

Saturday 17 December, 2016

Pension cuts will rip \$321 million a year from Victorian economy

The full brunt of Turnbull Government cuts to pensions will be felt by Victoria, with almost a third of a billion dollars being ripped from the state's economy each year, starting from 1 January.

Analysis of data released by Social Service Minister Christian Porter reveals the state by state impact of the cuts, taking money out of local economies already struggling to combat rising unemployment and stagnate wage growth.

The minister estimates 83,150 Victorians will see their pension slashed or cut off altogether – at an average cost of \$149 a fortnight per person. All told, the cuts amount to \$321,185,800 each year that will not be flowing through the local economy which is a significant loss for businesses across the state.

Quotes attributable to ACTU Secretary Dave Oliver:

“Malcolm Turnbull and the Coalition Government are already struggling to keep the economy out of recession as it is, so why they would proceed with a multi-billion dollar reverse stimulus package is mystifying.”

“The impact to Victoria is going to be huge – you can't pull a third of a billion dollars a year out of a state's economy and expect there to be no consequences.”

“With MYEFO on Monday, global ratings agencies already have the government under a microscope, and our hard-earned AAA rating is hanging by a thread - now is not the time to be nobbling the economy.”

“It's hard to know what's worse: the Government's callous treatment of retirees at Christmas, or that these cuts are being used to fund their only real economic policy – a handout to big business and multi-nationals in the form of a generous corporate tax cut.”

ENDS

Media contact: Peter Green 0400 764 200 or ACTU Media 03 9664 7315

<http://www.actu.org.au/actu-media/media-releases>