

## Submission: Strengthening trans-Tasman Economic Relations

### Introduction:

In seeking to identify and discuss experiences of the Trans Tasman Agreement which pertain to the Pacific Island and New Zealand residents in Townsville, North Queensland, it is important to appreciate the 'place based' context of this submission. The Townsville Maori and Pacific Island Family Reference Group was formed in 2012 to bring together members' lived experiences of issues pertaining to adaptation to life in North Queensland; personal and cultural wisdom and practices; and professional knowledge and skills so as to address issues arising from the process of adaptation and integration into the wider community. In working alongside this group Townsville Multicultural Support Group (TMSG) recognises the contributions made by Maori and Pacific Island people to the history, culture, sport and the economic and social fabric of Townsville. TMSG offers ongoing support for efforts to gain 'access and equity' for Pacific Island and New Zealand people. Three aspects of the trans-Tasman experience that were of highest concern were **housing, aged care and education.**

### Profile:

Townsville has a strong profile of cultural diversity which is composed of Aboriginal and Torres Strait Islander populations; growing numbers of Pacific Island and New Zealand migrants; humanitarian settlers and skilled workers of other nationalities including those of Mediterranean culture. Townsville is one of the fastest growing regional centres in Australia. According to the Townsville Bulletin (15/10/2012), the city boasts:

- A regional economy worth \$12 billion, growing at 16.5%.
- \$29 Billion worth of mining, construction and infrastructure projects planned or started for Townsville.
- Unemployment rate consistently lower than Queensland and Australia: 4.2%.
- Demand for 1425 new homes each year.
- Arrival of 3RAR and 1,500 military personal in early 2012.
- Higher median income than state and national average.
- The largest regional city outside of the south-east corner with a younger population, growing at over 3%

[http://www.townsvillebulletin.com.au/more/market\\_profile.html](http://www.townsvillebulletin.com.au/more/market_profile.html)

The official statistics for New Zealand citizens and Pacific Island residents of Townsville (2011 ABS census data) are as follows; New Zealand 4, 926; Cook Island 105; Tokelau 104; Niue, 5. Local knowledge casts these figures in doubt. For example, there are approximately 500 Tokelau people

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living and working in Townsville, a figure which is five times higher than the census data. There are also significantly higher numbers of Tongan and Cook Island individuals than reported. Given the known threat of homelessness for Pacific Islander people in Townsville, the underreporting of Pacific Island migration into rural and regional areas of Queensland can be linked to the issue of 'backdoor' immigration.

### **Housing:**

As a result of this economic expansion, Townsville's rental market is heading into crisis, with a chronic lack of affordable housing, with rental vacancy rates dangerously low and set to plummet further. The Townsville Bulletin reports on the 4<sup>th</sup> February 2012:

*The arrival of the 3rd Battalion Royal Australian Regiment, a severe building slump and the annual influx of university students has fuelled the rental drought. Homes and units available in March are already being snapped up, with rentals attracting up to five applications each. Rental prices rose 4 per cent in December on the back of the property shortage. Townsville's Darren Burgess said he and his wife had spent the past three months desperately trying to find a place to rent to no avail. The National Affordability Rental Scheme has warned the rental crisis will only worsen as population growth in the North outmatched property development.*

[http://www.townsvillebulletin.com.au/article/2012/02/04/303161\\_news.html](http://www.townsvillebulletin.com.au/article/2012/02/04/303161_news.html)

As of 2001 and the introduction of the trans-Tasman Agreement, (TTA) New Zealand citizens who are not permanent residents of Australia do not qualify for Department of Housing accommodation. So then, in a tight rental market where local residents are competing with army regiments for housing, newly arrived and mostly unemployed Pacific Islanders and New Zealanders face the threat of homelessness. It is not surprising that these entrants are living in overcrowded conditions, placing existing tenancies of host families at risk if they assist with 'house surfing'.

*Housing affordability is becoming a dream for most Maori and Pacific families especially here in Townsville. Again in order to become qualified and skilled, Maori and Pacific island children needs to be fully qualified and productive citizens towards society and this is possible through gaining easier pathways to certain privileges that most Australian citizens here in Australia take for granted. We are experiencing a few of our people becoming homeless and or living in overcrowding housing due to the high rents etc, most of our parents are holding down 2 to 3 jobs to make ends meet.*

*(Townsville Maori and Pacific Island Family Study Reference Group, 2012).*

Townsville 2011 census data reports that there were 7 Tokelau homes owned with a mortgage; 3 Niue homes owned by a mortgage; 9 Cook Island owned outright plus 8 with a mortgage; New Zealand 619 owned outright plus 1652 with a mortgage.

### **Other housing risk factors include:**

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- Difficulties accessing accommodation for those who have no tenancy history and lack Australian ID
- Despite changes to legalisation, tenancy blacklisting remains a significant issue with approximately 60% of homeless families (<http://www.feat.org.au/information.php>)
- Discriminatory practices in real estate agencies and the wider community: attitudes which are improving but still pose a barrier for Pacific Island people
- Transition issues affecting housing including: language barriers, skills recognition, cultural adaptation and barriers to employment

**Strategies for reducing/ending homelessness within trans-Tasman populations include:**

- Develop social housing targets for trans-Tasman populations that are appropriate for larger, extended households
- Resourcing to train and employ a diverse workforce
- Resourcing to provide tenancy education for newly arrived migrants for the first 3 years
- Resourcing to provide cultural competency training for real estate agencies
- Recognition that English is a second language for some trans-Tasman migrants which affects their ability to communicate and understand legal documents
- Review Centrelink rent assistance in terms of a 'place based' responses and current rental market prices

**Aged Care:**

Section 101: The Reciprocal Agreement on Social Security in Closer Economic Relations Background Guide to the Australia New Zealand Economic Relationship (1997) states:

*In light of the traditionally high levels of trans-Tasman human contacts, both governments have found it desirable to coordinate the operation of social security systems in Australia and New Zealand by means of a treaty-level agreement. The current 7 September 1995 agreement, like its predecessors, seeks to enhance equitable access to social security benefits for citizens residing in the territory of the other country.*

After changes to that arrangement in the trans-Tasman Agreement of 2001, the instituted limited access to some safety net payments has been found to create hardship for a small but growing number of New Zealand citizens and Pacific Islanders residing in Australia. While New Zealand citizens living in Australia have immediate access to family payments and health care under Medicare Australia, the situation is not the same for their parents or the parents of migrants from Tokelau, Niue, Cook Islands or 'back door' migrants from Kiribati, Tuvalu and Tonga who arrive in Australia via New Zealand.

The culture for Pacific Islanders is to look after their parents in the home: so people who are arriving in Townsville regardless of TTA and visa provisions, may eventually bring their elderly relatives to Australia, depending on the family situation back home. These elderly people have to wait for at least a year to apply for a Health Care card, which is vital in securing medical aids such as MASS continence aids. The problem seems to be that many Pacific Island migrants are unaware of the restrictions surrounding access to aged services and pensions or the cost of obtaining services and aged specific aids without government subsidies. In New Zealand, Pacific Islanders have to work for 20 years to qualify for the 'old age' pension- that provision does not exist in Australia. The current situation is that unless one is a permanent resident or a citizen, people can pay tax for many years and still not be eligible for an aged pension.

**Case Study:**

*I look after my mother whom is a New Zealand citizen and I have been moving to Australia from Samoa since the ending of 2009. I work as a public servant and I paid tax for Australian government and have never committed any offence. She has just migrated from New Zealand recently and when making enquiries about financial support for her, I have found out that the government of New Zealand and Australia could not assist her financially but only Medicare card which helps a little. She has migrated to Townsville because she could not handle the cold in Wellington where she was resided. There are some ladies issues which I could not facilitate her with which leave me no choice but have to move her to my sister that will move to Melbourne from Auckland new Zealand just for this reason. Culturally, a rest home for elders in our culture is the home of their children. The carers are the children of a parent which have other responsibilities such as looking after and financially support their own children. It is embarrassed in the culture to send a parent to a rest home. It makes the children looks bad in the community and construed as disrespecting the culture by other family members and Samoan nationalities. My sister has to resign from being a principal of a Child care School to facilitate our mother. I also have no choice but to resign and move to find work to live next to her not only financially support but caring and decision making.*

*(Townsville Maori and Pacific Island Family Reference Group, 2012).*

It can be argued that as trans-Tasman migrants are contributing significantly to the economic growth in Australia, there should be recognition that to sustain that economic activity, provision could be made for tax payers to receive some assistance toward the cost of caring for elderly parents. Also too, it could be argued that if New Zealand's and Australia's economies are to become more integrated, then long term Pacific Island PAYE tax payers should have access to an aged pension when they reach retirement age. Otherwise this situation will evolve into an intergenerational poverty trap.

**Education:**

Pacific Islanders strongly believe that education is the key to success. Currently HECS fees for tertiary education are only available to Australian citizens. New Zealand citizens do have the same fee structure as Australian citizens but these fees are payable up front at the beginning of each semester. Therefore some New Zealand families are forced to send their children back to New Zealand to gain access to university education- or at least, one they can afford. Meanwhile, non-permanent residents have to pay the same fee structure as international students.

*Our Pacific Island children who are not permanent residents are not entitled to any youth allowance, scholarships, once they are over the age of 16. This is because we do not have permanent residency which will only force them to go into the work force rather than to further their education. This trickle- down effect will only find our children in lesser qualified positions and this is certainly quite disempowering for us as parents since we believe highly in education as our tool to become productive members of society. The lack of financial support for Pacific Islanders who want to further their education especially when our families has been working and living in Australia for a period of time paying taxes and to adapt to the Australian way of life.*

*(Townsville Maori and Pacific Island Family Reference Group, 2012).*

However the Queensland University of Technology (QUT) has recognised that:

*New Zealand citizens and Pacific Island New Zealanders living in Australia have additional factors to consider when they are thinking about their post-school options as they may not qualify for all the higher education assistance available to Australians. In addition, Maori and Pacific Islanders may lack successful uni student role models."*

So they have organised a range of Equity Scholarships for students from low income families which can be contacted at [equityscholarships@qut.edu.au](mailto:equityscholarships@qut.edu.au). While this proposal is an excellent idea, the offer of a scholarship in Brisbane means that Pacific Island migrant children from Townsville would have to leave home to take up these scholarships when their support base and affordable accommodation is in Townsville, which is a further cultural and financial impost.

**Conclusion:**

The draft Productivity Commission's report needs to consider the evolving story of New Zealand and Pacific Island economic integration in terms of its impact on the migrant workers and their families who help provide the labour for this enterprise. If New Zealand Pacific Islander citizens and 'back door' migrants from other Pacific Island spend most of their working lives in Australia, but are unable to become permanent residents, how will they qualify for an aged pension anywhere? What happens to the taxes they pay? What happens to their parents and children if they are unable to flourish as well as they might, because they cannot equitably access aged care services, tertiary

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education and sporting scholarships? It is in Australia's interests to find a path for these children and to more equitable care for the elderly parents of tax payers who are contributing to the wealth of this Pacific region and the Australian economy .

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CAMS program

Townsville Multicultural Support Group