



Andrew Wilkie MP
INDEPENDENT MEMBER FOR CLARK

8 APR 2020

The Hon Christian Porter MP
Leader of the House
Parliament House
CANBERRA ACT 2600

Dear Leader of the House

Christian

I ask that you seek to table this letter on my behalf at the sitting of the House of Representatives today, 8 April 2020.

I will not be attending the Parliament on this occasion as the Government and Opposition have reached an agreement on a COVID-19 stimulus package to be passed with a minimum number of Members present. However I do wish to take this opportunity to highlight a number of issues which need to be addressed if we are to ensure no one is left behind as we tackle the pandemic.

Our federal, state & territory and local governments are facing a peril of historic proportions. But by and large our leaders have stood up and made the tough calls. So far we have avoided a catastrophe. History will be the final judge, but today I am proud to be a Member of Parliament and to be a part of our national response to the pandemic.

Many of the matters I raise here are the direct responsibility of the Federal Government, some will need the cooperation of the states & territories within the National Cabinet, and some will fall to the private sector but where necessary with the inducement of governments. It's become somewhat of a cliché, but it does not make it less true: we are all in this together.

My concerns are not ranked in any order of importance because they are all important, whether they affect millions of Australians or just a handful. We can't leave anyone behind as we navigate through these most trying of times.

- There remains a significant shortfall in the availability of personal protective equipment across all health sectors, including hospitals, residential aged care, general practice and allied health. It is essential that the Government gets on top of this now, including looking more closely at local manufacture and innovation.

- Many businesses and employees will not meet the narrow eligibility criteria for the JobKeeper payment. For example local government and schools are not eligible businesses, and there are numerous smaller employers who don't appear to be catered for. Casuals who have worked for less than 12 months will be excluded. There are more examples which I have already raised directly with the Treasurer.
- An additional JobKeeper concern relates to NDIS providers, and other young businesses, where the methodology of comparing a period in this year against one from last year makes sense for a mature business but is ineffective for new and growing start-ups. I suggest that JobKeeper eligibility for such ventures should be based on a smaller reduction in revenue, say 15 percent over 12 months, similar to that granted to registered charities.
- The arts and entertainment sector in particular has obviously been decimated by the pandemic, with whole sections of the cultural industries ceasing operation. The sector needs a targeted stimulus package now or it may never recover.
- The child care reforms are generally welcome, but they are entirely unsuitable for family day care providers as 50 per cent of their subsidies have gone and they are no longer able to charge fees. My office has been swamped with calls from panicked providers who have experienced no reduction in the number of children in their care and are very concerned with how they can possibly stay afloat.
- Moreover the child care reforms were created to work alongside the JobKeeper package, keeping the early childhood sector afloat amidst declining enrolments. But centres operating within a school are unable to apply JobKeeper payments to offset staffing costs, the result being that the loss of full fee paying families will result in centres running at a significant loss.
- With regard to large, social service-oriented not-for-profits, their child care centres need to be assessed independently from the parent organisation. This is because the main entity can't cross-subsidise child care services that are now losing money as much of its income is tied to specific government programs. Indeed I am told that many early learning centres provided by large not-for-profits are under threat if the reforms go ahead.
- The Australian Competition and Consumer Commission needs to step up and ensure consumers are not exploited during the pandemic, for example there is ample anecdotal evidence of opportunistic supermarket price hikes.

- In addition the ACCC must investigate and take action against companies that continue to charge fees for services they can no longer provide, for example gyms charging membership fees even though they have been required to close. And the airline practice of issuing time-limited credit vouchers, instead of refunds, needs to be scrutinised. If the ACCC doesn't have the power to clamp down on such practices, then the Government needs to give it that power.
- Many pregnant women are concerned about giving birth in hospital because of the potential for exposure to COVID-19. There needs to be a Medicare item numbers for intrapartum midwifery to give mothers the options they need.
- We must do more to return Australians trapped overseas. Whatever their circumstances, or the reasons they are where they are, we have a duty to protect our citizens and the Australian Government must work even harder to bring all Australians home.
- Protecting mental health must be a top priority for the Government. Leading mental health expert, Professor Patrick McGorry, says there will be many new episodes of mental illness on account of the pandemic, and that a great many people, including those already enduring mental ill health, will fall through the cracks. Our mental health system has been underfunded for years and could not meet demand before COVID-19. Now more than ever it needs to be prioritised and funding significantly increased.
- The National Rental Affordability Scheme must be extended. In greater Hobart 667 homes will exit the NRAS over the next seven years, including dozens within 12 months. This would be bad at the best of times, and will be a social tragedy in the current circumstances unless remedied now.
- I am concerned that superannuation funds are engaged in short-selling on the Australian Stock Exchange, contributing to the current downturn and volatility in the market. The Australian Securities and Investment Commission must be directed to introduce a ban on short-selling to pull the super funds into line.
- For years I have been one of the voices calling for better wages for aged care workers, and it is now even more important as they deal directly with the challenges of COVID-19 in residential facilities and home care. The Government must urgently award a much-deserved pay increase for the aged care sector.

- Although Australian banks responded swiftly to introduce a relief package for businesses, I am concerned that they will ratchet up repayments after the six month deferral to claw back arrears. Many small businesses simply will not be able to meet these increases, particularly as they re-start after a closure.
- The reform of payday lending must be a priority as this sector will undoubtedly prey on members of the community most vulnerable to the economic effects of COVID-19. Easy access to on-line shopping and gambling, social isolation, increased Centrelink payments for many people, and clever corporate marketing will allow payday lenders to take advantage unless they are reigned in now.
- There needs to be an urgent review of practices and procedures to harden our national parliament against unexpected events like COVID-19, for example remote voting by electronic means.
- *Announcements regarding greater protections for residential and commercial tenants* are very welcome because rents remain one of the most significant threats to small businesses. But so far the announcements have been light on detail and seem to depend in large part on the goodwill of landlords. This issue will obviously need constant and careful oversight, and governments must be prepared to act immediately and strongly to ensure tenants get a fair go.
- For years I have been highlighting the significant issues facing users of Centrelink, and it's shameful that successive governments have not prioritised fixing what is a broken system. Now, with hundreds of thousands of new JobSeeker applicants, Centrelink online and telephone services are buckling under unprecedented demand. I am being contacted by countless people frustrated by their inability to communicate with Centrelink staff, on hold for hours, sitting by their phone waiting for the promised call back, or spending hours trying to submit their application as the system crashes over and over again. My criticism of the system not directed at the staff. In fact, it is only the hard work and dedication of these staff that will enable the payments to be processed and money dispatched to those are in desperate need of it.
- I am also increasingly being contacted by recipients of Carers Payments and the Disability Support Pension who will not receive the \$550 Coronavirus supplement, but have lost their casual work or are unable to work because they are classified as vulnerable due to their disability or the person that they care for. The Age Pension also remains inadequate. The Government must do more to better provide for these people.

- The pandemic puts temporarily undervalued Australian companies, as well as other key assets, at risk of being purchased by opportunistic foreign corporate raiders. I was relieved to see that the Government's announcement that all proposed foreign investments into Australia will require approval by the Foreign Investment Review Board. A more stringent national interest test is required.
- COVID-19 has made it clear that access to the internet is a modern day necessity and a fundamental human right. However, many people in my electorate do not have a home internet connection and cannot afford one. The Government must support parents and the socially isolated by providing emergency internet packs to assist with remote home schooling and staying connected with others during this difficult time.
- I have been contacted by many foreign nationals who are not entitled to any assistance. Surely we have a humanitarian obligation to care and provide for *everybody within our jurisdiction, especially when many foreign nationals are simply unable to return home safely right now.* Having our guests starve and sleep in the park is obviously not an option.
- The processing time for migrants who have applied for a Skilled Regional Visa under subclass 887 needs to be reduced from the current wait of over 24 months. Candidates are suddenly unable to find employment, cannot access Medicare or benefits, and are denied further education. These migrants contribute considerably to regional Australia, and it is essential during this crisis that the assessments of their applications are given priority.

In addition to the above matters regarding Australia's response to the COVID-19 pandemic, I would also like to take this opportunity to put on record some specific observations and cautions with the bills to be debated during today's sitting.

Coronavirus Economic Response Package (Payments and Benefits) Bill 2020

This bill would require that if the Government overpays an entity, then the entity is required to pay back the overpayment with general interest. This is bad public policy, because if the payment made by the Government was the Government's mistake, and if the entity spent the money in good faith believing they were entitled to it, then surely it would be enough for the money to simply be repaid. Charging interest would be patently unfair in the circumstances.

Coronavirus Economic Response Package Omnibus (Measures No. 2) Bill 2020

The Social Services Minister has complete discretion over extending, making or restricting payments. This is reasonable given that there are many unknowns as the COVID-19 pandemic unfolds. However this obviously gives the Minister enormous and virtually unrestrained financial power, necessitating effective oversight along the lines of the joint select committees proposed by the six cross-benchers in the House.

Coronavirus Economic Response Package (Payments and Benefits) Rules 2020

These rules need to ensure they encompass the matters I raise in the shortcomings of the stimulus packages. Some examples are listed here.

- The requirement that casual employees be employed by the same employer for over twelve months runs against the very nature of casual employment. In the hospitality or entertainment industries, for instance, many workers make up a living from several employers, often following seasonal or sessional work as they swap between “gigs”. The JobKeeper allowance needs to be more realistic, for instance to at least include casual employees that have been employed by any entity for a period of twelve months.
- Moreover JobKeeper needs to be available for all workers, including government workers and workers in entities owned by government, for example at the Hobart Aquatic Centre, in Hobart City Council carparks and at the Hobart Travel and Information Centre. It should also include casual teachers and teacher’s assistants.
- As it stands, JobKeeper payments only apply to Australian citizens or New Zealanders on 444 visas, meaning that foreign national who work here are not entitled to any benefit even though they will also face employment difficulties.
- Only one “business participant” of an entity will be entitled to apply for a JobKeeper payment, that is one partner in a partnership, one beneficiary of a trust, or one shareholder or director of a company. This appears very limited as there will be many cases of more than one owner legitimately contributing to a business, for example a husband and wife.

Yours sincerely



Andrew Wilkie MP
Independent Member for Clark