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23 March 2020

Dear Prime Minister,

ECONOMIC JUSTICE AUSTRALIA'S RESPONSE TO THE GOVERNMENT'S CORONAVIRUS ECONOMIC MEASURES

Economic Justice Australia (EJA, formerly the National Social Security Rights Network) welcomes the entire range of social security and income support measures introduced by the Government yesterday (22 March 2020) in particularly the effective doubling of the rate of Newstart (now called JobSeeker Payment).

EJA's recommendations below are made drawing on the expertise of its member community legal centres which have been delivering specialised legal assistance services in Australia for over 30 years. Our 15 centres across Australia operating in every state and territory, provide specialist legal services in social security and family assistance law, policy and administration.

EJA has been expressing concern for a long time that the rate of Newstart payment was too low. This needs to be a permanent move in the right direction to ensure people have the support they need when they find themselves out of work through no fault of their own.

The boost to staff numbers at Services Australia to resource Centrelink to respond to the huge increase in claims is also welcome. However, our members are hearing that the Centrelink website crashed yesterday under the weight of all the people trying to access income support. This unprecedented demand will require an even greater injection of resources in all aspects of service delivery.

In the face of this health and economic crisis, our members stand ready with the whole community sector to support the Government's efforts to ensure that the coronavirus assistance gets to the people who need it. However this will take resources. EJA will require immediate government funding assistance to continue to provide the services people need to effectively navigate the social security system.

RECOMMENDATIONS

1. To ensure that the Coronavirus supplement has its intended impact of supporting all vulnerable job seekers who have been impacted, the following groups should be added to the list eligible to receive the Coronavirus supplement:

- Students receiving Youth Allowance, Austudy and Abstudy
- Migrant workers who are not residents
- International students
- TPV or SHEV visa holders who are only eligible for Special Benefit if they have less than \$5000 in liquid funds
- People seeking asylum who receive SRSS payments or have had their SRSS payments removed
- Carers
- Disability Support Pension recipients
- Age Pension recipients
- New Zealand citizens
- People subject to Compensation Preclusion Periods and Income Maintenance Periods

2. To ensure social distancing and self-isolation measures are successful in slowing the spread of COVID-19, all mutual obligation and Program of Support requirements should be suspended as a blanket approach rather than on a case by case basis for all payment types.

The application of any mutual obligation exemptions on a case-by-case individual basis is unrealistic and potentially hazardous in light of the shutdowns across the economy and the length of time, likely 6 months or more, that these measures will be in place. It is likely that there are no new jobs for people to be assisted to get into.

Having recently released research into the negative impacts of penalties on participants in the Community Development Program (CDP), EJA welcomes the announcement that the CDP is also being suspended and the arrangements to lift any existing suspensions and penalties for CDP job seekers.

3. To enable EJA and its members to effectively respond to the increase in demand for their services as a result of COVID-19, an initial injection of \$1.95 million to fund the equivalent of one full-time staff member and on-costs for each of the 15 specialist social security community legal centres and programs across Australia.

Each of EJA's member community legal centres requires \$130,000 to fund an additional staff member dedicated to providing social security legal services to people affected by the coronavirus. This figure is based on the Community Legal Centres Australia's recommended rate of \$130,000 per staff member.

We note that there has been an increase to Services Australia staffing with an additional 5000 to respond to demand on Centrelink's services. This equates to an increase in staffing of around 17.8%. EJA member centres will need an increase in staff resources at a level commensurate with the percentage increase in Services Australia staff, especially bearing in mind that the social distancing requirements will deplete staff and volunteer capacity.

While the extension of the Boosting Cash Flow for Employers measure to NFPs including charities will certainly provide some assistance to our centres, this support will likely be spread across a wide range of non-social security service areas, particularly in geographically based/generalist centres that provide a specialist social security program as part of a suite of legal assistance services.

Following an opportunity to further assess changes in demand and recognising that the EJA member centres have differing structures, catchment areas and roles, further requests for additional funding and resources may be made by EJA on behalf of its members.

EJA continues to support the community sector rescue package recommendations made on 21 March 2020 at: https://www.acoss.org.au/media_release/acoss-coss-network-asu-covid-19-community-sector-rescue-package-recommendations/

Please contact me if you have any questions about these recommendations or if we can be of further assistance.

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