

The Trickle Down Hoax & the Need for Government to Step In

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Richard Di Natale, Leader of the Australian Greens

Let me acknowledge that we are meeting here on the land of the Ngunnawal peoples and I pay my respect to their elders: past and present. I acknowledge that the land was stolen and that sovereignty was never ceded.

I last stood here a year ago, and if a week is a long time in politics - then a year is an eternity.

In the last 12 months we have seen the PM lose the last skerrick of policy credibility in jettisoning everything he ever believed to appease forces in his fractured, divided Coalition. He was dragged kicking and screaming to change marriage laws and to hold a bank Royal Commission. His only economic policy is to give tax cuts to corporations and overseas investors – he has no agenda apart from his own ambition and the self-interest of the already powerful and wealthy.

The Greens were political geniuses after winning our first seat in Queensland's Parliament and electing the first Aboriginal woman to the Victorian Parliament but apparently a few months later the reverse is true because of disappointing results in Tasmania and the Batman by-election.

According to some the South Australian election result marked the “end for minor parties”, despite the fact that the minor party vote reached nearly 29 percent, a record high.

That's hardly the end for minor parties.

Beyond electoral contests, the Greens have continued to build on our big wins in the Senate. Over recent years we've made Senate voting more democratic and reversed a Howard era policy by increasing the pension for 170,000 people at the bottom while reducing it for those at the top. That's good old fashioned redistribution in action. We've passed laws to crack down on multinational tax avoidance and we stepped in to resolve the backpacker tax at a time when the Parliament was embarrassing itself.

We know that negotiating to improve government legislation can come at a political cost. But we take our role in the Senate seriously, considering each piece of legislation on its merits, seeking evidence to inform our deliberations and providing much-needed accountability. In a chamber that's been through so much turmoil and disruption, our role there has never been more important.

And most importantly of all, we have been setting the progressive agenda in this country.

Take marriage equality. For the Greens, the historic passage of that legislation late last year was the culmination of decades of community campaigning and legislative activism.

After opposing John Howard's amendments to the Marriage Act in 2004, passed with the support of Labor, the Greens sponsored or supported all 22 bills for marriage equality, and after a very long wait, the Labor Party and a significant portion of the Liberal Party finally followed suit.

Similarly, we've spent years campaigning on the rights of patients to have control at the end of their lives through voluntary assisted dying and for harm minimisation measures such as supervised injecting rooms. Both of these Green ideas are now a reality in Victoria.

And mark my words, it won't be long before one of the old parties join us in supporting the campaign to Change the Date we celebrate Australia day, to mark a real change in our relationship with our First Peoples. This is the pathway to a treaty or treaties, lasting justice and a voice for Aboriginal and Torres Strait Islander Australians.

We've been leading the debate on economic as well as social issues.

We drove the case for a levy on the big banks to compensate for their implicit government guarantee, a policy the Turnbull Government adopted last budget.

We were prosecuting the case for increasing our public expenditure through a shift to better accounting of infrastructure and nation-building projects well before Scott Morrison belatedly introduced the notion of "good debt" and "bad debt".

We led the charge on closing superannuation tax breaks.

The Banking Royal Commission would not have happened had the Greens not spent years arguing the case, and then pushed hard on the parliamentary commission of inquiry; a lone voice until Labor and the Nationals jumped on board.

Labor has now adopted our policy to tax trusts as corporations, and has gone part of the way towards emulating our policies on negative gearing and capital gains tax.

Even reforms to franking credits - another Greens idea - was adopted and later modified to address the concerns we expressed with Labor's proposal.

The list goes on.

We might not get the credit, but seeing your own policies implemented is what we're here for after all. (There are exceptions of course. People like Peter Van-Onselen for example, who writes in The Australian of all places, has highlighted the role we've played in leading national debates - but mentioning him by name is probably a bad career move for both of us.)

Of course having other parties adopt your policies can make the progressive space suddenly appear a little more crowded but I'm reminded of what Petra Kelly, founder of the German Greens, used to say. The old parties put on their green spots in opposition and they shed them in government.

But ultimately what sets the Greens, and our progressive agenda apart, is that no other party has fully accepted the central challenge facing our species: that without a healthy environment, there is no economy. That they are intimately connected.

It is only the Greens who fundamentally oppose trickle down economics - an agenda that touts privatisation, deregulation, and free-trade-at-all-costs.

And it's only the Greens who place care for our environment and reducing inequality at the centre of our decision making.

We know that blind faith in markets and business is misplaced. Big business benefits from the rules they are writing themselves, and Australians are left with the reality that wealth doesn't trickle down, it flows up.

Our communities are becoming more and more sharply divided as corporate profits skyrocket and wages flatline. The top 20 percent of Australian households own 63 percent of household wealth, and the bottom 20 percent own just one percent.

You know you have a problem, when even the IMF is asking questions.

And these conditions generate grievance. Racism thrives and hard right populist movements get a foothold.

The status quo is driving increasing inequality and degrading our environment at an ever-increasing rate. Australia's carbon pollution is rising at a time when it must fall. Queensland has been clearing land at least as fast as Brazil. A steady stream of news reports tell us how we are polluting our precious waterways and oceans with plastics that will take hundreds of years to break down. Big irrigators are draining the Murray-Darling Basin and destroying our agricultural assets in the process.

But we don't have to accept the inevitability of wealth inequality; or of environmental degradation.

We need a new era of reform; an era of bold policies to tack on this rigged system. The Greens have a plan for a government that works for all of us.

It starts with reining in the influence of big business in our democracy. If we want to shift power away from corporations and towards ordinary people, we need reforms to donations and lobbying, and an effective watchdog that makes sure politicians stick to the rules.

As chair of the select committee into political donations I'll have more to say about that in coming weeks, but it's no wonder inequality is at record levels when the Coalition and Labor have to prioritise their wealthy donor mates in policy making.

When you live in a democracy that's not corrupted by money in politics, you'll get an economy that serves everyone, not just the wealthy few. We'll start to see a genuinely progressive tax system that raises enough revenue to fund the essential services we need, like schools, housing and hospitals. But for Australia to just reach the OECD average, we would need to collect 90 billion dollars more each year in tax.

We'll have more to say about tax reform when the budget comes out in May. In the meantime, if Labor are looking for "progressive ideas", we'd be happy to send through our 2016 election platform.

Our economy is changing rapidly, and Government has to keep up. We have to continue the conversation that I kicked off a year ago at this very podium; about what work will look like in the future when the rise of digital and automated technologies means that up to five million existing jobs in this country will be lost within the next ten years.

We can prop up dying industries like coal mining, or we use these technological advances to unchain ourselves from ever-increasing work hours for some, and underemployment for others. Indeed, we should begin to imagine a future where our needs are met more and more through universal services and exchange, where everybody having a full time job may not be possible or indeed desirable, and where our social activity grows - the good life.

With the radical way that the nature of work is changing, along with increasing inequality, our current social security system is outdated. It can't properly support those experiencing underemployment, insecure work and uncertain hours. A modern, flexible and responsive safety net would increase their resilience and enable them to make a greater contribution to our community and economy.

That's why we need a Universal Basic Income. We need a UBI that ensures everyone has access to an adequate level of income, as well as access to universal social services, health, education and housing.

A UBI is a bold move towards equality. It epitomises a government which looks after its citizens, in contrast to the old parties, who say "look out for yourselves". It's about an increased role for government in our rapidly changing world.

The Greens are the only party proudly arguing for a much stronger role for Government. Today's problems require Government to be more active and more interventionist, not less.

Overhauling our tax system so that it's no longer skewed in favour of older, richer Australians is one intervention. Protecting working people from insecure work, stagnant wages, and the erosion of fundamental rights is another.

But we also need the Government to intervene in other areas, like the provision of essential services.

Banking is a prime example. Banks are now an essential service. You can't have a job or get government support without having a bank account. They are the gatekeepers for first home-buyers and aspiring small business owners.

Today the Greens are announcing our plan for a publicly-owned bank - a People's Bank - that will give ordinary people access to affordable banking services, while adding real competition to the banking sector.

As the Banking Royal Commission is showing, the only competition between the banks at the moment is in their race to the bottom.

The ACCC recently found lacklustre competition in the mortgage market and signs of oligopoly behaviour, particularly among the big four.

Successive Governments have blamed customers by telling them they need to shop around.

A people's bank, along with more support for co-operatives and mutuals, would inject some real competition into the banking sector.

In the face of ongoing misconduct and price gouging, it's time for Government to step in and ensure that there is a low-cost banking service, backed directly by the RBA, that is focused on the everyday savings and mortgage needs of customers.

Through the People's Bank, the Reserve Bank of Australia could offer banking services to the Australian public online, via Australia Post branches, and other contracted organisations.

By offering a no-frills 'mortgage tracker' account to homeowners, people paying off their home will be able to borrow up to 60 percent of the value of the property directly from the RBA. The minimum interest rate would be set at 3 percent plus approximately 0.5 percent for the administration costs of contracted service providers. The interest rate would go up with the cash rate if it rises above 3 percent, but it will always deliver loans that

householders can pay off faster and with significant savings on interest compared to the current offerings of the big banks.

The People's Bank will give current and future homeowners a much needed advantage over investors. It will help turn around the recent decline in homeownership rates. It will also help stem the flow of lazy profits to the banks and inject some real competition into the banking sector. It's the only way we can force them to actually provide a public benefit, instead of distorting the economy and loading up the financial system with risk.

We have a housing crisis that has been created by governments. So now is the time for government to step in: through a People's Bank, by ending policies skewed in favour of investors like negative gearing and the capital gains tax discount, and through a massive injection of funds for social and public housing.

Of course, nothing illustrates the need for government intervention better than climate change. For decades we've been told that we should trust the market to decide the most efficient way of reducing greenhouse gas emissions by putting a price on carbon. Pricing carbon may well be the most cost-effective way of lowering climate pollution over the long term and we are very proud of our work to negotiate with the Gillard Government on a carbon price.

But the science tells us we need a rapid transition. We are facing a climate emergency. We won't achieve what's necessary if the price on pollution is too low, vast sectors of the economy are carved out, and we fail to monitor the schemes effectively.

The prospect of an effective carbon price in the current parliament is almost non-existent and we simply can't afford to have another two decades of slow progress. Politics has so far failed us and we've reached the point where we can't waste any more time.

It's time for government to step in.

That's why the Greens have introduced legislation not only to prevent government funding to prop up aging, unreliable dirty clunkers like Liddell power station, but also to phase out all coal power stations by 2030. No government can say it has a plan for climate change while it allows coal to continue or, unbelievably as we've heard in recent days, to expand.

It's why we're proposing to re-nationalise parts of Australia's electricity system, starting with the critical inter-connectors between states.

It's why we're exploring a government energy retailer to compete in a re-regulated retail electricity market with no frills, easy to understand policies, transparent pricing and best of all cheaper energy bills.

And it's why we have announced our plan to phase out the sale of petrol cars to bring electric vehicles into the market.

Government intervention now looks like the only pathway by which we will transition fast enough away from a centralised, polluting energy system to one designed around distributed renewable energy and storage.

Beyond the energy space there are tens of thousands of jobs in the conservation economy if only government stepped in.

Jobs that can help to provide a just transition for coal workers - and Matt Canavan might find that an objectionable term, but what's truly objectionable is his failure to plan for the future. Jobs in restoring and protecting nature and threatened species; jobs in mine rehabilitation, and jobs in a functioning Australian recycling industry.

Indeed, recycling is a case study in government failure. An industry that employs 50,000 people is in crisis, and the Federal Government has been asleep at the wheel. It has allowed the entire industry to be built upon exports to China, and now that market has collapsed. We need the government to lead and drive the local industry so that that our recycling doesn't end up in landfill. We need policies like mandatory product stewardship across a much wider range of products, and a commitment from the federal government to buy recycled. We'll have more to say about this in the future, including a CEFC-style funding model for a local renew, reuse and recycling industry.

Of course government has always traditionally been at the centre, actively providing universal health and education services. But even here we've moved to privatised, two tiered models.

In education, needs-based funding has been hopelessly compromised. Both the old parties say they are committed to needs-based, sector-blind funding, but then propose special deals and carve-outs, like Labor giving the Catholic sector the right to spend billions in public money wherever it sees fit. They double down on disadvantage at a time when the gap between rich and poor is widening, and it's public schools that suffer.

The Greens take a different view. We are a party of public education. Our policy follows the evidence by putting the money where the needs are, not where the votes are. Public money should go where it's most needed, and that's to public schools first. We're the only party that says not one cent should flow from Treasury to Trinity's boat shed.

In health, the private health insurance rebate sees 6.5 billion dollars of taxpayer money flow to private health insurers every year. We are well on the road to the inefficient and inequitable US system. Health care should be universal, including mental health and dental services. Imagine going to the dentist and using your Medicare card, just like at the doctor. That's our vision.

What we're talking about here is an overhaul. An overhaul of a rigged democracy that benefits the extremely wealthy over the rest of us.

We need a more active government, one that is not compromised by its big donors, and one that is willing to step in and put the interests of the community and the environment, ahead of the rich and powerful.

It's this which underpins everything it is to be Green.

Over the last few months, I've had much cause to reflect on the longevity and power of our movement.

What is it that motivates thousands of our members and volunteers to spend their evenings and weekends campaigning to elect Greens to local, state and federal Parliaments?

It's because we are the only party that puts people and the environment at the centre of everything. As we experience the devastating impacts of dangerous climate change, and social and economic inequality, as the nature of work changes, this philosophy has never been more important.

It's because we are a constructive voice in the parliament, improving legislation based on our core values and holding the old, captured parties to account.

And it's because we are leading the national debate and upending the status quo by championing the role of an active government, rather than perpetuating the trickle down hoax.