

29 January 2021



The Hon Michael Sukkar MP  
Assistant Treasurer  
by email: [prebudgetsubs@treasury.gov.au](mailto:prebudgetsubs@treasury.gov.au)

# Pre-Budget Submission 2021-22 Budget

**GetUp welcomes the opportunity to engage in the Pre-Budget Submission process for the 2021-22 Budget.**

By combining the power of one million members, movement partners and a central team of expert strategists, GetUp works to have extraordinary impact on the issues that matter.

GetUp members come from every walk of life, coming together around a shared belief in fairness, compassion and courage. It is GetUp members who set our movement's agenda on the issues they care about, in the areas of Environmental Justice, Human Rights, First Nations Justice, Economic Fairness and Democratic Integrity. Our work is driven by our shared values, not party politics.

Re-imagining what's politically possible is a process that takes time. As one of the best economic minds, John Keynes, said last century: the difficulty lies not in new ideas, but in escaping old ones. But despite the division that often engulfs our politics, most people know we can do better. The COVID-19 crisis has seen people experience increased feelings of anxiety, but also solidarity. We've been reminded of how interdependent we are, and the vital role the government must play.

We may come from different backgrounds, but we want to move in the same direction: towards good jobs, safe homes, world class health and education, and affordable clean energy. These aren't radical ideas. In a country as wealthy as Australia, they're common sense and basic decency. They are a path for recovering both from this pandemic, and the damaging neoliberal consensus that preceded it. A recovery that insists on putting people first. A people's recovery.

### **A people's recovery requires:**

- Investment in vital public services such as health, housing, broadcasters, education and emergency services.
- Preparing our economy for the climate crisis by investing in agencies that can fast track Australia's renewable energy industry and create thousands of regional jobs.
- Cracking down on greed and corporate power, with adequate corporate tax and corruption laws.
- Creating a welfare system where unemployment is not punished as a personal failing, but seen as the reality of being locked out of paid work because there are not enough jobs.

A people's recovery means remembering that we don't exist to serve the economy, it exists to serve us – and we need our leaders to do more to ensure that we are well served into the future.

We have also provided a separate pre-budget submission from our First Nations team relating to restoration of funding for the Australian Electoral Commission for the Indigenous Electoral Participation Program.

Please do not hesitate to contact me should you require any further information. We will be engaging and mobilising GetUp members throughout the Budget process, to Budget Night in May and beyond.

### **Emma Bull**

Political Director  
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# Economic Fairness and the Covid Recovery

**Without a profound – yet common-sense – reimagining of our employment and unemployment systems, the crisis of poverty deepened by coronavirus threatens to spiral out of control.**

This crisis wasn't started by the pandemic, however – it was rooted in an austerity economy that put budget surpluses above social welfare.

The immediate economic response to coronavirus was the correct one – putting money directly into the hands of workers, doubling the safety net for unemployed people, and expanding access to public services like healthcare and childcare. These were good policies during the pandemic, but are still just as necessary afterwards.

When the Government increased the rate of income support in April, they proved that they could afford to give people enough to cover the basics. Cutting the supplement again will unnecessarily deepen the poverty crisis, and all of the devastation that comes with it: homelessness, mental illness, poor educational outcomes and more.

The Government's next income support cut will be widely felt. Modelling by the Australian National University shows that successive cuts to the supplement will have pushed an additional 1.6 million people into poverty by January 2021, compared with a scenario where the full supplement remained.<sup>1</sup>

The Government's 'jobs incentive' argument for cutting income support doesn't stack

up. In late October of this year, the national effective unemployment rate was at a sky high 9.3 per cent,<sup>2</sup> and is not predicted to return to pre-pandemic levels for another five years.<sup>3</sup> Additionally, Anglicare's latest jobs report shows that there are up to 106 jobseekers for every entry-level position.<sup>4</sup>

The jobs that people on income support are supposed to find when the supplement is cut again simply will not exist. In the two weeks after JobSeeker and JobKeeper were cut in September, job numbers fell by 1.6 percent, and salaries fell by 5 percent.<sup>5</sup> Furthermore, a Deloitte report released in September estimated that removing the supplement altogether by Christmas would cost the economy \$31bn in reduced spending and the equivalent of 145,000 full-time jobs over two years.

<sup>1</sup> Covid welfare cut will cast 330,000 more Australians into poverty, The Guardian, 18 November 2020

<sup>2</sup> Unemployment won't return to normal in Australia for another 4 years, as new analysis reveals the 'marathon' recovery ahead, Business Insider, 28 September 2020

<sup>3</sup> Australia's unemployment rate could be higher than 6.9 per cent according to analysis of welfare payments, ABC News, 23 October 2020

<sup>4</sup> Jobseekers outnumber vacant jobs by as much as 106-to-one, study warning of coronavirus employment crisis reveals, ABC News, 14 October 2020

<sup>5</sup> Coronavirus pandemic's impact on household budgets laid bare in new postcode data, ABC News, 12 November 2020

<sup>6</sup> Election FactCheck Q&A: is it true Australia's unemployment payment level hasn't increased in over 20 years?, The Conversation, 16 May 2020

<sup>7</sup> Poverty in Australia 2020, UNSW and ACOSS, 2020

<sup>8</sup> Henderson Poverty Line, Melbourne Institute and University of Melbourne

Even before the COVID recession, the economic case for lifting income support was strong. Now, it's a no-brainer. A dollar to the unemployed is much more likely to be spent than a dollar anywhere else — and money flowing through our economy is exactly what's needed. The base rate of JobSeeker has not been increased in real terms since 1994.<sup>6</sup> This is a blight on the record of a wealthy country like Australia.

In recent months, people on income support have been holding out hope that a permanent increase — and much needed certainty — was on its way. There's a moral and economic imperative for the government to permanently increase the Jobseeker rate to above the poverty line stipulated by UNSW (using a budget standards approach)<sup>7</sup> or the Henderson poverty line.<sup>8</sup> It's high time we ended the needless misery caused by keeping people in limbo on a woefully low base rate, and finally raised the rate for good.

In a year where 'we're all in this together' has become a catch-cry, it's never been more

clear that no one should be left behind in our community. Income support above the poverty line should urgently be extended to people on temporary visas, who despite contributing immensely to our communities — not least through tax — have been left out in the cold during a vicious recession.

People with disabilities should be awarded a payment \$100 above the poverty line to reflect the higher cost of living associated with accommodating a disability.

Payments above the poverty line should immediately be extended to people doing crucial care work for their loved ones, and to pensioners, who after years of contribution to our society, deserve to retire to a life of dignity.

In addition to concerns directly related to the lowering of the Coronavirus Supplement, we'd like to note wider issues in the Government's income support system.

Entire groups of people in our society have been forgotten in the Government's coronavirus support response. Migrants on



temporary visas, casual workers – especially those with multiple jobs, people with disabilities and carers, and age pensioners have all been excluded from critical financial support.

The JobActive, mutual obligations and Cashless Debit Card programs are harmful and fundamentally broken. It was particularly concerning to hear recent reports of 260,000 income support payments suspensions in just one month, as well as the expected expansion of the Cashless Debit Card scheme despite no evidence of its efficacy.

We recommend that the 2021-22 Budget defunds all government spending into private JobActive agencies, and replacing it with a new version of the Commonwealth Employment System that used to exist. People who've fallen on hard times need social services that lift them up, not pull them down. Policies like Work-for-the-Dole, cashless debit, drug testing welfare recipients, and mutual obligations were rightly recognised as needlessly dangerous during a pandemic – but this was the case before coronavirus, and it is the case after. Instead of further entrenching the misery of poverty, these programs should be abolished, and private JobActive employment agencies brought into community hands – for community benefit not private profit. Social

services should instead be designed to help connect people with decent, local work, and provide social support when needed.

GetUp members also support investment in a full employment Job Guarantee scheme, funded federally and administer locally. Delivering public jobs – federally-funded and locally-administered – is a key step in our nation's recovery, and an investment in the future. A Job Guarantee is a federally funded, locally administered initiative to directly end involuntary unemployment and underemployment. Anyone with the right to work in Australia would be able to accept employment in a publicly funded position at a living wage. Crucially, these jobs are not a workfare program. They come with all the workplace rights of full-time employment: award wages, holiday leave, sick leave, and overtime.<sup>9</sup>

Instead of returning to neoliberal economics that laid the groundwork for our economic crisis, the Government should learn from its early successes during the pandemic. An effective economic recovery puts everyday people at the centre – because it is everyday people that cared for our loved ones, kept our essential goods and services running, and maintained community resilience.

<sup>9</sup> The People's Recovery, Job Guarantee, p.7 [https://d68ej-2dhhub09.cloudfront.net/2774-A\\_People's\\_Recovery.pdf](https://d68ej-2dhhub09.cloudfront.net/2774-A_People's_Recovery.pdf)

## **GetUp recommends the Government:**

- 1. Permanent increase JobSeeker to above the poverty line.**
- 2. Extends income support increases to all.**
- 3. Invests in a full employment Job Guarantee scheme, funded federally and administered locally.**
- 4. Defunds all government spending into private JobActive agencies, and replacing it with a new version of the Commonwealth Employment System that used to exist.**

## Economic Fairness testimonials:

*"I lost my job in May due to COVID and there are hundreds of applicants for every job that I'm qualified for, I've been applying for jobs consistently, often without even a response. My partner and I now have to support 3 dependent children and try to pay our mortgage on a single income, when my partner works part time and has just started a new job."*

- Jeff, 4053 QLD

*"As a single mother of 4 kids under 10 it's heartbreaking that I constantly have to tell my kids that we can't do what their friends were doing. After school activities, going places or even stopping at a cafe for a snack or drink is too expensive. But what was worse than that was having to ration everything they eat so we would have enough food for the week - every single bit of fruit, bread and cheese. With the jobkeeper supplement I still can't enrol my 10yr old into the woodworking class she wants to do but at least I don't have to decide between food and petrol every week."*

- Makushla, 2550 NSW

*"I have had horrible times with my employment services provider. (I've been on JobSeeker/Newstart for a few years now). Despite mutual obligations being waived because of COVID, I have continued to get messages saying I have meetings with the provider, which makes me confused and anxious. When I raised the issue with the provider, they said it was an automated message they couldn't do anything about, and I don't need to attend the meetings. But I'm still scared because I know if I get a strike against me by not attending meetings, then my benefits can be cut off. So I attended the (phone) meetings anyway. Once the provider promised they would get me a new job plan I needed to sign as well as some other forms to apply for disability - they didn't send them for more than a month, despite my speaking to them about it four different times. Then they signed me up for the job plan without discussing it with me....*

*...The whole system is such a disaster - these private providers are being paid and they don't help at all, we vulnerable jobseekers are just numbers to them. I hate that my tax money is going to support a system which is patronising and infantilising and not helping me get work."*

- Anonymous, 2021 NSW

*I have been on Newstart for years and now disability pension. Even on DSP it is a struggle to get and maintain housing, on Newstart I was almost guaranteed to be homeless by the end. My housing has often had periods of instability and even now I made a compromise that means that I struggle to get to places I want or need to go. I feel like I did something impossible getting disability, there are other people like my partner who are in impossible situations with disability on jobseeker. It effects everything, including relationships, mental and physical health. We have ended up in cycles of suicidal actions followed by uncaring health system that leaves you with nothing because they can't fix your financial and housing position."*

- Louise, 5163 SA



# Support for temporary VISA holders

Currently over 1 million people on temporary visas are being left out in the cold during the coronavirus crisis. Without access to JobKeeper, JobSeeker and Medicare – many are struggling to put food on the table and keep a roof over their heads.

People on temporary visas are an integral part of our communities – they're our neighbours, friends, colleagues and family and they shouldn't be discriminated against through this crisis.

## **GetUp recommends the Government grant the following to people on temporary visas:**

- 5. Access to ongoing income support so that those who have lost work through the crisis are able to support themselves and their families.**
- 6. Access to Medicare, so that everyone has access to healthcare during a global pandemic.**
- 7. Automatic visa extensions, so those struggling to make ends meet do not have the additional anxiety of visa renewals or retaining legal status.**

This pandemic has also thrown into sharp relief the flaws in Australia's migration program. Over the past 20 years successive governments have eroded access to permanent residency and citizenship, which has left many long-stay temporary visa holders living and working in Australia, contributing to our communities and economy, without equal rights or stability. As talk of the coronavirus recovery period begins, we must examine our migration system and push for it to be one based in stability and fairness, with clear pathways to permanency.





## Temporary Visa Testimonials

*"I'm a sponsored worker. I have been in Australia for 6.5 years paying around \$65k in tax. Apparently, those on temporary visas are less likely to have permanent ties with Australia. So my sister, brother-in-law and nephew, who are all Australian citizens, aren't close ties? What about my partner of almost four years who is also Australian? I cannot "go home" to England. I will not receive any support as I have not been working there and paid nothing into the economy. The economy I have been paying into won't help me."*

**- Claire S, VIC 3013**

*"My friend, a chef, is on an employer sponsored 457 visa. He has been working for his sponsor for about 30 months. He was laid off immediately when restaurants closed. As a sponsored visa holder he can't work for anyone else. He can't access JobKeeper, which is grossly unfair, nor JobSeeker. He has a family to support."*

**- Anne B, Greenfields, WA 6201**

*"We have an excellent employee from Brazil who is on a temporary visa. He works well and hard and is a great part of our company. We do what we can to help but in these troubled times it would be decent if he was helped like everyone else in our country."*

**- Graham H, North Perth, WA 6006**

*"I have a student in my advanced PLC class who is currently working through his permanent residency application and has just been laid off by his employer. He is a skilled electrical engineer and much needed in our community. He and his family need help to continue to contribute to our economy in the future."*

**- Ian C, Glenelg North, SA 5045**

# Aged Care

## Australia's aged care is in crisis.

Instead of ensuring comfortable accommodation, wholesome food, and superb personal care, the Morrison government has driven our aged care to a breaking point. Aged care should be for people, not for profits. But years of privatisation and budget cuts have placed care of our loved ones in the hands of private aged care providers. We now have a system that is woefully understaffed, with no national minimum standards and a funding model that lacks any transparency. It will take complete reform to put care of our elderly back in the heart of the aged care system.

In December 2020, The Morrison Government accepted all of the Royal Commission's recommendations in their special report into COVID. It was a welcome step in the right direction. However, early funding models shows that the budget allocated falls short of being able to fully implement these recommendations.

We want to see a holistic commitment to reforming our aged care system. That includes making funding transparent and explicitly linked to care outcomes, mandating minimum staffing levels and mandating training requirements for staff.

### GetUp recommends the Government:

- 8. Accept and fully fund, without delay, all recommendations of the Royal Commission into Aged Care Quality and Safety**



## Aged Care Testimonial:

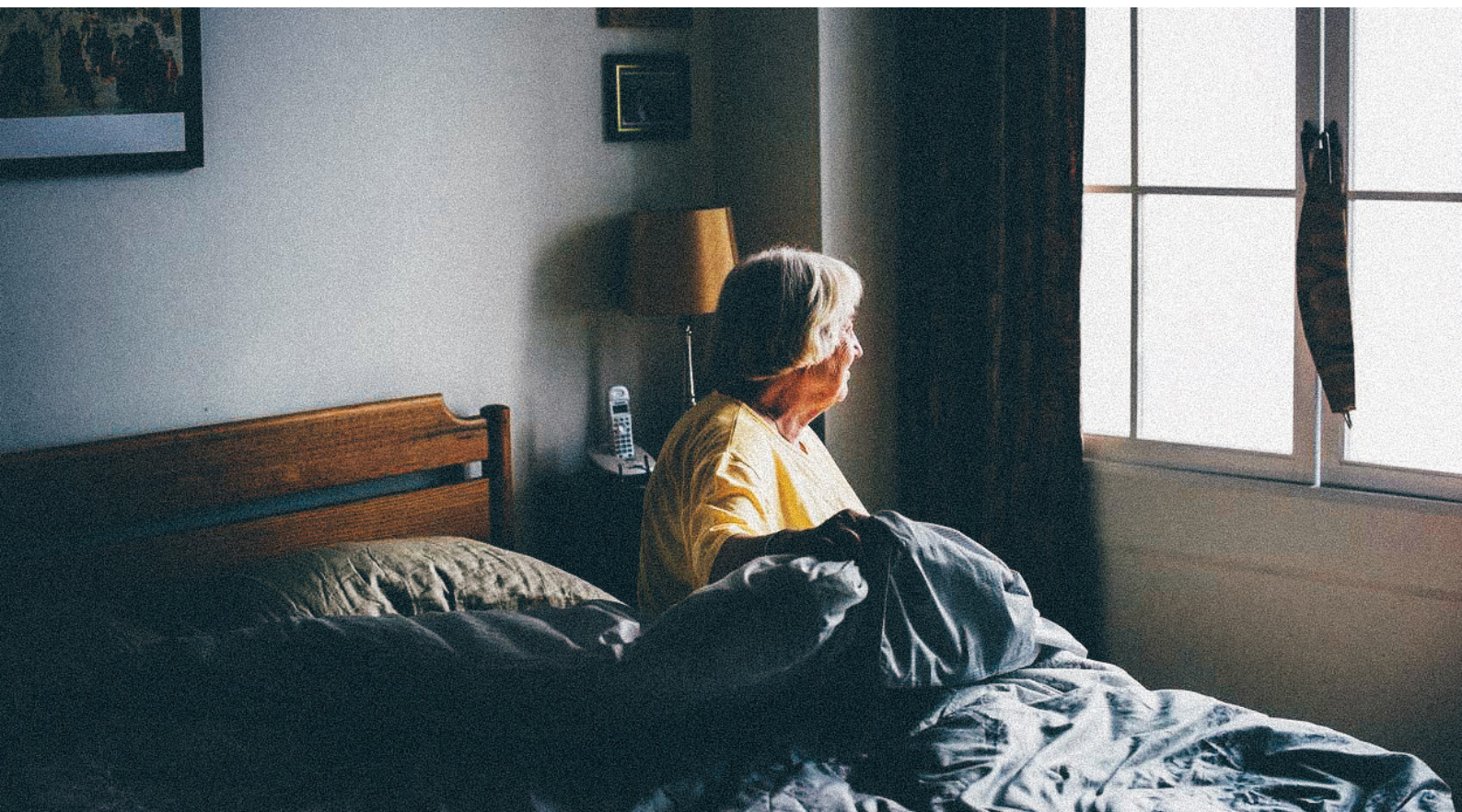
*Wendy, is the daughter of an aged care resident in regional Victoria, who wants to raise awareness of the desperate state of our aged care system and call on the federal government to act on the Royal Commission's recommendations. Wendy's mother is at an aged care facility in regional Victoria. When two of the centre's staff contracted COVID, residents were forced to isolate in their rooms for six weeks. Deprived of human contact, stimulation and entertainment, many suffered drastic declines in their mental health which, in many cases, continue to this day.*

### Wendy said:

*"My mother is in a very well run facility in a regional town. Two staff contracted COVID-19, which resulted in the residents spending six weeks in isolation in their rooms. There were no deaths but the mental health of the residents, including my mother, has suffered.*

*"This is the general problem facing aged care. While the staff at my mother's home do their best in regard to physical care, endless games of bingo passing for entertainment and stimulation is very clearly inadequate. My mother does not play bingo, so she spends long periods alone in her room. Like most residents, she is very depressed.*

*"It is the same in almost all homes. This is definitely not good enough!"*



# Climate Justice

**International momentum on climate action is accelerating fast.**

Recovering from the COVID-19 crisis provides an opportunity to take long-term climate action by investing in clean energy. If governments continue their support of fossil fuel industries at the expense of clean energy investment, we will fail to meet our Paris target and continue to face a future with climate change exacerbated weather events. Any recovery stimulus must not lose sight of the climate crisis, ensuring the health of both our people and our planet - it should mitigate climate change, not exacerbate it.

The choice right now is clear - crisis responses that double down on the dangerous policies of the past few decades (coal, gas, and oil), or those that help shift society and the economy in a better direction (wind, solar, and storage). We can protect the people we love from the persistent crises threatened by rising temperatures, or make them far worse. Right now is exactly the right time to invest and support the infrastructure that creates a robust social safety net and kickstarts our economy - not those which pose the biggest threats to that social safety net and long term economic stability.

There are proven economic ways to stimulate the economy without fossil fuels. Clean hydrogen (strictly not hydrogen fuelled by fossil fuels or CCS) has the capability to replace fossil fuels in steel-making and transport, and can be easily stored. Manufacturing can be done cheaper, and with ample job opportunities, if fuelled by renewable energy sources.

The increased government spending has proved that governments can intervene when a crisis demands it. We have a unique opportunity to create thousands of jobs through strong climate action, and drive a stimulus that we both need and deserve. A well designed stimulus package could offer economic benefits and facilitate a turnover of energy capital which have huge benefits for the clean energy transition.

## **GetUp recommends the Government:**

- 9. Establish a National Climate Compensation Fund, funded by a levy of \$1 per tonne of carbon pollution on exported coal and gas in Australia.**
- 10. Maintain the mandate of the Australian Renewable Energy Agency (ARENA) and the Clean Energy Finance Corporation (CEFC) to focus on clean energy (solar, wind, battery storage, renewable hydrogen) and exclude fossil fuels and their supporting technology, such as gas and carbon capture and storage;**
- 11. Increase ongoing public funding for clean energy, including increasing ARENA by \$2.5bn to 2031.**
- 12. Remove subsidies that entrench the use of fossil fuels.**



CLEAN ENERGY

<sup>10</sup> Australians turn to the ABC during bushfires crisis, ABC, viewed 29 January 2021, <https://about.abc.net.au/press-releases/australians-turn-to-the-abc-during-bushfires-crisis/https://about.abc.net.au/wp-content/uploads/2019/10/ABC-Annual-Report-201819v2.pdf>

<sup>11</sup> Department of Communications 2014, ABC and SBS efficiency study, viewed 17 December 2019, [https://www.communications.gov.au/sites/default/files/ABC\\_and\\_SBS\\_efficiency\\_report\\_Redacted.pdf?acsf\\_files\\_redirect](https://www.communications.gov.au/sites/default/files/ABC_and_SBS_efficiency_report_Redacted.pdf?acsf_files_redirect)

# A fully funded ABC

**GetUp members want a strong, fully-funded ABC to meet the needs of our communities with confidence, independence, and integrity.**

More than being the most trusted news source in the country, the ABC keeps us safe, connected and informed in times of crises. During the 2019-20 bushfires crisis, the ABC undertook emergency broadcasting for over 200 emergency events across the country.<sup>10</sup> Their emergency alert system is instrumental in supporting Australian communities through unprecedented bushfires, floods, cyclones, and other natural disasters. More broadly, ABC coverage throughout the COVID-19 crisis was central to disseminating information as a trusted and informative voice.

Despite its unique public value, the pressure on the ABC since the Abbott Government levied devastating cuts has been unrelenting and ideological in nature – at a time when the ABC is more and more essential to our communities, it's funding is threatened like never before. We can't afford to lose these emergency services, world-class children's programming, regional news and current affairs, or the dedication to Australian music, drama, and arts that the ABC provides. The ABC exemplifies the kind of significant investment that governments should be making in socially productive ventures. Its contribution to the cultivation of our national identity is self-evident, its broadcasts, services and publications are world class, and its efficiency has been repeatedly audited and confirmed.<sup>11</sup>

## GetUp recommends the Government:

- 13. Restore dollar for dollar every cut made to the ABC's operational and tied funding since 2013 and guarantee indexed increases in funding to protect programs and services.**
- 14. Provide additional, untied funding in the May 2021 budget, to allow the ABC to fulfil its charter by investing in new programs, services, digital distribution, public interest journalism, emergency broadcasting, and news-breaking services, as well as recovering job losses, and restoring innovative capacity.**
- 15. Increase ABC's funding cycles to protect from political interference and hostility from the government of the day.**

## Member testimonials ABC:

*"I am Senior Deputy Captain of the Narooma RFS. During the bushfire emergency in January our brigade relied on the ABC local radio for information in our larger area about the fires, traffic, road closures. At the height of the crisis we were without mobile phones, television, Internet for about a week and all roads in and out of our town were closed. ABC radio was our only source of accurate information. For the last six months I have relied on the ABC for ongoing information that I can trust about the covid 19 crisis."*

**- Peter P, VIC 2546**

*"I am an 84 year old pensioner who has been often alone during 2020 because of the virus. The ABC has provided a lifeline. It keeps me sane. It keeps me up to date with the latest reliable news which is needed in our ever changing world. I also appreciate ABC entertainment, especially those, fiction or documentaries, which have Australian content. The fact that the ABC is free of ads and does not show overly hysterical so called 'reality shows', is also a great plus. For the above reasons I would like to see the ABCs funding increased which is essential to counteract the 'alternative facts' sometimes shown on other stations."*

**- Alva G, NSW 2478**

*"The ABC consistently provides excellent news coverage. I will not be voting for the Liberal party if the budget to the ABC is cut. This pandering to the private sector has to stop. We need a government funded broadcaster. All it's tv programs are exemplary. Our country will be just little bit worse if the budget cuts are imposed."*

**- Lorraine S, WA 3046**



# About GetUp!

GetUp is an independent, not for profit community campaigning organisation, incorporated as a company limited by guarantee. GetUp receives no political party or government funding, and every campaign we run is entirely supported by voluntary donations. GetUp's purpose is set out in our constitution – to advance progressive public policy in Australia. We do this by empowering everyday people to have their say.

GetUp is also guided by a Statement of Independence, which defines us as an active values-led participant in our politics, independent from the control, direction or influence of political parties and politicians.

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Our team acknowledges that we meet and work on the land of the Gadigal people of the Eora Nation. We wish to pay respect to their Elders — past, present and future — and acknowledge the important role all Aboriginal and Torres Strait Islander people continue to play within Australia and the GetUp community.