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PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES
MATTERS OF PUBLIC IMPORTANCE

Budget 2005-06

SPEECH

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Page 86
Questioner
Speaker Plibersek, Tanya, MP

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Ms PLIBERSEK (Sydney) (3.36 pm)—It is curious to hear the Minister for Revenue and Assistant Treasurer talking about us going back to the drawing board when apparently this is the back-to-the-future budget. It is a long time since I have heard about growing the pie and incentivising individuals. It may have been Ronald Reagan's enthusiastic talk about growing the pie that I am reminded of. 'Growing the pie' and 'trickling down' are the things we associate with Reagan era economics. It is bizarre to hear it again in 2005 in Australia.

This is a budget of wasted opportunities. It delivers so much for so few and so little to so many. We see so much for so few particularly in relation to welfare reform. The government had an opportunity in this budget to deliver real reform in the area of welfare to work. Instead, what we see is welfare to welfare, tax cuts for the rich and cuts to benefits for the poorest Australians. We see so little for so many in tax cuts for the wealthiest Australians, particularly in relation to the superannuation surcharge.

This budget of wasted opportunities is about punishment when it comes to welfare recipients, not support. I believe most welfare recipients would much rather be working. They would rather have extra money in their pockets. They would rather have the contact that work brings and the ability to talk to other adults during the day than be surrounded by children 24 hours a day, seven days a week—all of the benefits that work brings over the long term, not just pay in the pocket this week but superannuation on retirement. The life-long benefits of work are very attractive to most Australians. So why is it that some are not working? Is it perhaps that all of us at times in our lives need support from the community we live in? Is it perhaps that these people have caring responsibilities?

I heard the Minister for Revenue and Assistant Treasurer talk about how we are going to make these people play a role in and make a contribution to the Australian community. Since when is being a mother caring for children not a contribution to Australian community life? Perhaps another reason that some people may not be working is that they cannot find work. The minister finds this concept difficult to grasp, but the majority of people on sole parent benefit are not on it for long. The majority of people on sole parent benefit also have an education only up to year 10. In the society in which we live, it is pretty hard to get a job with a year 10 education. What does this budget have to offer people who have only a year 10 education? Does it invest in training for those people? No. Does it invest in further education for those people? No. In fact, changes to the Jobs, Education and Training program make it more difficult for single parents looking for an education to get child care while they are being educated. This budget does not do anything about the fact that the vast majority of sole parents on welfare are not trained for the jobs available. We have massive skills shortages in over 40 areas in Australia today and this government's solution is to import an extra almost 180,000 skilled workers. We have people desperate to work, they would love to be working, but they do not have the skills necessary in the new economy or they do not have access to child care. This government's response, rather than putting money into child care or into training those people, is to import more skilled workers.

The government will argue that the money they have invested in out of school hours care solves the problem of child care. That is the great lie of this budget. There were all sorts of leaks for weeks before the budget about how there will be a massive investment in child care. That is the greatest wasted opportunity in this budget. Out of school hours care of course is necessary and Labor welcomes any increase. The problem is that there are already a reputed 35,000 people waiting for out of school hours care. I say 'reputed'. I do not have the exact figures because the Minister for Family and Community Services, Senator Patterson, will not release the last child-care census done in 2004. It has been many months now since we last asked about the child-care census and we were told that the data was being cleaned. Senator Patterson accuses Labor of not having up-to-date figures on child-care shortages. We do not have those figures because she will not release them. She collected them in 2004; we have not seen them. So we have a reputed shortage of 35,000 places in long day care—that is, parents already waiting for long day care for their children.

The Treasurer says that he wants to see 190,000 sole parents move from welfare to work over the next few years, which means that we will need 190,000 extra out of school hours care places. The number of out of school

hours care places does not go even halfway to meeting the number of parents that this Treasurer wants to see moving into the work force. What does that mean? If parents are going to be losing benefits, if they are going to be losing even \$20 a week because they knock back job offers, kids will be going home to empty houses. We will have another generation of latchkey kids because this Treasurer insists that, whether or not parents have child care, they should be moving back into the work force.

Another great wasted opportunity in this budget is long day care. With all of the leaking about how the extra child-care places were going to solve the problems for parents kept out of the work force, I really expected that there would be extra long day care places. There is nothing in this budget that would provide a single extra long day care place for Australian children. There is nothing for children under five when it comes to child-care places and, even more critically, nothing for children under two. We all know that the great shortages in Australia at the moment are in long day care for under-fives, particularly for under-twos.

So there is a child-care lottery. If you are lucky enough to get out of school hours care for your children, you might be able to go back to work, having been kept out of the work force. If you cannot get out of school hours care, that is just tough; you are still going to have to meet all of the requirements and responsibilities to look for work once your children are of school age, whether or not you have child care.

The other incredible unfairness and harshness in this budget, of course, applies to people on disability support pensions. We are seeing the setting up of a two-tiered system where those people on disability support pensions prior to 1 July 2006 will not have a part-time work obligation—they will be periodically reviewed, every two to five years—but those who start receiving a pension after 1 July 2006 will end up having to look for part-time work. Anyone who is assessed as having the capability of working 15 hours a week will be moved to enhanced Newstart—a disability dole which will require them to meet Job Search activities. Those people will be \$77 a fortnight worse off when they move to that.

This government has brought down a budget that skews tax cuts to the wealthiest in Australia and attacks the poorest. There is so little in this budget for so many Australians and so much in this budget for so few. And it is the few across the chamber who were cheering last night who will do particularly well.