

budget ignores disadvantaged

This year's Family and Community Services budget saw older Australians receive the benefit of large expenditure. This was in the form of a one-off \$300 payment to Age and Veterans Pension recipients, the extension of the Seniors Card and Telephone Allowance to people with higher incomes, the exemption of superannuation as an asset for people between the ages of 55 and age pension age, and the extension of the tax free threshold to \$20,000.

These measures alone are costing the Federal Government in the vicinity of two billion dollars (over four years) and some are to be implemented as early as June this year. The primary reason for this generous package to older Australians and the speed of its implementation, as most commentators have noted, is that an election is to be held by the end of the year.

No one would suggest that Age Pensioners didn't need the one-off payment of \$300 (which will cost the Government \$663.2m). However, it is interesting to compare this level of expenditure on older Australians with other expenditure measures for young people, unemployed people and Indigenous Australians.

For these groups the Budget initiatives included:

- ◆ an additional \$20.80 to be paid to people participating in literacy and numeracy training to assist with transport and other related costs;
- ◆ improvement in Centrelink service delivery to remote Indigenous communities;
- ◆ more Child Care Assistance to assist parents returning to work;
- ◆ a "transition to independent living" payment of \$1,000 for young people who leave state care;
- ◆ improving the quality of housing and related services such as power and water to Indigenous communities;
- ◆ an early intervention program to prevent families becoming homeless; and
- ◆ research and education relating to problem gambling.

Some of these initiatives are fundamental to ensuring that the recipients have some basic assistance, such as the Literacy and Numeracy Training Supplement of \$20.80 per fortnight, which is to assist unemployed people to attend these courses. However, the total expenditure on all of these initiatives amounts to less than \$200m and the **earliest of these is to commence in September 2002.**

government should act

These priorities leave open the interpretation that if there are votes in it, money is not a problem and implementation of the Budget initiative will be before the election, regardless of the merits of the policy. If it is not a vote catcher, implementation will be a few years down the track and few resources are allocated to the project.

What other way is there to view this when the one-off payment to pensioners will cost \$567m and is to be implemented by June 2001, and the Literacy and Numeracy Training Supplement of \$20.80 per fortnight, which costs \$20.4m over four years is not to be implemented until September 2002?

The Government needs to put some meaning into the term "mutual obligations" and recognise that it is a two-way street. Instead of continually taking the stick to the most severely

disadvantaged in our community, such as imposing a record number of breaches on young unemployed people, the Government should commit itself to improving their employment prospects. Commencing the Literacy and Numeracy Training Supplement at the same time that age pensioners were to receive their one-off bonus would be a good place to start. ▲