

WELFARE

It takes little analysis to see that the 2014 Federal Budget's cost-cutting objectives will increase poverty in Australia. The underlying social Darwinism inherent in the political agenda of the current Abbot government places no priority on reducing poverty, as poverty is seen as a personal not societal responsibility. The massive attack on welfare, particularly for the young unemployed, pensioners and people with disabilities, the attack on universal healthcare, massive cuts in education and health spending and the withdrawal of support for middle and lower income families, as well as the slashing of Indigenous program funding, add up to a painful future for low income and unemployed individuals, families and communities. Social research concerned with locational disadvantage informs us that poor people mostly live in specific geographical locations, forced there by cheaper housing. Poor suburbs, regional towns and remote communities already face deprivations such as limited or little access to employment, public transport and healthcare and often have the lowest performing schools, creating conditions that highlight their relative poverty. With the imposition of a group of young people with no income, with no prospect of employment in such communities, what are the consequences? Increased stress on low-income families? A growth in crime rates? There was a startling absence of any budget commitment to regional economic development and no mention of areas of high youth unemployment. This suggests an assumption of a highly mobile youth workforce, disregarding the needs of young people to remain with or near their families or communities.

It is not hard to imagine the impact of a budget that seeks to deprive young people of any income if they are unemployed from when they leave school – no Youth Allowance benefit for the first six months, then forced into Work-for the Dole schemes (proven to not create job readiness), and then facing a further 6 months with no income if they don't go straight into a job. Anyone under 30 and unemployed will also have to wait six months to get a benefit that also requires doing 25 hours of work for the dole per week. Unemployed younger people will have to wait an extra three years before moving from the \$414 per fortnight Youth Allowance to the Newstart Allowance of \$510 per fortnight. Both incomes are below the poverty line. Add to this, the cutting of the family tax benefit B when the youngest child turns 6 and the lowering of the threshold by \$50,000 for eligibility, affecting 60% of all Australian families; the introduction of co-payments for visits to the doctor; increased fuel costs; and the prospect of increased costs for any tertiary education, and the future looks very bleak indeed for already disadvantaged individuals, families and communities. Overall this is a budget that supports business and attacks the social wage, imposing harsh conditions on the poorest in the Australian community while reaffirming the power of elites and the market.

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