

Australian Greens' Additional Comments

1.1 The Australian Greens have been able to achieve consensus with Australian Labor Party Senators on the recommendations in the majority report. However, there are a few recommendations where the Australian Greens believe there needs to be action that extends beyond the thrust of these recommendations.

1.2 The first of these relates to Recommendation 3 in the majority report. The Australian Greens believe that the level of working age payments must be increased. The evidence gathered during this inquiry is unequivocal: working age payments, particularly the *Newstart Allowance and Youth Allowance*, are too low and must be increased. It is fundamental to the integrity of Australia's social security system that payments are set at levels above the poverty line. It is of real concern to the Australian Greens that this is not currently the case.

Recommendation 1

1.3 The committee recommends that the Australian Government *increase* the level of working age payments to ensure that Australians who are not in paid work are not living below the Henderson Poverty Line. All income support payments must be:

- **benchmarked to broader community living standards; and**
- **indexed to movements in wages as well as prices.**

1.4 Recommendation 13 of the majority report states that, as part of the planned discussions leading to a White Paper on taxation reform in 2015, the federal government should have regard to how the existing tax system is affecting inequality in Australia. The Australian Greens argue that the discussions on taxation reform must focus on measures that address inequality such as those that have been raised in evidence to the inquiry.

Recommendation 2

1.5 The committee recommends that, as part of the planned discussions leading to a White Paper on taxation reform in 2015, the federal government consider the impact of tax reform on the ability to address inequality, including taxation concessions of superannuation contributions, earnings and withdrawals, and impact of capital gains.

Recommendation 3

1.6 The committee recommends that, as part of the planned discussions leading to a White Paper on taxation reform in 2015, the federal government consider tax arrangements that improve affordability and increase the supply of housing.

Senator Rachel Siewert

Chair