



FEDERAL BUDGET COMMENTS: Social inclusion in the hard times

In reacting to the Federal Budget, Jesuit Social Services CEO Julie Edwards said:

“There is no doubting Treasurer Wayne Swan is correct when he says these are complex times in which to frame a federal budget, courtesy of the global economic crisis.

“The budget includes a mix of welcome initiatives to stimulate the economy and support jobs, along with some well targeted long-term savings measures to help with overall fiscal sustainability. However we were disappointed there wasn't more of a focus on the Government's Social Inclusion agenda, including lack of attention to the basic income support needs of our most disadvantaged unemployed people (For a summary of specific initiatives, see http://catholicsocialservices.org.au/system/files/MediaReleaseCSSA_Budget_Response.pdf)

“The Government's initiatives to provide training and further education opportunities for young people are a mixed bag. Particularly welcome are the changes to income support for students and the commitment to provide better assistance for young people from disadvantaged backgrounds to attend university. The budget fine print also includes a most welcome Training Supplement of \$41.60 per fortnight that will help some unemployed people with the costs of upgrading their skills and qualifications.

“However, whilst welcoming the Jobs Compact commitment to guarantee every young person a suitable training place, we are yet to be convinced that the appropriate funding and service delivery mechanisms are in place to deliver this outcome on the ground, especially for young people from disadvantaged communities.

“Unfortunately, the budget's projections for unemployment are quite dire: an unemployment rate peaking at 8.5% with over 1 million people unemployed.

“As we battle through these hard times, we need to remember the reality that there simply are not going to be enough jobs to go around. In addition to having every opportunity to develop their skills and qualifications, it is important that people who are unemployed are provided with sufficient income to live with dignity.

“The Budget included a most welcome rise of \$32.49 per week in the rate of the single pension for older people, those with a disability and carers. This will take the annual rate of the single pension up to around \$16,500 per year. It was most disappointing that this pension rise did not flow through to sole parents and people who are unemployed.

“Single unemployed people received no increase in their basic payment, which remains at \$11,786 per year. It is not possible to live with dignity on \$11,786 per year. As part of the government's social inclusion agenda, our unemployed citizens deserve a more adequate basic income.

“Even amidst the global economic crisis, our society has the wealth and the capacity to better support our most disadvantaged unemployed citizens, especially when you consider that the budget also confirmed implementation of further tax cuts of over \$40 per week for people earning \$180,000+ per year (this is on top of a \$50 tax cut those earning \$180,000+ received last year).”

13th May 2009