

# JUST IN TIME

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## BUDGET 2014:

# The death of the 'Fair Go'?

*The measures proposed in the Abbott government's Budget for 2014-2015 have been unpopular for many reasons, but one of the most concerning aspects is the attitude to welfare and social disadvantage that underpins the document.*

## PUNISHING THOSE WHO NEED A LEG-UP

### The Sick

**COPAYMENT:** \$7 fee increase for every blood test, X-ray and GP visit.

**MEDICATION:** General patients will pay an average of \$5 more for prescription medication, while concessional patients will pay 80c more.

**HOSPITAL FUNDING:** Billions of dollars slashed as public health handed to state governments.



### Pensioners

**PENSION AGE:** Set to rise to 70 by 2035. Access to aged pension will be tightened and the rate of increase will be slower.



### Students & Unemployed Youth

**DEREGULATION:** University fees will be deregulated as government contribution to degree costs declines by an average of 20%. The cost of a degree could as much as triple.

**MORE DEBT:** Interest rates on student loans are set to rise for all students, regardless of when they graduated.

**NEWSTART:** The age of eligibility will rise to 25. Those under 30 who apply for Newstart Allowance will have to search for work for 6 months before receiving any assistance. Eligibility will also be stricter for **DISABILITY SUPPORT PENSIONERS** under 35.



### Families

**FAMILY TAX B:** Under a major tightening of this scheme for single-income households, 10% of families currently receiving the benefit will no longer be eligible. Assistance will cease when children turn 6, instead of 18 as the current plan dictates.

**HEALTH & EDUCATION:** With a co-payment on doctor's visits and funding cuts to schools and public hospitals, families can expect the cost of living to increase.

**SUPPORTING KIDS FOR LONGER:** Young people have more reasons to stay at home and rely on their parents. Petrol will cost more, university fees are daunting, and school leavers will not receive income support for 6 months.



# “For some, the age of entitlement continues”

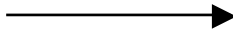
- John Menadue AO

**In the wake of the 2014 Budget announcement, many are wondering why the burden of the budget surplus is falling to some of society’s most vulnerable groups.**

John Menadue, former politician and businessman, points out that while there is certainly no sign of any “days of entitlement” for the sick, the unemployed, pensioners and students; the miners and the financial sector will continue to enjoy economic benefits. The government plans to scrap levies on mining and carbon, in accordance with its promises to the mining industry. Furthermore, no attempts were made to scale down the tens of billions of dollars in subsidies and schemes that benefit the wealthy through superannuation and private health insurance.

## Budget Emergency?

Mr Hockey has defended the harsh budget in light of what he called a “crisis” or “emergency” in Australia. However, some of our leading economists have said that the language we’re hearing is being exaggerated for political purposes.



“Just look at who is untouched by this budget,” says John Menadue. “As Tony Abbott put it on election night, ‘Australia is open for business’ - the business of the mining and finance sectors. Their entitlements will continue.”

“**What we have is an economy which is doing pretty well compared to most OECD countries. We have a country where the debt to GDP ratio is very small compared to almost all OECD countries... We’ve done very well throughout the so-called global crisis.**”

- Raja Junankar, of the Australian Business School at the University of New South Wales, speaking on ABC Radio AM 30 May 2014.

## CAN THE SENATE BLOCK THE BUDGET?

Labor and Greens MPs have vowed to do all they can to stop key measures of the Budget being implemented. While there are some aspects that are beyond their control, the Senate may have the power to reject measures such as higher education reforms or the \$7 GP co-payment. New independent senators, such as those in the Palmer United Party, will be very influential.

## REFLECTION

**“A way has to be found to enable everyone to benefit from the fruits of the earth, and not simply to close the gap between the affluent and those who must be satisfied with the crumbs falling from the table, but above all to satisfy the demands of justice, fairness and respect for every human being.”**

- Pope Francis

*Just in Time* is an occasional publication of the Conference of Leaders in Religious Institutes in NSW.

## TO-DO LIST

- **Sign a petition** against the Budget cuts to foreign aid and their effects on children: [chn.ge/1isj9ay](http://chn.ge/1isj9ay)
- **Keep up to date** with information on the Budget with Crikey: [www.crikey.com.au/topic/2014-federal-budget/](http://www.crikey.com.au/topic/2014-federal-budget/)
- **Donate to a Winter Appeal** - try St Vincent de Paul ([www.vinnies.org.au/](http://www.vinnies.org.au/)), the Asylum Seeker Resource Centre ([www.givenow.com.au/asrcwinterappeal](http://www.givenow.com.au/asrcwinterappeal)) or the Salvation Army ([salvos.org.au/appeal-campaigns/agd/](http://salvos.org.au/appeal-campaigns/agd/))
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