



## Coronavirus Pain Must Be Shared Around

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The economic and social burden of the government-imposed sanctions to manage the health crisis must be shared equally with the public sector, which so far has remained shielded from the fallout while thousands of small businesses, sole traders and tradies go to the wall.

Seven modest measures to cut inefficient and wasteful government spending worth \$30bn could be redirected to help fund the commonwealth government economic recovery packages, which assuming an annual salary of \$80,000 could save 375,000 jobs.

Inefficient and wasteful spending is any dollar the commonwealth government is spending that does not meet the objectives set out by Scott Morrison of keeping Australians in a job and businesses operating.

Public servants on average have higher wages and higher superannuation contributions than private sector workers in Australia. This is unacceptable in good times but unconscionable in the middle of economic and social Armageddon.



According to the Australian Bureau of Statistics, average weekly private sector earnings are 20 per cent lower than in the public sector, implying a \$4.4bn annual commonwealth public service wage premium (20 per cent of the total commonwealth public sector wage bill of \$22.12bn).

Commonwealth public servants also receive at least 15.4 per cent superannuation, compared with 9.5 per cent for private sector workers, implying a \$1.3bn annual commonwealth public service superannuation premium.

The combined premium is \$5.7bn, which (at an annual salary of \$80,000) would be equivalent to 71,250 jobs.

Scandalously, according to the Australian Public Service Commissioner's 2018 Remuneration Report, one executive level 2 employee — which is the equivalent to a middle manager who might manage five staff — received \$934,612 in 2018. This included an eye-watering “retention bonus” of \$91,196, which is higher than Australia's median salary.

No one in the public service should be receiving a productivity or retention bonus until the crisis is over and the unemployment rate drops below 5 per cent.

According to the APSC's report, the average “benefit” component — sign-on, productivity, retention and performance bonuses — of public sector salaries is 15 per cent. Removing this and keeping the remaining 85 per cent base salary would net \$3.3bn, or 41,250 jobs.

The Clean Energy Finance Corporation oversees \$10bn of investment in clean power that has done little other than give Australia the fourth highest electricity prices in the world. This is the equivalent 125,000 jobs.

The government provided a one-off grant of \$444m to the Great Barrier Reef Authority in 2018 when the authority had only six full-time members. This grant should be recalled, to the value of 5500 jobs.

The ABC's property portfolios in Brisbane, Sydney, and Melbourne are worth about \$522m. Having the public broadcaster lease premises while selling these would help save more than 6000 jobs.

Selling the National Broadband Network could retrieve just less than \$10bn, according to the Parliamentary Budget Office, the equivalent to a further 125,000 jobs.

These are more than just numbers. These are lives and livelihoods.

Every effort must be made to keep Australians in their jobs. A job and a life are more valuable than a windmill or a solar panel, or the ability for a retired public service employee to play golf three times a week instead of twice.

The longer someone is unemployed, the harder it is to get back into work.



Maintaining the relationship between workers and their employers will play the most important role in the nation's recovery.

Yes, many will rely on unemployment benefits. But more than a few of those who now enter the queues outside Centrelink will never work again. The bureaucrats and experts who are re-engineering our society and economy but who themselves might never stand in an unemployment line seem less than fully aware of this stark fact.

The financial costs of unemployment are obvious. But the social, cultural and psychological costs are substantial and, in many cases, permanent.

A job is more than a pay cheque; it is source of meaning, dignity and self-sufficiency. People who do not work are often unable to afford their own home, involve themselves in their communities or build a family. The impacts of joblessness can be felt for generations, as the children of the unemployed fall behind at school and must endure the domestic pressures associated with that loss of income. Some might even come to the conclusion that they have little to live for and nothing to offer the world.

Equality of sacrifice is required to get Australia through this unprecedented challenge. We must all dig in.

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