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SHADOW TREASURER  
MEMBER FOR RANKIN**

**E&OE TRANSCRIPT  
RADIO INTERVIEW  
ABC BRISBANE DRIVE  
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***SUBJECTS: Beenleigh testing clinic; JobKeeper and JobSeeker; National Accounts; Agricultural labour; State borders; Pensioners and self-funded retirees.***

**STEVE AUSTIN, HOST:** Jim Chalmers, thanks for coming back on.

**JIM CHALMERS, SHADOW TREASURER:** Thank you Steve. I apologise to your listeners if they can hear those bells ringing here in Parliament House. They'll finish soon.

**AUSTIN:** So they're not tolling for you?

**CHALMERS:** Not on this occasion, no. It's not for a vote in the House of Representatives.

**AUSTIN:** How do you tell the Senate bells from the House of Reps bells?

**CHALMERS:** This little light comes on on our clocks. There're hundreds if not thousands of clocks through the building and they're all synchronized together. They've got a little red light and a little green light. When the green light flashes it's for the House of Reps and the red light's for the Senate.

**AUSTIN:** Matching the colour of each chamber basically?

**CHALMERS:** Correct.

**AUSTIN:** Okay. Just a quick one before we get to Federal Parliament, there's a COVID-19 testing clinic in Beenleigh that's being booted out because of fears by other business people. It's federally funded. Are you doing anything to help that clinic stay?

**CHALMERS:** To be honest with you, Steve, I wasn't aware of it. It's a bit south of my electorate, but having been made aware of it I'm happy to speak with the State Health Minister and anyone else who is prepared to listen. I think it's really important that we make those testing facilities available to people. We want to encourage people to get tested. That would be an unfortunate development, but let me have some conversations with my colleagues.

**AUSTIN:** I thought that was in your electorate. I'll be fascinated to know what comes of that. Thank you very much. A lot of listeners are asking some different questions at the moment, but I'll just ask

you generally about the JobSeeker and JobKeeper payments. You've been on about this for a while now, that the payment starts to wind back somewhat on September 24th/25th and then disappears altogether at the end of December - in other words, at the end of this year. Just restate for me briefly what your concerns are when this happens, if you would please?

**CHALMERS:** First of all, both JobKeeper and the JobSeeker supplement were supposed to end at the end on that last weekend in September. That was based on an assumption that the economy was going to come roaring back which we now know unfortunately is not going to be the case -

**AUSTIN:** Because we don't have a vaccine yet, basically?

**CHALMERS:** We don't have a vaccine, the economy's got worse, the jobs markets got worse, Victoria hasn't helped but also -

**AUSTIN:** Victoria's dragging the country down economically, isn't it?

**CHALMERS:** It is the most concerning part of the economy, there's no question about that. But it's not the only concern. There are parts of other states which are not performing as well as we'd like. The argument we've put for some time now is don't, in the Prime Minister's words, just snap back those payments and that welcome support in the economy. The parliament this week will be debating and legislating to extend those payments, which is a good outcome. A little over a month ago now the Government said they would start to wind back the JobKeeper payment. We've said maybe they should reconsider that given the economy's got worse since they made those announcements.

**AUSTIN:** I learned last week that analysis by AlphaBeta, part of the Accenture company, showed that net household income has actually increased since all of the stimulus stuff came in. It's hard to get your head around but apparently it's true. You've got the stimulus payments, the deferral of mortgages, rents and the like, superannuation withdrawals, and in total it actually amounts to a net increase in household cash flow. Are you aware of that, Jim Chalmers?

**CHALMERS:** I've seen that research from AlphaBeta. They typically produce research of a really high quality so we pay close attention to it. One of the purposes of this welcome support in the economy is to encourage people to spend in businesses that might otherwise really struggle through this recession. We want people spending. We've got our issues with the early access to superannuation but when it comes to JobKeeper or the JobSeeker supplement we need to make sure that there's enough spending power in the economy to keep it going and to keep the wheels turning so that we can get through this most difficult part of this crisis.

**AUSTIN:** As I read your plan though, Jim Chalmers, the plan is for the taxpayer, i.e. through borrowings from Treasury, to carry the economy in an almost unlimited fashion until a coronavirus vaccine is found. How long into next year do you want the JobSeeker and JobKeeper payments to keep going for?

**CHALMERS:** Not unlimited, Steve. We should point out that it's also the Government's policy to borrow heavily to support the economy. We do think that all of these payments need to be tailored to what's actually going on in the economy. One of the issues that we've been raising, including today, is that it doesn't make a lot of sense when unemployment is rising to have support in the economy from the Government falling.

**AUSTIN:** But in a sense the States have the Government by the short and curlies? The States can just keep their borders closed, and that's what's affecting the state economies.

**CHALMERS:** I don't think that's true, Steve, to say that that's the only thing that's problematic in our economy at the moment.

**AUSTIN:** What's the bigger one?

**CHALMERS:** There's not a lot of confidence in the economy for obvious reasons -

**AUSTIN:** Well that's because of the virus, isn't it?

**CHALMERS:** The point I'm making, Steve, is that it isn't just the borders being closed which is causing problems in the economy. There are shutdowns absent the borders. We're going to get some new numbers on Wednesday which are really important; they're called the National Accounts. They are going to show that in April, May and June of this year we actually had the biggest contraction in the economy ever on record. That isn't just a function of state borders. It's a function of the shutdown more broadly. I think we need to acknowledge that. But if our priority is jobs, and it's certainly our priority, then we need to do what we responsibly can, affordably can, to support the economy through the roughest part of it. It doesn't make a lot of sense for the Government to be saying on one hand that things are getting worse in the economy at the same time as they're saying we're going to pull some of the support out.

**AUSTIN:** My guest is Jim Chalmers, the Labor member for Rankin on the south side of Brisbane. He's also the Shadow Treasury spokesperson. This is ABC Radio. It's 4:42. News at five. On Friday I interviewed someone who has a labour hire company that hires strawberry pickers up around Caboolture. I think they're looking for about 600 pickers today, otherwise they're going to start churning the strawberry crops into the ground. At a very minimum, a worker can earn \$500 a week, or if you're really good at it you can earn up to \$3000 a week. Shouldn't the Government be winding back the JobSeeker allowance to try and encourage people not to cruise, but actually actively seek work, actually go after work, employment?

**CHALMERS:** I missed your show on Friday, Steve, which I know is absolutely unforgivable -

**AUSTIN:** There's a shock.

**CHALMERS:** I didn't hear the full story, but I did hear the talkback caller you had on that summarised it moment ago. It's heartbreaking for these businesses, often family businesses -

**AUSTIN:** They're not alone. The whole of the fruit and veggie industry is in the same position.

**CHALMERS:** Yeah. In the last month or so I've done two fairly substantial trips into regional Queensland, partly to speak to growers in a range of parts of the industry, apples most recently but also up and down the coast. I know this is a huge problem. Their workforce challenges are really quite substantial. They were told about a year ago that there'd be a plan for the workforce by July of this year. We haven't seen it yet from the Government. We need to see that. Clearly there's an issue there. They've relied very heavily on backpackers for a long time. Obviously the flow of backpackers is not going to be what it was -

**AUSTIN:** Or interstate picking teams now, because they can't get through the borders.

**CHALMERS:** Right. There are big challenges there. The nature of the work unfortunately means that we haven't been able to attract enough particularly young people in areas of high youth unemployment. I do acknowledge all of that. It does need to be done differently. We were told that there would be something that we could engage with in July and we haven't seen it yet. When we see that workforce plan we will engage with it properly. I also know a little bit about strawberry picking, Steve. My mum used to make strawberry jam for fruit shops around Rochedale and Rochedale South. She used to drag us along to pick the strawberries for that jam. I know that it's actually quite difficult work -

**AUSTIN:** Yes it is.

**CHALMERS:** What the caller said a moment ago about maybe rotating so you're not doing eight or nine hours of straight picking, that makes a bit of sense to me too.

**AUSTIN:** Yeah, it's hard. Yes, I agree. All right. My question was actually about JobSeeker. There's got to be a way of encouraging people to fill the gaps that are appearing. There are very large gaps appearing in the workforce.

**CHALMERS:** Yeah. A couple of things about that again. I do understand that this issue has been raised as a concern by some growers, including raised directly with me. I don't dismiss that lightly. I don't like the idea pushed by the Prime Minister frankly and the Treasurer that right around Australia there are all of these opportunities going begging. There are some opportunities in picking. We do need to work out how we get more local people engaged in that. We do need to take the feedback from the industry seriously, but job opportunities are not exactly thick on the ground at the moment. I think there's something like 13 people on unemployment benefits for every vacancy in Australia at the moment. We need to be realistic and honest about that too.

**AUSTIN:** Jim Chalmers is Labor's member for Rankin on the south side of Brisbane. William of Burpengary has sent me a message with a question for you. Could I ask Jim Chalmers why self-funded retirees did not get one cent despite a huge drop in our super balance, he asks. I think he might be referring to the deeming rate, although I could be wrong.

**CHALMERS:** I think he's making a broader point. You said William didn't you Steve?

**AUSTIN:** Yes, William of Burpengary.

**CHALMERS:** I think William is making a broader point here. I accept that there's not a lot for self-funded retirees in what the Government's proposed so -

**AUSTIN:** They must be in a world of pain at the moment?

**CHALMERS:** Absolutely. The Government to their credit, frankly, did make a change to what's called the minimum drawdown requirements, which is how much you're supposed to take out of your super each year. The Government, with our support, said we won't make that as substantial as usual because we recognise that the stock market has taken a massive hit. It is recovering, the stock market. Superannuation is obviously a longer term proposition. For William, if I'm guessing correctly, he's probably in the drawdown phase and he's one of hundreds of thousands of Australians who are really worried about the impact of this crisis on their balances. We understand where they're coming from.

**AUSTIN:** Peter from Salisbury sent us a message about his mum's pension increase. She believes it's not going to go through in September. Is this the case? And what's Labor's position on this?

**CHALMERS:** This is a huge issue Steve. I'm glad that Peter raised it. Despite all of our efforts we can't make this more prominently understood. The pension is based on one of two calculations which is inflation, which has gone backwards, or a special pension calculation which has also gone backwards. This will be the first time in 23 years in September, that the pension hasn't gone up. When we ask the Government about why they can't do more for pensioners, they always say, oh but the pension goes up twice a year to keep up with the cost of living for pensioners. But this will be the first time in 23 years that that hasn't happened. Peter is bang on. We need to keep the pressure up here because we think that the Government should be able to look through this short-term fall and inflation and see that now's the worst time for the Government to freeze the pension for millions of Australians. They should come to an arrangement where we see that rise in the pension in September like we normally would, by looking through that temporary reduction in inflation.

**AUSTIN:** So it will be a normal rise in September, but the Federal Government's frozen it?

**CHALMERS:** By a straight interpretation of the inflation number and the other number, the pension in September should go backwards.

**AUSTIN:** I'm sorry. Right, my apologies.

**CHALMERS:** And we've said now's not the time for that to happen. We've said that they shouldn't be freezing the pension in September because people are doing it really tough, they're really anxious, and the economy needs more support rather than less. We're hoping we can convince the Government to change their mind.

**AUSTIN:** Thanks for coming on once again.

**CHALMERS:** Thank you Steve.

***ENDS***

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