



2022-23 Budget Submission

DEPARTMENT OF THE TREASURY

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ACKNOWLEDGEMENTS

Save the Children Australia acknowledges Aboriginal and Torres Strait Islander peoples as the traditional owners and custodians of the land on which we work. We pay our respect to their Elders past, present and emerging.

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Executive Summary

“Life will never be the same and can we recover?”

This question was posed by an Australian child aged 13-18 who was explaining how their ideas about the future have changed due to the COVID-19 pandemic. This was one response gathered for Save the Children through research conducted by 89 Degrees East to measure the impact of the pandemic on parents and children.

Many similar questions are likely being asked by children all around the Indo-Pacific. The 2022-23 Federal Budget will provide the Australian Government with an opportunity to help answer them by investing in their security and development. Both in Australia and across the region, the impacts of the pandemic have fallen disproportionately on poorer households, making it more difficult for them to invest in their children, many of whom are missing out on education, nutritious food, and community and psychosocial support; while their exposure to violence is increasing, alongside their vulnerability to climate impacts and forced displacement in humanitarian crises.

To respond to the ongoing impacts of the pandemic, alongside other risk multipliers like climate change and humanitarian crises in several locations around the Indo-Pacific, Save the Children is calling for a **total investment in Official Development Assistance (ODA) of \$6.89 billion in 2022-23**. This investment is \$2.89 billion greater than the existing annual allocation of \$4.0 billion, topped up by “temporary and targeted” measures that are set to expire; and consists of up-front investments in increasing humanitarian funding, climate finance and vaccine access; alongside measures to pilot select social protection payments and projects aimed at helping end violence against children.

In Australia, we are calling for **an investment of \$103.54 million** in measures to support children’s wellbeing, recovery and resilience; to help prevent them from disengaging from school; and to respond to trauma and disadvantage. In addition, we are also calling for **a significant investment to permanently and adequately increase JobSeeker, Youth Allowance, and parenting payments; along with other income support payments to a minimum of \$67 a day, above the poverty line.**¹

Save the Children’s recommendations and costings on how the Australian government can support COVID-19 recovery and the development of children in Australia and the Indo-Pacific, to better protect and promote children’s rights, are outlined below.

International Context

In 2021, optimism that the COVID-19 pandemic would abate was quickly replaced with growth forecast write-downs, as new variants and slow global vaccination rates raised questions about the world’s economic recovery prospects. The World Bank’s most recent assessment is that the prospects of nations in the East Asia and Pacific region are now diverging, with China projected to have grown by 8.5 per cent during 2021, while the rest of the region has lagged far behind at 2.5 per cent – a significant write-down from the World Bank’s last forecast at 4.4 per cent. This outcome is a result of the Chinese, Indonesian, and Vietnamese economies returning to growth, while the rest of Southeast Asia and the Pacific has not been able to and will likely not do so even by 2023. As a result, the regional employment rate has declined, which means that “poverty will persist and inequality is increasing across several dimensions.”²

¹ Please note that all figures and calculations are indicative and based on estimates and projections.

² World Bank. “Long COVID,” East Asia and Pacific Economic Update, October 2021, Executive Summary. Available at: <https://openknowledge.worldbank.org/handle/10986/36295>.

Because COVID-19 and its associated restrictions continue to constrain economic activity, households in the region – and their children – are bearing the brunt of these problems. The goods trade is facing production and distribution challenges, while the tourism services trade will continue to experience enormous growth challenges. Meanwhile, the capacity of governments to provide economic support is constrained, and in some cases, governments are withdrawing financial support even as it continues to be necessary to support consumption.³ As a result, households have suffered, and poorer households, which hold little or no savings, have been “significantly more likely” to experience a loss of income than wealthier ones. These households are coping by selling productive assets and increasing their debts. They are experiencing greater food insecurity, raising the risk of increased child malnutrition and stunting, which in Indonesia, is associated with lower adult earnings and lower asset holdings among women, and a lower likelihood of formal employment in the Philippines.⁴ Further, children in poorer households have been found to be less likely to be engaging in online or interactive learning during this period, raising risks for the preservation of human capital.⁵ Critical support measures for a return to growth, such as quality health, education, and social protection systems, are urgently required.

The Federal Budget for 2022-23 is an excellent opportunity for Australia to step up further to support the countries of the Indo-Pacific to turn their development trajectories around. Australia’s *Partnerships for Recovery* strategy has been a sound starting point for responding to COVID-19’s immediate exigencies.⁶ The strategy has been complemented by “temporary and targeted” increases in ODA, a good starting point in the context of receding development gains across the Indo-Pacific region. Australia’s increased investment has included money for vaccines and partnerships in Southeast Asia and the Pacific, as well as direct budget support for Papua New Guinea, Fiji, and Indonesia, to fund system-strengthening work in health and social protection or maintaining community-level service provision. Save the Children welcomes these developments and hopes to see this positive funding trajectory continue.

Beyond these measures, however, Australia now has an opportunity to place the Indo-Pacific within a new development strategy aimed at supporting and expanding the social infrastructure that can allow our neighbours to build back better from the COVID-19 pandemic. This approach can also assist them to manage the impacts of climate change, while increasing their resilience to great power competition. It also has the potential to defray the risk of competing regional infrastructure aid blocs stimulating a dynamic similar to that of the previous Cold War from the end of the Second World War to 1989. Authors like Harvard University’s David C. Engerman have argued that this dynamic was not always positive for donors or recipients, fracturing the cohesion of national agencies instead of strengthening state capacity.⁷

By “social” infrastructure, we mean the high-quality health and education systems that all our neighbours, across Southeast Asia and the Pacific, should enjoy. We also mean climate-proofed community halls, maternity wards, vaccination clinics, and primary schools, in addition to initiatives

³ World Bank. “Long COVID,” Executive Summary.

⁴ World Bank. “Long COVID,” p. 23.

⁵ World Bank. “Long COVID,” p. 3.

⁶ DFAT. “Partnerships for Recovery: Australia’s COVID-19 Development Response,” 2020. Available at: <https://www.dfat.gov.au/publications/aid/partnerships-recovery-australias-covid-19-development-response>.

⁷ Engerman’s important argument is worth reading in full. See Engerman, David C. *The Price of Aid: The Economic Cold War in India*. Harvard University Press, 2018.

that stimulate the expansion of green industries.⁸ The idea also extends to developing national and universal social protection systems, including child benefit schemes, to protect jobs and wages, support households to buy their children school supplies and nutritious foods, and protect the elderly and disabled when their families can no longer earn. Social protection systems are critical to addressing child poverty and building children's human capital while also building the forms of state capacity that enable developing nations to focus more attention on children and their needs.⁹ The World Bank, too, has argued for social protection schemes to be established or expanded in the context of the present crisis.¹⁰ Social protection is one form of infrastructure investment that plays to Australia's policy and soft power strengths, in a way that investing in expensive hard infrastructure, especially if it is aimed at outbidding China, does not.¹¹

Save the Children's international proposals for the 2022-23 Budget sit within an understanding of our domestic COVID-19 response and how we can support our Indo-Pacific neighbours to recover from the pandemic. As a wealthy and prosperous country that has been able to bounce back from the COVID-19 pandemic relatively well, Australia has the capacity to do more in supporting low-and middle-income countries in our region.

Save the Children calls on the Australian Government to invest an additional \$2.89 billion in ODA in FY22/23, with a proportion of this investment delivered in the first year and another proportion delivered over the forward estimates. This investment should consist of new money on top of Australia's existing annual \$4.0 billion allocation of ODA and will take Australia's ODA to 0.31 per cent of its projected GNI in FY22/23. It should be delivered in the context of a more general increase in ODA as Australia responds to the ongoing challenges of the pandemic, along with the impacts of climate change and worsening humanitarian crises. This investment should be offset by committing to withdrawing support for fossil fuel subsidies.

The targeted investments we are calling for include:

1. \$70.1 million over three years to establish pilot child benefit payments, child disability benefit payments, and adult disability benefit payments in the Pacific;
2. \$58.09 million over three years to work towards ending violence against children in the Pacific;
3. Increasing Australia's climate finance commitment to \$3 billion over 2020-2025 and committing an additional \$400 million to the Green Climate Fund by 2023;
4. Increasing Australia's humanitarian funding allocation to at least \$1.5 billion in response to increased and intensified need, and more complex emergencies; and
5. \$250 million for the COVAX Facility, alongside an additional \$100 million for the Coalition for Epidemic Preparedness Innovations (CEPI).

⁸ Refer to Bowen, James. "Australia Should Build its Green Infrastructure Presence." *The Interpreter*, Lowy Institute, 14 January 2021. Available at: <https://www.lowyinstitute.org/the-interpreter/australia-should-build-its-green-infrastructure-presence>.

⁹ See also Save the Children. "Strengthening Australia's Relationships with Countries in the Pacific Region," Submission to Joint Standing Committee on Foreign Affairs, Defence & Trade, 20 July 2020. Available at:

<https://devpolicy.org/coalition-starts-to-reverse-aid-cuts-20210121/>; and Save the Children. "Activating Greater Trade and Investment with Pacific Island Countries," Submission to Joint Standing Committee on Foreign Affairs, Defence & Trade, 15 May 2020. Available at: <https://devpolicy.org/coalition-starts-to-reverse-aid-cuts-20210121/>.

¹⁰ Refer to World Bank. "Long COVID."

¹¹ Parts of this introduction have previously been published as Malhi, Amrita. "The Pandemic Drags On. But What About Infrastructure?" *The Diplomat*, 23 December 2020. Available at: <https://thediplomat.com/2020/12/the-pandemic-drags-on-but-what-about-infrastructure/>.

Domestic Context

In 2021, the COVID-19 pandemic continued to create exceptional circumstances requiring rapid government decision making, information distribution and community action. Whilst evidence driven public health advice took a welcome centre stage in Australia's 2021 response, the pandemic highlighted how little the needs of children and young people feature in Australia's policy and investment. This paucity has not gone unnoticed by families, with research undertaken in November 2021 by 89 Degrees and Accenture on behalf of Save the Children indicating only 17 per cent of parents feel that governments have done enough to address the issues that children and families have experienced due to COVID-19.¹²

The adverse impacts of the COVID-19 pandemic on children are wide reaching. Children of all ages experience the flow on effects of emergency orders, public health policy measures and changes in household income, work, and education arrangement.¹³ As a result of the market research, Accenture have identified four categories of impact. These being:

1. Relationships and connections have been damaged
2. Physical health and wellbeing have suffered
3. Disruption has occurred leading to learning and development delays from early childhood to post-secondary education and;
4. Significant mental health and emotional impact.¹⁴

While some of these COVID-19 impacts can shift with changed circumstances, such as lifting of lockdown restrictions, many are long-lived, influencing the trajectory of children's lives and potentially generations. A child health lens categorises these impacts into:

- Child-level factors: poorer mental health, poorer child health and development, poorer academic achievement
- Family-level factors: poorer parent mental health, reduced family income and job losses, increased household stress, increased abuse and neglect, poorer maternal and newborn health
- Service-level factors: school closures, reduced access to health care, increased use of technology for learning, connection, and health care.¹⁵

Although impacting every member of the Australian community, measures to combat COVID-19 have not fallen evenly. Children who were already facing complex challenges before the pandemic are at heightened risk, while an additional and potentially growing proportion do and will require support to recover and resume healthy learning and development.

¹² 89 Degrees East, "Save the Children COVID 19 Study", November 2021. Research conducted by 89 Degrees East, with over 1500 adults and 1100 children in every state and territory.

¹³ Sharon Goldfeld, Elodie O'Connor, Valerie Sung, Gehan Roberts, Melissa Wake, Sue West, and Harriet Hiscock "Potential indirect impacts of the COVID-19 pandemic on children: a narrative review using a community child health lens" *Medical Journal Australia*. 24 January 2022 Available at: <https://www.mja.com.au/journal/2022/216/6/potential-indirect-impacts-covid-19-pandemic-children-narrative-review-using>

¹⁴ 89 Degrees East, "Save the Children COVID 19 Study", November 2021.

¹⁵ Sharon Goldfeld, Elodie O'Connor, Valerie Sung, Gehan Roberts, Melissa Wake, Sue West, and Harriet Hiscock "Potential indirect impacts of the COVID-19 pandemic on children: a narrative review using a community child health lens" *Medical Journal Australia*. January 2022 Available at: <https://www.mja.com.au/journal/2022/216/6/potential-indirect-impacts-covid-19-pandemic-children-narrative-review-using>.

Now is the time to address a clear lack of child focused crisis response mechanisms and recovery planning and ensure foundational structures such as schools can meet the needs of children and alleviate the pressure felt by individual households. 83 per cent of parents feel it is important that going forward the federal government has a commitment to support children and families in recovery.¹⁶ COVID-19 is generation defining. A wide reaching national COVID-19 recovery plan that also accounts for children most at risk and experiencing disadvantage is urgently required. Children's core rights of health, education, safety, and participation must be placed at its centre.

Upstream prevention or early intervention, especially for mental health and wellbeing is better than dealing with the problem when it has progressed. There is no better early intervention than a dedicated focus on children and their needs. Early intervention means meeting children's needs early in life as well as recognising known risk factors and being able to target interventions and act as early as possible.

The 2022-2023 Budget needs to ensure smart investments are made to alleviate the pressure on key social infrastructure vital for children's long-term learning and wellbeing while also ensuring children and families already at significant disadvantage or at risk are identified and have their needs addressed before problems escalate further.

The 2022-2023 Budget must be bold and strategic to meet critical immediate needs whilst also planning for long term future recovery. Economic spending must address COVID-19 impacts, whilst also preparing for the increasingly apparent instability of the climate crisis. Investing in children and building their capabilities to respond and prepare for challenges, increase their ability to learn and become educated, and ensuring organisations are child focused and integrated will alleviate pressures facing families. Intervening now will prevent problems escalating and support communities well into the future.

Save the Children calls on the Australian Government to commit to children through providing the following additional amounts:

1. \$25.69 million over four years to support children's wellbeing, recovery, and resilience building;
2. \$13.7 million over four years to engage children at risk of disengaging from school;
3. \$24.15 million over four years to build service capacity for early detection and response to child victims of Domestic and Family Violence
4. \$40 million investment over four years to reinvigorate community and early learning through targeted interventions with Payment by Outcome capabilities
5. Support families to provide the material basics for all children

Key Recommendations – International

- 1. Invest \$70.1 million over three years to establish pilot child benefit payments, child disability benefit payments, and adult disability benefit payments in the Pacific**

The COVID-19 pandemic continues to have significant impacts on the economies of the Indo-Pacific in general and on household incomes in the Pacific Island Countries (PICs) in particular. Initially, the collapse of international travel and tourism generated severe impacts on their economies, and

¹⁶ 89 Degrees East, "Save the Children COVID 19 Study", November 2021.

now, the virus has begun to circulate in Kiribati, PNG, and Solomon Islands where vaccination rates and health systems will struggle to cope, while also increasing the risk for nearby countries like Vanuatu.

At the individual country and household level, too, the impacts have been tragic and raise serious concerns about children's already poor nutritional and educational outcomes as families' incomes are constricted. According to UNICEF, more than 22 million children were undernourished across East Asia and the Pacific before COVID-19, while only 20 per cent of children in the poorest population quintile had access to the internet.¹⁷ The impacts of the pandemic have only made things worse. In 2020, 52 per cent of families have indicated reducing the number of children attending school because of reduced incomes, when contacted by World Bank surveyors.¹⁸ In the Solomon Islands, 57 per cent of families surveyed are eating less because of reduced incomes.¹⁹ In a region where 38.4 per cent of children have stunted growth and 9.5 per cent of children under five experience wasting, the impact is likely devastating and lifelong.²⁰

Initial surveys seeking to understand the impact and experience of COVID-19 indicate that many Pacific families remain reliant on informal and customary mutual help traditions, with more than 60 per cent of Solomon Islanders accessing financial and non-financial support from friends and family, churches, or community-based organisations.²¹ Of the 41 per cent of households who received some form of assistance in PNG, the vast majority came from informal sources.²² Less than five per cent of households in PNG and 11.5 per cent of households in the Solomon Islands received direct government assistance.²³ While informal systems of community reciprocity continue to provide vital support, the need for additional coping mechanisms indicate that these networks are being pushed to their limits, as supported by previous research that has pointed to the inadequacy of customary assistance practices.²⁴ This lends weight to the argument that donors need to invest in permanent social protection systems so that long-term harm does not result to the human capital held in families and their children, along with hard-won national development gains.

Currently, PNG, the Solomon Islands and Vanuatu all lack social protection systems; key components of what we at Save the Children are referring to as social infrastructure, or the systems required to defend and protect Pacific communities' – and especially children's – human security, through the present crisis. Without such systems, these three PICs have not been able to deliver proven interventions, such as cash transfers, that would alleviate household pressures and

¹⁷ UNICEF. "Young Children and the Pandemic: UNICEF Early Childhood COVID-19 Response in East Asia and the Pacific," pp. 8, 10. Available at: <https://reliefweb.int/report/world/young-children-and-pandemic-unicef-early-childhood-covid-19-response-east-asia-and>.

¹⁸ World Bank. "Papua New Guinea High Frequency Phone Survey On COVID-19: Results from Round 1," 2020. Available at: <http://documents1.worldbank.org/curated/en/459511607010120078/pdf/Papua-New-Guinea-High-Frequency-Survey-on-COVID-19-First-Round-Results.pdf>.

¹⁹ World Bank. "Solomon Islands High Frequency Phone Survey On COVID-19: Results from Round 1," 2020. Available at: <http://documents1.worldbank.org/curated/en/167041607012187892/pdf/Solomon-Islands-High-Frequency-Survey-on-COVID-19-First-Round-Results.pdf>.

²⁰ UNICEF, WHO and World Bank, "Levels and Trends in Child Malnutrition: Joint Child Malnutrition Estimates 2020 edition", 2020: p. 4. Available at: <https://www.who.int/publications-detail-redirect/9789240003576>.

²¹ World Bank, Papua New Guinea High Frequency Phone Survey On COVID-19: Results from Round 1, 8 December 2020. Available at: <https://reliefweb.int/report/papua-new-guinea/papua-new-guinea-high-frequency-phone-survey-covid-19-results-round-1>.

²² World Bank, "PNG High Frequency Phone Survey," 2020.

²³ World Bank, "Solomon Islands High Frequency Phone Survey," 2020.

²⁴ Manoranjan Mohanty, "Informal Social Protection and Social Development in Pacific Island Countries: Role of NGOs and Civil Society," *Asia-Pacific Development Journal* 18:2, 2011: pp. 25-56.

mitigate the need for coping mechanisms that compromise children's nutritional and educational futures. Donor assistance is therefore necessary, and Australia should take the lead in assisting these three PICs to build the infrastructure they require to succeed. We note Australia's commitment to social protection, as outlined in DFAT's Social Protection Strategy and its investment in the Partnerships for Social Protection (P4SP) program and commend these steps.²⁵

To begin the more detailed work of designing, commissioning, and advocating for such an important, system-building intervention, Save the Children has commissioned economic advisory service Development Pathways to estimate some of the costs involved. Specifically, we have modelled the costs of establishing child-sensitive social protection schemes in PNG, Solomon Islands, Tonga, and Vanuatu, while also enhancing Fiji's existing social protection system by instituting a universal child benefit payment. Based on this modelling, the cost of ensuring universal social protection coverage for all children aged under 10 years (plus additional disability benefit payments for children and adults) was estimated at \$519.7m in Financial Year 2021-22, to be borne in the medium to long term by both national governments and donors, albeit with the assistance of an initial investment by donors alone.

We recognise that investment at such a significant scale is unlikely to proceed without pilot programs and proof of concept experiments. Consequently, **we recommend an initial investment of \$70.1 million over three years in 2022-23. This investment should build on the system level work undertaken by P4SP and be aimed at instituting pilot payments to households in three sub-national government areas in three PICs**, namely Western Province in PNG, Malaita province in Solomon Islands, and Sanma province in Vanuatu. The payments should specifically be aimed at assisting children by directly targeting the costs of raising them, such as purchasing appropriate and nutritious food and educational supplies. We also recommend a special focus on children and adults with disabilities, who bear additional living costs for reasonable accommodations and services, and whose capacity to participate in meaningful employment and future economic recovery is more precarious and vulnerable.

Such pilots would allow for the impact of child-sensitive social protection on human capital to be assessed, just as they would contribute to the development of national capacity for ongoing delivery of social protection. Further, they could contribute to building support for the introduction of long-term, national-level investments in the lives, rights, and futures of Pacific children. We note that many of the leading sources of discussion on social protection, such as the World Bank, have not highlighted the specific needs of children in their recommendations, which otherwise largely align with ours, and we are seeking for this gap to be addressed.²⁶ We note that DFAT has successfully led similar pilot programs in the past via its MAHKOTA (Towards a Strong and Prosperous Indonesian Society) and KOMPAK (Governance for Growth) programs in Indonesia, including in Papua province, which shares many of the characteristics of the three countries we have identified, including underdeveloped facilities for service delivery and remoteness from national systems and structures. Despite these challenges, the BANGGA Papua program

²⁵ DFAT. "Strategy for Australia's Aid Investments in Social Protection," 2015. Available at: <https://www.dfat.gov.au/about-us/publications/Pages/strategy-for-australias-aid-investments-in-social-protection>.

²⁶ World Bank, "From Containment to Recovery," 2020. Available at: <https://www.worldbank.org/en/region/eap/publication/east-asia-pacific-economic-update>.

implemented an inclusive child grant for all indigenous Papuan children under the age of four in 2018.²⁷

In addition to coordination of child benefit payments, a successful scheme will link households to critical education, nutrition, protection, and other services in line with a proven ‘cash-plus’ approach. This approach would build on proven models in the region, including Save the Children’s cash transfer programming in Fiji, which uses Vodafone’s Mpaisa platform to transfer funds to pre-selected households once a month for four months, as part of the Disaster READY program.²⁸ As the recession continues, however, we are calling for a critical departure from instituting successful, one-off, small-scale projects, an approach which we wish to see now form the core of a permanent, networked, Pacific-wide system, fit for the future.

Our costing is based on modelling commissioned from Development Pathways, and as elaborated in a fuller form in our Budget Submission for FY21/22.²⁹

Budget Initiative	2022-23 (\$m)	2023-24 (\$m)	2024-25 (\$m)	Total (\$m)
Pilot Payments	23.37	23.37	23.37	70.1

2. Invest \$58.09 million over three years in ending violence against children in the Pacific

Since announcing the Pacific Step-Up in 2017, Australian leaders in diplomacy and foreign policy have described the nations of the Pacific as Australia’s “family.”³⁰ And yet, despite this emphasis, there is no dedicated Australian funding aimed at addressing violence against children, a significant problem affecting real, grassroots Pacific families, as we highlighted in our 2019 report, *Unseen, Unsafe: The Underinvestment in Ending Violence Against Children in the Pacific and Timor Leste*.³¹

This report highlighted our research findings that, at the time of publication, more than 4 million Pacific children were experiencing violent discipline, 1 in 4 adolescent girls were experiencing physical violence, and 1 in 10 adolescent girls were experiencing sexual violence.³² Much of this violence occurs in the home.

²⁷ Karishma Huda, Fernando Carrera, Hector Salazar Salame, Anton Tarigan, & Shez Farooq. “An Inclusive Child Grant in Papua: Lessons Learnt from Implementing Cash Transfers in Remote Contexts.” MAHKOTA, Australian Government, 2020. Available at:

https://socialprotection.org/sites/default/files/publications_files/An%20Inclusive%20Child%20grant%20in%20Papua%20Lessons%20Learnt%20from%20Implementing%20Cash%20Transfers%20in%20Remote%20Contexts.pdf.

²⁸ Save the Children. “Save the Children Launches a First-of-its-Kind Digital Cash Project to Help Fijian Families Devastated by COVID-19,” Media Release, 13 January 2021. Available at: <https://www.savethechildren.org.au/media/media-releases/cash-transfer-project-launch>.

²⁹ This year, we have updated this figure in line with CPI, drawing on ABS and Treasury CPI data which indicates a percentage change of 3.8 per cent between June 2020 and June 2021 and projected percentage changes of 1.75 and 2.25 per cent for 2022 and 2023. ABS. “Consumer Price Index, Australia,” Data Downloads: All Groups, Index Numbers, and Percentage Changes (640101). Available at: <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release>. See also Treasury. “Federal Budget Paper No. 1: Budget Strategy and Outlook,” 2021-22, p. 62. Available at: <https://budget.gov.au/2021-22/content/documents.htm>.

³⁰ For example, see comments from Scott Morrison MP, Prime Minister, included with DFAT. “Stepping-up Australia’s Engagement with our Pacific Family.” Available at: <https://dfat.gov.au/geo/pacific/engagement/Pages/stepping-up-australias-pacific-engagement.aspx>.

³¹ Save the Children, ChildFund Australia, Plan International and World Vision. “Unseen, Unsafe: The Underinvestment in Ending Violence Against Children in the Pacific and Timor-Leste,” 2019. Available at: [https://www.savethechildren.org.au/getmedia/29d0e266-a7d2-4200-ae47-d5e46e34bc79/STC01615_Unseen-Unsafe-Report_Web-\(1\).pdf.aspx](https://www.savethechildren.org.au/getmedia/29d0e266-a7d2-4200-ae47-d5e46e34bc79/STC01615_Unseen-Unsafe-Report_Web-(1).pdf.aspx).

³² Save the Children et al. “Unseen, Unsafe.”

Since the onset of the pandemic, the safety of the home has become an even more significant challenge for Pacific children. In April 2020, the United Nations warned that the pandemic-driven concentration of activity in the home was causing gender-based violence against women and girls to increase “exponentially,” as it combined with “economic and social stresses and measures to restrict contact and movement.” These factors were especially serious in crowded homes, families affected by substance abuse, communities with limited access to services, and circumstances in which family members were coping with reduced peer support.³³ This finding was calculated by tracking service-use data such as reported cases of domestic violence to helplines, women’s refuges or shelters, and the police. The UN found that calls to helplines had increased five-fold in some countries.³⁴ The increase in gender-based violence, including violence against girls, is so serious that the UN is calling it “the shadow pandemic.”³⁵

While these findings are based on results from a range of countries, not necessarily in the Pacific, there is no reason to believe that Pacific countries are exempt from this trend, especially as violence against children was already so prevalent before the pandemic. It should go without saying that such endemic violence produces deeply detrimental impacts for children and society at large. As the *Unseen, Unsafe* report outlines, children who suffer from violence generally experience poor health outcomes, impaired cognitive development and increased financial vulnerability. They also display anti-social and aggressive behaviour, often continuing the cycle of violence into the next generation.³⁶ In addition to these impacts, the economic costs of violence against children range between 3 and 8 per cent of global GDP, while the economic value of disability-adjusted life years lost to child abuse across East Asia and the Pacific is estimated at around US\$194 billion.³⁷

Despite clear evidence of the scale and gravity of the problem in this region, it had not been a big focus for policymakers before the pandemic. Now, however, there are positive signs that some governments are turning their attention towards violence against children. For example, in November 2021, government representatives from 25 countries across East Asia and the Pacific met to discuss ways forward at the “INSPIRE: Seven Strategies for Ending Violence Against Children” conference, hosted online by UNICEF and the World Health Organisation.³⁸ We welcome the commitment conference participants made to addressing the data gap that exists around violence against children in many countries in the region. We note that the Canadian Government,

³³ United Nations. Policy Brief: “The Impact of COVID-19 on Women,” 9 April 2020: pp. 2, 12. Available at: https://www.un.org/sites/un2.un.org/files/policy_brief_on_covid_impact_on_women_9_april_2020.pdf.

³⁴ UN Women. “Facts and Figures: Ending Violence Against Women.” Available at: <https://www.unwomen.org/en/what-we-do/ending-violence-against-women/facts-and-figures#notes>.

³⁵ UN Women. “Measuring the Shadow Pandemic: Violence Against Women During COVID-19.” Available at: <https://data.unwomen.org/publications/vaw-rga>.

³⁶ See ChildFund Alliance, Save the Children, SOS Children’s Villages International, World Vision International, and Development Initiatives. “Counting Pennies: A Review of Official Development Assistance to End Violence Against Children,” 2017: p 5. Available at: https://www.worldvision.com.au/docs/default-source/publications/children/counting-pennies-report.pdf?sfvrsn=8c64f13c_4.

³⁷ P. Perezniето, A. Montes, L. Langston, and S. Routier. “The Costs and Economic Impact of Violence Against Children,” ChildFund Alliance, 2014: p. 1. Available at <http://childfundalliance.org/wp-content/uploads/2014/10/ODI-PolicyBrief-The-cost-and-economic-impact-of-violence-against-children.pdf>. See also X. Fang et al, 2015. “The Burden of Child Maltreatment in the East Asia and Pacific Region,” *Child Abuse & Neglect* 42: 146–162: p. 146.

³⁸ See UNICEF. “East Asia and Pacific Countries Commit to Ending Violence Against Children During COVID-19 and Beyond,” 5 November 2021. Available at: <https://www.unicef.org/eap/press-releases/east-asia-and-pacific-countries-commit-ending-violence-against-children-during-covid#:~:text=The%20five%2Dday%20conference%2C%20organized,partners%20to%20drive%20forward%20evidence%2D>

for example, has established policy markers on children’s and youth issues to track its aid funding and impact for these vulnerable groups.³⁹

These steps are welcome, yet they must be kept in perspective. In the absence of such markers in Australia to date, our own estimate is that in the Pacific and Timor Leste in 2017, Australia invested only \$1.1 million in programs specifically designed to end violence against children, while collectively, the major ODA donors invested only \$3.4 million. Even if the funding lens is broadened to take in programs that include some activities related to ending violence against children, Australia still only invested \$55 million – or 4.8 per cent of ODA to the region.

For these reasons, Save the Children is calling for an additional \$58.09 million investment in funding for such programs over three years.⁴⁰

Budget Initiative	2022-23 (\$m)	2023-24 (\$m)	2024-25 (\$m)	Total (\$m)
Ending Violence Against Children	19.36	19.36	19.36	58.09

3. Increase Australia’s climate finance commitment to \$3 billion over 2020-2025 and commit an additional \$400 million to the Green Climate Fund by 2023

The accelerating impacts of climate change are multiplying human security risks across the Indo-Pacific and Australia should act quickly to scale up its international response to these impacts. These impacts are especially devastating for children, who, as we highlight in our recent report, *Born into the Climate Crisis: Why we must act now to secure children’s rights*.⁴¹ According to an important study cited in our report and led by Wim Thiery of the Vrije Universiteit Brussel, a child born in 2020 is projected to experience 2-13 times more extreme events during their lifetime than a person born in 1960.⁴²

Further, while the increased risks associated with climate change are generational, the worst are conditions found in developing countries, in reverse correlation with their responsibility for creating the climate crisis. This is because while the top 50 per cent of states ranked by income are responsible for 86 per cent of cumulative global carbon dioxide emissions, the lower half are responsible for only 14 per cent. Despite this disparity, the children of these low- and middle-income countries will be burdened with greater losses and damage to health and human capital, land, cultural heritage, Indigenous and local knowledge, and biodiversity than their counterparts in wealthier nations. They will experience increased exposure to wildfires, crop failures and droughts, flooding from rivers and seas, and heatwaves. The impacts will also continue to be even worse for those exposed to multiple hazards such as conflict or displacement, COVID-19, and sharpening inequality and/or discrimination.⁴³

³⁹ See Global Affairs Canada. “Project Coding – Policy Markers.” Available at:

https://www.international.gc.ca/development-developpement/partners-partenaires/bt-oa/sectorcoding_policy-codageprojets_politiques.aspx?lang=eng.

⁴⁰ While we first called for \$55 million in our 2020-21 Budget Submission, we have updated this figure in line with CPI, drawing on ABS and Treasury CPI data which indicates a percentage change of 3.8 per cent between June 2020 and June 2021 and a projected percentage change of 1.75 per cent between June 2021 and June 2022. ABS. “Consumer Price Index, Australia,” and Treasury. “Federal Budget Paper No. 1: p. 62.

⁴¹ Save the Children. “Born into the Climate Crisis: Why We Must Act Now to Secure Children’s Rights,” 2021. Available at: <https://www.savethechildren.net/born-climate-crisis>.

⁴² Refer to Thiery, Wim, Stefan Lange *et al.* “Intergenerational Inequities in Exposure to Climate Extremes.” *Science* 374: 6564, 2021: pp. 158-160.

⁴³ Save the Children. “Born into the Climate Crisis: Why We Must Act Now to Secure Children’s Rights,” 2021. Available at: <https://www.savethechildren.net/born-climate-crisis>.

Australia is surrounded by low- and middle-income countries across South Asia, Southeast Asia, and the Pacific, many of which are already experiencing enormous disruption to livelihoods, education, health outcomes, and community life in general. As Australia and its partners invest in ever more complex defence and security ties to protect the maritime routes and passes through the seas and oceans of the Indo-Pacific, so too should Australia and its partners invest in the human security of surrounding communities threatened by climate change. The frequency and intensity of disasters is accelerating across the region, as witnessed in recent months, when rising sea levels have exacerbated the impacts of tsunamis and cyclones from Tonga to the Philippines.

Dealing with such climate-related challenges is only adding to the problem of declining development trajectories across the region, a trend which is further exacerbated by the economic and health crises generated by the pandemic on communities and households. The region's confidence, which has resulted especially from Asian populations' rise out of poverty over the last four decades, is already battered due to up to 150 million people potentially being pushed back into extreme poverty by the COVID-19 recession.⁴⁴ In addition, the UN Food and Agriculture Organisation estimates that the impacts of climate change could drive a further 122 million people into extreme poverty by 2030.⁴⁵ Such significant challenges, which can only compound the difficulties faced by households seeking to relocate away from the worst impacts of climate change, are driving social, political, and economic changes that Australia is not yet in a position to anticipate, rendering its narrow security focus increasingly anachronistic.

Yet, limiting warming to 1.5° Celsius above pre-industrial levels will reduce the additional lifetime exposure of new-borns to heatwaves by 45 per cent, droughts by 39 per cent, river floods by 38 per cent, crop failures by 28 per cent, and wildfire by 10 per cent.⁴⁶ These differences will allow more children to access their rights to services, to meet basic needs, to participation in decision-making, and to a future. As our report points out, leadership in climate action on the part of high-income countries most responsible for climate change, particularly for financing and adaptation, will also yield multiple social, environmental, and economic returns: investment of \$1.8 trillion globally in five key areas of adaptation over a period of ten years could generate \$7.1 trillion in total net benefits.⁴⁷

Australia has been an active player in regional and global multilateral forums aimed at establishing global climate finance goals, including COP15, which established a US\$100 billion goal for global climate finance per year by 2020. This goal is a critical component of the 2015 Paris Agreement and is the result of many years of advocacy from low-income countries. Commendably, Australia has also committed to the equal distribution of finance between climate mitigation and climate adaptation, and to delivering finance through grants rather than loans.⁴⁸ Further, Australia played a key role in establishing the multilateral Green Climate Fund (GCF), committing to advocate for it to take an active interest in Pacific nations, and contributing \$200 million to it from 2015-2020.

Overall, however, Australia's cash commitments have fallen short of its rhetoric, and in addition to disengaging from the GCF after its initial round of investment, it is currently near the bottom of

⁴⁴ World Bank, 2020. "COVID-19 to Add as Many as 150 million Extreme Poor by 2021," Press Release 7 October 2020. Available at: <https://www.worldbank.org/en/news/press-release/2020/10/07/covid-19-to-add-as-many-as-150-million-extreme-poor-by-2021#:~:text=The%20COVID%2D19%20pandemic%20is,severity%20of%20the%20economic%20contraction..>

⁴⁵ Refer to UN Food and Agriculture Organisation. "Climate Action – Our Food Security Depends on it Now More than Ever Before," 2018. Available at: <https://www.fao.org/climate-change/news/detail/en/c/1158905/>.

⁴⁶ Global Commission on Adaptation. "Adapt Now: A Global Call for Leadership on Climate Resilience." Available at: <https://gca.org/wp-content/uploads/2019/09/Global-Commission-Report-FINAL.pdf>.

⁴⁷ Global Commission on Adaptation. "Adapt Now."

⁴⁸ DFAT. "Climate Change Action Strategy," 2021. Available at: <https://www.dfat.gov.au/about-us/publications/climate-change-action-strategy>.

global rankings for financing commitments and broader climate action.⁴⁹ **Australia should immediately increase its climate finance commitment to \$3 billion over the 2020-2025 period, and by 2023, it should commit an additional \$400 million to the GCF.** Australia's re-engagement with the GCF is essential as it is the primary global climate finance mechanism with a proven track record of delivering large scale finance to priority issues, including in the Pacific. Further, all Indo-Pacific countries are engaged with GCF and see it as the principal vehicle for the provision of climate finance, while Australia's previous engagement with the fund was instrumental in ensuring significant flows of GCF finance reached our region. A new commitment of \$400 million would place Australia in line with other donors to the fund, which have all doubled their previous commitments.

Budget Initiative	2022-23 (\$m)	2023-24 (\$m)	2024-25 (\$m)	Total (\$m)
Climate Finance (increase)	333.33	333.33	333.33	1,000
Green Climate Fund	200.00	200.00		400

4. Increase Australia's humanitarian funding allocation to at least \$1.5 billion in response to increased and intensified need, and more complex emergencies

The Indo-Pacific region, Central Asia, and the Middle East are experiencing rapidly building humanitarian crises that are triggered by violence and displacement, and whose scale and complexity are exacerbated both by climate change and the pandemic's health and economic impacts, such as supply chain disruption.

Between 2020 and 2021, the number of people in need of humanitarian assistance around the world increased by 40 per cent to 235.4 million.⁵⁰ Of this total, more than 40 million are internally displaced people (IDPs) – more than double the figure of 16 million in 2010. A further 30 million, or double the 2010 figure, are refugees.⁵¹ Around the world, around 84 million people – 1 per cent of the world's population – have now been displaced by conflict and violence – more than at any other time in human history. Over the last few years, violence and mass displacement events in Myanmar, Bangladesh, Afghanistan, Syria, and Yemen, in particular, have contributed to these appalling numbers, which are so high because the number of countries experiencing armed conflict today is greater than at any time in the past 30 years.⁵²

COVID-19 has added a layer of adversity on top of the human costs of conflict and displacement. The pandemic's health impacts are further driving up the number of people in need and increasing the intensity and complexity of their needs. Countries like Afghanistan, Syria, and Yemen have health systems that are severely damaged by years of violence, and in Afghanistan, for example, estimates indicate that only 10 per cent of the population is vaccinated.⁵³ Refugees moving to seek refuge from these nations are also in need of access to vaccines and other health care services, all

⁴⁹ Climate Action Tracker. "Australia Country Summary," 2021. Available at: <https://climateactiontracker.org/countries/australia/>.

⁵⁰ International Rescue Committee. "Watch List 2021," 2021. Available at: <https://reliefweb.int/sites/reliefweb.int/files/resources/2021emergencywatchlistirc.pdf>.

⁵¹ Ibid.

⁵² United Nations; World Bank. "Pathways for Peace: Inclusive Approaches to Preventing Violent Conflict," 2018: p. xvii. Available at: <https://openknowledge.worldbank.org/handle/10986/28337>.

⁵³ Escola de Cultura de Pau (ECP). "Alert 2021! Report on Conflicts, Human Rights and Peacebuilding," 2021. Available at: <https://reliefweb.int/report/world/alert-2021-report-conflicts-human-rights-and-peacebuilding>.

of which require resourcing and the active removal of barriers to access by governments and international agencies.⁵⁴

COVID-19 is also exacerbating frailties within struggling education systems, with global school closures creating deepening humanitarian crises for vulnerable children by dramatically increasing the risk to children's education, protection, and well-being. Prior to the pandemic, 127 million primary and secondary school-age children in crisis-affected countries were reported to be out of school.⁵⁵ At the moment, 1.53 billion learners are out of school and 184 country-wide school closures, impacting 87.6 per cent of the world's total enrolled learners.⁵⁶

Vulnerable children are often the hardest hit by school closures, and vulnerable children in crisis-affected countries face significant and distinct risks. Global and national data shows that the longer children are out of school, the less likely they are to return. Young and adolescent girls are twice as likely to be out of school in crisis situations and face greater vulnerabilities such as domestic or gender-based violence when not in school.⁵⁷ As household finances are strained due to the increased socio-economic impacts of COVID, out-of-school children are more likely to be exposed to risks like family violence, child labour, forced marriage, early pregnancy, trafficking, and exploitation. The UN has noted that impacted children could stand to lose out on a combined total of \$17 trillion in lifetime earnings, up from \$10 trillion in 2020.⁵⁸ Yet, despite awareness of the escalating education crisis, two thirds of developing countries have cut their education budgets amidst competing national priorities.⁵⁹

At the same time, climate change is causing longer, more frequent, and more intense disasters and extreme weather events, reducing access to resources and increasing the risk of displacement. Around 30 million people were displaced by disasters in 2021, a figure set to rise sharply as the frequency, scale, and intensity of such events are set to increase dramatically. The effects of these climate-related impacts will require multi-year funding packages to be designed and delivered, to ensure continuity of humanitarian responses, maximise efficiency, and protect gains.

Further, if the intersecting impacts of violence and displacement, the pandemic, and climate change were not complex enough, up to 283 million people worldwide are short of food – an unprecedented level of hunger.⁶⁰ Of this total number, 45 million people are facing famine. Despite this hunger, however, less than half the money needed to stave off famine has been received by agencies managing response efforts, while the increasing pressure on these efforts created by increased security risks are driving even more hunger.⁶¹ As a result of such conditions, in

⁵⁴ See UNHCR. Press Release: "UNHCR Calls on States to Remove Barriers to Access to COVID-19 Vaccines for Refugees," 24 June 2021. Available at: <https://www.unhcr.org/en-au/news/press/2021/6/60d45ebf4/unhcr-calls-states-remove-barriers-access-covid-19-vaccines-refugees.html>.

⁵⁵ OCHA. "Global Humanitarian Overview 2022," 2022. Available at: <https://gho.unocha.org/trends/school-closures-have-severely-disrupted-education-and-remote-learning-remains-out-reach-many>.

⁵⁶ See Education Cannot Wait, 2022. Available at: <https://www.educationcannotwait.org/covid-19/>.

⁵⁷ UNICEF, "UNICEF Executive Director Henrietta Fore's Remarks at a Press Conference on New Updated Guidance on School-Related Public Health Measures in the Context Of COVID-19," 15 September 2020. Available at: <https://www.unicef.org/press-releases/unicef-executive-director-henrietta-fores-remarks-press-conference-new-updated>; and Dupraz-Dobias, Paula. "How COVID has Made Education an Urgent Humanitarian Issue," *The New Humanitarian*, 17 January 2022. Available at: <https://www.thenewhumanitarian.org/news-feature/2022/1/17/COVID-education-urgent-humanitarian-issue-school-closures>.

⁵⁸ UNESCO, UNICEF, World Bank. "The State of the Global Education Crisis: A Path to Recovery," 2021. Available at: <https://reliefweb.int/report/world/state-global-education-crisis-path-recovery>

⁵⁹ World Bank. "Education Finance Watch 2021," 2021. Available at: <https://documents1.worldbank.org/curated/en/226481614027788096/pdf/Education-Finance-Watch-2021.pdf>.

⁶⁰ The New Humanitarian, "Ten Humanitarian Crises and Trends to Watch in 2022" 29 December 2021. Available at: <https://www.thenewhumanitarian.org/feature/2021/12/29/ten-humanitarian-crises-trends-to-watch>.

⁶¹ United Nations. Noon Briefing: "Daily Press Briefing by the Office of the Spokesperson of the Secretary General," 2 December 2021. Available at: <https://www.un.org/press/en/2021/db211202.doc.htm>.

Afghanistan for example, 22.8 million people – half the population – now face critical levels of hunger, including 8.7 million people who are at risk of experiencing famine-like conditions.⁶²

Like our supermarkets, humanitarian responses too are affected by international supply chain disruption, which is pushing up food prices. This disruption is pushing up food prices, and costs are being passed on to consumers, disproportionately affecting women and children. Global cereal price increases also hike the cost of procuring emergency food on international markets, while fuel price hikes and a global container shortage further inflate logistics bills to reach the hungry.⁶³

With the humanitarian system stretched to its limits, 2020 was the first year that UN-led humanitarian appeals were funded at less than 50 per cent of their projected funding need.⁶⁴ Humanitarian responses require more money invested in anticipatory action, not only reactive responses, and a greater emphasis on multi-year planning, as humanitarian crises are not being resolved rapidly but rather transform into chronic, ongoing, development challenges. In the face of these structural difficulties, several of Australia's partners have committed to increasing their investments, including the United Kingdom, the United States, and Japan, whose new Reciprocal Access Agreement with Australia is already being used to support joint humanitarian action in Tonga in response to the recent tsunami. Likewise, the Quad, of which Australia is a member, has pledged to respond to humanitarian and disaster relief needs in the Indo-Pacific.⁶⁵

Save the Children is calling for a greatly increased Australian contribution to global humanitarian spending, well beyond the \$485.3 million allocated in Financial Year 2021-22. Australia's investment should total \$1.05 billion in Financial Year 2022-23.

Budget Initiative	2022-23 (\$m)	Total (\$m)
Humanitarian Funding	1,050.00	1,050

5. Commit an additional \$250 million to the COVAX Advanced Market Commitment (AMC) Facility, alongside an additional \$100 million for the Coalition for Epidemic Preparedness Innovations (CEPI) replenishment

The COVID-19 pandemic has resulted in nearly 370 million confirmed COVID-19 cases and nearly 5.7 million confirmed deaths around the world to date. As outlined elsewhere in this submission, the pandemic has disproportionately affected the world's most vulnerable, with the Omicron variant – only the latest in a series of new variants of concern – now transmitting rapidly around Southeast Asia and the Pacific. Many of these nations are not able to rapidly vaccinate their populations, in part due to community hesitancy and in part due to supply constraints. The Vanuatu Ministry of Health, for example, has just informed the public that owing to limited availability, adults who have not received their first AstraZeneca doses by 31 January 2022 will no longer be eligible to receive this vaccine, and will be required to receive the Sinopharm vaccine

⁶² World Food Programme, "45 million People at Risk of Famine Require Urgent Intervention," 8 November 2021. Available at: <https://www.wfp.org/stories/45-million-people-are-famines-door>.

⁶³ van der Merwe, Ben. Analysis: "Weekly Data: How Covid-19 Disrupted Global Shipping." *Investment Monitor*, 13 September 2021. Available at: <https://www.investmentmonitor.ai/analysis/covid-global-shipping-container-shortage>.

⁶⁴ Aly, Heba. "The Push to Anticipate Crises Gains Steam." *The New Humanitarian*, 13 September 2021. Available at: <https://www.thenewhumanitarian.org/the-wrap/2021/9/13/the-push-to-anticipate-crises-gains-steam>.

⁶⁵ The White House. Quad Leaders' Joint Statement: "The Spirit of the Quad," 12 March 2021. Available at: <https://www.whitehouse.gov/briefing-room/statements-releases/2021/03/12/quad-leaders-joint-statement-the-spirit-of-the-quad/>. See also "Australia and Japan Sign Security Pact to Respond to 'Challenging' Indo-Pacific Environment," ABC News. Available at: <https://www.abc.net.au/news/2022-01-06/australia-japan-sign-security-agreement/100742760>; and Foreign, Commonwealth, and Development Office. Speech: "Foreign Secretary Liz Truss: Building a Network of Liberty," YouTube, 8 December 2021. Available at: https://www.youtube.com/watch?v=X-C_HGLD0Aw.

instead. The challenge of limited supply is therefore likely to seriously hamper Vanuatu’s vaccine response, even though it is only a matter of time before the virus, which is now transmitting unchecked in Solomon Islands, reaches Vanuatu. Nor are such challenges isolated to the Pacific; rather, they are replicated across the developing world. As a result, in low-income countries, **only 4.3 per cent of people have received at least one dose of a vaccine, while in Papua New Guinea – our nearest neighbour – only 2.53 per cent of people are fully vaccinated.**⁶⁶

To date, the Australian Government has made three financial contributions to the Global Vaccine Alliance (GAVI)’s COVAX Facility, consisting of \$123.5 million for 25 million doses for Australians and \$80 million, followed by a further \$50 million, for the Advanced Market Commitment (AMC) of the COVAX Facility. In addition to these contributions to COVAX – a global, multilateral, mechanism – Australia has also made selective, bilateral commitments to individual Indo-Pacific nations worth \$623.2 million over 3 years.⁶⁷ These commitments go some way towards vaccinating our closest neighbours, and they even demonstrate Australia’s comparative generosity in terms of its bilateral responses, making Australia the second-most generous per capita donor after the United States. They fall short, however, in terms of demonstrating Australia’s commitment to coordinated, multilateral, and equitable global action to vaccinate the whole world’s population, including in countries further afield from its immediate “neighbourhood,” such as Burkina Faso, where only 1.3 per cent of the population is fully vaccinated.⁶⁸ Yet there is no way of predicting with certainty where the next variant of concern will develop, only that it will develop and that global patterns of mobility will spread it quickly. According to Professor Brendan Crabb, Director of the Burnet Institute, a major new variant of COVID-19 has been detected every four months on average since the pandemic began.⁶⁹

For these reasons, we call on the Australian Government to shift its emphasis away from bilateral gestures and more towards demonstrably increasing its support for, and commitment to, COVAX, which has delivered 1 billion doses across 144 countries so far. In contrast, the bilateral approach has been criticised by think tanks such as the Lowy Institute as overtly geopolitical in its appearance, supporting short-term strategic coverage in countries like Indonesia and Vietnam at the expense of a globally coordinated approach which stands a much better chance of bringing the pandemic to a close.⁷⁰ **Australia should commit an additional \$250 million to COVAX and an additional \$100 million to the Coalition for Epidemic Preparedness Innovations (CEPI), the global multilateral partnership for vaccine development.**

Budget Initiative	2022-23 (\$m)	Total (\$m)
COVAX	250.00	250
CEPI	100.00	100

⁶⁶ All case and death figures from Global Change Data Lab (GCDL). “Our World in Data,” Oxford University, 31 January 2021. Available at: <https://ourworldindata.org/coronavirus>.

⁶⁷ Department of Health. “Australia’s Vaccine Agreements,” 21 January 2022. Available at: <https://www.health.gov.au/initiatives-and-programs/covid-19-vaccines/about-rollout/vaccine-agreements#:~:text=Australia%20has%20committed%20%24623.2%20million,began%20on%2023%20March%202021>.

⁶⁸ “Our World in Data.” See also End Covid for All,” 2022. Available at: <https://endcovidforall.com/>.

⁶⁹ Doherty, Ben. “Australia Urged to Spend More on COVAX Program amid Criticisms of ‘Vaccine Diplomacy,’” *The Guardian*, 31 January 2022. Available at: <https://www.theguardian.com/australia-news/2022/jan/31/australia-urged-to-spend-more-on-covax-program-amid-criticisms-of-vaccine-diplomacy>.

⁷⁰ Doherty, Ben. “Australia Urged to Spend More.”

Key Recommendations – Domestic

1. \$25.69 million over four years to support children’s wellbeing, recovery, and resilience building

Whilst the scale and impact on children from COVID-19 is still evolving and not fully known, all indications suggest that children’s mental health and wellbeing has and will continue to be severely impacted. For children in areas that bore the brunt of the 2019-20 bushfires and other natural disasters COVID-19 impacts have compounded impacts on mental health and complicated recovery efforts. These overlapping disasters are also occurring in the backdrop of an increasingly intensifying climate crisis – an issue also rating as one of the top major concerns for young people in recent surveys.⁷¹

Of the 20,207 respondents aged 15-19 years who participated in Mission Australia’s 2021 Youth Survey, 41.9 per cent were extremely or very concerned about mental health and 45.4 per cent rated their mental health and wellbeing as poor.⁷² Parents and carers are also concerned with 56 per cent of parents reporting being worried about the long-term effects of COVID-19 on their child (higher among parents in Victoria, 68 per cent).⁷³

In addition to emerging COVID-19 data, we know from previous emergencies that children and young people have particular vulnerabilities.⁷⁴ Research details the negative impacts of disasters on children’s physical, academic, mental, and social wellbeing.⁷⁵ These problems can continue well into adulthood and create further social and economic costs downstream and over time. Relying solely on the family structure or existing important adults in children’s and young people’s lives is an unreliable means to address emerging wellbeing issues in children. Commonly these networks lack the capabilities and confidence to support children in an emergency. Caregivers are likely to encounter high levels of stress during an emergency that will impede their ability to parent and care for children, resulting in poorer long-term mental health outcomes and increased risk of child protection concerns. Australian parents are calling out for help in relation to COVID-19 impacts with **55 per cent of Australian parents surveyed wanting mental health and wellbeing support for children** (more for parents with a child who has a disability, 67 per cent).⁷⁶

School systems are also already heavily overburdened. Specialist programs externally supported are urgently needed to complement existing efforts. To meet need, and relieve pressure on teaching staff, Save the Children recommends that the Commonwealth Government establish funding and other arrangements to provide access to evidence-based specialist psychosocial support programs for all students’ social and emotional wellbeing and resilience, within schools.

⁷¹ Red Cross, “Our World, Our Say: National survey of children and young people on climate change and disaster risk.” Melbourne: Red Cross, 2020. Available at: https://www.redcross.org.au/getmedia/73ebf89a-dabb-46f8-a782-26cbb038735e/youthsurvey-report-2020-07-28-0-6_3.pdf.aspx

Tiller, E., Greenland, N., Christie, R., Kos, A., Brennan, N., & Di Nicola, K. “Youth Survey Report 2021”. Sydney: Mission Australia, 2021. Available at: <https://www.missionaustralia.com.au/what-we-do/research-impact-policy-advocacy/youth-survey>.

⁷² Tiller, E., Greenland, N., Christie, R., Kos, A., Brennan, N., & Di Nicola, K., “Youth Survey Report 2021”. Sydney: Mission Australia, 2021. Available at <https://www.missionaustralia.com.au/what-we-do/research-impact-policy-advocacy/youth-survey>.

⁷³ 89 Degrees East, “Save the Children COVID 19 Study”, November 2021.

⁷⁴ United Nations. 2015. “International Sendai Framework for Disaster Risk Reduction” 2015-2030. Available at: https://www.preventionweb.net/files/43291_sendaiframeworkfordrren.pdf

⁷⁵ Cahill, H., Dadvand, B., Shlezinger, K., Romei, K., Farrelly, A., 2020. “Natural disasters and pandemics: Supporting student and teacher wellbeing post emergency.” Melbourne: Youth Research Centre.

⁷⁶ 89 Degrees East, “Save the Children COVID 19 Study”, November 2021.

This could be phased to initially focus on schools, in areas with the greatest need such as those hardest hit by COVID-19, dealing with overlapping emergencies or highly susceptible to climate impacts. Due to the scale of COVID-19 and future instability predicted, programs should be made as widely available as possible. There is potential for this to be a jointly Commonwealth and State funded initiative.

Save the Children's Journey of Hope program is a well proven psychosocial emergency response and recovery program. The eight-week program helps children recognise and process common emotions, identify stressors and triggers in a supportive environment. The program also supports children to identify positive coping strategies that they can use to deal with current and future emotional challenges. In response to the 2019/20 Black Summer bushfires, Save the Children supported almost 5,000 children in 72 schools spread across some Victoria and NSW.

The program's effectiveness has been confirmed by rigorous evaluation, including by the International Institute for Children's Rights and Development.⁷⁷ In Australia, Save the Children worked with Professor Lisa Gibbs, Director of the Child and Community Wellbeing Program in the Centre for Health Equity at the University of Melbourne, and a team of researchers to design and conduct a mixed methods evaluation, which included student surveys and group discussions, and interviews with parents and teachers. The evaluation found that Journey of Hope met a critical and otherwise unmet need that was welcomed by students, teachers, and parents. Journey of Hope has also been recognised in the National Children's Mental Health and Wellbeing Strategy as an initiative that is child-focused, assisting children and the broader community in recovery.⁷⁸

Journey of Hope has a delivery cost of around \$630.00 per child over one school term. This includes costs of two group facilitators, senior supervision, quality assurance and management time, group materials, transportation, follow up with school and referrals, data collection, and evaluation. An investment of \$25.69 million dollars over the next four years will mean an additional 40,000 children can be reached.⁷⁹

Budget Initiative	2022-23 (\$m)	2023-24 (\$m)	2024-25 (\$m)	2025-26 (\$m)	Total (\$m)
Journey of Hope	6.23	6.34	6.48	6.64	25.69

* These figures are expressed in financial years but may require adjustment to align with school year (calendar year) funding cycles, depending on the timing of relevant decisions by government.

2. Contribute \$13.7 million over four years to engage children at risk of disengaging from school

Student disengagement from school and early school leavers is an issue that Australian governments can no longer hesitate in dealing with. Access to education is a fundamental obligation that the Australian government needs to uphold. But beyond our critical child rights

⁷⁷ See Powell, T., "The Journey of Hope Curricula: Building resilience after a natural disaster", University of Texas, 2011. Available at: <https://www.savethechildren.org/content/dam/global/reports/emergency-humanitarian-response/JOH-NEW-ZEALAND-REPORT.PDF>; Powell, T. and Thompson, S., 2014. "Enhancing coping and supporting protective factors after a disaster: Findings from a quasi-experimental study", Research on Social Work Practice.

⁷⁸ National Mental Health Commission, "The National Children's Mental Health and Wellbeing Strategy," October 2021, p 40. Available at: <https://www.mentalhealthcommission.gov.au/mental-health-reform/childrens-mental-health-and-wellbeing-strategy>

⁷⁹ Figures are in line with CPI, drawing on ABS and Treasury CPI data which indicates a percentage change of 3.8 per cent between June 2020 and June 2021 and projected percentage changes of 1.75 and 2.25 per cent for 2022 and 2023 and use of accepted average of 2.5 per cent for 2024.

obligation the quality of education drives future wellbeing of citizens as well as the future prosperity nation states.

Research indicates each early school leaver in Australia costs government and taxpayers at least \$335,000 across their lifetime. Costs incur from increased welfare, crime spending, health costs and in lost tax revenue. For every cohort of early school leavers or approximately 18 per cent of students who leave school early before Year 12, governments incur a staggering \$12 billion in costs across their lifetime.⁸⁰

COVID-19 and associated school closures throughout 2020 and 2021 has greatly exacerbated existing disadvantaged for student wellbeing, with marked differences in learning and wellbeing outcomes in the most socially and economically disadvantaged regions. Economic fallout from the pandemic means there are also growing cohorts of students newly at risk. Importantly, children and their families have weakened connection to schools, and this increases the risks of further disengagement and early school leaving. The impact of COVID-19, a generation who face the prospect of reaching working age less skilled and less capable, combined with an increasingly aging population means significant long-term fiscal risk for Australia.

Whilst states and territories traditionally hold responsibility for education, this is a national problem, requiring Commonwealth Government leadership for a national solution. Reasons the Commonwealth Government need to address school disengagement include:

1. The Commonwealth Government has already established a role in important school education policy areas. Including critical national education institutions, and standards, and supporting well-evidenced initiatives that meet national needs that span beyond individual school systems.⁸¹ Improving school engagement, through proven strategies that build on children's strengths and improve social and emotional wellbeing is in line with existing joint agreements such as National School Reform Agreement and The Alice Springs (Mparntwe) Education Declaration and the National Agreement on Closing the Gap (the National Agreement).
2. All indications suggest COVID-19 is worsening school engagement problems, with increased levels of study and emotional stress.⁸² Importantly children and young people themselves

⁸⁰ Lamb, S. and Huo, S. "Counting the costs of lost opportunity in Australian education", *Mitchell Institute report No. 02/2017*. Mitchell Institute, Melbourne; Australian Institute of Health and Welfare 2020. Australia's children. Cat. no. CWS 69. Canberra: Available at: <https://www.vu.edu.au/mitchell-institute/educational-opportunity/counting-the-costs-of-lost-opportunity-in-australian-education>. Australia Institute for Health and Welfare, Warren, D. and Edwards, B, "Contexts of Disadvantage" Australian Institute of Family Studies Occasional Paper No. 53, 2017. Available at: https://www.dss.gov.au/sites/default/files/documents/11_2017/occpaper53_contexts_disadvantage_web.pdf

⁸¹ Examples include the Australian Curriculum, the Australian Institute for Teaching and School Leadership, Education Services Australia, the National Evidence Institute, support for the Teach for Australia program, and support to boost literacy and numeracy outcomes and parental engagement.

⁸² Expert independent advice commissioned by the Department of Education, Skills and Employment in April 2020 highlighted that COVID-19 would increase school disengagement, including early evidence that this was already occurring, and that this should be a priority for government's response: Brown, N. et al, 2020. "Learning at home during COVID-19: Effects on vulnerable young Australians – Independent rapid response report" University of Tasmania. https://www.utas.edu.au/data/assets/pdf_file/0008/1324268/Learning-at-home-during-COVID-19-updated.pdf

The experience of State Governments, schools, and non-government service providers on the ground to date has confirmed those early concerns.

are identifying exacerbation of problems with mental health and need for understanding and assistance within education settings.⁸³

3. Primary mental health care is a responsibility of the Commonwealth Government. Education settings and their importance for children's mental health and role in prevention and early intervention response is one of four focus areas of the Federal Mental Health Commission's National Children's Mental Health and Wellbeing Strategy, released in October 2021.
4. The Commonwealth government is responsibility for the national economy and economy wide policy decisions and has a significant stake in ensuring that the downstream fiscal cost of school disengagement, early school leavers, additional strain on the public health and welfare system is kept as low as possible.

The Commonwealth Government is best placed to create the infrastructure and conditions to scale effective innovations nationally.

Save the Children's Hands on Learning is a successful and well proven in-school program that is ready to scale. The program targets at-risk students, using evidence informed methodology and a suite of tried and tested tools and resources that makes it possible to implement quickly and effectively in schools in a range of settings. The program has had success in building participant's connection to school through increasing a sense of belong and improving social and emotional skills. These skills are vital for further education or employment outcomes. Hands on Learning has been running for 20 years and is present in over 120 primary schools, primarily in Victoria.

A \$13.7 million investment by the Australian Government made over four years will scale the evidence-based Hands-on Learning program nationwide providing struggling students in every State and Territory access to best practice support. Funding will:

- triple the existing footprint from 120 Hands on Learning sites predominantly in Victoria to over 360 sites across the country
- reach up to 8400+ at risk students annually by project end.
- support State investment in the Hands-on School model as partner schools employ staff and fund project materials and equipment.
- leverage nearly \$4 of State Government investment for every \$1 of Australian Government investment

Hands on Learning offers a proven method to address the challenges of keeping at-risk students engaged with learning whose increasing their wellbeing and build on their strengths through social and emotional skill building and practical capabilities. Hands on Learning generates results for schools at the point of implementation and creates long lasting social and economic benefits by keeping students engaged and giving them skills to improve wellbeing, connection, and employment prospects.

⁸³ See: "New Research shows spike in mental health impacts of study stress on Aussie students in 2021" *School News Australia*, 19 October 2021. Available at: <https://www.school-news.com.au/news/new-research-shows-spike-in-mental-health-impacts-of-study-stress-on-aussie-students-in-2021/> and <https://www.aihw.gov.au/reports/children-youth/covid-19-and-young-people> for national data. Also reflected in a range of state surveys and studies including also in Connolly, H. Commissioner for Children and Young People, South Australia 2021 "COVID-19 Survey: Key Findings – What do young people in South Australia think about COVID-19 vaccines and restrictions?" And Commission for Children and Young People, "Annual Report 2020–21" Commission for Children and Young People, Melbourne 2021.

Budget Initiative	2022-23 (\$m)	2023-24 (\$m)	2024-25 (\$m)	2025-26 (\$m)	Total (\$m)
Hands on Learning	1.34*	3.63*	4.22*	4.51*	13.7*

* These figures are expressed in financial years but may require adjustment to align with school year (calendar year) funding cycles, depending on the timing of relevant decisions by government.

3. Allocate \$24.15 million over 4 years to build service capacity for early detection and response to children with trauma, particularly child victims of Domestic and Family Violence

Domestic and family violence damages children’s development, health, wellbeing, learning and behaviour by undermining the most fundamental foundations for a child’s life, including their family, their relationships, their housing, and their safety. Trauma is common, and commonly unrecognised. Without support, this harm can be enduring. Domestic and family violence directly harms children, and when it exists, other abuse and neglect is likely. However, the harm done to children by domestic and family violence is largely invisible in policy making, government budgets, services and public attention.

What is needed is a focus on children in their own right. Save the Children welcomes the release of the draft *National Plan to Reduce Violence against Women and their Children* and *National Framework for Protecting Australia’s Children* and strongly endorses the recognition of children as victims of abuse in their own right.⁸⁴ Save the Children will be providing a more detailed response to the draft by the end of February.

In our submission to the National Plan to end family, domestic and sexual violence we also highlighted the importance of integrating with another Commonwealth initiative – the *National Framework for Protecting Australia’s Children*.⁸⁵ In both plans we argued for:

- child rights-based approach including ensuring child participation and child voice in design
- comprehensive and coordinated data collection and improvements in data for children experience domestic and family violence.
- integration of services and identification of evidence-based programs
- addressing underlying causes
- embedding trauma informed practices into all services that work with children, including domestic and family violence centres, childcare, and school

Without integrated implementation we know that national plans are unlikely to achieve tangible results for children. The original *National Framework for Protecting Australia’s Children 2009-2020* failed to coordinate the policy agenda for children and little substantive progress has been made with rates of substantiated neglect and abuse, children in out-of-home care, and over-

⁸⁴ “Draft National Plan to Reduce Violence against Women and their Children and National Framework for Protecting Australia’s Children 2022”, p 13. Available at: <https://engage.dss.gov.au/wp-content/uploads/2022/01/Draft-National-Plan-to-End-Violence-against-Women-and-Children-2022-32.pdf>.

⁸⁵ See: Save the Children and Child Wise, “Children’s Rights, wellbeing, and protection: A new paradigm. Implementing the Successor plan to the National Framework for Protecting Australia’s Children” Joint Submission to Department of Social Services, 30 July 2021. Available at: <https://www.savethechildren.org.au/getmedia/0debf85c-ecc2-4275-8cd0-946fb056f542/national-plan-to-reduce-violence-against-women-and-their-children-publication.pdf.aspx> And Save the Children August 2021. “Take them seriously: Children’s experiences of domestic and family violence. Developing the next National Plan to reduce violence against women and their children”. Submission to Department of Social Services. Available at: <https://www.savethechildren.org.au/getmedia/0debf85c-ecc2-4275-8cd0-946fb056f542/national-plan-to-reduce-violence-against-women-and-their-children-publication.pdf.aspx>.

representation of Aboriginal and Torres Strait Islander children in out-of-home care all increased. We note the growing cost of tertiary interventions across all states and territories, especially when problems escalate and out of home care is required.⁸⁶ We also note the appalling over representation of Aboriginal and Torres Strait Islander children in these systems. Australia has the capacity to reverse this trajectory. We encourage the trend for further investment into Aboriginal controlled peak and service delivery organisations to lead policy and programmatic responses to meet the needs of Aboriginal and Torres Strait Islander children.

We must continue to strive for tangible results. It is of no value to children or financial arrangements to keep making national plans and strategies that do not encompass other systems and causes that directly affect children's wellbeing and safety. We urge the Australian government to learn from the failures of previous plans. Australian children need policy reform and investment which creates coherent and integrated national strategies that align with State and Territory approaches. Investment in prevention and early intervention for reducing all forms of violence against children needs follow through with effective coordination, implementation and funding mechanisms.

Save the Children has strong national programming capability can support integration and implementation of plans to support children. We have particular interest and expertise in driving effective intervention approaches through embedding responses and building capacity in a variety of community settings. This aligns with Pillar Two (Early Intervention), of the Draft National Plan to End Violence against Women and Children 2022-23, particularly Focus area 5:

Build sectoral and community capacity to identify family, domestic and sexual violence and to intervene early to prevent the escalation of violence and, over time, reduce instances of violence.

- *Build the capacity of the services in contact with women and children at risk of experiencing violence, including health professionals, policing and justice and other family, domestic and sexual violence services to support diverse groups including Aboriginal and Torres Strait Islander women, women with disability, women from regional and remote areas, women from migrant and refugee backgrounds, and LGBTIQ+ communities.*

Save the Children's Everyday Positive Play is one such program, that through training and implementation support builds the capability of service providers to embed child-centred trauma informed practices to enhance outcomes for children and families impacted by trauma. The program also provides training and coaching support to build the capacity of practitioners to identify indicators of trauma respond appropriately and in accordance with the broader service sector to meet the needs of infants, children, and young people. Developed originally for the purpose of improving domestic and family violence child-centred approaches the program has been successful and developed further and implemented in child-care settings. The program already has a footprint across Qld, NSW and Victoria and is ready for national expansion with the support of the Commonwealth.

⁸⁶ Australian Government Productivity Commission. "Report on Government Services 2022". Part F. Section 16 Child Protection Services, 25 January 2022. Available at: <https://www.pc.gov.au/research/ongoing/report-on-government-services/2022/community-services/child-protection>

A \$24.15 million investment over 4 years, would mean an additional 1,000 organisations across all states and territories could be better equipped to centre children’s experiences and drive an early intervention approach to children’s trauma, child protection and domestic and family violence.⁸⁷

Budget Initiative	2022-23 (\$m)	2023-24 (\$m)	2024-25 (\$m)	2025-26 (\$m)	Total (\$m)
Every Day Positive Play	0.56	2.83	7.05	13.71	24.15
#s of Organisations reached	25	125	300	550	1,000

4. \$40 million investment over four years to shift disadvantage, reinvigorate community and early learning through targeted interventions with Payment by Outcome capabilities

The COVID-19 pandemic and multiple disasters have further compounded challenges and created increased demands on service provision addressing children and families in or near crisis. The 2021 Dropping of the Edge report from Jesuit Society highlights the persistence of multi-layered disadvantage in particular regions and that, despite service investment, lack of coordination and communication between service providers likely hampers any tangible long-term results.⁸⁸

Without early intervention investment, we are likely to see increasing pressure on our universal systems, as well in statutory responses, creating an even larger vacuum of missed opportunities to keep children safe, developing, healthy and out of the criminal justice system.

A new approach to data and service delivery is required to enable earlier and more effective action. Our Play2Learn-Plus early education model is designed to leverage available Government data sets at the front-end to identify at-risk cohorts in areas of highest concentration, where additional evidence-informed support can deliver the best return on investment. It also is set up to engage with Pay for Success funding mechanisms. Save the Children has a high appetite for engaging in these sorts of innovative finance models.

Play2Learn-Plus targets children aged 3 to 4 years old from low socio-economic backgrounds, twelve months out from kindergarten commencement, to drive improvements in child development, wellbeing and educational engagement. It also helps build capacity and confidence for carers to support learning and development and ensure successful transition to school. The model builds on Save the Children’s flagship Play2learn model which is already being delivered in over 200 locations around Australia.

Supported playgroups have been recognised in the National Children’s Mental Health and Wellbeing Strategy as an important early intervention method for engaging children not already attending early childhood education services. Particularly so they can be linked with universal

⁸⁷ Figures are in line with CPI, drawing on ABS and Treasury CPI data which indicates a percentage change of 3.8 per cent between June 2020 and June 2021 and projected percentage changes of 1.75 and 2.25 per cent for 2022 and 2023 and use of accepted average of 2.5 per cent for 2024.

⁸⁸ Tanton, R., Dare, L., Miranti, R., Vidyattama, Y., Yule, A. and McCabe, M., Jesuit Social Services, “Dropping Off the Edge 2021: Persistent and multi-layered disadvantage in Australia”, 2021. Available at: <https://jss.org.au/research-and-advocacy/dropping-off-the-edge-2021/>.

health care systems and social services.⁸⁹ In addition, supported playgroups targeting children 0 to 5 years old are an appropriate service response to assist with mitigating COVID-19 impacts on children’s development and parental responsiveness. Our Play2Learn Plus program encourages parent-child interactions, encourages positive community interaction and fosters connection between children and families through age-appropriate and trauma informed activities.

Emerging international research indicates impacts to infant’s brain development due to the conditions created by the COVID-19 are significant. The combination of parental stress and the absence of varied social interaction for infants combine to interrupt healthy brain development. In one comparative study:

“the infants born during the pandemic scored lower, on average, on tests of gross motor, fine motor and communication skills compared with those born before it (both groups were assessed by their parents using an established questionnaire). It didn’t matter whether their birth parent had been infected with the virus or not; there seemed to be something about the environment of the pandemic itself.”⁹⁰

In this study, children from marginalised groups and low-income families demonstrated increased developmental risk. Additionally, historical research on the impact of stress on the womb suggests that developmental delays can be addressed. While a disaster of much smaller scale, children born to people who experienced stress during the 2011 Queensland floods also demonstrated developmental delays evident in emerging COVID-19 research. The Queensland research demonstrated the more responsive parents were to their babies and toddlers after the birth, the quicker children caught up to their peers in developing problem-solving and social skills vital for early learning.⁹¹

Funding of \$40 million dollars over four years for incentivised outcomes will deliver more highly targeted, outcomes-ready early years services for the most vulnerable children and their families. Scale and reach will be determined by regional considerations and partnership opportunities with states, territories, and other funders. Save the Children supports further work by the Commonwealth, in consultation with the sector and states and territories to establish a consolidated and linked human service data system as well as using and improving predictive analytics to ensure early intervention services are targeted to those children in Australia at greatest risk of starting and staying behind.

Budget Initiative	2022-23 (\$m)	2023-24 (\$m)	2024-25 (\$m)	2025-26 (\$m)	Total (\$m)
Payment by Outcomes program	8.00*	12.00*	14.00*	16.00*	40.00*

* These figures are estimates, with costs dependent on location, scale and potential partnership agreements established with states, territories, or other donors. Figures are expressed in financial years but may require adjustment to align with school year (calendar year) funding cycles and depending on the timing of relevant decisions by government.

⁸⁹ National Mental Health Commission. “National Children’s Mental Health and Wellbeing Strategy,” p 35. Available at: <https://www.mentalhealthcommission.gov.au/mental-health-reform/childrens-mental-health-and-wellbeing-strategy>.

⁹⁰ Moyer, Melinda, “The COVID generation: how is the pandemic affecting kids’ brains” *Nature Journal*, 12 January 2022 Available at: https://www.nature.com/articles/d41586-022-00027-4?utm_source=Nature+Briefing&utm_campaign=5e9a2252f2-briefing-dy-20220112&utm_medium=email&utm_term=0_c9dfd39373-5e9a2252f2-46012870#ref-CR15.

⁹¹ Ibid.

5. Support all families to provide the material basics for all children

The COVID-19 pandemic has placed significant social and economic stress on communities. After two years, it is clear that the impacts are being felt most in communities that already faced significant financial and social disadvantages.

The Committee for Economic Development of Australia Disrupting Disadvantage Report indicates if child poverty trends continue, we will have a further **280,000 to 550,000 young Australian's encountering child poverty over the next decade.**⁹² Whilst we note the COVID 19 pandemic's role in fast tracking this trajectory, years of under-performance in addressing systemic disadvantage underpin the current crisis.

Data collected from the first year of the pandemic, released by the Australian Institute of Health and Welfare in 2021, highlighted how strongly wealth is determining health outcomes. Australians living in the lowest socioeconomic groups had four times as many deaths due to COVID-19 in the pandemic's first year.⁹³ Not only are communities in poverty dealing with more COVID-19 deaths, but they have faced some of the harshest restrictions, the largest fallout from economic downturn due to job loss, inability to work from home and missed work due to isolating rules. Children had fewer opportunities for online learning and social interaction due to lack of access to relevant technology. The result of these past interventions and ongoing impacts of COVID-19 means there is a growing generation of children with increasingly poor outlooks, and lack of hope for the future.

Children and young people living in poverty are statistically far more likely to start school behind their peers, with poverty the strongest predictor of developmental vulnerability. The flow on impacts of this continues well into adulthood with child poverty linked with poor outcomes in education, employment, health, and wellbeing.⁹⁴ There is also increased risk of contact with the criminal justice and adult welfare systems.⁹⁵

Parenting capability is also influenced by economic pressure. Economic recessions and financial strain have been associated with increased rates of depression, trauma, and alcohol use amongst caregivers which in turn increases the risk of child neglect and abuse. Poverty needs to be tackled because all children deserve to have their material needs met as a fundamental child right, but also because poverty is a key driver of poor child protection, domestic violence, education, and justice outcomes. We note the Draft National Plan to End Violence against Women and Children 2022-2032 recognises poverty as a reinforcing factor influencing the potential frequency and/or severity of violence.

COVID-19 has shone the light on economic disadvantage in Australia as well as how disasters and emergencies can rapidly, and sometimes permanently, change the financial situation of large numbers of families. The pandemic has also provided opportunities to reimagine the social infrastructure and support systems. The JobKeeper subsidy and the Coronavirus Supplement paid to recipients of JobSeeker in 2020 contributed to reductions in poverty and financial stress, notably for single parent families. With payments wound back and other emergency payments difficult to

⁹² Ibid n87.

⁹³ Australian Institute for Health and Welfare, "The first year of COVID-19 in Australia: direct and indirect health effects". Cat. no. PHE 287, 2021. Available at: <https://www.aihw.gov.au/reports/burden-of-disease/the-first-year-of-covid-19-in-australia/summary>.

⁹⁴ For example, see: Warren, D., Australian Institute of Family Studies, "Low income and poverty dynamics: Implications for child outcomes", *Social Policy Research Paper No 47*, 2017. Available at: <https://aifs.gov.au/publications/low-income-and-poverty-dynamics-implications-child-outcomes>.

⁹⁵ Ibid.

navigate, a large number of families remain insecure in income. The Foodbank Hunger Report of 2021 found 48 per cent of those who accessed the increased JobSeeker and JobKeeper payments during the period between March 2020 and March 2021 are not coping well at all since the payments have been reduced. Survey results from 1,500 parents conducted in November 2021, found 41 per cent would like financial hardship payments to support their children. This proportion was increased for families on a low income (57 per cent) and with families with a disability (59 per cent).

Whilst Australia's economy is showing positive signs, the benefits from a shrinking unemployment rate and economic growth from household spending, predicted for 2022, are unlikely to benefit those most entrenched in disadvantage. New jobs are likely to be filled by those more recently unemployed and long-term decline in entry-level jobs continues to lock a proportion of the community out of the labour market. Part time and casual positions mean true financial stability is still out of reach for many. People from rural and regional areas, those from Aboriginal and Torres Strait Islander, Culturally and Linguistically Diverse, women and those with a disability still face barriers to ending long term employment.

To ensure that no child lives in poverty in Australia, and that all families can cover essential living expenses such as food and housing Save the Children supports a permanent and **adequate increase to JobSeeker, Youth Allowance, parenting payments, and other income support payments to a minimum of \$67 a day, above the poverty line.**

The COVID-19 pandemic has granted increased social licence and necessity for the Federal government to provide security for all community members. The direct benefits of increasing payments to those on income support for the wider economy are known, with a larger proportion of household income being spent on living expenses that keeps funds flowing. Increased payments are a powerful vehicle for structural change for children and communities over the long term. Research from the United States of a rigorous randomised study is providing direct experimental evidence on how poverty impacts child development as early as conception. Providing cash payments to mothers, has helped increase the brain development of their babies.⁹⁶

To meet our child rights obligations, to assist recovery from COVID-19 and to avoid more costly tertiary interventions downstream it is critical that we keep children out of poverty by increasing support for families to be able to provide the basics for their children.

Recommended Offset Measures

To fund commitments that support our recommendations, the Australian Government should commit to withdrawing support for federal subsidies for fossil fuel industries and cease to provide any ODA, foreign investment, export credit, or trade promotion that supports fossil fuel extraction. In 2020-21, the Australian Government allocated \$9.1 billion in federal subsidies to fossil fuel industries, a significant contrast with its ODA allocation of only \$4.3 billion in total.⁹⁷ Withdrawing these subsidies will contribute towards protecting children from the impacts of fossil fuel burning, including air pollution, which has been shown to increase the risk of pre-term birth and growth

⁹⁶ Casella, Carly. "Landmark Poverty Experiment Shows Extra Money Changes Babies' Brains" *Science Alert*, 25 January 2022. Available at: https://www.sciencealert.com/providing-cash-to-low-income-mothers-puts-their-baby-s-brains-on-a-new-wavelength?fbclid=IwAR02f5eijmV4TBxWGBJHXdmUmAHgoTl6Jq_LCVOQWndvBLE3D9cAwUs5ho.

⁹⁷ See Campbell, Rod; Eliza Littleton, and Alia Armistead. "Fossil Fuel Subsidies in Australia: Federal and State Government Assistance to Fossil Fuel Producers and Major Users, 2020-21," The Australia Institute, 2021. Available at: <https://australiainstitute.org.au/wp-content/uploads/2021/04/P1021-Fossil-fuel-subsidies-2020-21-Web.pdf>.

restriction in children.⁹⁸ Further, more than 90 per cent of children globally are exposed to fine particulate matter every day, in concentrations that exceed World Health Organisation guidelines. This exposure can lead to increased risk of lung damage, impaired lung growth, and pneumonia – one of the biggest killers of children.⁹⁹ Australia should urgently wind back these subsidies as part of a general shift towards better supporting the goals of the Paris Agreement, especially that of keeping warming beneath 1.5° Celsius.

⁹⁸ The Royal Australian and New Zealand College of Obstetricians and Gynaecologists. “Air Pollution and Pregnancy,” 2021. Available at: <https://ranzcog.edu.au/womenshealth/patient-information-guides/patientinformation-pamphlets/air-pollutionand-pregnancy>.

⁹⁹ World Health Organisation. “Air Pollution and Child Health: Prescribing Clean Air,” 2018. Available at: from <https://www.who.int/publications/i/item/air-pollution-and-childhealth>.