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MEDIA RELEASE

Growing inequality will continue despite Federal Budget spending

A coalition of some of the country's largest social service providers welcomes important spending measures but says the 2021 Federal Budget fails to address growing inequality in Australia.

In reviewing the details released last night, Anglicare Australia, Catholic Social Services Australia, UnitingCare Australia and the St Vincent de Paul Society National Council said the Government's response to the issues facing the country doesn't go far enough.

Between them, the organisations employ over 90,000 staff and engage over 100,000 volunteers, serving millions of Australians annually.

Many of the vulnerable people they support were lifted out of poverty by critical government subsidies during the COVID-19 pandemic. Some of that support has now expired and has not been addressed in the Budget.

Claerwen Little, National Director of UnitingCare Australia said the Budget delivers a record investment in key services such as aged care and women's safety and that it will make a real difference to the lives of thousands of people, including children and families.

'But one key area we remain concerned about is making sure everyone has a roof over their head', she said.

Toby oConnor, CEO of the St Vincent de Paul Society's National Council said social service providers are constantly seeking a just, compassionate and fair society, and assess government decisions – including the Federal Budget – based on whether they achieve that goal.

Kasy Chambers, Executive Director of Anglicare Australia said funding for aged care, childcare, mental health, disability services, women's safety and job training programs, as well as tax cuts for low to middle income earners are welcome.

'But we need to go further to tackle growing inequality in Australia,' she said.

Francis Sullivan, Chair of Catholic Social Services Australia said this was the time to make systemic change that could alter the lives of people living with entrenched poverty and disadvantage and help all Australians by strengthening the economy.

'Sadly, the initiatives announced last night don't deliver that systemic change,' he said.

The coalition of social service providers believes a fairer Australia would:

- Increase the base rate of JobSeeker so people are not living in poverty, especially the more than 1 million children affected by cuts to income support and the 680,000 people who are long-term unemployed.
- Invest funds into providing the much needed 500,000 social and affordable homes. More Australians are moving into homelessness today than ever before, with older women the fastest growing group. The Social Housing Acceleration and Renovation Program recommends \$7.7 billion for new builds and renovations.
- Amend fiscal and tax policies that have exacerbated the housing crisis, causing a rise in rents and housing stress. Of 74,000 rental listings, only 3 were affordable for a person on JobSeeker and none for a person on Youth Allowance. In the last three months, one in six Australians have not been able to pay their rent or mortgage on time. Expanding the First Home Super Saver and the New Home Guarantee will add inflationary pressure to an already heated market and only one in 100 single parent families will benefit from the Family Home Guarantee.
- Act to enshrine the voice of the oldest living race, our First Nations peoples, in The Constitution.
- Redirect the \$86 billion in tax cuts over four years from middle- and high-income earners to those on the lowest 30 per cent of income, namely those on JobSeeker and 300,000 single parents.
- Remove the requirement for newly arrived residents to wait four years before getting access to most welfare payments.
- Ensure childcare subsidies benefit all families.
- Remove stringent mutual obligations such as 'DobKeeper', which allow employers to offer lower wages knowing welfare recipients will be breached if they refuse.

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