



ACOSS Call to the Political Parties, Federal Election 2004

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Help with the costs of children

In 2000, one in seven children – one in five in sole parent families - lived below the poverty line. One reason for this is that Family Tax Benefits (FTB) are well below the bare minimum costs of raising a child - for example, a jobless family gets just \$87 a week in Youth Allowances for a 17 year old high school student. The \$600 increase in FTB will help struggling families, but it should be properly indexed and extended to those low income families that miss out.

When mothers get a job they are penalised by 'poverty traps' caused by income tests for government payments. In 2002, half of all sole parents and one fifth of all couples with children faced effective tax rates on their wages of more than 60%.

ACOSS calls on the parties to:

- Make the \$600 lump sum payment a fortnightly payment, index FTB properly so that its value does not fall, and extend it to low income families with young people living at home.
- Increase Youth Allowance for low income families with older children.
- Either introduce a payment to compensate sole parent families for the extra costs of raising a child alone, or increase FTB Part B for sole parents with older children.
- Ease the worst poverty traps – those facing families receiving more than one family or Youth payment – by replacing existing income tests with a single streamlined family income test.
- Commit to halving the level of child poverty over the next ten years, based on credible benchmarks and targets, and a national anti poverty strategy developed with the States and Non Government sector.

Reduce joblessness

The number of people relying on unemployment benefit for over a year – 358,000 – has fallen recently but is still about the same as it was seven years ago. One in six children is growing up in a jobless family.

Following recent improvements in the Job Network, these services can now use a Job Seeker Account to invest in wage subsidies, training and other help to overcome people's barriers to employment. But the average amount available is just \$1,000 for each long term unemployed person – enough for a few week's training but little more.

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Social security anomalies discourage people with disabilities from actively seeking work (they lose \$40 a week if they transfer to Newstart Allowances). Anomalies discourage unemployed adults from undertaking full time study (they lose \$80 per week if they transfer to Austudy).

To give parents a real opportunity to participate in work and training, they must have affordable child care. Child Care Benefits have increased in recent years, but fees have risen faster. Even many families fully reliant on social security face 'gap fees' over \$50 a week.

ACOSS calls on the parties to:

- Guarantee all long term unemployed people substantial help such as a subsidised job, training or relocation assistance, and boost the Job Seeker Account to pay for it.
- Simplify social security payments for people of workforce age to remove penalties for people who actively seek employment or undertake study, without reducing payments for disability and other pensioners.
- Increase Child Care Benefit for low income families, especially for young children in day care and families with more than one child in care.

Put services first, not more tax cuts

Every dollar spent on tax cuts is a dollar less to spend on services such as health care, schools, and community care for aged people and people with disabilities. A further round of tax cuts could send future Budgets into deficit. Cuts to services would then follow.

Public hospitals are under immense pressure from surging demand for treatments. A major reason for this is inadequate investment in primary and preventative care. For example, despite recent improvements in bulk billing rates, too many people can't afford to visit their GP. There is also a chronic shortage of places in nursing homes in many parts of Australia.

Australia's community care programs are unable to meet current demand for services from the growing ageing population, younger people with disabilities or their carers. Waiting times for services for aged persons and people with disabilities living at home can be over a year.

Australia is not investing adequately in public education. This will lower our economic performance and increase social inequality in future years. Recent growth in federal expenditure on private schools has outpaced new spending on public schools. Around 25% of pre-school age children do not participate in a pre-school program. Students will soon be meeting about half the cost of their tertiary education.

ACOSS calls on the parties to:

- renovate Medicare to ensure that bulk billing is as close as possible to universally available, especially outside our major cities
- boost community care expenditure for people with disabilities and frail aged people by 20%
- increase funding to public oral health services so that they can offer preventative dental care as well as treating the worst problems
- make dementia a National Health Priority and boost spending in this area by \$100 million

- tie the value of Child Care Benefit to the minimum cost of providing high quality care
- work with State Governments to improve access to preschool education and ensure that school funding is adequate to meet the National Goals of Schooling
- reduce the future reliance of universities on income from fees.

Deliver fairness for Indigenous people

Aboriginal and Torres Strait Islander Australians continue to face extreme levels of disadvantage compared with other Australians. Life expectancy at birth is 76% of other Australians; school retention to Year 12 is 44% of other Australians; the unemployment rate is 3.8 times higher and imprisonment rates are 16 times higher. The gap will only be closed if indigenous communities are supported to resolve their own problems. Paternalism won't work.

ACOSS calls on the parties to:

- commit to an act of reconciliation between Indigenous and non-Indigenous Australians
- establish a national elected body to represent indigenous people, give policy advice to Government, and set policy directions and priorities for indigenous controlled services.
- boost resources to Aboriginal and Torres Strait community-controlled health services, whilst maintaining accountability of mainstream services and develop a multi-lateral national framework agreement on Indigenous health.
- reform the Community Development Employment Program (CDEP), including access to the training and wage subsidy support available through other employment programs
- implement a 10 year plan to improve Indigenous housing, including funding for a peak Indigenous housing organisation to advise government on indigenous housing needs.

Make housing affordable

Too many Australians struggle to find secure, affordable housing. About 100,000 people are homeless each night and 1.1 million low income people pay over 30% of income on housing. Despite these problems the amount of public and community housing has actually declined over the past ten years.

ACOSS calls on the parties to:

- commit to a National Housing Plan and appoint a Cabinet Minister for Housing, Urban and Community Development
 - negotiate a five year Affordable Housing Agreement with the states and territories, and increase funding for public and community housing and Rent Assistance by \$500 million
 - curb negative gearing to discourage speculative investment in top-end rental property and introduce a tax credit to encourage investment in low cost housing.
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