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New Zealanders in Australia: a quick guide

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Social Policy

Under various arrangements since the 1920s, there has been a free flow of people between Australia and New Zealand. Historically, migration flows across the Tasman have been large in both directions, but since the 1960s more New Zealanders than Australians have chosen to cross the Tasman to live. In [2011–12](#), the number of New Zealand permanent settlers who came to Australia was 44,304. This represents a 28 per cent increase from the figure for 2010–11. As at [June 2013](#) there were an estimated 640,770 New Zealand citizens present in Australia.

Under the [Trans-Tasman Travel Arrangement](#) introduced in 1973, 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.

The Special Category Visa

Since 1 September 1994 all non-citizens in Australia have been required to hold a valid visa. As a result, the [Special Category Visa](#) (SCV) was introduced specifically for New Zealand citizens. This visa is issued on arrival and there is no need to apply prior to entering Australia. To obtain an SCV a New Zealand citizen must present a valid New Zealand passport and an incoming passenger card to immigration officials upon arrival in Australia.

What are New Zealanders in Australia entitled to?

The SCV is classed as a temporary visa, and temporary visa holders do not have the same rights and benefits as Australian citizens or permanent residents. To access such rights, temporary migrants, including those from New Zealand, must obtain permanent visas. In contrast, on entering New Zealand, all Australian citizens and permanent residents [are automatically granted residence visas](#), and they may apply for [permanent residence](#) after having held a residence visa continuously for two years.

Prior to 2001, New Zealand citizens in Australia on SCVs could access social security and obtain Australian citizenship without first becoming permanent residents. In February 2001 Australia entered into a new bilateral social security arrangement with New Zealand and amended citizenship laws for New Zealand citizens. Under these changes, all New Zealand citizens who arrived in Australia after 26 February 2001 and who want to access certain social security payments, obtain citizenship or sponsor family members for permanent residence may only do so after applying for, and being granted, permanent residence through the migration program.

[Transitional arrangements](#) were put in place for New Zealanders in Australia at the time of the amendments. This means that New Zealanders who were already in Australia as SCV holders on 26 February 2001 may continue to apply for citizenship, sponsor family members for permanent residence and access social security payments without being granted permanent visas.

Social Security

Eligibility for Australia's social security system is based primarily on residency and financial means. It is a basic qualification or claim requirement for almost all pensions, allowances and benefits that persons must be Australian residents.

To be considered an Australian resident, a person must reside in Australia and be:

- an Australian citizen or
- the holder of a permanent visa or
- a Special Category Visa (SCV) holder who is considered a 'protected' SCV holder.

[Protected SCV holders](#) are those SCV holders who:

- were in Australia on 26 February 2001
- were in Australia as an SCV holder for a period of, or periods totalling, 12 months during the two years immediately before 26 February 2001
- commenced or recommenced residing in Australia within three months from 26 February 2001 or
- were residing in Australia on 26 February 2001 but were temporarily absent.

New Zealand citizens who have arrived in Australia since 26 February 2001 on SCVs are considered 'non-protected SCV holders' and have restricted eligibility to social security benefits (see below).

Waiting periods

For some social security payments there are additional residency-related requirements. For income support payments, such as pensions and allowances, a waiting period applies restricting access until persons have been permanent residents in Australia for a certain number of years. Family assistance payments generally have no waiting period and are available to eligible permanent visa holders and SCV holders (protected and non-protected) immediately upon arrival in Australia.

To be eligible for allowance payments such as Newstart Allowance and Youth Allowance, as well as payments such as Parenting Payment and Carer Payment, persons must have resided in Australia as Australian residents for two years. For pensions, including the Age Pension and Disability Support Pension, persons must have been Australian residents for ten years or more (including at least five of those years in one continuous period) before they become eligible. Disability Support Pension can be accessed immediately if the impairment causing inability to work (one of the eligibility criteria) occurred while a person was an Australian resident.

Exceptions can apply to these rules in special circumstances, in particular refugees granted permanent protection visas can have their waiting period for payments waived. Exceptions to the residency rules can also apply to migrants from countries with which Australia has a social security agreement. These agreements typically affect pension eligibility by recognising years spent contributing to the agreement country's pension fund as years counting towards Australia's pension residency requirements. Agreements differ as to exactly how the rules are applied, and to what payments they can be applied.

Entitlements for protected SCV holders and permanent visa holders

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 that they have the same eligibility as Australian citizens, provided they have served any applicable waiting period.

The one exception to this rule is the Abbott Government's proposed 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. [Legislation before the Parliament](#) includes provisions that will exclude all New Zealand citizens, both protected and non-protected SCV holders, from the definition of 'Australian resident' for the purpose of assessing qualification for this new payment.

Entitlements for non-protected SCV holders

New Zealand citizens who are non-protected SCV holders (those who arrived after 26 February 2001) who intend to live in Australia permanently are only eligible for certain payments under certain conditions.

Family assistance payments

Non-protected SCV holders are eligible for all family assistance payments under the same conditions as Australian citizens. These payments include:

- [Family Tax Benefit](#) (FTB) (including the Newborn Supplement and Newborn Upfront Payment) as well as the Clean Energy Supplement and the Schoolkids Bonus payment, both of which are linked to FTB eligibility.
- [Child Care Benefit](#) and the [Child Care Rebate](#)
- [Double Orphan Pension](#) and
- [Parental Leave Pay](#) (including Dad and Partner Pay).

If they are renting privately and receiving FTB, SCV holders may be eligible for [Rent Assistance](#).

Allowance payments

SCV holders who arrived in Australia on New Zealand passports and have lived in Australia continuously for at least ten years since 26 February 2001 can access a [once only payment](#) of Newstart Allowance, Sickness Allowance or Youth Allowance for a maximum continuous period of six months. The six-month period does not start until any relevant waiting and/or preclusion/exclusion periods have been served and payments commence. Transfer between payments is not permitted under this residence exemption. For example, a person in receipt of Newstart Allowance by virtue of this exemption would not be able to transfer to Sickness Allowance. They may be subject to waiting periods on the same grounds as other applicants, for example where they have received a redundancy payment or have more than \$3000 (single) or \$5500 (couple) in liquid assets.

Where SCV holders move on to permanent entry visas, (for example a spouse visa) they are considered under the same conditions as citizens of other countries, which in general means they are subject to the two-year newly arrived migrant waiting period for allowance payments.

Pensions and Carer Payment

Under Australia's [international social security agreement](#) with New Zealand, [New Zealand citizens living in Australia](#) can apply for the Australian [Age Pension](#) (if over the age of 65), [Disability Support Pension](#) (if they are severely disabled) and [Carer Payment](#) (if they are caring for a partner on DSP) irrespective of whether they are protected or non-protected SCV holders. There are certain residency and other qualifications applying to these payments. [Reciprocal arrangements](#) apply in relation to certain New Zealand payments.

Disaster payments

Non-protected SCV holders are not generally eligible to receive the Australian Government Disaster Recovery Payment or the Disaster Recovery Allowance. However, it has been the practice for ex-gratia payments to be made to New Zealanders for [major disasters](#).

Health Care Cards and the Commonwealth Seniors Health Card

Non-protected SCV holders are entitled to a low-income [Health Care Card](#) if they have served a newly arrived resident's waiting period of two years and meet the income test. This card provides access to discounted medicines under the Pharmaceutical Benefits Scheme and access to concessions provided by state and territory governments and some private businesses. Non-protected SCV holders who are receiving the maximum rate of Family Tax Benefit Part A are automatically entitled to a Health Care Card and do not need to serve a waiting period.

Non-protected SCV holders who are over age pension age, not in receipt of pension payments and who have served the newly arrived resident's waiting period of two years may qualify for a [Commonwealth Seniors Health Card](#) (CSHC). The card provides access to discounted medicines under the Pharmaceutical Benefits Scheme (PBS), transport and other concessions as well as the Seniors Supplement and Clean Energy Supplement payments worth a combined total of \$1,214.20 a year for singles and \$915.20 a year for each member of a couple (paid in quarterly instalments). An income test applies to the CSHC.

Health care

Generally speaking, in order to be entitled to Medicare a person must be an Australian citizen or permanent resident. However, New Zealanders (protected and non-protected SCV holders) who are residing in Australia are also [eligible for Medicare](#) and may be issued with a Medicare card upon presentation of documentation proving residence.

Under Australia's [Reciprocal Health Care Agreement](#) (RHCA) with New Zealand, New Zealand residents visiting Australia are also entitled to services as public patients in a public hospital (including outpatient services) for medically necessary treatment and prescription medicines which are subsidised under the PBS.

Higher Education

In general, New Zealand citizens and non-humanitarian permanent visa holders are not eligible for HECS-HELP loans or discounts for upfront payments of student contributions. This does not apply to New Zealand citizens who are also Australian citizens. This has been the case since new eligibility requirements were introduced from 1 January 2005 in the [Higher Education Support Act 2003](#) (HESA). Section 90(1) of the HESA requires that students must meet citizenship or residency requirements—they must be Australian citizens or permanent humanitarian visa holders who will be resident in Australia for the duration of the unit. The same rules apply to all five of the student loans in the [Higher Education Loan Program](#)—HECS-HELP, FEE-HELP, OS-HELP, VET FEE-HELP and SA-HELP.

While they cannot access HELP, New Zealand citizens are considered domestic students for the purposes of taking up Commonwealth-supported places. This entitles them to tuition at the Commonwealth subsidised rate of student contribution. New Zealand citizens are also considered domestic students for the purposes of higher degrees by research. This means that they can receive Australian Postgraduate Award (APA) scholarships. These scholarships are awarded to students who undertake higher degrees by research at eligible Australian higher education providers.

Subject to the passage of legislation, the Australian Government has announced [changes to eligibility requirements](#) affecting New Zealand citizens in Australia. From 1 January 2015, New Zealand citizens who hold SVCs will be able to access HELP loans provided they:

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

For further information on student loans for New Zealanders in Australia see the Parliamentary Library publication: L Doyle, [Trans-Tasman differences in student loans](#), Research Paper, 2013–14, Parliamentary Library, Canberra, 2013.

Do Australians in New Zealand receive greater benefits than New Zealanders in Australia?

Social security

Generally, Australians residing ([‘ordinarily resident’](#)) in New Zealand have the same social security entitlements as New Zealand citizens, provided waiting periods (generally around two years) have expired.

The following are the [main social security benefits](#) available in New Zealand and the main eligibility criteria relevant to Australian citizens:

- [Jobseeker Support](#) (for sickness or unemployment): Australian citizens or former residents (including New Zealanders returning after living in Australia) may be eligible for Jobseeker Support, if they have been continuously resident in New Zealand for at least two years and if they fulfil other eligibility criteria. Recipients must reapply after 52 weeks.
- [Sole Parent Support](#) (for singles aged 19 years or over with a dependent child in their care under the age of 14): Australian citizens or former residents may be eligible if they have been continuously resident in New Zealand for at least two years and if they fulfil other eligibility criteria.
- [Supported Living Payment](#) (for people with disabilities or their carers): Australian citizens or former residents (including New Zealanders returning after living in Australia) may be eligible for a Supported Living Payment, if they have been continuously resident in New Zealand for at least two years and if they fulfil other eligibility criteria.
- [New Zealand Superannuation](#) (that is, the age pension): Australian citizens or former residents (including New Zealanders returning after living in Australia) may be eligible for the age pension if they meet eligibility

criteria. Generally, eligibility is based upon residency in New Zealand for not less than ten years since the age of 20, including five years or more since the age of 50. Under the social security agreement between Australia and New Zealand, periods of residence in Australia may be recognised for the purposes of eligibility for New Zealand Superannuation. New Zealand Superannuation is not income or assets tested, but receipt of an Australian pension may affect payment rates.

- [Emergency Benefit](#) may be provided to Australian citizens residing in New Zealand, if those citizens have no other means of supporting themselves and are ineligible for another benefit (in a similar way to Special Benefit in Australia).

Extra or supplementary benefits, such as the Family Tax Credit, are payable to eligible recipients of the above payments and the same residency criteria apply.

Reciprocal arrangements under the Australia–New Zealand [social security agreement](#) apply in relation to certain New Zealand payments, including New Zealand Superannuation, Veterans Pension and Supported Living Payment.

Health care

Access to [health care](#) for Australians in New Zealand is generally equivalent to what New Zealanders may access in Australia. Under the Reciprocal Health Care Agreement between Australia and New Zealand, Australian citizens and permanent residents temporarily in New Zealand may access necessary public hospital treatment, pharmaceuticals and maternity services on the same terms as New Zealand citizens. Publicly funded health care beyond that provided for under the reciprocal agreement is available to Australians who are resident in New Zealand for two years or more, or who can demonstrate an intention to reside in New Zealand for two years or more.

Higher Education

Australian citizens in New Zealand are classified as domestic students and do not require student visas. Currently, Australian citizens become eligible to apply for tertiary student allowances and student loans after a residency period of two years. The two year waiting period was introduced in 2011 and is referred to as a ‘two year stand down’. In the 2013 Budget, the New Zealand Government [announced an increase](#) in the stand down period from two to three years. The changes will apply as of 1 January 2014.

For further detail see the Parliamentary Library’s publication: L Doyle, [Trans-Tasman differences in student loans](#), Research Paper, 2013–14, Parliamentary Library, Canberra, 2013.

Does Australia gain greater benefit from the arrangement than New Zealand?

Several New Zealander [advocacy groups](#) have argued against the restrictions placed on post-2001 arrivals by the Australian Government are unfair. These groups have campaigned for better treatment for New Zealanders in Australia, pointing out that Australians in New Zealand are entitled to a wider range of benefits than New Zealanders in Australia. They also argue that the restrictions on access to social security are unjust, as New Zealanders living and working in Australia pay income tax, but are unable to access many of the benefits paid for through the tax system. In addition, commentators have [expressed concern](#) that New Zealanders in Australia will be required to pay levies for the National Disability Insurance Scheme, but will not be entitled to access services under the scheme.

In 2012, the Australian and New Zealand Productivity Commissions conducted joint research to mark the 30th Anniversary of the Closer Economic Agreement with New Zealand. The Report of this research, [Strengthening Trans-Tasman Economic Relations](#), was released in November 2012. The joint research project involved a modelling exercise to trace the economic impact of trans-Tasman permanent migration

The report’s findings were complex, but included:

- New Zealand loses a significant number of skilled migrants to Australia.
- There is an incentive for New Zealand nationals to return home after working in Australia and for retired Australians to go to New Zealand to live. This places an additional burden on New Zealand’s retirement income system.

The Commissions recommended:

...the Australian and New Zealand Governments should provide clearer and more accessible information to prospective migrants, new arrivals and long term residents about their responsibilities and entitlements in their

destination country. This would enable people to make better informed decisions about seeking work in the other country.

The Commissions also acknowledged:

...issues about access to public services and assistance for New Zealand citizens who have been in Australia for many years, many of whom have paid taxes for years. These mainly centre on long term resident non-Protected SCV holders and include: limited pathways to Australian permanent residence and citizenship; no access to student loans for their children; and restricted access to some social security payments and other supports.

The Commissions noted that addressing these issues 'would require policy changes by the Australian Government, including:

- developing a pathway for New Zealand citizens living long term in Australia to achieve permanent residency and/or citizenship
- improving access for New Zealand citizens to tertiary education and vocational training through the provision of student loans, subject to a waiting period and appropriate debt recovery provisions
- (together with the New Zealand Government), reviewing, and making more explicit, the principles governing access to social security and further developing bilateral engagement on migration policies, within the context of CER [Closer Economic Relations], the single economic market and the Trans-Tasman Travel Arrangement'.

Action is underway regarding access to student loans, but it seems unlikely that there will be any movement in the near future on the issues of social security and pathways to citizenship. When the New Zealand Prime Minister, John Key, visited Australia in October 2013, he [raised the issue](#) of access to social security for New Zealanders in discussions with Prime Minister Tony Abbott. Mr Abbott [indicated](#) however that his government would not be making any changes to current arrangements.

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