
THE PEOPLE'S RECOVERY

We don't exist to serve the economy,
the economy exists to serve us.



GetUp!

FOREWORD

Back in July 2017, 22,000 GetUp members took part in a national survey of the changes they wanted to see in their economy. They dedicated more than half an hour to describing their vision of a fairer, and more just society.

Their most popular ideas were put to leading economists, researchers and partner organisations to understand how to bring those ideas to life in a project we called [Future to Fight For](#).

Three years on, these policies are more relevant, and more popular than ever. A deadly bushfire season choked our major cities with smoke over the summer, and a deadly pandemic has brought our economy to a standstill.

That's why we've refreshed and updated these ideas for the new decade we've begun. A decade we want to remember for the opportunities we seized, not the possibilities we squandered.

Re-imagining what's politically possible is a process that takes time. As John Maynard 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. This 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.

It's clear that while we might not all vote the same way, we share common values. We may come from different places, and live in different states – but we all 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're a pathway 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.**

Sincerely,



Ed Miller
Campaigns Director,
Economic and Climate Justice

CONTENTS

BEING BOLD AGAIN	3
RETHINKING WHAT'S POSSIBLE	5
THE FAILED NEOLIBERAL EXPERIMENT	5
1. JOB GUARANTEE: WELL-PAID WORK FOR ALL WHO WANT IT	7
HOW DOES A JOB GUARANTEE SUPPORT PEOPLE?	10
GETTING THE JOB DONE: A RECOVERY THROUGH THE JOB GUARANTEE	12
2. UNIVERSAL LIFELONG EDUCATION AND RETRAINING	13
UNIVERSAL ACCESS TO EARLY EDUCATION	15
3. GUARANTEED BASIC INCOME	19
CORONAVIRUS AND THE STIMULUS RESPONSE	21
4. A ROOF OVER EVERY HEAD	24
GUARANTEE A RIGHT TO HOUSING DURING THIS CRISIS	26
A MASSIVE INCREASE IN FUNDING FOR AFFORDABLE HOUSING SUPPLY	27
REFORMING OUR HOUSING SECTOR	28
5. HOUSEHOLD CLEAN ENERGY GUARANTEE	30
ENERGY FOR EVERY HOUSEHOLD	31
A PUBLIC-INTEREST ENERGY SYSTEM	32
6. A PUBLIC INTEREST BANKING SYSTEM	33
PUBLIC ECONOMIC INFRASTRUCTURE IN PUBLIC HANDS	34
7. HOW DO WE PAY FOR IT?	35

BEING BOLD AGAIN

We have the resources to build a society where all our needs are met.

After weathering unprecedented firestorms and navigating a global pandemic, Australia must rebuild – and we are at a crossroads.

We have everything we need in the way of resources, technology, and skills to build a society where no-one is forced to subsist in poverty. Where a secure, well-paid job is available to all who want one. Where all our energy comes from clean, affordable sources like the sun and wind. A society in which everyone has a place to call home, and the skills to build the life they want to lead.

This is an unapologetically bold vision – but it is built on the hope of past generations who were equally bold.

Australians were among the first to secure the eight-hour working day and guarantee workers both a living and a life. Previous generations stood up to demand free education, and won. And as a nation, we built a world-class healthcare system where a doctor will see you regardless of your bank balance.

**THESE TRANSFORMATIVE
MOMENTS
RARELY BELONG TO
POLITICIANS.**

**THEY BELONG
TO PEOPLE.**



The construction workers who downed tools to march on Parliament House in Melbourne in 1856. The brave people who were beaten on Oxford Street more than 40 years ago, at the start of a long fight for equality. The ten year struggle for Native Title by a determined Meriam man named Mabo.

What holds us back today is not scarcity, of resources or of courage. It's the stranglehold of powerful corporations who for too long have taken far more than their fair share. Corporations who have exploited a corrupt political finance system to seize control of our politics, and shout down the voices and needs of

everyday people. Corporations who promised us that deregulation, privatisation, and balanced budgets were a prescription for prosperity – that putting our faith in an unregulated market would bring stable jobs, falling prices, and more wealth for us all to share.

After 30 long years of neoliberalism, we can judge the results for ourselves:

- ← **The top 1%** now control as much wealth as the bottom 70% of Australians combined¹ – income inequality is worse now than at any time in the past 67 years.²
- ← **3.2 million** Australians are living in poverty – more than 700,000 of them children.³
- ← **24.7% of Australians** – almost one in four – currently don't have a job or don't have enough hours at their job.⁴
- ← **2.6 million** Australians are trapped in casual jobs without the right to a paid sick day.⁵
- ← **First Nations communities** continue to suffer the consequences of dispossession, failed policy and racist policing: over-represented in our hospitals and prisons.

But we don't need statistics to know the economy is rigged against us. We see it every day.

It's the car window repaired with duct tape, or the overcrowded bus that gets us to work late. It's the forgone family holiday, and the postponed trip to the dentist. It's the oppressive feeling that there is never enough – enough work, enough money, enough time with those we love.

These problems pre-date the coronavirus, and they'll last long after the pandemic has passed. But it doesn't make them normal – or something that we must accept.

We need a new vision for our society – a 21st century charter of economic rights that replaces the narrow interests of wealthy elites with our collective interest as citizens. **We need to recognise the simple truth that we don't exist to serve the economy, the economy exists to serve us.**

¹ Oxfam, Growing Gulf Between Work and Wealth: Australian Fact Sheet, 2018.

² Andrew Leigh, Battlers and Billionaires: The Story of Income Inequality in Australia, 2013; Roy Morgan Wealth Report, 2018.

³ ACOSS, Poverty in Australia, 2020.

⁴ Roy Morgan Unemployment & Under-employment Estimates, (2005-2020), April 2020.

⁵ Geoff Gilfillan, COVID-19: Impacts on casual workers in Australia—a statistical snapshot, Australian Parliamentary Library, 8 May 2020.

RETHINKING WHAT'S POSSIBLE.

Up until the age of 18, everyone is guaranteed a seat at a school desk at a government-funded school. **It's a powerful idea that deeply resonates with our strongly held belief in a fair go.**

No matter who you are, where you come from, or what's in your wallet – you're entitled to a decent education that will help you reach your potential.

It wouldn't be acceptable for the government to run out of the money required to provide enough seats for every child. Nor would it be acceptable for the government to cut funding to students, because they didn't meet a particular academic standard, or had differing needs. Because we've decided that education is a right, our government guarantees it – period.

If we were able to make public education a right despite the challenges of funding, staffing, and administering such a large and complex program – we can also expand our social guarantee to meet the challenges of the modern world.

We can guarantee people a decent job, a decent income, and give them lifelong access to education, training, and childcare. We can ensure everyone has access to safe and secure housing, basic utilities powered by clean energy, and banks that don't exploit us.

We have to step beyond the narrow vision of what we're told is “politically possible” and fight for the future we want. A new charter of rights, for a new age. A time to be bold again.

The Failed Neoliberal Experiment

For decades our collective wellbeing has been increasingly entrusted to the whims of corporations and the market. But years into this experiment, the results are in: study after study has found little to no evidence of increased efficiency in markets subjected to privatisation.⁶

One study showed that across 34 OECD countries, the average price for energy charged by private companies is 23.1% higher than that charged by public utility firms.⁷ Over the last few decades, Australian people lost control over some of our most vital public infrastructure – and saw their essential services deteriorate.

⁶ Christopher Stone, False economies: unpacking public service efficiency, Centre for Policy Development, 2014.

⁷ Transnational Institute, The winners and losers in EU's great privatisation fire sale, 2016.

Allowing corporations to control essential services will always fail because corporations are motivated by profit, rather than people. They serve their investors, at the expense of everything, and everyone else – driving wages lower, corporate taxes lower, environmental safeguards lower – in order to enrich a growing billionaire class.

We can see this everywhere.

- ← Woolworths and Coles have engaged in unrealistic price wars over essential goods like milk, while neglecting the impact of low prices on struggling farmers.
- ← Qantas call themselves the spirit of Australia, but went almost a decade without paying a cent in corporate tax.
- ← Uber and Amazon provide insecure contractor work, while moving to automate the jobs they create altogether. Their success is built upon the exploitation of insecure workers.

To build an economy that puts people first, we need to reduce the power of corporations, and empower governments. We need to make the case for government – because a truly democratic government is accountable to all of us, and can mobilise our common resources toward our common good.



1. JOB GUARANTEE: WELL-PAID WORK FOR ALL WHO WANT IT

It was the right to decent healthcare that got us through this health crisis - and it will be a right to a decent job that will rebuild our battered livelihoods and economy.

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.

In the same way young people are entitled to a desk in school until age 18, every adult should be entitled to a job. Instead of wasting people's potential and subjecting families and communities to the massive social, psychological, and economic damage of unemployment - we could empower people with dignified jobs and liveable wages.

Why do we need one?

Until the 1970s, providing every person with full-time, meaningful work was central to the Australian government's economic management.⁸ High levels of public investment drove industrial expansion, and a thriving public service prioritised equipping people with in-demand skills.⁹ In the 1980s, however, following the disastrous model of Thatcher and Reagan, the government abandoned its commitment to people in favour of deregulation and privatisation – drastically cutting our public service. In 1997 Australia became the first OECD nation to completely privatise our public employment services.¹⁰

Successive governments have since deliberately reframed unemployment as a personal failing, rather than the reality of being locked out of paid work¹¹ – **but the data tells a different story.**

Private corporations consistently fail to provide enough demand for people's skills. Labour force statistics for the start of 2018 show that there were only 201,600 private sector jobs being advertised for the 725,200 people looking for paid, full-time work.¹² Coronavirus has deepened this crisis – in April 2020, jobs ads averaged at 63,806;¹³ in the same month, there were approximately 2.16 million people looking for work, and 1.33 million people needing more hours.¹⁴

The welcome doubling income support payments and wage subsidies were an admission by the government that in a crisis, only the public sector has the capacity to intervene. **The suspension of mutual obligations was an admission that you can't humiliate people into jobs that don't exist.**

This isn't reinventing the wheel. There's so much good work to be done building stronger, better communities. We're arguing that the government – already the single largest employer in the Australian economy – should do what private corporations can't: **ensure that nobody is left out or left behind.**

What would people do?

⁸ Ellen Carlson & William Mitchell, *Unemployment: the Tip of the Iceberg*, CAER/UNSW Press, Sydney, 2001.

⁹ Herbert Cole Coombs, *From Curtin to Keating: The 1945 and 1994 White Papers on Employment*, 1994.

¹⁰ *Ibid.*

¹¹ Warwick Smith, *Per Capita, Unemployment Policy in Australia: A Brief History*, 2017.

¹² Australian Bureau of Statistics, *Job Vacancies*, Australia cat. no. 6354.0; Australian Bureau of Statistics, 2018, *Labour Force, Australia, Time Series Spreadsheet*, cat. no. 6202.0.

¹³ ANZ Australian Job Advertisement Series: Media Release, 4 May 2020.

¹⁴ Roy Morgan Unemployment & Under-employment Estimates (2005-2020), April 2020.

As long as we need public services, we need people to provide those services.

Imagine a transport network that didn't run into constant delays. Or where you could call Centrelink and not have to wait hours for someone to answer. Or where aged care and childcare were offered as plentiful and affordable public services, and our parks and public spaces were kept clean. Imagine if registered charities could offer government-funded jobs for people to do the important work of feeding the hungry, restoring degraded land and rivers, and giving shelter to survivors of family violence. Imagine if our crumbling roads were maintained, and our kids went to school in proper buildings instead of stifling demountables.

Everywhere you look there are opportunities to connect the untapped potential of people with the unmet needs of the community.

The current boundaries of what is considered "productive" labour were set by capitalists, colonialists, and patriarchs. By separating the offer of employment from the profitability of employment, a Job Guarantee provides an opportunity to radically redefine those boundaries. We can compensate people properly for their unpaid labour, caring for homes, and families, and land. **We can end exploitative work-for-the-dole schemes like the CDP, and provide permanent funding directly to Indigenous communities.** It could mean properly funding an expansion of vital and successful projects of preserving culture and country.



HOW DOES A JOB GUARANTEE SUPPORT PEOPLE?

The strength of a Job Guarantee is that it works to support people and communities through periods of economic transition. During economic booms, people will more easily find private-sector employment – equipped with better skills and more confidence from their time in public employment and training. And when the private sector cuts jobs during a recession, industry decline, or market failure, the government can enlist people’s skills to meet community needs. By earning a liveable wage for meaningful work, people will not be forced to live below the poverty line. Their increased disposable incomes will in turn support and stabilise local shopkeepers, retail workers, and small businesses during difficult economic times.

Jobs could be flexibly designed to accommodate people with different physical, intellectual or behavioural needs. **We can measure the economic gain, but what’s immeasurable is the feeling of dignity, certainty and empowerment this could bring to millions of Australians and their families.** A Job Guarantee is a powerful framework of social inclusion that allows us to broaden our understanding of valuable work, and is one reason it is preferable to a universal basic income. As our society changes, workers and the government can adjust working conditions directly, by shortening the working week, adjusting the retirement age, or improving other entitlements.

The bargaining hand of workers would also be strengthened by a Job Guarantee. Unemployment is used by employers to threaten workers into surrendering to unfair deals – a Job Guarantee would empower workers to negotiate better wages and more dignified conditions. Furthermore, private sector employers would have to at least match the conditions of public service jobs or attract workers through other benefits.

**A JOB GUARANTEE
IS A POWERFUL
FRAMEWORK OF
SOCIAL INCLUSION.**



GETTING THE JOB DONE: A RECOVERY THROUGH THE JOB GUARANTEE

The recovery effort will require all of us pitching in – to rebuild communities already devastated by bushfires, to strengthen our healthcare system, and to revitalise towns shocked by a deep recession. **Everyone will have a job to do – what isn't guaranteed is that these jobs will be dignified, paid a liveable wage, and awarded all the entitlements decent work deserves.**

A Job Guarantee *is that guarantee*. It ensures that our hard-work isn't just for the profit of the wealthiest, but is for the prosperity of our communities. Delivering public jobs – federally-funded and locally-administered – is a key step in our nation's recovery, and an investment in the future.



2. UNIVERSAL LIFELONG EDUCATION AND RETRAINING

Education and retraining should be free, universal, and accessible at all points during a person's life.

The rapid pace of industrialisation has brought many opportunities. Worldwide, the average worker produces ten times more value today than in 1930. Many jobs today are safer, more creative and more enjoyable than at any point in history.

But unless we take action now, these gains will be eroded. The world is in a state of flux. New industries rise and fall rapidly on the back of changing technologies. And even as we've become more productive and technologically capable, we've done a poor job of liberating people from long hours and exploitative conditions. This is because corporations take advantage of increased productivity to boost their profit margins, while forcing workers to compete for their jobs against increasingly sophisticated machines. Far too many people have been displaced by technological advances they could never have planned for.

Rapid change is the reality of the modern economy. And because the world of work is changing, workers must be equipped to change with it. All education and retraining should be free, universal, and accessible throughout the entirety of a person's life.

To build thriving communities in the twenty-first century, we need to give every single person the opportunity to access new skills and unlock new opportunities, no matter how much education they've previously had – or how old they are. Australia currently invests just 0.23% of GDP on programs designed to retrain people back into work – almost nine times less than comparable economies abroad.¹⁵

We need to understand that investment in people is investment in the future of our nation. Proper retraining of labour displaced by automation would boost the Australian economy by \$1.2 trillion over the next 13 years.¹⁶ When people skill up and find new and better jobs, they produce more goods, earn higher wages, and contribute more fully to society. **The reality is, we can't afford not to invest in the education of the Australian workforce.**

¹⁵ OECD, Public Expenditure on Active Labour Market Policies in 2015, 2015.

¹⁶ AlphaBeta, Insights, The Automation Advantage, August 2017.

- 1. Technical colleges should be the centrepiece of our future education system.** TAFE is able to facilitate flexible education throughout a person's working life because of the short, skills-based courses they offer. People should be able to dip in and out of TAFE throughout their career, to re-skill, skill up, or change direction. TAFE colleges should become recognised centres of excellence for skills we need to develop for our economy to thrive – rather than neglected public colleges or exploitative private providers.
- 2. Robust support for apprentices.** At the moment, apprenticeships are penalised, with workers' hourly rates sitting significantly below a living wage. This discourages many Australians from learning valuable occupational skills, often highly sought after in the community. Apprenticeships should be funded by the Australian Government under a Job Guarantee program – so those who want to learn are given a decent living wage.
- 3. Publicly funded university, at any stage in a person's life.** While university was once the domain of the privileged – the advanced skills, critical thinking and problem solving that a university education provides have become necessary staples of the modern employment market. No-one questions the role of the government in providing free K-12 education because we all benefit when every child is equipped with basic numeracy and literacy skills. And we will all benefit from individuals equipped with the skills to demand higher incomes and more than pay back the cost of their education over their tax-paying lives. Our universal education guarantee should be extended to include university.

UNIVERSAL ACCESS TO EARLY EDUCATION

Young families should be able to provide their kids with the best start in life, while allowing men and women to be equals in the workplace.

All parents should know that, no matter their life circumstances, their children will have the best possible start in life.

As wages fail to keep pace with the cost of living, more households need two incomes to make ends meet. One parent used to be able to support a family by working 5 days a week. Now many households contribute 10 days of work a week between two parents, and still struggle – with much of the benefit of the second income eaten away by the rising costs of early childhood learning and care.¹⁷



¹⁷ Natsem modelling shows that a second low-income parent returning to work full time, will earn just \$4.55 per hour after taking into account taxes, childcare costs, and lost government support.

Ironically, families may need to work more, and see their children less, to help cover the costs of early childhood learning. This is even more challenging for single parent families, since more two-income households also means a greater demand for childcare, which leads to a scarcity of places and higher costs – especially when for-profit operators form the majority of the market.

It's also clear that women who want to work are still bearing the burden of unpaid work at the cost of their careers. In February 1978, only 43.4% of women had a job or were seeking employment.¹⁸ Today 61.4% of women are working.¹⁹ This leap has been transformative for our society. But women still face structural barriers, exclusion and oppressive workplace cultures. **61% of women with a child under five work part time, while only 8% of men with young children do the same.**²⁰

In April 2020, at the beginning of the coronavirus pandemic, the Government rolled out a three month package that heavily subsidised childcare, so the children of essential workers and children in vulnerable families could continue to attend.²¹ Whilst the package was far from perfect, it allowed 76% of childcares to remain financially viable and helped many essential workers continue to carry-out their jobs.²² The package is set to expire on June 28th.

Economic instability due to coronavirus has significantly increased the need for universal free childcare. With many families left out of work or struggling with financial uncertainty, a return to the previous system would mean many families will struggle to afford to put their children in childcare and many childcare providers suffer from a considerable drop in demand.

A full year of paid parental leave and universal access to free public early childhood learning would have significant benefits to families. It would empower more women to pursue careers. Two-income families would regain the benefit of their second income, which could actually give them the freedom to work less and spend more time with their children. And single-parent families would no longer be forced to make impossible choices between working to support their children and having care and early childhood learning for them.

We need sensible, 21st century policy arrangements so that families can provide their children with the best start in life, while creating more gender equality in the workplace:

¹⁸ Alexandra Heron, More women than ever are in the workforce but progress has been glacial, *The Conversation*, 16 March 2016.

¹⁹ WGEA, *Gender workplace statistics at a glance 2019-20*, 2020.

²⁰ Australian Bureau of Statistics, *Gender Indicators*, Australia cat. no. 4125.0, September 2017.

²¹ Early Childhood Education and Care Coronavirus (COVID-19) Information, Department of Education, Skills and Employment, May 2020.

²² Paul Karp, A quarter of all Australian childcare centres say free scheme won't help them remain viable, *The Guardian*, 19 May 2020.

1. A full year of paid parental leave:

The ability to spend time with a newborn child is vitally important to parents – and in an economy as prosperous as ours, we should not be forced to choose between our work and important moments with our family. Parental leave should be paid at 80% of a person’s full time salary, capped at a maximum \$60,000 payment for the year.²³ Three months should be reserved separately for the mother and father as a non-transferrable allocation – to encourage men to play a greater role in early childhood.²⁴ The remaining six months can be split between the parents as they see fit, and taken concurrently or consecutively.

2. Universal, public kindergartens:

From the age of one, all children should be guaranteed a space in a publicly funded kindergarten or daycare centre – allowing both parents to work a normal working week should they wish to, or because they need to, without worrying about the cost of childcare.

In Norway, 90% of all children under the age of five are in a public kindergarten – for an average of 35 hours per week. The cost of admission is capped at \$395 per month, with a 30% discount for a second child, and 50% discount for the third.²⁵

3. Professionally paid early childhood educators.

Valuing children means allowing them to grow and learn with qualified and experienced educators with whom they can form ongoing, secure attachments in a nurturing environment. The most important indicator and guarantee of quality early childhood education are engaged and stimulating interactions between educators and children. And yet research shows that educators are leaving the sector because of low pay, poor conditions, and the lack of professional recognition. Every time an educator leaves the sector, it’s children, their families and the quality of care and education available in our society that suffers.

²³ Similar to the Swedish, Icelandic, Norwegian and Finnish systems.

²⁴ Apolitical, How a parental leave policy changed the way Sweden sees fatherhood, Case Study, June 2017.

²⁵ Kristin Holte Haug & Jan Storø, Kindergartens in Norway: From care for the few to a universal right for all children, Child Research Net, February 2013.

For too long, early childhood educators' work has been economically and socially undervalued due to its historical origins in domestic unpaid labour performed by women. Modern, high quality early childhood education is a complex field that requires educators with significant professional skill and knowledge to assist with the emotional, cognitive and social development of children. Early childhood educators deserve professional pay for the challenging work they perform. But parents cannot afford to pay more, it is time for governments to step up and fund equal pay.



3. GUARANTEED BASIC INCOME

Despite decades of uninterrupted economic growth, successive governments have left millions of people trapped below the poverty line. Since the early 1990s, our income support payments have been slashed relative to cost of living – denying millions of people who are locked out of paid work the right to a dignified life.²⁶

Coronavirus has thrown more people into poverty than any time since the Great Depression – but it has only worsened an already existing crisis. Before the pandemic, 3.42 million Australians were struggling below the poverty line; 774,000 of them being children under the age of 15.²⁷



IN A COUNTRY AS WEALTHY AS AUSTRALIA, NO ONE SHOULD BE FORCED TO LIVE IN POVERTY.

²⁶ David Richardson & Matt Grudnoff, Inequality & poverty in Australia: The case against the removal of the clean energy supplement, The Australia Institute, August 2016.

²⁷ Peter Davidson et al, ACOSS and UNSW, Poverty in Australia 2020, 2020.

These numbers were trending upwards, driven by unacceptably low income support payments that push people into poverty. Aboriginal and Torres Strait Islander people are far more likely to experience poverty than other Australians, with 19.3% living below the poverty line, even before the pandemic – **the inevitable consequence of stolen land and stolen wealth.**

Despite decades of economic growth – government payments and benefits have dropped below the poverty line since the early-1990s. And, until the mid-2020 boost to income support through the Covid Supplement, this gap was widening.



Figure: Government benefits versus poverty line

This trend of declining government benefits reflected the trend of demonisation and stigmatisation of income support recipients.

This was agitated by a cruel neoliberal turn in the economy – one that put misguided budget surpluses, precarious jobs made for desperate and vulnerable people, and corporate profits above public job creation and guaranteed support to keep people out of poverty.

Maintaining a social safety net that protects people from the misery and violence of poverty is the pact we have with one another to live in a society together. A Guaranteed Basic Income should be one part of that social safety net.

CORONAVIRUS AND THE STIMULUS RESPONSE

The immediate economic problems caused by the coronavirus compelled the Government to put ideology aside and pursue the correct approach: stimulating the economy from the ground up. This meant providing wage subsidies to workers, offering free childcare, and doubling the rate of JobSeeker (formerly Newstart) through the Coronavirus Supplement.

For the first time in many people's lives, unemployment income support was above the poverty line. This provided vital assurances to unemployed people that their survival – putting food on the table and keeping a roof over their heads – wasn't put in jeopardy because they had been locked out of the labour market.



**THE POVERTY CRISIS DIDN'T
BEGIN WITH CORONAVIRUS
- AND IT WON'T END WITH IT.**

On July 20, the Morrison Government announced an end to the Coronavirus Supplement and proposed a rate of JobSeeker lower than the poverty line.²⁸ This cut will plunge millions of Australians back into poverty and risk destroying entire communities, particularly regional and remote towns.

Unless these cuts are reversed and the original increases are permanently extended to disabled people, carers, elderly pensioners, and migrants on temporary visas – JobSeeker threatens to become a band-aid solution to the deep wound of a permanent underclass in our society.

It is critical that the original rate of JobSeeker is maintained – and is extended to all people. We can do this by reimagining and restructuring JobSeeker as a Guaranteed Basic Income.

²⁸ Peter Davidson et al., ACOSS and UNSW, Poverty in Australia 2020, 2020.

A SOCIAL SAFETY NET CENTRED ON PEOPLE

There are different proposals that use different terminology in this field. Unlike a Universal Basic Income, which is provided to everyone regardless of their financial circumstances – a Guaranteed Basic Income is a targeted, simple, accessible safety net above the poverty line. Combined with a Job Guarantee, a Guaranteed Basic Income safeguards the value of work by providing ongoing skills, a sense of purpose, and social inclusion – while ensuring that no-one is forced to live in poverty.

When times are tough, we need to make it as simple as possible for people to get the help they need.

1. We have a rate that's working – it's JobSeeker with the additional Coronavirus Supplement. In immediately increasing the rate of income support in response to this crisis, the Government has admitted what we knew all along – *there was never a question they couldn't afford it*. By keeping this rate, with increases in accordance with wage growth and inflation, all people can be assured that they will never fall into the misery of poverty because they experience hardship. Cutting the rate below this would be needlessly cruel, asking the people suffering the most through this crisis to make the biggest sacrifices.

2. Payments should be unconditional and automatic. The current cost of monitoring payments is huge. We can save money, and provide people with a better service by radically simplifying access. A single declaration, once a month, of how much a person earned in the previous month will entitle people to a weekly payment of the gap between what they earned and the indexed rate for the subsequent month. No cashless welfare cards, no work-seeker requirements – just timely help for the people who need it most.

3. No penalties for finding employment. To maintain an incentive to work, there won't be any penalties for people who find work after making their monthly declaration. That means you won't have to repay money you earned that put you above the indexed rate. Instead, your payments will just be reduced the next time you make your declaration to reflect your new circumstances. We should invest time in helping those who need it, not chasing up miniscule amounts of money from people who have finally found paid work.

4. Accommodate different living circumstances accurately. The costs of living in a rural or remote community are not the same as living in a metropolitan centre. Rental and housing prices vary, and there are often unexpected costs associated with getting access to fresh food and basic necessities. We can accommodate these nuances with existing information about cost of living. We can also accurately model the changing costs of raising children as families grow and ensure that the arrival of a new baby doesn't mean taking food away from their elder siblings.

5. A Guaranteed Basic Income works in unison with a Job Guarantee. Many people desperately want the connection and sense of contribution that work provides. A Job Guarantee is sufficiently flexible to provide people with disabilities or who need workplace support with opportunities to engage and be included in meaningful work in a way that the private sector has historically failed to provide. Fewer people will need to access a Guaranteed Basic Income in our world.



4. A ROOF OVER EVERY HEAD

People should be confident they'll have somewhere safe to sleep each night, and they shouldn't be kept awake by the threat of evictions or unjustifiable rent increases.

Access to stable, affordable housing – connected to public transport, schools, and good jobs – should be a non-negotiable government guarantee. People should be assured of a place to sleep each night, and rest assured they won't be kicked out of their home at short notice, or have the rent put up without warning or justification.

Although wages and housing costs grew consistently for decades after the 1970s, in the last twenty years, changes in land valuations and housing policies have resulted in a dramatic affordability gap.

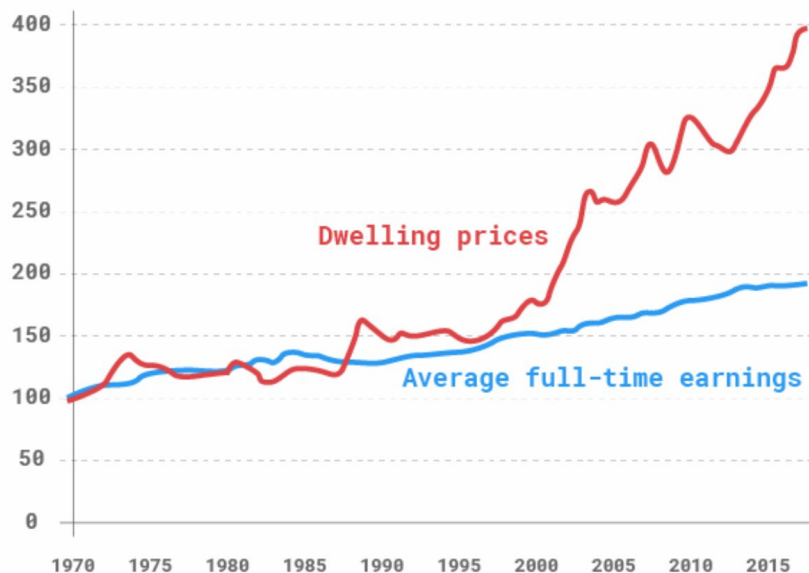


Figure: House prices have grown much faster than incomes since the mid-1990s
Sources: Yates(2011), ABS(2017c) and ABS(2017d)

There has been no attempt to rein in this trend, and has been felt by all of us struggling to keep up with rent or mortgage repayments, and those of us living in fear of evictions, foreclosures, or homelessness.

In June 2018, there were 140,600 people languishing on the government waiting list for social and Indigenous housing, forced to compete for a handful of vacancies.²⁹ On any given night in Australia, over 100,000 people go to sleep without a home – that’s 1 in 200 people.³⁰ Almost 18,000 children don’t have a place they call home.³¹ **Aboriginal and Torres Strait Islander people are over six times less likely to own their own home than other Australians.** And in some parts of Arnhem land, the average number of occupants living in a two bedroom house is 15.

While coronavirus has paused the runaway costs of housing, it has also hit wages and salaries – and without a concerted government and community intervention, there is no guarantee that we won’t return to the same scarcity of homes and housing rights as before this crisis.

²⁹ Australian Institute of Health and Welfare, Housing Assistance in Australia 2019, Australian Government, 18 July 2010.

³⁰ Homelessness Australia, Fact Sheet, 2016.

³¹ Ibid.

GUARANTEE A RIGHT TO HOUSING DURING THIS CRISIS – AND BEYOND

Before the pandemic, only two private rental listings in Australia were affordable for a single person on Newstart or Youth Allowance, and zero in capital cities.³² At the same time, gross profits from property resales in the September 2019 quarter amounted to \$18.7 billion.³³

Coronavirus has worsened the persistent insecurity of housing in Australia, leaving more of us than ever at the mercy of the banking and real estate sector. While some action has been taken to ensure tenants and low-income households aren't put out in the cold during the pandemic (such as the increased JobSeeker payment, and state-based eviction moratoriums), **a right to housing is urgently needed to resolve the structural problems with housing in Australia beyond the crisis.**

Guaranteeing a right to housing would ensure no tenant or mortgage holder is saddled with debt because they can't afford their arrears. It would put an end to cruel and unjust evictions and foreclosures in the pursuit of higher profits for a predatory landlord or the big banks. It would ensure anyone who *did* face eviction would do so in the confidence they had access to quality support through properly funded legal and tenancy assistance.

A home is so much more than a roof and a bed – it is a place to build a life with the promise of stability and routine. A guarantee of shelter includes a right to affordable energy and a ban on utility shut offs, and requires a genuine attempt by governments and landlords to protect our homes against climate change, pests, and diseases.

³² Rental Affordability Snapshot, Anglicare Australia, April 2019.

³³ Pain and Gain Report, CoreLogic, January 2020.

A MASSIVE INCREASE IN FUNDING FOR AFFORDABLE HOUSING SUPPLY

Sleeping rough, rental stress, overcrowding, or just living in houses without basic amenities has



Figure: Percentage of New Dwellings Funded by the Government

disastrous consequences for people's health, wellbeing and sense of safety. We need to transform our public housing programs and stop rent-gouging at the hands of the wealthy.

Just 30 years ago, the Australian government was responsible for funding the construction of 12% of all new dwellings. In the last decade, this number fell to just 2%.³⁴ As a result, the proportion of social housing stock has been decreasing, despite already being extremely low, relative to other wealthy nations.

We need a Housing First approach, modelled on the success of places like Finland and Denmark. The Australian Government can and should reprioritise social housing, and focus construction of new housing in areas that are close to public transport, good schools and public amenities. This kind of nation building investment won't just create new homes – it will generate thousands of well paying jobs. It will give people the confidence, and security they need to raise a family or get involved in their communities. And with environmentally sustainable construction, it could spur on a boom in sustainable materials and renewable energy.³⁵

³⁴ Keith Wardrip, Laura Williams, and Suzanne Hague, Centre for Housing Policy, *The Role of Affordable Housing in Creating Jobs and Stimulating Local Economic Development*, 2011.

³⁵ Australian Sustainable Built Environment Council and Low Carbon Living Cooperative Research Centre, *Growing the market for sustainable homes: industry roadmap*, 2019.

In addition, the government could also purchase vacant private housing developments. Housing should be a right – not one person should be sleeping rough without emergency housing while there are investment properties that lay empty.

REFORMING OUR HOUSING SECTOR

Housing reform can transform our lives and our communities. By putting shelter at the centre of our housing policies – not returns on private investment – we can lift the standard for what a safe home can look like during and beyond this crisis.

- ← Abolish no-grounds rental evictions.
- ← Encourage long-term tenancies that allow people to settle down.
- ← Cap rent increases to inflation.
- ← Increase Commonwealth Rent Assistance.
- ← Ban “rental bidding” to ensure fair access to rental properties at their listed price.
- ← Improve tenant entitlements, like allowing pets in all properties and permitting modifications that don't decrease the value of the property.
- ← Establish Community Land Trusts to provide genuinely affordable housing, and give people a democratic say in their local communities.
- ← End negative gearing, and lower the capital gains tax discount to 25%.
- ← Replace stamp duty and property taxes with a broad land value tax, including owner-occupier properties.

It's vital that we redefine housing in this economy – putting homes before investments, and people before profits. By guaranteeing shelter for all people, we can guarantee the welfare of our communities and the safety of our friends, families, and neighbours.



**IT'S VITAL THAT WE
REDEFINE HOUSING
IN THIS ECONOMY -
PUTTING HOMES
BEFORE INVESTMENTS,
AND PEOPLE
BEFORE PROFITS.**



5. HOUSEHOLD CLEAN ENERGY GUARANTEE

We should all be able to heat our homes in winter, keep our food refrigerated, and enjoy a hot shower without worrying about whether we can afford it.

We should all be able to heat our homes in winter, keep our food refrigerated, and enjoy a hot shower without worrying about being able to pay for it. Yet far too many Australians find themselves unable to afford the energy and hot water they need for a healthy and comfortable life.

Since the 1980s successive governments have privatised, corporatised, and deregulated many of the essential services people depend upon. Unaccountable CEOs have replaced elected representatives – and everyday people are paying the price. Private generators withhold supply and drive prices sky-high.³⁶ Network companies abuse their monopoly over the poles and wires to increase prices further.³⁷ And greedy retailers pad their profit margins by adding markups unrelated to the cost of service to their customers' bills.

Over the past decade energy policy has become highly politicised. In 2012, the Australian Renewable Energy Agency (ARENA) and the Clean Energy Finance Corporation (CEFC) were established by the federal government to improve the competitiveness of renewable energy technologies and increase the supply of renewable energy in Australia. Since then, ARENA has been drastically defunded, and more recently both ARENA and the CEFC face mandate changes that would see them fund carbon capture storage and gas. Behind these ploys is the fossil fuel lobby, which seeks to immortalise coal and gas in Australia's energy sector, despite its dwindling economic efficiency.

During the coronavirus pandemic, there has been a distinct push to fund gas projects across Australia. This is due to the heavy involvement of the fossil fuel lobby through an advisory body called the National COVID-19 Coordination Commission (NCCC). The Head of this Commission, Neville Power, is a former mining CEO and sits on the board of a gas company.

³⁶ Bruce Mountain, GetUp, Dirty Power Games, 2016.

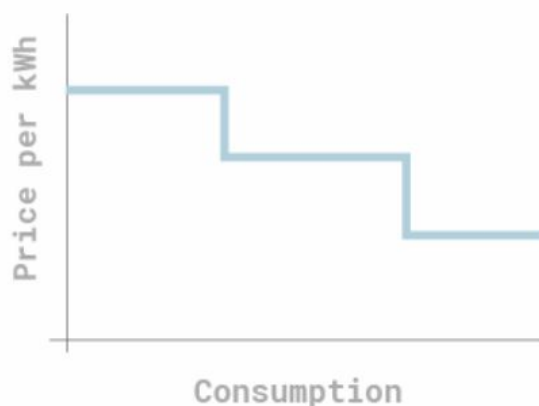
³⁷ Nicky Ison & Miriam Lyons, GetUp and Solar Citizens, Homegrown Power Plan, April 2016.

Energy is a fundamental necessity of modern life. And access to it should be guaranteed – free of charge. To do this, we need to replace the existing privatised tangle with a national, publicly-owned public-interest system that delivers 100% renewable, affordable energy to every single household in Australia.

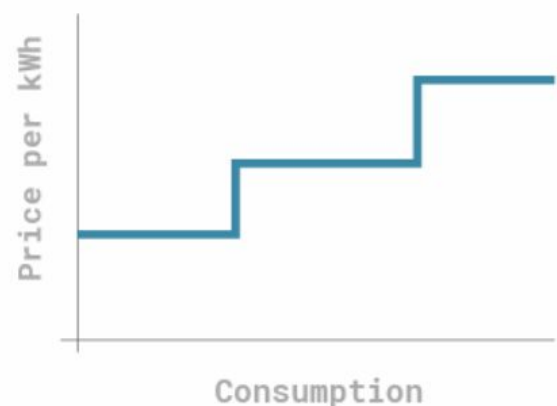
ENERGY FOR EVERY HOUSEHOLD:

A free connection to the electricity grid should be guaranteed to all. On top of this, the government should provide everyone with a sufficient daily energy allocation to keep the house lit, the food fresh and enough water warm to serve everyone's needs. Using grid data and smart metering, the government can calculate the basic requirements for any given household, taking into account geography and family size.

A basic energy guarantee is common sense. Currently, fixed fees make up a huge proportion of people's electricity bills, with discounted rates given to heavy users. This is designed to incentivise maximum energy use – and boost the profits of energy corporations. Instead, we should provide the basics free of charge, and charge progressively more for those who use excessive amounts. By changing the current tariff structure, we can guarantee people's basic energy needs – and recoup some of the cost through higher tariffs on heavy users.



**Figure: Profit
(and usage) maximising
tariff structure**



**Figure: Conservation
and equity maximising
tariff structure**

A PUBLIC-INTEREST ENERGY SYSTEM:

We can replace our dirty, expensive and unreliable energy system with one that delivers clean and affordable energy for all:

- 1. Federal investment in publicly owned renewable energy generation and storage including funding the Australian Renewable Energy Agency and maintaining its strict mandate:** Australia already produces enough renewable energy to supply 70% of Australian homes. That comes as no surprise when solar and wind energy are now cheaper to build than coal, and the combination of renewables and storage is already cheaper than burning gas for electricity. We need to rapidly accelerate investment and get to 100% renewable energy by 2030.
- 2. An electricity grid owned and run in the public interest:** Regulators have failed to stop network companies abusing their monopoly over the poles and wires. We should return that monopoly power to an elected government who can be voted out if they fail to run them well. Governments are also best placed to manage a smooth transition from a grid dominated by big, centralised power stations to one with lots of local rooftop solar and storage, and to ensure that old energy dinosaurs don't use their market power to squash the newcomers.
- 3. A public option in the retail market with a mandate to provide 100% clean, affordable energy to households:** Retail markups account for a significant portion of the price increases that have been forced on consumers in recent years. Corporate investors shouldn't amass wealth at the expense of people who can't afford to turn the heater on during winter – and a public option would force private sector retailers to compete at the lowest possible profit margins. Additionally, a public clean energy retailer could help households lower their usage by investing in efficiency measures like solar panels or hot water systems – reducing costs and further cutting climate pollution.

6. A PUBLIC-INTEREST BANKING SYSTEM

Government backed banking facilities, available through our postal service would rid the financial system of predatory lending and exploitative fees. Banks are vital to life in the modern economy.

They are where we deposit our salaries and store our life savings. They provide the credit we need to make urgent repairs to a car or pay for an unexpected trip when a parent falls ill. And if we wish to buy a family home or start a family business, access to credit gives us the autonomy to be the architects of our own lives.

Despite the systemic importance of banking, control of our financial system has been handed off to large for-profit corporations. They've exploited their privileged position by gouging their customers with exorbitant fees, selling shonky insurance and handing out negligent, self-serving financial advice – all the while accumulating more and more of our money for themselves. And anyone whose current income or previous financial mistakes paint them as a risk to banks' profits is refused service, and cast out into the unforgiving world of criminal loan sharks and predatory payday loans.

It is high time Australians had access to a Public Interest Bank that would operate both online and through existing government infrastructure such as our post offices.

The government already provides public financing in many areas of the economy. It acts as a low-cost lender for education through the Higher Education Loan Programme (HECS-HELP), and provides access to cheap credit for renewables projects through the Clean Energy Finance Corporation. It's time to take things one step further.

A Public Interest Bank would provide many benefits:

- ← **A low-cost, secure destination for people's cash.** Without the need to make a profit, a Public Interest Bank can put people first: providing a safe, no-fee destination to store people's salaries and savings without being gouged by corporate banks.

- ← **Affordable emergency lending service for those most in need.** Having a low income, or making a credit mistake 10 years ago, shouldn't prevent people with a sensible plan from accessing credit to fix their car so they can get to work, or make an interstate trip when a loved one passes away.
- ← **Priority lending for social good.** A Public Bank could encourage social impact investments that improve labour standards, public housing, environmental conditions or another community need.
- ← **Become the standard for banking services.** By being accessible to all, the Public Bank will finally force private banks to lift their service and ethical standards to compete with a no-fee, fully-guaranteed destination for deposits.

PUBLIC ECONOMIC INFRASTRUCTURE IN PUBLIC HANDS

The payments system is the fundamental economic infrastructure that allows funds to be stored and transferred between people and businesses in the economy. When banks were privatised, the payments system was privatised too, and the banks' control of it has given them unwarranted structural importance to the economy. They're too big, and too important, to be allowed to fail – and they know it.

The banks have parlayed their control over the vital payment infrastructure into a unique privileged status in the economy. Their deposits are formally guaranteed by the government, and in times of crisis they are given unrestricted access to public funds. With this privileged status, they've taken reckless bets on risky financial products – pocketing huge profits and leaving the public to pick up the bill when the house of cards inevitably collapses.

As long as for-profit corporate banks are allowed control of the national payments system, they will be able to privatise their profits and socialise their losses. We need to bring the payments system back into public hands – and our economy back under our control.

7. HOW DO WE PAY FOR IT?

The way successive governments have talked about the budget is wrong - and dangerous. We can afford anything we want, just not *everything* we want.

In his 2017 budget, then Treasurer Scott Morrison made an unprecedented concession. **He admitted there's such a thing as "good debt"**. He argued that it's not the size of the deficit that matters, but what we get for it.³⁸ His reasoning: increasing the deficit in a manner that generates growth and expands our productive capacity into the future is not only sensible - it should be standard operating practice.

This is a subtle but important admission that breaks down the gross oversimplification of public finance that has dominated political discourse for decades. A budget deficit is not the same as household debt. Government spending is not just acceptable, but good economic policy.

This offers us a starting point for funding the policies in this document. Knowing what is possible opens up a conversation about what is valuable. Getting people into meaningful work, reskilling them over the course of their lives, investing in efficient, affordable, renewable energy, will directly boost our economy.

For example:

- ← Reskilling the workforce to deal with automation will have \$1.2 trillion economic return over the next 12 years and an immeasurable social return.
- ← Investing in full employment will shorten economic downturns by acting as an automatic stabiliser for the economy - injecting more money when the private sector shrinks, and less when the private sector is booming. This shortens downturns, and keeps people skilled up and ready to re-enter private sector jobs when they become available.
- ← Ensuring everyone has a living wage is the best thing we can do for jobs and innovation. Businesses don't invest, expand or create jobs unless they know there are customers who can afford what they produce. A more generous social wage supports local small businesses where those wages are spent.

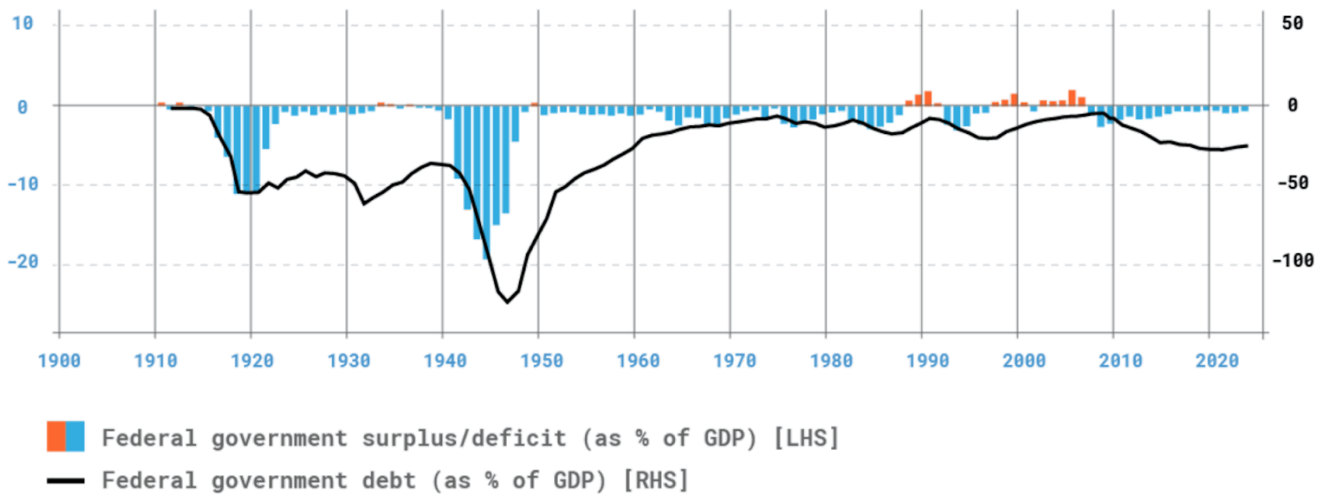
³⁸ David Sharaz, Morrisons 'good, bad' debt claim under fire ahead of the Budget, SBS, 27 April, 2017.

We can afford anything, just not everything.

Historical data vindicates Morrison's admission – the Australian government can *comfortably* spend more than it takes in from taxes. In fact, Australia has *never* run meaningful government surpluses, nor has it needed to. **Since Federation, we have been in deficit 77% of the time, and our deficits have always been significantly larger than our surpluses.**³⁹

This simple fact isn't discussed enough – although it is widely understood by central bankers: **A government who issues debt in a currency they control is never at risk of default.**

Deficits only become a problem for governments when the economy is approaching its productive limits. At that point, injecting further money into the economy without other checks, such as a robust progressive tax system, risks inflation. Inflation, not revenue, is the real constraint on government spending. But Australia is a long way off reaching our productive capacity. Investing in a more generous social wage will benefit all of us.



³⁹ Ashley Owen, Philo Capital Advisers, Running up and paying off government debt; ABC, Was Labour responsible for a record deficit, ABC Fact Check, 2016.

We can't afford not to.

The status quo is expensive. We pay extraordinary amounts to avoid fixing problems. When considering this vision, it's important to bear in mind all that it will save us, not just the investment it requires.

We spend billions on "job incentives" that leave us languishing in unemployment.⁴⁰ Rather than preventing poverty and homelessness, we spend billions on healthcare and law enforcement to address their symptoms.⁴¹ We spend billions helping people reskill at shonky private colleges, and then millions more investigating why it went badly.⁴² And while we may have lower taxes, we are wasting more than ever on energy bills, childcare costs, and bank fees because corporations continually ramp up the prices of services we depend on.

And it's also worth noting that the costs of these proposals are shared. The more people who engage with a Job Guarantee, the less people who will require income support. If early education, energy and housing become more affordable the indexed level of income support will reduce.

Finally, when has a politician ever felt the need to explain how they'll pay for \$65 billion dollar corporate tax cuts? Or justify \$17 billion for fighter jets? We don't need to justify the cost of this agenda – we simply need to do what they do:

Argue its value.

This is an argument we will not lose. We are, all of us, united by a common concern for the health of our neighbours and the happiness of our loved ones. We shouldn't put a price on that.

⁴⁰ Rick Morton, "Failing job sites branded a mess", The Australian, October 2017

⁴¹ Ellen Witte, "The case for investing in last resort housing", Melbourne Sustainable Society Institute, Issues Paper No. 10, March 2017.

⁴² Report of the Senate Education and Employment References Committee, "Getting our Money's Worth: The operation, regulation and funding of private vocational education and training (VET providers in Australia)", October 2015.

I was working as a VET teacher and made redundant in my mid 50s. I'm now 60 and haven't had a days work since. The Newstart Job active system was brutal and all for a sum of money that one simply cannot live on. I have since used up all of my savings including superannuation..

-Jef



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. - Nicholas 3765

Prior to coronavirus, I had enjoyed 33 continuous years in the workforce. In April 2020, though, the end of a 6 month contract (which had been 'rolling over' for 4 years) coincided with the arrival in Australia of coronavirus and the accompanying lockdown. Consequently, my contract was not renewed and, with no redundancy pay-out or long-service-leave entitlements, I found myself with no source of income to support myself or my family. I feel fortunate that the government has been able to provide a source of income for myself and those in a similar situation. The current JobSeeker payment has allowed my family and I to keep our heads above water until such time as we are able to secure another source of income. - Martin 3142



GetUp!