite violence, including the requirement that social media sites take down material inciting violence such as by the Christchurch killer.

However, comments by some Government MPs regarding free speech in regard to the banning of President Donald Trump from Twitter, gives the impression that the legislation relates only to violence perpetrated by some groups and not others.

It is essential the Government make it very clear that no one or group has the right to incite violence, not even the President of the United States nor any neo-nazi or white supremacist groups.

The legislation must be applied impartially and without discrimination.

Recommendation 16

The Government should fund a comprehensive anti-racism strategy. (see it Recommendation 19 in particular on rising Xenophobia).

Recommendation 17

The Government should make it abundantly clear that no one has the right to incite violence and legislation requiring social media sites to remove material that incites violence applies without discrimination and without regard to position or power of the individual.

Recommendation 18

There should no English language requirement for family or humanitarian stream visas.

Recommendation 19

In view of the deteriorating relations between Australia and China and the possible economic decoupling from our No 1 trading partner, DHA should have a plan of action to cushion the adverse effects of economic decoupling:

- (a) on total planned population growth;*
- (b) on total unemployment in Australia - \$1 billion loss in export is equivalent to 3,000 jobs);*
- (c) on the rise of xenophobia (in particular Sinophobia);*
- (d) on social cohesion in the community;*
- (e) ensure that immigration policies (current and future) should maintain a non-discriminatory platform otherwise we would attract be labelled as a racists country overseas.*
- (f) special grants to address rising xenophobia and community harmony and social cohesion.*



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