

Tuesday, 11 May 2010

Traditional Labor Budget – good for jobs, economy and working Australians, say unions

Responding to the 2010 Federal Budget, ACTU President Sharan Burrow said:

“The 2010 federal Budget is good for working Australians, good for the economy and good for future generations. It is a traditional Labor Budget that delivers tax cuts, better quality healthcare for a changing population, and higher superannuation for working people.

“With jobs and the economy forecast to grow strongly, Australia is an island of stability and security amid a sea of economic difficulty. Weathering the worst financial crisis for a generation, the Rudd Government has demonstrated a steady hand at the tiller while steering a course for a fairer and more prosperous Australia.

“This Budget provides for massive investments in national infrastructure, a boost to workforce training, productivity and participation, and a lift in business efficiency at the same time as it shares the wealth and smoothes the business cycle by taxing the super profits of mining companies.

“The Budget provides a strong plan for jobs now and in the future with \$661 million in new spending on an extra 70,000 places in vocational education and training, and assistance for young unemployed people, with a welcome focus on adult literacy, language and numeracy skills.

“Unions welcome the Budget’s immediate financial support for working families with teachers, nurses, retail staff, office workers and those on average incomes getting up to \$450 a year from 1 July. Combined with other changes to the taxation of interest and work-related deductions, these people will be up to \$841 a year better off within four years.

“It provides a social wage dividend with better quality and better value health, hospital, and aged care, higher spending on education, a boost to vocational training and a lift in superannuation. These are all measures that unions have campaigned for and can take credit in helping achieve.

“The Budget cements the gains for working Australians from the Government’s response to the Henry Review of Taxation. Unions welcome the lift in the Superannuation Guarantee from 9% to 12% to ensure a decent retirement for all working Australians, the superannuation contributions tax rebate for low-income earners, reduction in taxes on bank savings and the simplification of tax returns which will benefit employees.

“The 50% deduction on interest earnings will help low and middle-income earners who are more likely to put extra savings into interest-bearing accounts.

“The Resources Super Profits Tax is an important initiative that makes sure all Australians share in the wealth generated by our natural resources. It will reduce the tax burden on less profitable mines and foster exploration and investment in new projects. It will smooth the boom and bust cycle and boost the bottom line by \$12 billion over the next four years.

“The Budget figures demonstrate the Rudd Government’s response to the Global Financial Crisis saved hundreds of thousands of jobs. They forecast unemployment to continue to fall to below 5% within two years, and the economy will grow by 3.25% next year.

“Government debt – already one of the lowest in the developed world – will be reduced three years ahead of plan. Overall the 2010 Budget provides for further responsible economic management by the Rudd Government, delivering job and income security for working families, and laying the platform for future prosperity through investment in infrastructure, productivity and services.”

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