

ACOSS Post-Budget address

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Budget 2024: tinkering, not transformative

This Budget identified major challenges without addressing them sufficiently:

- A slowing economy
- Rising unemployment
- Falling spending power
- Cost-of-living crisis
- A housing insecurity crisis
- A climate crisis

Solutions presented were poorly targeted

Federal Government sought to directly tackle inflation, aiming to reduce pressure on interest rates

However, the direct action to tackle inflation was not targeted to people worst affected

Energy subsidy was extraordinarily wasteful

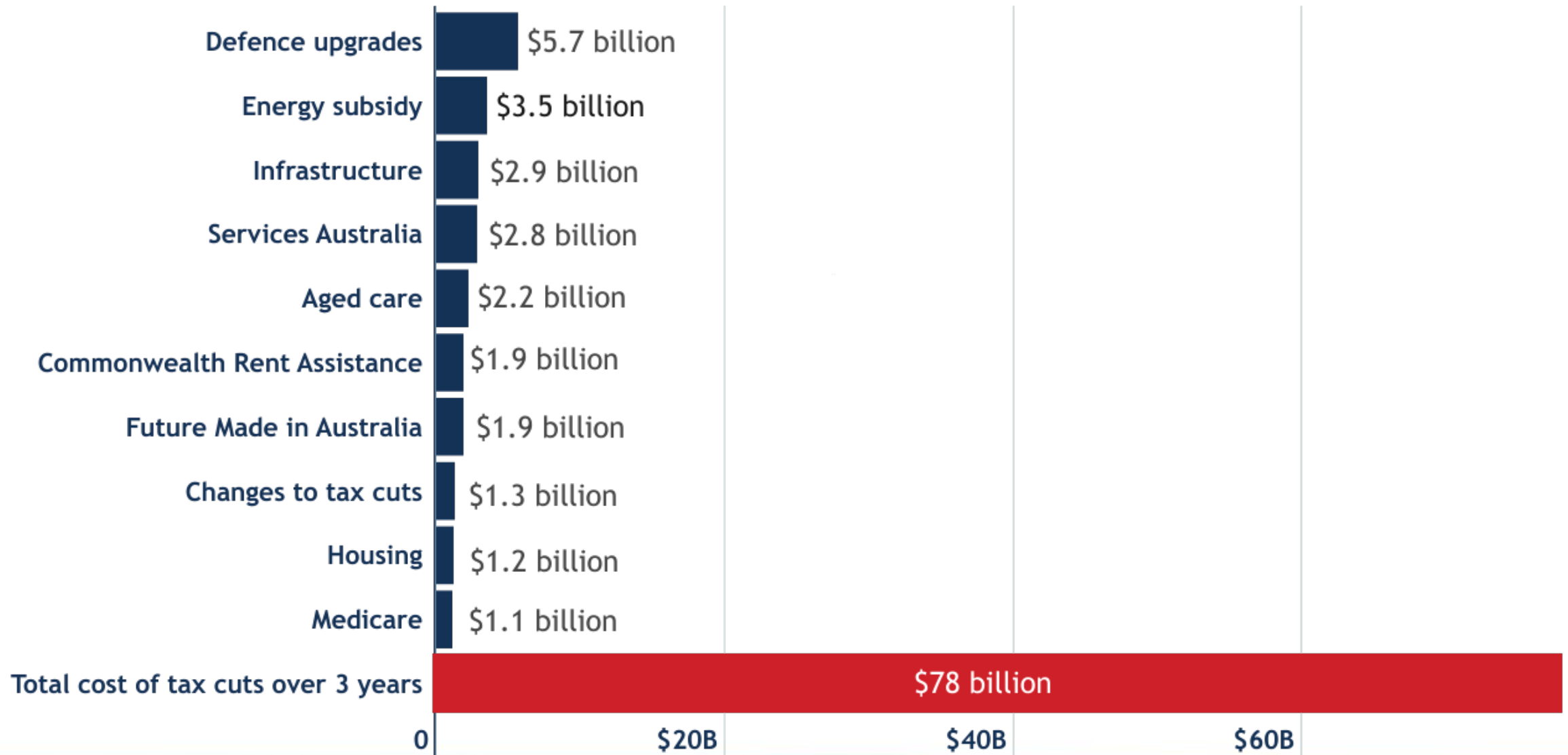
Backwards approach to cost-of-living relief

Very modest measures to those people with the greatest financial need:

- Extended the higher rate of JobSeeker for fewer than 5,000 people who cannot work more than up to 14 hours;
- Increased Commonwealth Rent Assistance by up to \$9 a week for a single person; and
- Delivered an energy rebate of \$300 to each household regardless of their income, which averages out at \$6 per week.

Where was the energy transition for low-income households?

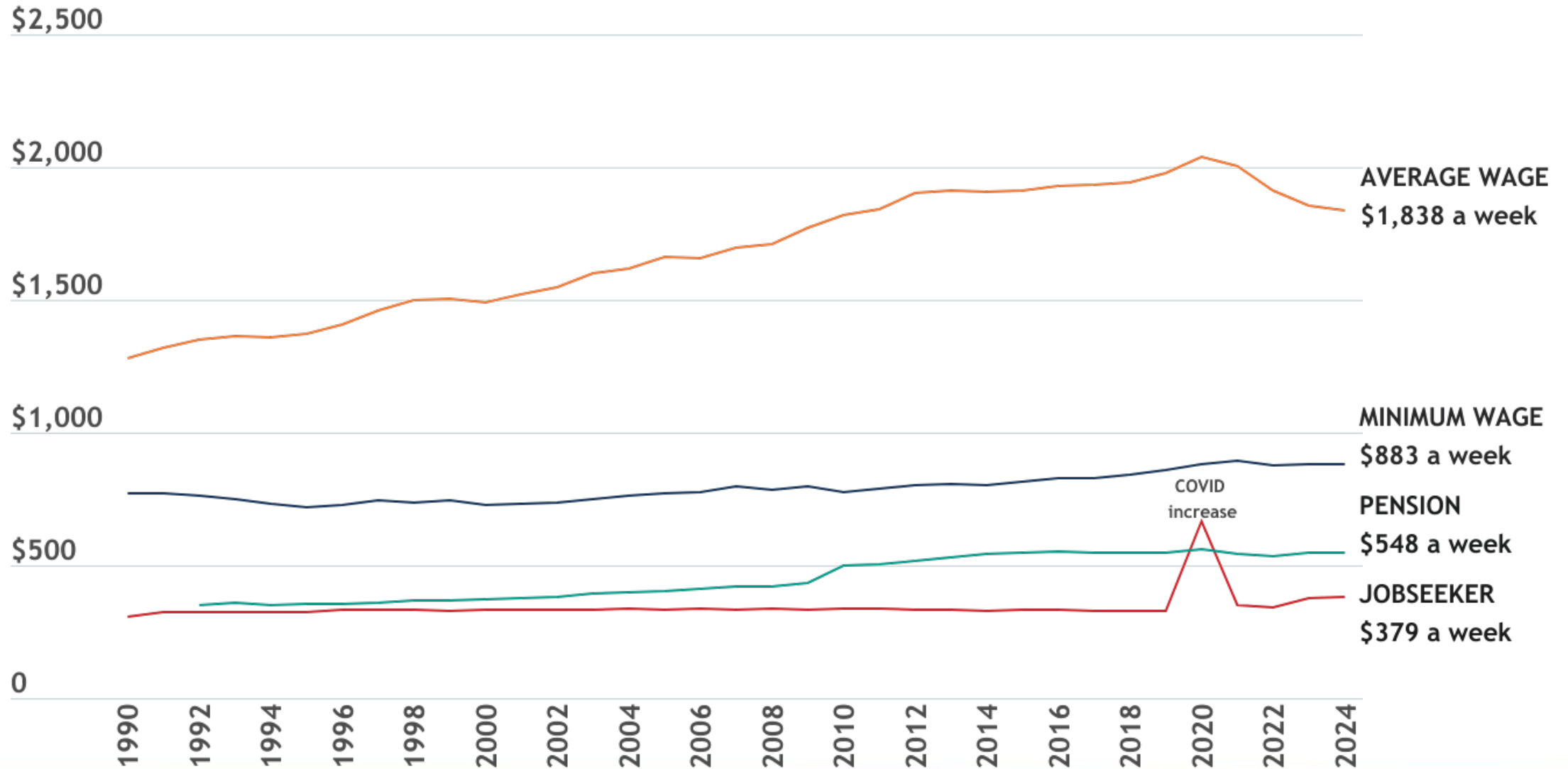
Major expenditure measures are spread thinly



Expenditure over 5 years.

SOURCE: 2024 Budget Papers, PBO

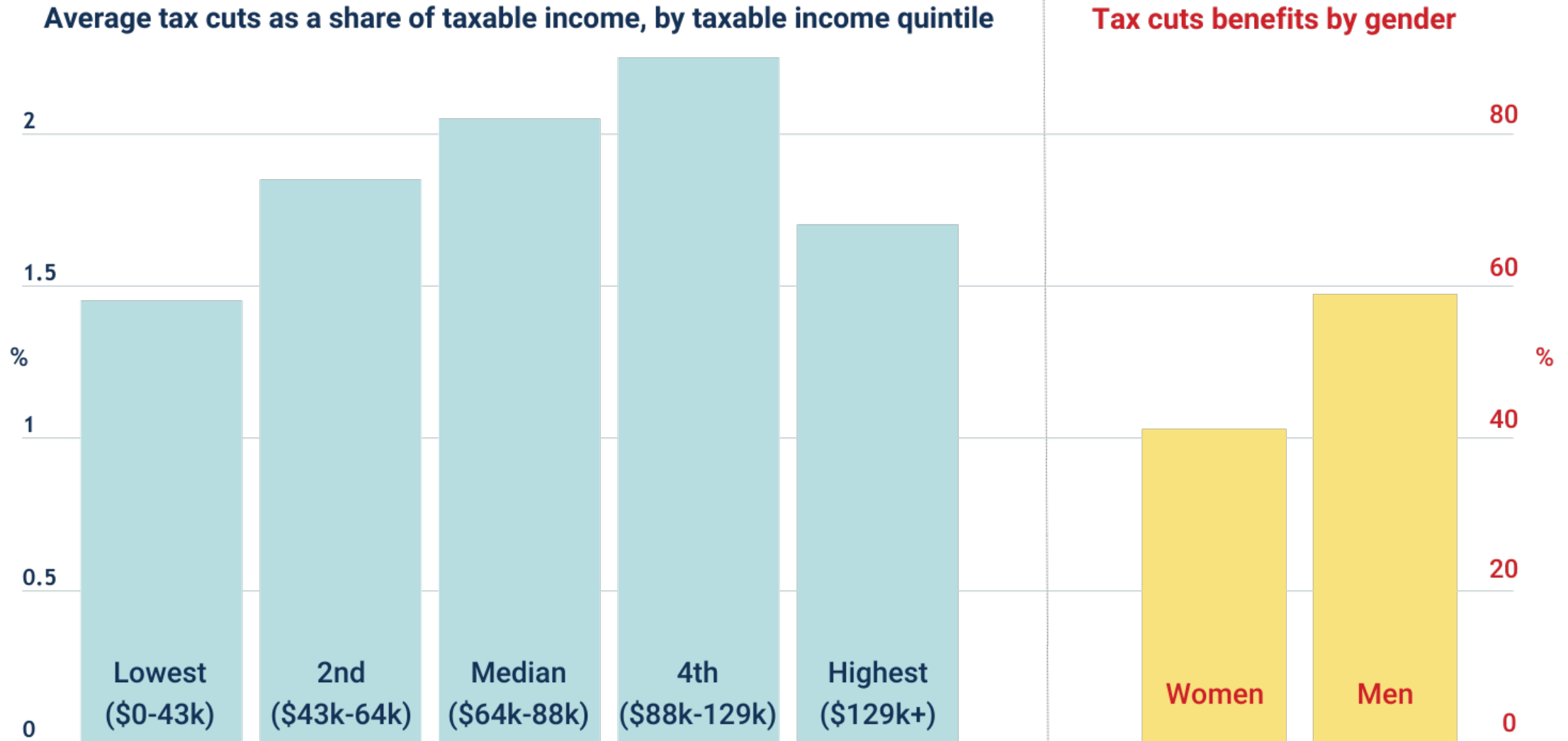
JobSeeker: gaping hole at the Budget's heart



SOURCES: Centrelink, *A Guide to Australian Government Payments*; Fair Work Australia, *Australian Minimum Wage*; Australian Bureau of Statistics, *Average Weekly Earnings, Australia*

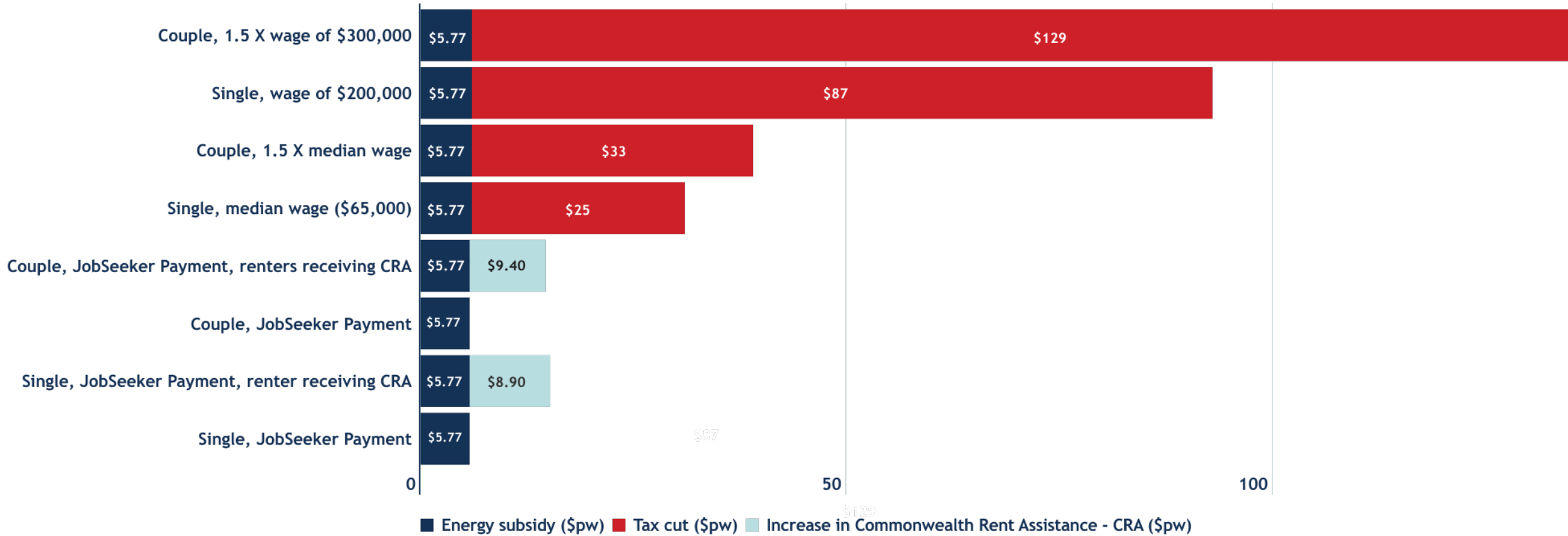


Beneficiaries from Stage 3 tax cuts



SOURCE: Treasury (2024), *Advice on amending tax cuts to deliver broader cost-of-living relief*

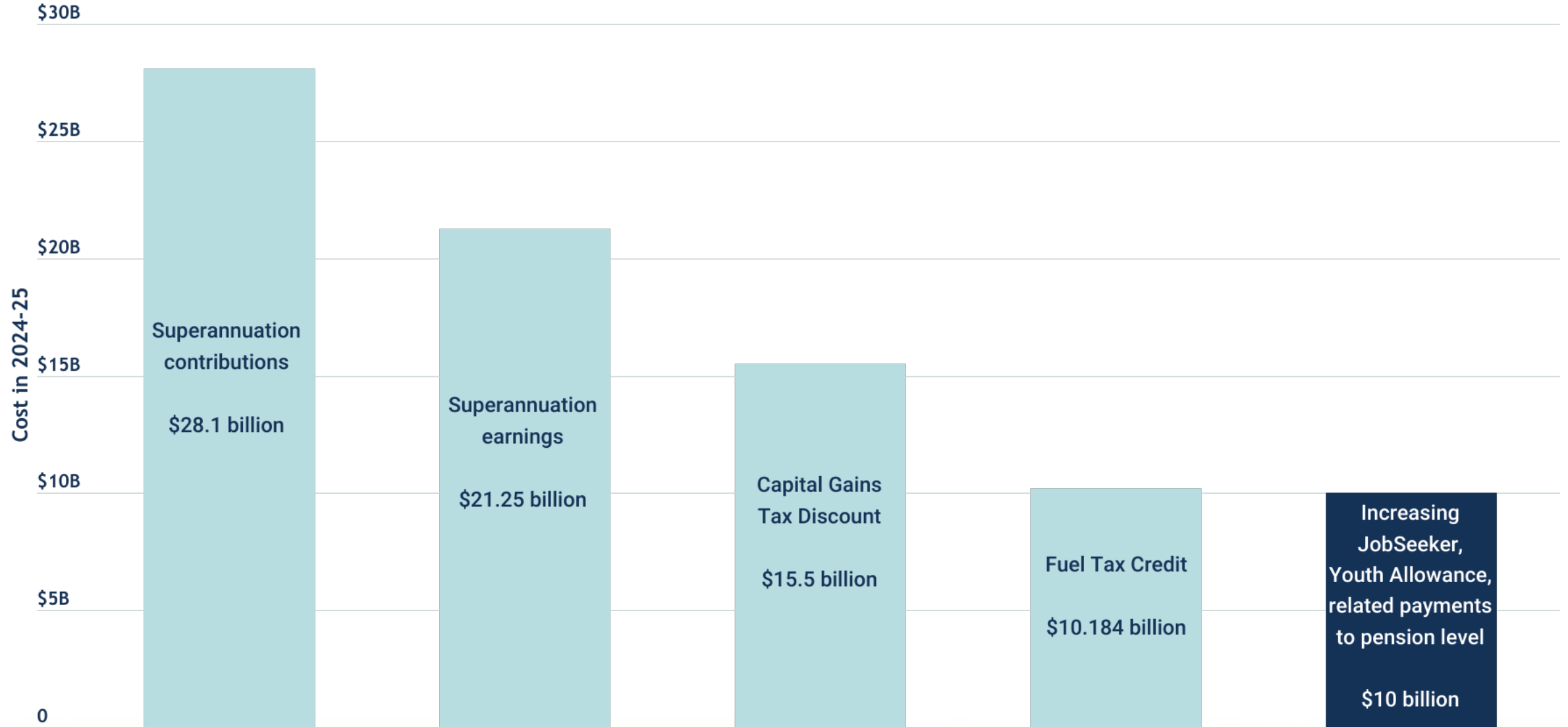
Financial distress has not changed



SOURCE: ACROSS calculations

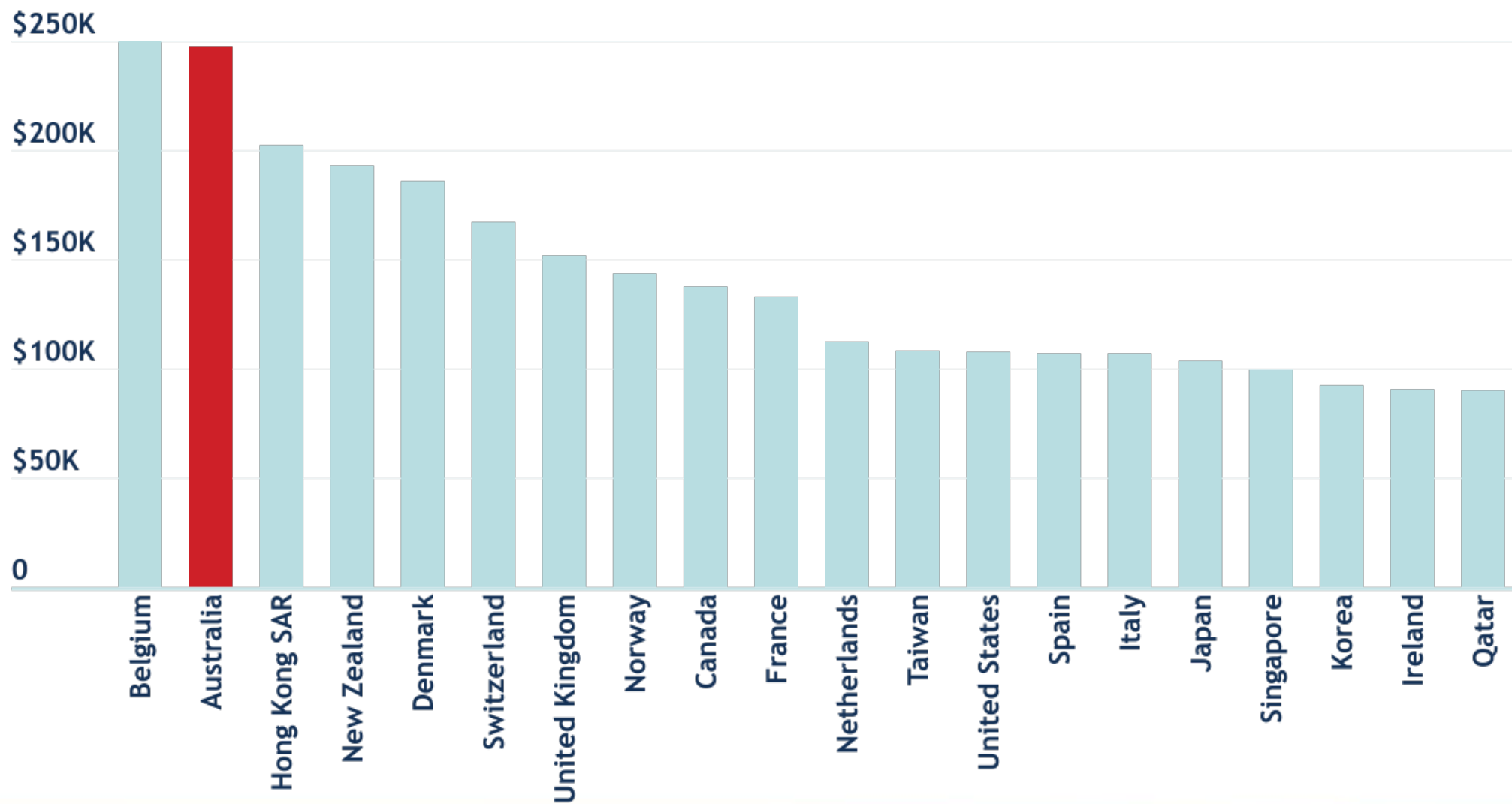


Budget gives away billions in concessions and subsidies



SOURCE: Adapted from Jericho, G (2024), "Raising jobseeker is not 'fiscally sustainable'? Sorry, but that is flat out wrong", *The Guardian*, Thursday 23 May 2024

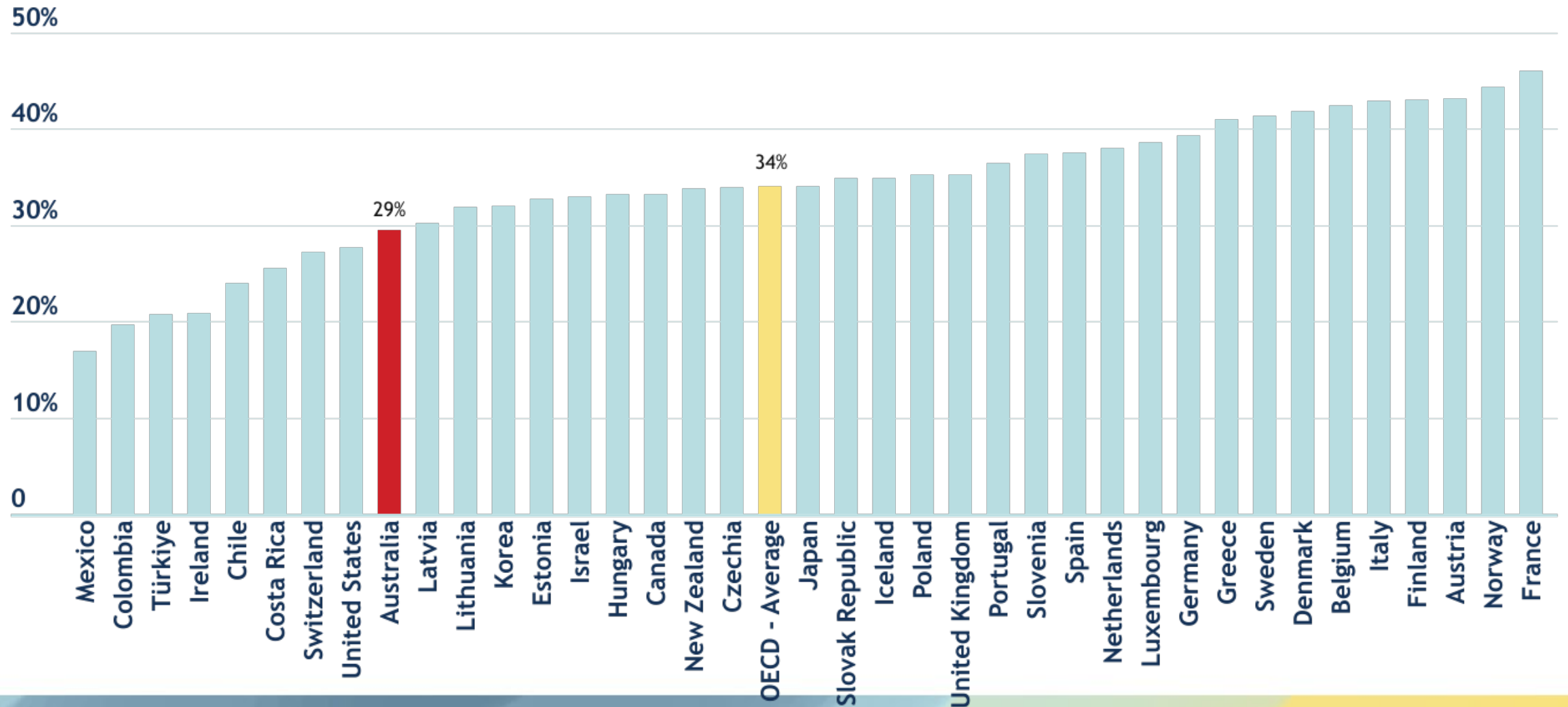
Australia is the second wealthiest country in the world...



Median wealth per adult.

SOURCE: Credit Suisse/UBS (2023), *Wealth Report 2023*

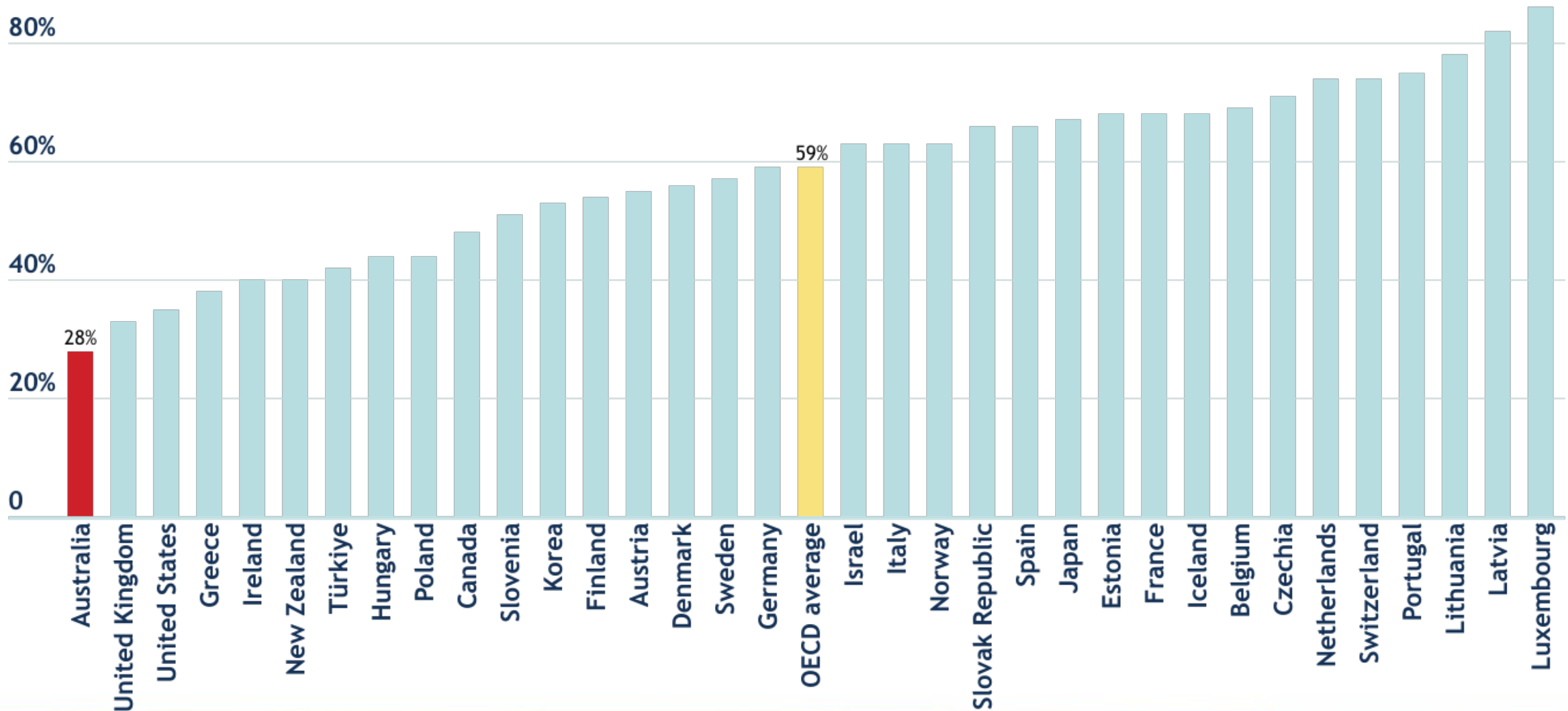
...but we are the 9th lowest taxing country in the OECD...



Tax revenue as percentage of GDP, latest data available.

SOURCE: OECD (2024), *Tax revenue (indicator)*.

...and have the lowest unemployment payments



Unemployment assistance as percentage of average earnings, including housing support, latest data available.

SOURCE: OECD (2024), *OECD.stat*.

What about frontline community services?

SERVICE AREA	WHAT SECTOR ASKED FOR	WHAT WE RECEIVED
Family and domestic violence	\$1 billion per year	\$185 million per year over 5 years
Family violence legal prevention services	\$60 million per year for five years of additional funding	\$8.6 million in 2024-25 of additional funding for pay parity
Community legal centres	\$125 million in 2024-25 and funding certainty in the forward estimates for at least 2025-26	\$9.3 million in 2024-25 and nothing listed in the forward estimates
Aboriginal and Torres Strait Islander Legal Services	\$229 million over 2 years from 2024-25	\$15.4 million in additional funding in 2024-25
Homelessness services and prevention	Additional \$450m per year for homelessness services Additional \$500m per year for homelessness prevention	\$200 million per year for 5 years for additional homelessness funding

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