

Media Release

Public Health Association of Australia

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2018 Budget attempts to paint over deep social inequity

“A token attempt to divert attention from the Government’s substantial and ingrained support of corporations over the welfare of the general population is evident in the 2018 Budget announcement. The Low Income Tax Offset plan to ease pressure on ordinary Australians is simply a thinly-veiled political tactic,” says Michael Moore, CEO of the Public Health Association of Australia (PHAA).

Mr Moore added, “Tonight’s Budget is symptomatic of public policy in Australia increasingly failing anyone other than the few sitting at the top of the heap. The tax offset for low-income earners will mean some people receive an extra \$300-500 dollars a year. How this matches up against significantly reduced living costs for the average Australian household remains to be seen. Wage growth continues to stagnate, house prices rise and the primary healthcare system is more and more inaccessible to low-earners. Financial sweeteners this small do not make up for continual occurrence of illness, particularly in low-income households.”

“The proposed corporate tax cuts of 25% would amount to \$80 billion in lost revenue for the Government and will wind up in the hands of a tiny minority. In the meantime, \$3.5 billion is supposed to satisfy the millions of middle and low-income workers through the Low Income Tax Offset mechanism. How much more clearly can the Government demonstrate it prioritises the interests of big business over the health and welfare of ordinary Australian people?” asked Mr Moore.

“This superficial focus on personal tax relief is an attempt to guild a thin facade over the growing wealth divide and related social and health inequalities in Australia. The offset has been presented as the best way to provide relief to the largest number of taxpayers below a certain income threshold. While objectively true - this does not translate to a markedly fairer distribution of wealth,” said Mr Moore.

Mr Moore continued, “There is continued talk of strengthening the Australian economy and limiting debt. While business is central to productivity, it’s the Australian people who provide its workforce. These workers are the real engine driver of productivity. Without a healthy population you cannot have a strong workforce, and this Budget fails to ensure that low-income Australians can meet basic living needs and healthcare costs.”

“The Budget has been a missed opportunity, with the Government failing to start the transition of the \$8 billion Private Health Insurance Rebate towards expenditure on our public hospitals,” added Mr Moore. “This is a fundamental health equity issue. The rebate favours the well-off in our community when the greatest need is for those who are unable to access health treatment in our public hospitals due to inadequate funding”.

For further information/comment:

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