

Aid budget raided again to boost Government finances

For the second year in a row, the Government has announced that it will delay its commitment to increase overseas aid to 0.5% of Gross National Income (GNI), pushing the target date back another year to 2017-18. The Micah Challenge coalition is deeply disappointed that, coupled with last year's delay, \$4.8 billion is being eliminated from planned aid expenditure over the period 2012 to 2016, as confirmed in tonight's Federal Budget.

The Government also announced that it will use a further \$375 million from the aid budget to fund onshore asylum seeker support.

According to Micah Challenge's National Coordinator John Beckett while the Government's decision to raise aid levels to 0.37% of national income in this year's budget is a welcome increase, it is outweighed by the delay which equates to a significant cut in planned overseas aid spending.

"By deferring its commitment to reach 0.5% last year and again this year, we understand that the Government has removed \$4.8 billion from planned expenditure towards tackling poverty in our region over the period 2012 through to 2016," said John Beckett, National Coordinator for Micah Challenge Australia.

"This is no light matter. The aid money which our Government had promised to the world's poorest could have saved 2.4 million lives or helped 10 million children go to school," said Mr Beckett.

The Government also confirmed that its plans to divert \$375 million of overseas aid to fund domestic asylum seeker programs will be repeated this year, making Australia the third largest recipient of its own aid.

"The Government's decision to divert \$750 million in less than 12 months from life-saving programs overseas to its own refugee program is historically unprecedented in this country, and is double the average for developed countries," said Mr Beckett.

"While we're glad to hear the diversion is capped, it's hard to be excited about a \$500 million increase to overseas aid when \$375 million of it is redirected back into our own country."

Encouraged by Shadow Minister Julie Bishop's statement this week that the Coalition "will not be raiding the overseas development assistance to do onshore processing", Micah Challenge is calling on the Coalition to make that a firm guarantee and timetable its commitment to the 0.5% aid target.

"Leadership demands difficult decisions. In the lead up to the federal election, we are calling on all parties to reaffirm a concrete bipartisan timetable to reach the 0.5% aid target by 2016-17," said Mr Beckett.

Mr Beckett also welcomed a number of positive outcomes from the Budget. Funding to water, sanitation and hygiene programs will be increased from \$164 million to \$279 million in response to strong sectoral campaigning. A new budget measure to enhance progress towards the Millennium Development Goals in the Asia Pacific region will also focus on tackling hunger, education and maternal mortality.

MEDIA RELEASE

To make your response to the Government's budget announcement go to:
<http://www.micahchallenge.org.au/budget-action>.

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John Beckett, Micah Challenge's National Coordinator, is available for interviews.

A blog written by John Beckett is also available to view or republish (with attribution) [here](#).

Media Enquiries: Angela Owen – Media and Communications Coordinator, Micah Challenge
P: (02) 9356 8500 | M: 0422 985 288 | E: angela.owen@micahchallenge.org.au

Micah Challenge is a global movement of Christians speaking out against poverty and injustice in support of the Millennium Development Goals. In Australia, more than 50 aid and development agencies, as well as churches, schools, groups and individual Christians endorse the campaign. www.micahchallenge.org.au.