EQUALITY AND COMPASSION

Strengthening our social safety net

Caring. Compassionate. Fair.

A strong social security safety net is the foundation of a more inclusive and productive society. No-one in a country as rich in Australia should be living in poverty. The Greens have a comprehensive plan to move our social security system into the twenty-first century, creating a system that is flexible and responsive to the changing needs of our economy and society.

> POVERTY AND INEQUALITY

Australia has had decades of economic growth, but the benefits haven't been equally shared. As our economy has grown, so has inequality.

Inequality in Australia is higher than the OECD average, and a person in the top 20 per cent has around five times as much income as someone in the bottom. Wealth is even more unevenly distributed. People in the top 20 per cent have around 70 times more wealth than a person in the bottom 20 per cent.[1]

Poverty is a daily challenge for many Australians, holding them back from leading productive and meaningful lives. The Australian Council of Social Services estimates that after housing costs, 13.9 per cent of Australians, or 2.55 million people, are living below the poverty line.[2] That includes 603,000 children, and 40 per cent of people relying on income support.[3]

Poverty and inequality have devastating impacts on life outcomes. Poverty is a significant barrier to preventative healthcare. When individuals are forced to delay treatment they are at greater risk of chronic disease – living shorter lives and costing our health system more.[4] Inequality undermines access to education and training, and educational outcomes are directly correlated with socio-economic status.[5] Poverty limits access to safe, secure and appropriate housing,[6] transport, employment outcomes, childcare, and many other aspects of full participation in society.

[1] ACOSS, *Inequality in Australia*, 2015.
[2] ACOSS, *Poverty in Australia*, 2014, p. 8.
[3] ACOSS, *Poverty in Australia*, 2014.
[4] Community Affairs References Committee, *Bridging our growing divide: inequality in Australia – the extent of income inequality in Australia*, p. 59.
[5] Community Affairs References Committee, *Bridging our growing divide: inequality in Australia – the extent of income inequality in Australia*, p. 71.
[6] Ibid., p. 79.

To address poverty and inequality in Australia, the Greens will:

- **Develop a national anti-poverty plan.** This will provide a coordinated, cross-government approach to tackling poverty.
- **Guarantee access to essential social services.** There are many in our community who don't have access to key services we take for granted. The Greens will boost community service funding by **$504m over four years**, prioritizing areas of greatest need.
- **Redirect Work for the Dole funding** into community based initiatives that deliver real employment outcomes.
- **Establish an Equality Commission,** to provide advice to Government and Parliament on our income support system and progress on reducing inequality.

> A NATIONAL ANTI-POVERTY PLAN

Currently the underlying drivers of poverty, such as affordable housing, access to education and employment are tackled separately by different areas and levels of government. Australia has agreed to the UN Sustainable Development Goals, committing to increase the income of the bottom 40 per cent at a higher rate than the national average[7] but has no clear plan to achieve this - and recent tax changes will increase this divide.

These problems are too complex to be tackled piecemeal. Inconsistent and small scale responses to poverty are ineffective. To combat poverty, we need a coordinated strategy across all levels of government that tackles the underlying causes of poverty.[8] That's why the Greens will:

- **Establish an expert group** to identify the best strategies for tackling poverty.

[7] Department of Foreign Affairs and Trade, Global Development; United Nations, Goal 10: Reduce inequality within and among countries; The Conversation, *Sustainable Development Goals: a win-win for Australia*.
[8] Australian Council of Social Services, Poverty Report.

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- **Invest $12 million over four years** to advance the national strategy, and
- **Set poverty reduction targets**, to be reported annually in Parliament.

The Parliamentary Budget Office (PBO) has costed this component at **$12.3m over three years.**

> A SOCIAL SECURITY SYSTEM FOR THE 21st CENTURY

The nature of work has changed dramatically within the last decade, and all the evidence suggests this change will continue to accelerate. Our employment is increasingly insecure, with greater rates of casual and part-time work, under-employment and income variability. This has spread beyond low skilled occupations with increasing numbers of professionals now on short-term contracts.

The changing nature of work - increasing part-time and casual employment, under-employment, short-term contracts and uncertain weekly incomes means that we need a twenty-first century social safety net that is more flexible and responsive. Such a system is better suited to supporting people to maintain their financial resilience as they move in and out of work, and copes better with variable and uncertain income.

This is why many modern and progressive societies are adopting more flexible and responsive social security systems as a way of ensuring their economies remain competitive, their communities stable, and their workers better able to respond productively to rapidly changing workplaces and technologies.

Australia's income support system is complex, punitive and difficult to navigate. The Greens are committed to developing a twenty-first century social safety net that supports a productive workforce and an inclusive community. One that makes it easier and simpler to access income support, balance uncertain income and move in and out of different types of employment.

> SUPPORTING PEOPLE INTO WORK

The evidence is clear that punitive approaches to income support, training and work experience simply don't work. Work for the Dole is an expensive program that barely has any impact.[9]

The Greens will remove Work for the Dole; **these savings will be redirected into community based initiatives that provide genuine support to deliver real employment outcomes**. The Aboriginal Peak Organisations Northern Territory has developed a unique model which reflects the challenges and constraints of Northern Territory communities.[10] The Brotherhood of St Laurence has also identified effective approaches through personalised support focused on jobseekers strengths.[11] Evidence-based approaches such as these, designed with local communities respond to local business and employment opportunities to deliver real outcomes.

> GUARANTEED ACCESS TO ESSENTIAL COMMUNITY SERVICES

A fair and inclusive society provides a social safety net that guarantees access to essential services and supports for all of its citizens, particularly its most vulnerable. Unlike health and education, community service funding is not population or needs-based. Whether you can get access to, mental health or homeless services, family violence support or emergency relief is more a matter of luck than planning.

Many individuals and communities aren't able to access these crucial services, and many underfunded services have to turn people away.[12] Cuts to Government funding and uncertainty about future contracts make it even harder.

To strengthen this part of our safety net, in addition to other funding commitments to mental health, homeless and family violence services, the Greens will provide **an additional $504m in funding for community services.** This includes:

- **$304m to reverse Coalition cuts** to community services, announced as part of the 2014-15 Budget, and
- an additional **$200m over four years**, to boost funding to key community services.

Increased funding will provide increased services across Australia. This includes addressing gaps identified by the Senate Community Affairs committee inquiry, such as emergency relief funding, services to culturally and linguistically diverse communities, and a range of other services.[13]

The Greens will also:

- **Map community service needs.** To identify which areas have unmet needs, and where community services need to be expanded.
- **Develop a plan for guaranteed access to essential community services, working with state and territory governments.** The Greens will work with state and territory governments for a plan that guarantees access to essential community services, so that people all across Australia can access adequate services and support.

[9] Sydney Morning Herald, *Work for the dole has little effect on finding work: review*.
[10] APONT, *Creating and supporting sustainable livelihoods: A proposal for a new remote participation, employment and enterprise development scheme*.
[11] Brotherhood of St Laurence, *What's the differences? Jobseeker perspectives on employment assistance*.
[12] Australian Council of Social Services, *Australian Community Sector Survey 2013*, p. 9.
[13] Senate Community Affairs References inquiry.

> AN INDEPENDENT EQUALITY COMMISSION

The Australian Greens will establish an independent Equality Commission. The Equality Commission will provide independent advice to the Government and Parliament on setting rates of income support as well as guidance on broader strategies to reduce inequality within Australia.

There is currently no regular independent assessment of the adequacy of income support payments. The Australian Council of Social Services has recommended the establishment of an 'independent commission to advice Government on payment rates'.[14]

In addition to providing regular, independent advice to the Government and Parliament on income support payment rates, the Equality Commission will advise Government and Parliament on the impacts of policy and legislation on inequality. It would undertake and oversee work on how to transform our income support system into a more flexible and responsive system able to support a productive modern economy. This would include examining best practice models from around the world and trialling new approaches, such as a guaranteed adequate income model.

The Parliamentary Budget Office has costed the establishment and operation of the Equality Commission at **$25.5m over four years.**

> INCREASING PAYMENTS

As well as planning for the future, the Greens want action to strengthen the social safety net now. The Greens will provide an immediate increase to Newstart and Youth Allowance, give single parents more support, and reverse Coalition cuts to income support. This will make a real, immediate difference for the most vulnerable, and fight poverty and inequality.

> STANDING UP FOR THE VULNERABLE

The Greens want serious action on poverty and inequality, to build a fairer more inclusive society.

For decades the Coalition has worked to cut away the social safety net, hurting the most vulnerable in our society, and worsening inequality. The ALP cut payments to single parents, and failed to take meaningful action to lift Newstart when in Government. Only the Greens have a clear plan to immediately lift payments, and to address poverty and inequality in Australia.

[14] ACOSS, *Budget priorities Statement 2016-17*, p. 13.