

MEDIA RELEASE

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Canberra Airport CEO calls for the Government to Raise the Newstart Rate

After sleeping outside with 170 other CEOs and Canberra leaders at the Vinnies CEO Sleepout, Stephen Byron, CEO of Canberra Airport and a Director of The Snow Foundation is calling on the Australian Government to “Raise the Rate” and make Newstart work for people who are trying to get through tough times as they look for work.

“Part of the Sleepout was a roleplay that showed what it is like to live on the Newstart benefit and how easy it is to fall behind and lose hope. It was very eye-opening,” says Stephen Byron, CEO of Canberra Airport and a Director of The Snow Foundation. “After this experience, I want to formally call on the Government to raise the rate of Newstart. I join the growing group of people, businesses and organisations that believe this rate is not set at a correct level to meet the real living expenses of people who need help while seeking work.”

Newstart payments are about \$40 a day and have not been increased in “real” terms for 25 years, despite the cost of living going up. At its current rate, there is also strong concern that the Newstart benefit acts as a barrier to employment by putting people at risk of falling deeper into debt, not being able to eat as frequently as they should, potentially losing their home, and struggling to get paid work. The Australian Council of Social Service has suggested an increase of \$75 per week.

“At the moment, Newstart is not meeting the test of fairness, and isn’t helping people break the cycle of poverty,” says Mr Byron. “Raising the rate is supported by economists who say it will be a good stimulus to the economy, especially in rural and regional areas.”

According to a 2018 report by Deloitte, the proposal to raise the rate by \$75 per week would boost consumer spending across Australia. Supporters of “Raise the Rate” include the Business Council of Australia, the Committee for Economic Development Australia, the Council of Small Business of Australia, the Australia Institute, the Grattan Institute, KPMG and Deloitte.

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