Inquiry into the United Nations Sustainable Development Goals (SDG) Submission to Senate Foreign Affairs, Defence and Trade Committee 13 April 2018



# About ACOSS

The <u>Australian Council of Social Service (ACOSS)</u> is a national voice in support of people affected by poverty, disadvantage and inequality and the peak body for the community services and civil society sector. Our vision is for a fair, inclusive and sustainable Australia where all individuals and communities have the opportunities and resources they need to participate fully in social and economic life.

ACOSS has been involved in the work of the Sustainable Development Goals (SDGs) for a number of years, including through jointly hosting multi-stakeholder SDG summits in 2016 and 2018. In line with the 2016 Summit Civil Society Statement, we continue to embed the SDGs in our policy development, hold others to account for their domestic implementation through our advocacy, monitor and report on our progress and collaborate across sectors. The ACOSS Board has endorsed the SDGs as an overarching framework for our advocacy and engagement, and a reference point for measuring progress on our core mission of addressing poverty, inequality and disadvantage in Australia. The 2016 Summit <u>Outcomes Report</u> and Civil Society Statement are attached to this submission and address many of the issues in the Committee's Terms of Reference.

# Summary

- The SDGs provide Australia with the opportunity to address the greatest social, economic and environmental challenges that we are facing, domestically and globally.
- A whole of government, national implementation plan that sets out measurements, strategies and shorter-term targets should be developed as a priority.
- Adequate funding for community sector and multi-sectoral engagement is essential to achieving the SDGs.
- Priority actions for Australia should include developing an agreed definition of poverty, increasing unemployment and student payments, rent assistance and family payments, and closing the gap on Aboriginal and Torres Strait Islander disadvantage.

# Discussion

SDGs provide Australia with a framework for an inclusive and equitable future



The SDGs framework, adopted globally on 25 September 2015 by 193 countries, including Australia, provides a way for us to articulate and work towards an inclusive and equitable future, in a way that is positive, comprehensive, tangible and measurable.

We are in agreement with Foreign Minister Julie Bishop who said "Should we realise all 17 Goals, we will transform our world for the betterment of humankind."<sup>1</sup>

The Goals provide us with opportunities for new conversations, partnerships and actions to help realise such a future.

# Australia must act locally as well as globally and develop a national implementation plan

The SDGs apply equally to all nations. They present an opportunity for Australia to address inequality, poverty and disadvantage experienced within Australia as well as to contribute to a global transformation.

As such, it is imperative that Australia's approach to implementing SDGs extends beyond its aid program and into domestic policies. In order to achieve this, a whole of government, national implementation plan should be developed outlining how Australia will achieve the goals, both nationally and through our international development and humanitarian assistance efforts. In addressing the biggest social, economic and environmental challenges of our time, the SDGs touch on all facets of the Australian's Government's work. A whole of government strategy is necessary to implement the goals, and ensure coherence and consistency across Government. It must deliver central government coordination, and involve active participation by all Departments. Critically, this must include a leadership role by the Department of Social Services and Employment given their direct role in achieving Goal 1 – poverty reduction. The SDGs must be seen as core business by all Government Departments rather than just an international responsibility of DFAT.

The plan should include agreed measurements, strategies and shorter-term targets to pave the way to meeting the 2030 deadline. The plan must be resourced to enable the necessary governance and monitoring mechanisms, including resources for research and data collection where there are data gaps, and for participation of key stakeholders, as detailed below.

#### Funding for community sector and multi-sectoral engagement

Community sector organisations work on a daily basis with people experiencing disadvantage, poverty and inequality. They have essential knowledge, experience and access that is essential to progressing the SDGs. However, their knowledge of, and engagement with, SDGs is limited. Chronic underfunding combined with high levels of unmet need drastically limits organisations' capacity to engage with the SDGs.

Community sector organisations are an essential piece of the puzzle for ensuring Australia's progress towards meeting the SDGs, particularly in areas of domestic measurement,

<sup>&</sup>lt;sup>1</sup> Julie Bishop, *National Statement – United Nations General Assembly 70<sup>th</sup> Session*, 29 September 2015, https://foreignminister.gov.au/speeches/Pages/2015/jb\_sp\_150929a.aspx?w=tb1CaGpkPX%2FlS0K%2Bg9ZKEg% 3D%3D.



program design and implementation. However, they must be sufficiently resourced in order to effectively engage with the SDGs. This must include resources to support the active participation and leadership of Aboriginal and Torres Strait Islander people and organisations in the process.

Facilitating broader, ongoing engagement would also be enhanced by funding a multisectoral secretariat to coordinate action on the SDGs and input into government process beyond the Voluntary National Review. The hub could link federal and state governments, civil society, business and academia.

#### Priority actions for Australia to take towards addressing inequality

ACOSS has identified a number of priority actions that we believe the Federal Government should take in implementing its obligations under the SDGs to reduce poverty and inequality.

## Ending poverty (goal 1)

Poverty is a deep problem in Australia and the Australian Government is under an obligation to implement social protection systems and measures to address it. Despite this, the Government has yet to **adopt a national definition of poverty**. Without a measure for poverty, it is difficult to ascertain how the Government intends to meet its Goal 1 obligations, including halving the proportion of those living in poverty in all its dimensions according to national definitions.

ACOSS, in partnership with the University of New South Wales has adopted the widely accepted OECD poverty line measure of 50% of median income in its *Poverty in Australia* reporting series.<sup>2</sup> Based on this widely accepted definition, almost 3 million people, including over 730 000 children are living below the poverty line.

**Increasing the rate of unemployment and student payments**, rental assistance and family payments is the most significant, immediate step that the Government could take towards reducing the proportion of those living in poverty. The biggest poverty risk factor is being locked out of paid work and in receipt of a social security payment. People receiving unemployment and student payments (Youth Allowance, Newstart and related payments) have the highest rates of poverty because these payments are well below the poverty line.

Newstart Allowance is just \$274 per week and is indexed to the Consumer Price Index, not to wage movements like pensions. The single rate of Newstart (including rental assistance and the energy supplement) is \$109 per week below the poverty line. Youth Allowance is \$158 per week below the poverty line. People living on these payments are suffering as a result, often unable to access three meals per day, decent housing and adequate healthcare. Their low income also directly affects their capacity to look for and secure paid work.

A key recommendation in ACOSS's 2018-19 budget submission is to lift the rate of single Newstart and related payments by \$75 per week and index these payments to wages as well as price increases. This would lift many people on the lowest payments out of poverty and should be a priority for action for the Federal Government in meeting its Goal 1 obligations.

<sup>&</sup>lt;sup>2</sup> ACOSS & SPRC, *Poverty in Australia*, 2016, pp 9-10, <u>https://www.acoss.org.au/wp-content/uploads/2016/10/Poverty-in-Australia-2016.pdf</u>.



For people on fixed low incomes, with children, the most important additional measure to protect children from poverty is to ensure that family payment levels in Australia are adequate. Since the GFC, successive Federal Governments have cut the adequacy of family payments going to the lowest incomes families. Whilst ACOSS supported making savings to some fixed bonus payments going to higher income households, it has persistently argued for improving the rate of family payments for lower income households.

## Closing the gap for Aboriginal and Torres Strait Islander people (Goals 1 -17)

While there is no specific headline goal under the SDGs related to Aboriginal and Torres Strait Islander people, the Government should prioritise action to close the gap and ensure meaningful participation by Aboriginal people across all 17 key SDG Goals. As we note in our Summit Outcomes report, Aboriginal and Torres Strait Islander people should have a leadership role in governance arrangements, and that progress measurements are disaggregated. This may require additional resources for statistical and research purposes.

ACOSS strongly supports the 'Uluru Statement from the Heart' and rejects the government's refusal to engage with Aboriginal and Torres Strait Islander people in their united plea to have a voice to parliament. The ongoing refusal of this parliament and others before this to engage with a consultative group on issues that affect Aboriginal and Torres Strait Islander people across this country is blocking effective dialogue with Aboriginal and Torres Strait Islander communities.

ACOSS also supports the 2016 'Redfern Statement' and urges the government to work with Aboriginal and Torres Strait Islander national organisations and leadership to develop policy and budget measures across key areas in the statement including engagement, health, justice, violence prevention, disability, children and families. It is essential to support meaningful dialogue and transformative action by the parliament on the priorities identified by Aboriginal and Torres Strait Islander peak bodies.

ACOSS outlined a number of specific Budget policy priorities to improve the living standards and strengthen participation of Aboriginal and Torres Strait Islander peoples in our recent Pre Budget Submission, as follows:

- Provide core funding for the institutional capacity of Aboriginal and Torres Strait Islander representation in policy making and national decision-making.
- Restore community service funding levels, including under the Indigenous Advancement Strategy in order to fund recommendations arising from a comprehensive and transparent mapping of service needs in 2018.
- Develop a new national Aboriginal and Torres Strait Islander housing strategy with supplementary funds earmarked in the new national agreement to support culturally appropriate housing, including growth of the Indigenous Community Housing Sector as an alternative to mainstream providers.



- Develop a new Aboriginal and Torres Strait Islander remote funding agreement with costs shared equally between the Commonwealth and State and Territory governments to meet the construction supply shortfall (5500 new dwellings) and the necessary refurbishments and property and tenancy management costs, through a 10 year commitment.
- Replace the Community Development Program with a new employment services scheme for people in remote Aboriginal and Torres Strait Island communities along the lines of the Remote Development and Employment Scheme proposed by APO NT, ensuring the new 73 scheme maintains entitlements to social security payments and does not impose more stringent activity requirements than those applying to unemployed people generally.
- Improve access to early childhood education and care for families on low incomes by redirecting savings from tightening of income test and caps for higher income households and establishing an Aboriginal and Torres Strait Islander community based program within the new Child Care Safety Net, which provides children with 22.5 hours and enables the provision of playgroups, mobile services and outside school hours care in regional and remote communities.
- From 1 July 2018, abolish compulsory income management and the cashless welfare card trials in all states and territories, putting in place both transition arrangements for individuals and communities wishing to retain voluntary income management and cashless card schemes; and opt-in schemes which have been co-designed with communities and to include supports and services as elected by communities, which could include drug and alcohol services, financial counselling, mental health and social support services.
- Introduce a subsidy for the transport of fresh food to remote areas to reduce costs for residents of remote communities using revenue from a new tax on sweetened drinks.

For a more comprehensive set of actions that can be taken by the Federal Government to address the SDGs at a domestic level, see the ACOSS *Budget Priorities Statement* 2018.

## Strengthen resilience and adaptive capacity to climate change (Goal 13)

SDG Goal 13 sets out the following targets:

- Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries
- Integrate climate change measures into national policies, strategies and planning
- Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning



ACOSS recognises climate change is a social justice and intergenerational equity issue that urgently needs to be addressed and urges Government to take affecting action to address climate change and to strengthen resilience and adaptive capacity, especially for disadvantaged communities and the services that support them.

Human induced climate change is one of the most significant issues facing people, communities, economies, our planet, and the security of future generations. And although climate change effects all life, the marginalized and disadvantaged are the most vulnerable.

In Australia, average temperatures have risen by 1 degree since 1910. Australia is already experiencing the impacts of higher land and sea temperature, sea level rises and more frequent and/or intense weather events – i.e. heatwaves, bushfire, flooding, and drought.

The impacts of climate change on people are significant. For example, increases in mortality rates; loss and damage to homes, schools, transport, and electricity systems; increased costs of food, insurance, water and other essential services; increases in diseases and life threatening allergies; and threats to employment through disruptions or loss of viability.

Climate change impacts has a disproportionate impact on people already experiencing poverty and disadvantage because they are least able to cope, adapt and recover, exacerbating disadvantage and poverty. If unmitigated, this will lead to significant social justice issues. It will also increase pressure on governments and community sector for financial and service support. Community sector organisations however are also highly vulnerable to extreme weather events and without adequate support will struggle to provide critical services during and after events.

We therefore support the goal of the Paris Agreement to limit global warming to well below 2 degrees and pursue 1.5 degrees. As a comparably wealthy and emissions intensive country, Australia along with other developed countries, has the responsibility to reduce its emissions faster under the principle of common but differentiated responsibilities. ACOSS is concerned the Australian Governments current targets are inadequate to protect vulnerable Australians.

Economic analysis shows delay will increase costs and risks.

Low-income and disadvantaged households pay disproportionately more of their incomes on essential services and have less choice and control to reduce costs. Therefore the transition to deal with climate change must be well managed, inclusive and equitable so people on low incomes or experiencing disadvantage are not worse off.



Failure to achieve the Paris goals, and failure to meet them in an inclusive and equitable way, will increase poverty and inequality, and increase the risk and burden to future generations.

In implementing the SDGs domestically, the Australian Government should be guided by the following principles and policy priorities:

- 1. Climate change is a social justice and equity issue that urgently needs to be addressed.
- 2. Addressing the needs of people experiencing poverty and disadvantage must be at the core of policy solutions to mitigate and adapt to climate change.
- 3. Climate mitigation and adaptation solutions should aim to reduce inequality and enable better lives.
- 4. A transition to net zero emissions before 2050 is required.
- 5. The transition must be affordable, inclusive and equitable.
- 6. The transition must be just and supports put in place in the interests of workers and communities affected by the transition.
- 7. Governments should collectively carry the costs of the transition, and where this is not the case measures should be put in place to offset disproportionate costs to people on low incomes and experiencing disadvantage.
- 8. With appropriate measures in place to benefit low-income and disadvantage households, the energy sector can and should transition faster.
- Climate resilience and adaptation strategies for people living in poverty and disadvantaged should be prioritised by local, state and federal governments and embedded in other sector strategies.
- 10. Community sector organisations should be supported to reduce their emissions and improve their organizational resilience to climate change to better support vulnerable people.