

2018-19 Pre-Budget Submission



Thank you for the opportunity to provide input to the 2018-19 Budget process. CARE Australia seeks a world of hope, tolerance and social justice, where poverty has been overcome and all people live with dignity and security. In the formulation of the 2018-19 Budget we call on the Government to consider:

- framing the Budget in line with the Sustainable Development Goals;
- implementing initiatives specifically to support women and girls in humanitarian crises;
- fully resourcing recommendations to prevent modern slavery in domestic and global supply chains; and
- providing incentives to support private sector engagement with international development charities.

Formed in 1987 CARE Australia has a special focus on gender equality to bring lasting development to communities. CARE Australia has earned an international reputation for our innovative, sustainable and effective long-term development projects and our ability to respond quickly to humanitarian disaster situations. CARE Australia is a member of the CARE International confederation of 14 autonomous members working in 94 countries undertaking development assistance and disaster relief. The primary geographic focus of CARE Australia is the Pacific and South-East Asia where we manage all programs and activities of the CARE International confederation in Cambodia, Laos, Myanmar, Papua New Guinea, Timor-Leste, Vanuatu and Vietnam. In addition, CARE Australia undertakes development assistance and disaster response activities in another 16 countries in the Pacific, Asia, the Middle East and Africa.

Sustainable Development Goals

The Sustainable Development Goals (SDGs), like fundamental human rights, are universal, indivisible and interdependent. They exemplify a collective ambition, representing the aspirations of nations of the Global North and the Global South, as well as individuals and organisations around the world. We cannot progress towards ending poverty (SDG 1) without considering quality education (SDG 4), safe cities (SDG 11) or use of the oceans (SDG 14) (for example). The drafters of the 2030 Agenda incorporating the SDGs recognised the ambitious nature of the goals and did not shy away.

Australia's response to the SDGs has started low-key. The opportunity to shift domestic policy and enhance international development approaches in line with these globally agreed priorities must be taken up. The Australian Voluntary

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National Review (VNR) being delivered in July 2018 can result in greater domestic awareness of the SDGs, and increased engagement in achieving the 17 goals across governments.

Framing of Budget initiatives so they align with the SDGs would be a clear demonstration of our commitment to this important Agenda, and a signal to developing countries in our region of our intent to achieve the Goals. Moves to incorporate SDGs into public decision-making is already being undertaken by countries across the Pacific region including the Cook Islands and Samoa.¹

Recommendation:

Frame the Federal Budget to reflect the Sustainable Development Goals.

Gender in Emergencies

Disaster impacts are not gender neutral. In the Pacific, women are more likely to be killed by disasters compared to men, and are more susceptible to sexual and gender based violence, recording one of the highest rates globally in the aftermath of a disaster.² Ensuring Disaster Risk Reduction (DRR) programs recognise and respond to the fundamental differences in how women and men prepare for and are affected by disasters is essential to ensuring the basic rights of women and girls are met, and helps to make DRR more effective on a broad scale. CARE Australia's work on women's leadership in community based disaster committees found where gender equality training had been delivered and women had taken up leadership roles, the community as a whole work together more effectively.³

Though there is recognition of the need to mainstream gender throughout development activities within DFAT, there remains a lack of basic gender inclusion measures across DRR activities in the Pacific. Gender and disability disaggregated data is only used sparingly, for example to inform the provision of relief packages. There is a lack of gender analysis and the different needs and contributions of women and men is not mainstreamed throughout practical implementation, data collection, policy and decision-making. In many activities, gender is not specifically identified as a key objective, with the result that gender disparities remain unaddressed and activities fail to meet the needs of the most vulnerable to disasters.

¹ For example: <https://www.adb.org/sites/default/files/linked-documents/cobp-coo-2017-2019-ld-01.pdf> and <http://www.ws.undp.org/content/samoa/en/home/presscenter/articles/2017/07/31/localising-the-sustainable-development-goals-to-suit-samoa.html>

² UN Women 2016 *Time to Act on Gender, Climate Change and Disaster Risk Reduction: An overview of progress in the Pacific Region with evidence from The Republic of the Marshall Islands, Vanuatu and Samoa* p.11

³ J Webb 2017 *Does Gender Responsive Disaster Risk Reduction Make a Difference?* p.39

Adequate resources need to be provided in emergency and humanitarian responses to ensure gender is not an afterthought. Current DDR and humanitarian programs are not supported to enable true gender equality and the associated broad range benefits.

Recommendations:

Ensure gender sensitive programming for DRR and humanitarian response. This includes

- *integration of gender into the emergency preparedness planning process;*
- *use of rapid gender analysis in rapid onset disaster environments;*
- *designing emergency assistance to meet the practical needs of women and girls; and*
- *strengthening women's voice in humanitarian response.*

Modern Slavery

The impacts of modern slavery are significant and long-lasting. At least 20.9 million people are experiencing forced labour each year, with over half (11.7 million) of these coming from the Asia-Pacific region. Fifty-five per cent of victims are women and girls, and one quarter of victims are under the age of 18.⁴ While announcements across 2017 by the Government have focused on legislative deterrents to slavery, we must also consider how we can reduce the opportunities for slavery to occur in the first place. As outlined in the *National Action Plan to Combat Human Trafficking and Slavery 2015-19*:

Factors that make people vulnerable to exploitation through human trafficking and slavery include poverty; underemployment and unemployment; and a lack of education, opportunities and access to resources in source countries. Gender inequality, corruption and social and political instability, including as a result of natural disaster or war, are also factors.⁵

In the Asia-Pacific region informal or vulnerable employment is the norm with over 70 per cent of workers in Southern Asia and over 54 per cent in South-East Asia and the Pacific in vulnerable employment.⁶ Women are more likely to be informally employed than men. For example, in India, 9 out of 10 women in non-

⁴ Minister Julie Bishop 2014 "Australia supports action against forced labour" media release

⁵ Australian Government 2014 *National Action Plan to Combat Human Trafficking and Slavery 2015-19* p.7

⁶ International Labour Organization 2016 *World Employment Social Outlook – Trends 2016* p.49

agricultural work are employed in the informal sector.⁷ These workers have no protections, even if they are connected in to formal, global supply chains.

Studies show while greater gender equality supports sustainable development, economic development does not automatically promote gender equality.⁸ Women's economic empowerment is not a technical fix or a matter of filling gaps in access to resources. Without directly confronting and acknowledging the issues of power and social justice — transforming the political, social and structural dimensions of gender inequality—gender injustice will continue to exacerbate poverty and hinder social development.

The Joint Standing Committee on Foreign Affairs, Defence and Trade has recommended the establishment of a Modern Slavery Act in Australia, the appointment of an independent Commissioner, and significant legislative powers to ensure companies monitor, address and report on modern slavery in supply chains.⁹

Recommendations:

Reduce the opportunities for slavery to occur, by

- *supporting decent and dignified work programming through overseas development assistance, increasing gender equality specific aid programming;*
- *continuing to be a leading champion for women's economic empowerment in the Asia-Pacific region; and*
- *increasing shared value undertakings by supporting business and civil society partnerships, including via legislative and taxation reform.*

Fully resource the establishment of a Modern Slavery Act, and the appointment of a Commissioner, as put forward by the JSCFADT.

Private Sector Engagement

In the lead up to the 2017-18 Budget, CARE Australia proposed a mechanism to encourage the private sector to increase contributions to international development. As noted in the Foreign Policy White Paper “partnerships with the private sector boost the impact of Australia’s development assistance... by sharing

⁷ Asia Foundation 2015 *Women's Labor Rights: The Road Ahead*
<http://asiafoundation.org/2015/04/29/womens-labor-rights-the-road-ahead/>

⁸ For example: Kabeer and Natali 'Gender Equality and Economic Growth: Is there a Win-Win?'
IDS Working Paper 2013:147

⁹ Joint Standing Committee on Foreign Affairs, Defence and Trade 2017 *Hidden in plain sight – an inquiry into establishing a modern slavery act in Australia*

assets, networks and expertise with businesses we can get better results from our assistance.”¹⁰ However, the White Paper does not set forward a clear strategy on how to achieve this goal. Private sector investment is of critical importance to international development outcomes, but concerningly charitable funding by private corporations represents only a few percent of total support for charities.¹¹

CARE Australia repeats our proposal for a taxation mechanism to increase incentives for the private sector to align its work towards international development. This policy would drive much-needed investments in international development, whether through shared value engagement with not-for-profit organisations or in the form of corporate social responsibility or philanthropy. Corporate social responsibility and philanthropic contributions are already tax deductible. We propose the Government make eligible corporate social responsibility or corporate philanthropy contributions more than fully tax deductible, for example at a rate of 110 per cent, thus providing incentives to businesses to invest in international development. To be eligible, investments should advance the SDGs and work with accredited not-for-profit organisations, such as those recognised by DFAT and the Overseas Aid Gift Deduction Scheme (OAGDS). The Government could define the extent of companies’ access to the “bonus deductibility”. Together, these provisions would ensure a mechanism that is simple, efficient and equitable, while serving important national interest ends.

Recommendations:

Create a new tax deduction to encourage corporate social responsibility, whereby

- *eligible donations be more than fully tax deductible;*
- *such donations align with the SDGs; and*
- *eligibility be available to support of Australian NGOs recognised by existing DFAT Accreditation and OAGDS.*

¹⁰ Australian Government 2017 *Foreign Policy White Paper* p.109

¹¹ A Powell et al *Australian Charities Report 2016* Centre for Social Impact and Social Policy Research, UNSW p.53