



Brotherhood of St Laurence

Working for an Australia free of poverty

MEDIA RELEASE

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Budget balances spending with prudence, but test lies in implementation

The Victorian Budget strikes a fair balance between meeting the needs for infrastructure and services and financial prudence, the Brotherhood of St Laurence said today.

“However, the Budget’s effectiveness in sheltering vulnerable Victorians from the impact of global recession will in large part now depend on speed and skill in implementing the major economic stimulus measures it contains,” said Tony Nicholson, Executive Director of the Brotherhood.

“The Victorian Government will now need to be ruthless in its determination to deliver its transport, education and social housing infrastructure projects in a timely fashion,” he said.

“Measures such as building social housing and schools will not only help vulnerable Victorians through better services, but will also provide jobs and skills that will be essential as the economy recovers from the downturn.

“Such investments should not be earmarked only for hard times, but should be the first steps in the renewal of our economic and social infrastructure.

“During this economic downturn it’s crucial that the disadvantaged stay in the labour market, and don’t fall through the cracks into long-term unemployment.

“The Brotherhood has estimated that the number of long-term jobless will rise to 66,000 people in 2011. We know from previous recessions that particular households and communities will struggle over the next few years even after the economy has started to pick up.

“We welcome budget initiatives including more services for people with a disability or mental illness, expansion of the Neighbourhood and Community Renewal scheme, the boost to much-needed public dental services and the extension of the Apprenticeship/Traineeship Completion Bonus. Such measure will help to avoid the social marginalisation, welfare reliance and lost productivity that have accompanied previous recessions.

“The additional \$10.2 million for New Workforce Partnerships to boost the employment pathways of disadvantaged job seekers is welcome but if falls well short of what will be needed. It will help just 1150 people over two years, when the Government itself forecasts unemployment to rise to 7.75 per cent in 2009-10. We consider this a lost opportunity in assisting highly vulnerable Victorians to gain work experience and skills, especially in growth areas, such as ‘green jobs’.

“While we welcome the boost to education funding in general, disadvantaged families on low incomes will continue to struggle to cover education costs during the down turn because Education Maintenance Allowance is still insufficient. It’s disappointing that there’s no additional support to ensure that financial hardship is not a barrier to education.”

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