Submission Brief



## Limits to mobility

This is a brief submission in response to the Productivity Commission Draft Report on Geographic Labor Mobility.

Anglicare Australia is a network of over 40 independent local, state, national and international organisations that are linked to the Anglican Church and are joined by values of service, innovation, leadership and the faith that every individual has intrinsic value. Our services are delivered to one in 45 Australians, in partnership with them, the communities in which they live, and other like-minded organisations in those areas. In all, over 23,000 staff and almost 16,000 volunteers work with over 500,000 vulnerable Australians every year delivering diverse services, in every region of Australia.

Only a few Anglicare Australia members provide direct employment services through the job services network, although many provide emergency relief, family support, homelessness and housing, disability, mental health, financial counselling, and a wide raft of other community services.

In responding to this report, Anglicare Australia has a particular interest in the employment and work opportunities for people who have been unemployed over the long term, and those who experience multiple disadvantage.

Given that focus, this document is primarily concerned with the factors that specifically inhibit labour mobility for the population groups with whom Anglicare members work most closely and the social impacts of that mobility, and so is concentrated on chapters eight, eleven and twelve of the Draft Report.

The Draft Report is clear in its finding that the main impediments to geographic labour mobility are personal and, in particular, family circumstances. This is true across the board but it can be of particular relevance to people living on low incomes, members of disadvantaged groups, and those with low education and skill levels. The connection to family support, trusted schools and community services, and local communities can play a vital role for people who are getting by day to day. For many of those Anglicare Australia members work with, leaving that behind for a new job in a far location would simply not be viable.

Research by NATSEM commissioned by Anglicare Australia – <u>Going Without</u> (2012) – found that people living on the lowest levels of support, the Newstart and Youth allowances, spend on average 122% of their



weekly income, about two thirds of which goes on very basic needs. Any relocation, or even exploratory visit to a distant city or state, could be well beyond their reach.

There is evidence within our network, of families travelling to job rich areas 'on spec' and finding themselves without income or a home, and in desperate need of support. As the Jobs Australia <u>submission</u> to this inquiry makes clear, relocation support for people unemployed over the long term needs to target "identified, ongoing" jobs, and the support itself would need to be both continued and flexible. It would also need to be truly optional, for all the personal reasons suggested above.

This is an important consideration in the face of the current popular attack on welfare recipients. The imposition of further conditions on income support, such as extensions to the work for the dole schemes, tougher work tests, and more stringent criteria for the disability pension, are all designed to address (and promote) what is in essence a fictional problem. As Anglicare Australia argued in <a href="Supporting More Australians into Work">Supporting More Australians into Work</a>, its submission to the Senate inquiry into the Social Security Amendment Bill 2013, there are simply not enough jobs available for people living with disability, episodic illness and other disadvantages. That is true of work places right across Australia.

While the Draft Report's findings on these barriers to mobility are clear, they need to be strengthened to combat the presumption that education and training is a waste of time for people on Newstart. In <u>Not Looking for Work</u> (Centre for Independent Studies, 2013) Andrew Baker argues training is a device used to disguise the level of unemployment and implies that anyone could get a job if they just went (or were driven) far enough.

As the Draft Report makes clear, education and highly valued skills are key facilitators for labour mobility. The reality is that fly-in-fly-out and permanent relocation are avenues for people to sell their skills and experience; and for people with no qualifications, no experience and little education – labour mobility is no solution. Education and high quality training may be the kind of investment which make a difference to people excluded from the workforce.

The Draft Report also draws attention to the impact on rural and regional communities of the skills and brains drain that labour mobility can represent. It is a reminder that the social and economic impact of labour mobility is a double edged sword and any thoughtful government policy needs to take those impacts into account.

It is worth looking a little closely, then, at those instances where relocation has worked well for people on the margins of our society and for their destination communities as well. In recent times, it has often been people from distinct cultural backgrounds such as refugees. A community of the Hmong from Vietnam and Laos were visibly successful market gardeners in Tasmania before largely moving to Queensland. A number of Afghan refugees worked in abattoirs in NSW and WA for some time, and there are established communities of refugees from East Africa in and around Swan Hill in Victoria. It is not surprising that new arrivals are open to relocating for work, but the evidence is that such developments are only sustainable if



the community groups are not too small and there is adequate social infrastructure and support, as Margaret Eldridge's <u>study of the Hmong</u> and regular <u>media commentary</u> from Geelong's multicultural organisation Diversitat suggest.

Affordable housing, or rather the lack of it, compounds the challenge for people with very limited assets and income hoping to take up job opportunities elsewhere. As Anglicare Australia's <u>Rental Affordability Snapshot</u> has made clear several years in a row now, there is simply no affordable rental housing available for people on low incomes where the job booms are. And the problem extends to people on middle incomes, with many Anglicare agency workers (for example) unable to find somewhere to live in the very towns they work.

The Draft Report raises good questions about inflexible public housing waiting lists, the critical shortage of appropriate private rentals and the enormous disincentives to moving that they create. At the heart of the matter is the expectation that all members of our society are entitled to have acceptable living standards, even those living on government benefits, and that does mean a home.

This gives rise to another kind of mobility. There are many people, particularly families and the aged, who relocate to affordable and secure housing at the expense of education, employment opportunities, health, transport and other amenities. The challenge would appear to lie in ensuring there is secure and appropriate accommodation available where there is work and vice versa.

Employment creation is outside the ambit of this inquiry. But Anglicare Australia lends its support to comments in the Victorian Council of Social Services <u>submission</u> to this inquiry, that improving public transport, education and other social infrastructure in generally underserviced areas of affordable housing would both create work locally and improve the mobility and opportunities available to residents.

As the Draft Report points out, the Commonwealth Rent Allowance is especially inadequate in highly priced markets such as the resource boom sites. From our perspective, the problem lies more in the shortage of appropriate housing for new arrivals and then, more disastrously, for existing low income households who can experience a very real loss in the quality of their lives.

Until governments, and perhaps key business partners, adopt a coherent approach to this national shortage of affordable rental housing – private and public – labour mobility and much of the economic opportunity it represents will be the preserve of the young, affluent, highly educated or especially skilled on the one hand, and those prepared or required to live in overcrowded, inadequate and insecure housing on the other.

The most important thing for most people is their family, their friends, the place they belong. On top of that it is what they can do with the opportunities they have – they contribution they can make to the people and the world around them. Those who are disadvantaged, living in hardship or on the edges of



society are no different. But the challenge of making good in another location – without training, guaranteed employment and nowhere secure to live are so much harder.

At a time when people in receipt of income support are under attack, the notion of labour mobility may be used against them. The reality however is, that the more marginalised and disadvantaged you are, the more you need job opportunities that are in your line of site, a home which is secure, and some real connection to world around you.

**END** 

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