

Mass protest Sunday July 6, 2014

Tell the new Senate: Reject Abbott's Budget – Build a fairer Australia

Most Australians are outraged at the lies of the Abbott government, and clearly see the Budget as an attack on Australian society.

The new Senate sits on Monday July 7 and it will be under intense pressure from Abbott to cave in to his Budget. But Australian citizens can stand up for a democratic Parliament and ensure that Senators know that they can defy the threats and abuse they will be facing from the Abbott government and the Murdoch media.

That's why the national protest organised by the trade union movement on Sunday July 6 is so important. Common Action believes that every individual and organisation against the Budget should come out for this rally.



Why the Budget is wrong

There is no debt crisis, no budget crisis, and no spending splurge which needs to be 'fixed'.

- Government spending has been increasing by just 2% per year since the 2007 defeat of Howard – less than the rate of inflation.
- Australia's public debt, at 14% of Gross Domestic Product, is a fraction of the average of rich nations, now over 70%, and of key countries like the US (72%) and Germany (80%).
- The budget deficit at just 1.8% of GDP is also one of the lowest among rich countries and is almost entirely the result of falling revenues.
- The Budget includes a combination of tax cuts and spending cuts, meaning it doesn't have much impact on the budget deficit.

The Abbott government is striking hard at the living standards of the poorest and most vulnerable – single parents, unemployed, people with disabilities, students, pensioners. The Budget means the permanent destruction of universal health care in Australia, and serious cuts in the social welfare safety net. These changes go hand in hand with the deregulation of the labour market and the deregulated fees for higher education.

Abbott is implementing the plans of the Business Council of Australia, which represents the top 100 corporations, most of them foreign-owned. They want most Australians to go backwards while the wealthy continue to use negative gearing, attractive tax incentives for superannuation, and generous capital gains tax rules to become richer than ever.

Medicare 'co-payment' will destroy Medicare as we know it

- The \$7 tax on a visit to the doctor, scheduled to begin in July 2015, will mean that many Australians will forgo GP visits when concerned about their health
- The \$7 tax will also apply to tests, scans, x-rays, and ultra-sounds.
- There will be an extra \$5 charge on prescriptions.
- The goal is to decisively end publicly funded health care in favour of privately funded care, with visits to the doctor eventually being covered by private health insurance for those who can afford it. This will greatly increase the cost of the health system, reduce its quality and create greater inequality.



Abbott Budget attacks workers and the public sector

The Abbott budget:

- Lifts the pension age to 70 by 2030 (was formerly 67).
- Cuts the indexation rate for pensions, thus preventing them from keeping up with increases in the cost of living.
- Requires unemployed people aged under 30 years to forgo unemployment benefits for the first 6 months of unemployment, to shift down to Youth Allowance for those on training, or to Work for the Dole. In Australia there are currently 110,000 unemployed people under 30 years of age.
- Freezes the Superannuation Guarantee Levy at 9.25% for 4 years, thus denying workers an adequate income when they retire.
- Scraps the Redundancy Guarantee scheme.
- Cuts industry assistance by \$1.033 billion over the next six years
- Cuts the Australian Public service by 16,500 jobs, including 4,500 from the Australian Tax Office, plus a further 2.5% efficiency dividend
- Sells off the Mint, cuts the corporate regulator ASIC by \$120 million over 5 years, and promises incentive payments to the States to privatise more of our public assets.
- Cuts \$914 million from the Tools for Trades program for apprentices.
- Cuts \$1 billion from Department of Education and Training for programs in numeracy and literacy and retraining of redundant workers.

Abbott budget attacks the environment

The Budget attack on environment policy contradicts the science.

- Direct Action spending to reduce carbon emissions is capped, and funds to the CSIRO, the Bureau of Meteorology are cut. The Climate Change Authority, Low Carbon Australia Ltd and Australian Renewable Energy Agency are abolished.
- The Budget closes the National Water Commission and the Office of Water Science, and cuts the Australian Institute of Marine Sciences by \$8 million.
- Environmental powers are being returned to the States and Territories.
- UNESCO is now considering declaring the Great Barrier Reef as Endangered World Heritage.



Abbott Budget attacks education

- 60% of the Gonski funding for schools to fairly meet education needs will never be paid because the Budget only commits funds up to 2017. If the Gonski funding is not extended beyond 2017, then up to 20 per cent of schools will be operating below the School Resources Standard needed to give every child a quality education.
- The Budget makes university and TAFE students take on massive debt at high interest rates to replace half the federal government's current support for higher education, a cut of \$3.15 billion over 4 years.

The Budget is a clear victory for the 1%

Let's get organising

Australia urgently needs a nation-wide alliance to escalate the protests against the Abbott government to make sure we have a **One Term Tony**.

Australia urgently needs a stronger left movement to fight for the workers and the marginalised, to confront corporate power and create a fairer and ecologically sustainable world.

