



The Hon. Scott Morrison MP
Prime Minister of Australia
Parliament House
Canberra ACT 2600

The Hon. Josh Frydenberg MP
Treasurer of Australia
Parliament House
Canberra ACT 2600

Dear Prime Minister and Treasurer,

Australia has done remarkably well in dealing with COVID-19 thanks largely to the efforts of our governments and the co-operation of our communities. We have also made a global contribution in supporting an equitable distribution of a COVID-19 vaccine. Australians should be proud of our collective achievements.

As we have previously noted, the measures you and the National Cabinet have put in place have not only helped mitigate the human costs of the pandemic, you have also ensured thousands of charities across Australia have remained viable, thousands more charity workers have been able to keep their jobs, and critical services have been able to respond to existing and emerging community needs.

Your government has been prepared to engage with the charities and not-for-profit sector, listen to and respond to our issues. It is for this reason that we write to respectfully express our concern about suggestions that your government is considering significant income tax cuts which will inevitably lead to reductions in government capacity to offer important support services.

The most critical aspect of Australian life is our resilience, as businesses, as government agencies, as charities, as communities, as families and as individuals. Whether we are responding to natural disasters or pandemics, resilience is at the heart of recovery, both in terms of our economy and our well-being.

The provision of income tax cuts may have some benefits, particularly for those on higher incomes, but reductions in government tax revenue are likely to reduce the longer-term capacity of government to offer support and maintain services into the future. This will negatively impact our resilience as a nation.

In critical areas of government expenditure such as education, health, social services, housing, employment, infrastructure, the environment, aged care, and disability, the role of government is critical as is the role of charities. Together we build resilient communities and stronger economies. A government with less revenue will have a diminished capacity to support the social infrastructure that drives our productivity.

We urge the government to build our economic recovery on the basis of equity and prosperity for all Australians. This will require working with charities and businesses to increase government investment in our social infrastructure and offering more support to our communities as we build back better.

Thank you for noting our concerns.

Yours sincerely

(Signed)

Rev Tim Costello AO
Co- Chair, Charities Crisis Cabinet
30th of September 2020

(Signed)

Adj Prof Susan Pascoe AM
Co- Chair, Charities Crisis Cabinet
30th of September 2020