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MEDIA RELEASE

OECD FIGURES REVEAL COALITION FIBS ON WELFARE SPENDING

The Abbott Government's hysterical claims about a crisis in social security expenditure have been exposed as baseless by data from the Organisation for Economic Co-operation and Development (OECD).

Earlier this week, Kevin Andrews claimed that Australia is at risk of becoming a welfare state like "nations in Europe".

But contrary to the Minister's statement, welfare spending in Australia is well below other countries in the OECD.

Welfare expenditure in Australia accounted for just 8.6 per cent of GDP in 2013, compared to the OECD average of 13 per cent.

Not only is Australia well below the OECD average, on current 2013 figures Australia is second last when it comes to welfare expenditure.

This clearly shows the Government's claims that Australia is heading for some sort of welfare crisis is complete rubbish. The Coalition is trying to scare Australians into accepting a savage round of cuts.

Both the UK (12.2 per cent) and the US (9.7 per cent) allocated a greater proportion of GDP on social security payments than Australia in 2013, as did all but one other country that has provided their expenditure figure for 2013.

The Government is scrambling to find ways to pay for their unfair and unaffordable \$5.5 billion Paid Parental Leave Scheme, and dressing it up as welfare reform. This shows how twisted their priorities really are.

If the Prime Minister wants to tackle welfare reform, he should start by scrapping his ridiculous expansion of middle class welfare on the back of low income earners, pensioners, carers and people with disability.

This government has no credibility when it comes to improving Australia's social security system. The last time they were in government, the Coalition oversaw a blowout in the rate at which people were granted the Disability Support Pension.

It was Labor that took the tough decisions in government to support people from welfare into work, overseeing a drop by more than 22 percentage points in the rate at which people were granted the DSP.

Labor's objective has always been to get people with disability into paid, meaningful work – to ensure every Australian has the opportunity to reach their full potential.

It was also Labor that better targeted the family payments system to those that needed it, abolished the baby bonus and means tested the private health insurance rebate – all sensible reforms to keep our welfare system sustainable for the future.

More detail on the OECD's figures can be found at <http://www.oecd.org/social/expenditure.htm>

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