

No time to be at the margins of society

Catholic Social Services Australia (CSSA) says that for the 800,000 Australians on income support this Federal Budget provides very little comfort.

“CSSA welcomes the modest increase to the income free threshold of \$19 per week for Newstart recipients,” said Executive Director of CSSA, Mr Paul O’Callaghan. “However the large majority of unemployed Australians will be unable to take advantage of this initiative. Given the acute financial stress experienced by households dependent on the Newstart Allowance, this is hardly a fair go.”

“Australia needs to have an independent mechanism for determining allowances such as Newstart,” he said. “The Government continues to reject the adoption of an objective mechanism to determine the adequacy of Newstart and other Allowances and Pensions. But the salaries of politicians, judges and senior public servants are based on an objective mechanism, called the Remuneration Tribunal. We now need a similar mechanism for recommending Allowance and Pension levels so that they are not subject to political whim.”

“We are also concerned that the substantial reduction in the Baby Bonus is likely to have an adverse impact on low-income families,” he said.

“At the same time, CSSA welcomes the Government’s far-sighted commitment to funding DisabilityCare,” he said. “If fully implemented, this represents a historic increase in the access of Australians with significant disabilities to the support they need. CSSA also congratulates the Government and the Opposition for supporting a levy to partially fund DisabilityCare.”

“CSSA believes that the measures in this Budget to reduce a number of Corporate Tax loopholes will contribute to a stronger revenue base in coming years,” said Mr O’Callaghan. “However, with the large growth expected in health, education, infrastructure and welfare, both the Government and the Opposition need to be bold in identifying new revenue measures. One of these relates to the rapidly growing Superannuation Tax Concession base, which will reach \$50 billion in 2016-2017. It is estimated that 80 per cent of the benefits of this concession are directed to the top 10 per cent of high income earners.”

“CSSA is also disappointed that, in seeking to address the people smuggler trade, the Government presents an unduly negative view of people who seek asylum in Australia,” he said. “In addition, the recent decision to transfer asylum seekers into the community, on bridging visas and without basic support or the right to work, is creating an underclass of marginalised people who could be subject to exploitation.”