



May 2024 Newsletter

Kaya!

This newsletter is focused entirely on yesterday's budget - how it will affect constituents on issues that you have come to see me about and what's in it for our long-term prosperity as a country.

Most of the spending had already been announced, but hopefully this will give you a summary of some key issues.

Overall, I'm pleased to see a surplus this year, but concerned about the looming deficits. Many of the programs announced sound good on paper, but the test will be whether they can actually be delivered.

Kate

Budget Breakdown

Immediate Help

Cost of living

Cost of living is a huge issue at the moment in Australia and in our community.

This budget delivers direct energy bill relief for households (\$300) and small businesses (\$325). While this will no doubt be welcomed and the Government says this is not expected to be inflationary, it looks like a pre-election cash splash, especially given that it is not means-tested and the WA government has already provided relief of \$400 per household in its budget. I am concerned that this translates to more money in the economy at a time when inflation has not been fully tamed.

There is no increase in the base rate of JobSeeker, but there is a small increase in Commonwealth Rent Assistance and some tweaks to JobSeeker for people with reduced capacity to work.

This budget includes the previously announced changes to the Stage 3 tax cuts, HECS indexation and paid placements for students, and a freeze on medicine co-payments for everyone with a Medicare card.

For some in our electorate, these measures will be welcome. For many, they won't be enough, but inflation is the biggest driver of cost of living pressures, so additional spending does need to be limited.

Constituent issues

I constantly hear from constituents how important it is that people are given a fair go.

People frequently come and see me about injustices they see or are affected by. Here are some that have been addressed (or not) in this year's budget.

Housing

The budget contains new housing investment of \$6.2 billion and a further \$1 billion to help states and territories with infrastructure, as well as a 10% increase in Commonwealth Rental Assistance, which I mentioned earlier.

The government will provide additional concessional loans worth up to \$1.9 billion for community housing providers and other charities to support the delivery of new homes.

I often hear that people can't find a builder. This budget promises 20,000 additional fee-free TAFE places for construction-related courses and \$1.8 million to streamline skills assessments for about 1,900 migrants from comparable countries who want to work in Australia's housing construction industry.

Will this be enough on housing? I hope it helps. The reality is that it has taken 20 years to get to our current crisis situation on housing and it's unlikely to be fixed in one budget.

Students

There are a few benefits for students in this budget, including changing how HELP is indexed, which effectively means the Government is waiving \$3 billion in student debt.

About 73,000 nursing, teaching and social work students will now be paid while undertaking mandatory placements. A number of constituents have come to see me about this.

As well as the new construction TAFE places, the Government has also indicated it will work with the higher education sector to drive more student accommodation.

Aged care and childcare

Wages for aged care and childcare workers will be increased and \$2.2 billion spent to improve the aged care system, including releasing an additional 24,100 Home Care Packages. We have lots of people very frustrated with the number of packages being limited, despite being eligible.

NDIS

\$469 million has been committed to support people with a disability and to work towards improving the NDIS. Unfortunately, this includes \$214 million to fight fraud in the system – not a good sign about the current waste!

Services Australia

The Government will spend \$2.8 billion on improving Services Australia, including \$1.8 billion hiring frontline staff to reduce the backlogs. This is an issue that comes up for constituents regularly.

Mental health

Access to mental health support is a huge issue for so many people in Curtin, especially for kids. In the budget, \$888 million has been committed over eight years to help people get the mental health care they need. This includes improving access to free mental health services through a network of walk-in Medicare Mental Health Centres to be opened by 2026. I don't yet know if any of these are in Curtin, but I will do my best! It would definitely be appreciated here.

Health

As well as cheaper medicines and some additional freezes on PBS co-payments, there will be more Urgent Care Clinics across the country, like the one we already have in Osborne Park, which provides an alternative to a hospital waiting room. The new clinics will be bulk billed.

Fighting scams

Scams have increased and I've heard some terrible stories from constituents losing thousands. \$67.5 million has been committed over four years to combat scams and online fraud through the introduction of mandatory industry codes to be established under a Scams Code Framework. This is good to hear and we will be looking closely at the Banking Code when it comes out.

Women

The budget papers include a separate Women's Budget Statement again this year, which shows how budget initiatives affect women.

In the past few weeks, many constituents have contacted me with deep concerns about women facing domestic violence.

I welcome the continuation of the Leaving Violence Program and the payment of superannuation on paid parental leave in this budget, but it was disappointing to see no new funding for frontline domestic violence services, which are struggling. I will continue to advocate for greater action - there is still a lot of work to be done.

Funded women's health initiatives include support for women and families suffering from miscarriage and delivery of free period products in rural and remote Aboriginal and Torres Strait Islander communities.

Job seekers

Disappointingly, there is no broad increase in the JobSeeker rate this year, so nearly 1 million people will still be living below the poverty line. While I acknowledge this is a big expense, for a wealthy country I think we could do better.

The long term view

As well as looking at cost of living and specific constituent concerns, I was reviewing the budget based on how it impacts our long term future, specifically our future prosperity and climate.

Future prosperity

To ensure our future prosperity, we need to ensure we are not spending money we don't have, we are facilitating future growth in the most promising sectors and we invest in the transformation ahead so we don't get left behind.

Balancing the budget

In the long term, we need to ensure that we are not spending money we don't have in the budget. This year's surplus of \$9.3bn is a good start, given inflationary pressures, but it masks an underlying structural deficit and is expected to be followed by two deficit budgets. Gross debt will peak at 33.9% of GDP by the middle of next year. This is a real concern and raises the issue of intergenerational equity.

Over the long term, we want to be able to afford services like child care, aged care and the NDIS, but we still rely too heavily on taxing effort via income. In 2024-25, the Government will collect 2.5 times more tax from individuals (\$335.6b) than companies (\$143.8b).

Growth

Economic growth enables us to provide the services the community expects and demands. Forecast growth is softening considerably, both globally, and in Australia, where the growth forecast has now been downgraded to 2% this year and 2.25% next year.

Growth is driven by productivity - creating more value from less. This budget does not seem to contain significant productivity reforms. I would have liked to see red tape reduction or IR simplification, to make it easier to do business in Australia.

Future Made in Australia

The budget contains a Future Made in Australia (FMIA) package, to encourage investment in a modernised economy.

We currently rank between Namibia and Uganda on economic complexity, with a largely 'dig and ship' economy. There is a need to invest in adding to our economic complexity, which makes us more resilient, while building on the comparative advantages we have.

This FMIA package sounds promising and is a response to my call (and others) for an Australian response to the US Inflation Reduction Act. Its success will depend on how it is implemented – how investment decisions are made, how quickly, and whether it supports the right industries that can ultimately stand on their own feet.

We had already heard about commitments to health research (\$1.9b) and quantum computing (\$490m) but last night we heard about investments in a satellite earth observation program as well as nationwide geo-mapping (\$566.1m). It is very hard to assess whether these are good investments based on the minimal information provided.

Funding Production Tax Incentives for critical minerals (\$7b) is good for Western Australia as we try to encourage investment to add value and green energy to our abundance of mineral deposits. I have advocated for this approach – only spending taxpayer funds if something is actually produced.

Going forward, I will be advocating for transparency on how investment decisions (past and future) are made under Future Made in Australia, so that taxpayer money

is being used to set us up for future success, not to fund pet projects.

Climate

There are some positives in this budget on climate, including the funding of the Net Zero Authority, Powering the Regions, Future Made in Australia clean energy projects and active transport.

But we are still sending mixed messages about our commitment to decarbonise, with last week's commitment to expand and extend the gas industry. The economy is so near capacity that approving new fossil fuel projects could actually limit our ability to build homes or productive infrastructure, because there are not enough construction workers to go around.

We are also continuing to pay fossil fuel subsidies and take an embarrassingly low tax revenue from fossil fuel companies.

There is funding allocated for the regulation of carbon capture and storage (CCS). CCS is a necessary development, given that every future energy plan contains some gas, but it has not been very successful in the past and I don't think taxpayers should be funding it. It's unclear from the budget papers whether this is only funding to establish a regulatory framework (which would be ok) or subsidising CCS activities (not ok).

Events

Canberra Debrief

Date: 22 May 2024

Time: 5.30-6.30pm

Location: Hollywood Subiaco Bowling Club, Highview Park, 42 Smyth Rd, Nedlands WA 6009

Good Infill Forum

Date: 19 June 2024

Time: 6-8pm

Location: Claremont Football Club

Register here: [Tickets](#)

Cost of Living Seminars - Individual Seminar

Date: 21 May 2024

Time: 5.30-6.30pm

Location: The Boulevard Centre, Floreat

Register here: [Tickets](#)

Cost of Living Seminars - Small Business Seminar

Date: 13 June 2024

Time: 5.30-6.30pm

Location: TBC

Register here: [Tickets](#)

Social Media

Don't forget to follow me on social media. It's the best way to keep up-to-date and find out about upcoming events!



We acknowledge the Whadjuk Noongar people as the Traditional Custodians of this land and pay our respects to their Elders past and present.

Contact Us

E: Kate.Chaney.MP@aph.gov.au

W: www.katechaney.com.au

P: 08 9388 0288

Electorate Office

Cnr The Boulevard and Floreat Ave

PO Box 186

Floreat WA 6014

Authorised by Kate Chaney MP, Cnr The Boulevard and Floreat Ave, Floreat WA 6014

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