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Vinnies says unfair budget will hit poor the hardest

The St Vincent de Paul Society NSW says it has grave concerns that people already experiencing disadvantage will be pushed further into poverty by measures included in the recent Federal Budget.

Modelling done by the National Centre for Social and Economic Modelling (NATSEM) at Canberra University has been revealing in a way the budget papers were not. The research shows that 1.2 million families on low incomes will be, on average, around \$3,000 a year worse off while those on high incomes will hardly be impacted at all.

In practical terms this means a couple with two school-aged children on an income of \$60,000 a year will lose over \$6,000 each year. That's 10 percent of their income. A family on \$200,000 will lose \$400 or 0.2 percent.

St Vincent de Paul Society NSW CEO, Michael Perusco says that this is a deeply unfair budget that requires the heavy lifting to be done by those who have the least capacity to do so.

"Around one millions Australians experiencing severe disadvantage and have missed out on Australia's uninterrupted economic growth over the last 20 years. This budget leaves this group of people even further behind," says Mr Perusco.

In New South Wales alone, Vinnies has 5,000 members who volunteer to support people in 420 communities across the state. Vinnies members include doctors, teachers, butchers, small business owners, farmers and self-funded retirees. While their backgrounds are varied, the one thing they share in common is a passion for their local community.

St Vincent de Paul Society NSW President, Ray Reynolds explains that Vinnies members are dismayed by the measures in the budget.

"Our members are not out of touch with the difficulties that families around the state face each and every day. We visit around 600 people a day and provide financial and emotional assistance. This places us in a unique position to know of the heart-wrenching stories of the people we are assisting. Our great fear is that these stories are about to get far worse," says Mr Reynolds.

Vinnies says that if the Government is serious about the need to share the pain there are a range of options it can consider. For example, abolishing negative gearing would save taxpayers \$6 billion a year. These subsidies simply serve to encourage speculation in the housing market and drive up house prices. It is also time that we consider the wisdom of the tens of billions of dollars of superannuation tax concessions that overwhelmingly benefit those on higher incomes.

Local representatives from Vinnies are available for interviews in your area.

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