

Budget Night Statement to the Press Gallery

14 May 2013

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When Labor handed down its first Budget in 2008 we said that Robin Hood might have just fired off his first humble arrow.

There are some good things in tonight's Budget: major reforms that should be warmly welcomed such as DisabilityCare and the Gonski School Education funding.

But if, tonight, you are an unemployed person or one of the single parents who at the beginning of this year was forced onto an inadequate Newstart payment, you could be forgiven for feeling that this Budget is less Robin Hood and more Sheriff of Nottingham.

The Newstart payment is now so low that it has become, for many, a path to despair instead of a path to employment.

At around only 40% of the after-tax minimum wage, our unemployment benefit has not seen an increase in real terms since 1994.

In an effort to catch up, we implored the government to lift it by \$50 a week.

We also sought a stronger investment in helping people into jobs.

We argued that a modest redistribution of resources would result in a massive redistribution of hope.

The failure to do this is yet another kick in the guts of the people who are doing it tough.

We accept the fiscal constraints the government is under.

We do not accept that people who are living in poverty should pay the price.

We accept, in the main, that a job is the best path out of poverty.

We do not accept that people in poverty have only themselves to blame.

Or that you can help a person find work by making life hard.

You don't build someone up by putting them down.

You don't help someone into employment by pushing them into poverty.

By keeping the unemployment benefit low, successive governments have deliberately humiliated people rather than improving their chances of employment.

To turn around and say that we'll give a few crumbs but only to those who are able to find some work, completely ignores the underlying structural causes of unemployment.

Along with the human cost of poverty comes the long-term economic cost of squandering, rather than harnessing, the enormous productive potential of 800,000 people.

The time is ripe to abandon the bipartisan politics of punishment.

Tackling poverty should have been a budget priority.

But as things stand we are looking down the barrel of entrenched exclusion for those who wage a daily battle for survival from below the poverty line.