

The **Australia** Institute

Research that matters.

Submission to the Inquiry into the Social Security Legislation Amendment (Green Army Programme) Bill 2014

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David Richardson

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About TAI

The Australia Institute is an independent public policy think tank based in Canberra. It is funded by donations from philanthropic trusts and individuals, memberships and commissioned research. Since its launch in 1994, the Institute has carried out highly influential research on a broad range of economic, social and environmental issues.

Our philosophy

As we begin the 21st century, new dilemmas confront our society and our planet. Unprecedented levels of consumption co-exist with extreme poverty. Through new technology we are more connected than we have ever been, yet civic engagement is declining. Environmental neglect continues despite heightened ecological awareness. A better balance is urgently needed.

The Australia Institute's directors, staff and supporters represent a broad range of views and priorities. What unites us is a belief that through a combination of research and creativity we can promote new solutions and ways of thinking.

Our purpose—'Research that matters'

The Institute aims to foster informed debate about our culture, our economy and our environment and bring greater accountability to the democratic process. Our goal is to gather, interpret and communicate evidence in order to both diagnose the problems we face and propose new solutions to tackle them.

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Unit 1, Level 5, 131 City Walk
Canberra City, ACT 2601
Tel: (02) 6130 0530
Email: mail@tai.org.au
Website: www.tai.org.au

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The Green army was a pre-election promise on the part of the coalition whose policy document reads:

The Coalition will create a standing 'Green Army' that will gradually build to a 15,000 strong environmental workforce. We will create and properly resource the Green Army, as a larger and more lasting version of the former Green Corps. It will be Australia's largest-ever environmental deployment.

For participants in the scheme it was to provide on-the-job training, participants were to receive a training allowance, gain work-skills and 'potential qualifications in different areas of environmental remediation'. The work was supposed to count towards training courses in land management, park management, landscaping or horticulture. There were to be opportunities for participants to undertake further education, training or employment. It was intended as a volunteer program for 17 to 24 year olds.

According to the MYEFO the cost will range from \$50.7 million in 2014-15 to 147.3 million in 2016-17, however, there will be some offsetting savings in the Social Services portfolio as a result of lower expected income support.

While the present proposal shares many features with earlier schemes there are a number of concerns we have with the scheme. To begin with, it is not clear what guarantee is there that the participant will actually pick up relevant skills and training rather than just be weeding.

The bill provides for an 'allowance' of between \$10.14 and \$16.45 per hour but does not set out how the actual payment will be determined or whether, for example, superannuation contributions will be made on behalf of the participants. Those contributions should be made just as if the participants were in regular employment.

The program plans to pay people for up to 30 hours a week for up to 26 weeks but we do not know if the hours are to be regular nor how they are to be agreed between the 'employer' and participant. It would be a cruel outcome if participants were motivated to join but found they were earning less than they had been on Newstart because the hours were not there. Likewise someone who is sick or has other sudden family caring responsibilities may suffer a drop in income. It is not clear that there are leave arrangements that would be available to ordinary workers.

In effect participants are engaged in casual work and would not see it as anything else. However, as it stands the participants would have far fewer rights than ordinary casual workers and are not considered workers or employees. This concern is heightened if in fact there is very little by way of special training and skills development. In that case especially the jobs should be treated as ordinary work and subject to the ordinary protections such as

- workers compensation which should be automatic in any case,
- unfair dismissal arrangements, and
- other industrial protections.

On top of that special care needs to be taken to ensure that program sponsors are not merely substituting activities they would normally undertake with an ordinary workforce with Green Army

workers on cheap casual wages with fewer on-costs. It should not be a program for providing and alternative cheap workforce for rural and regional employers.

To the extent that the Green Army work is just ordinary work, albeit on casual hours, it should not preclude entitlements to benefits such as Newstart. Anyone else who picks up casual work is entitled to claim benefits subject to the income test and that should be the case with the Green Army work.

Generally programs such as the Green Army that employ people should employ them on exactly the same terms and conditions as if the present legislation were not in place. Without that, not only are the participants disadvantaged but the Green Army program itself may be discredited as just another make work program in which case it risks being ridiculed like the Regional Employment and Development Scheme for employing people to do trivial things like 'paint rocks white'.