Australia's humanitarian organisations have been left dismayed after Australian aid was cut for the sixth year in a row, despite the federal budget touting a forecast return to surplus.
The 2019 budget, delivered by Treasurer Josh Frydenberg on Tuesday, failed to lift the aid budget, pledging to restore indexation in 2022-23.

It means Australia’s aid budget is now the least generous it has ever been, falling from $5.05 billion in 2013/14 to $4 billion in 2019/20.

It translates to 21 cents for every $100 of income in 2019/20, dropping to 19 cents in 2021-22.

Save the Children Australia CEO Paul Ronalds said the cuts were particularly hard to take when cash was being splashed around ahead of the Federal Election.

“When the budget is predicted to return to surplus, it is absurd that Australian aid should suffer more cuts,” Ronalds said.
To see cuts come from vital aid in our region is even more shocking and senseless. That’s neither rebuilding our international credibility nor enhancing our influence in the region.

“This...or international reputation.”

The budget also confirmed Pacific infrastructure funding will come from Australian aid.

While the foreign aid sector has broadly welcomed the investment in the Pacific, there is a general consensus that using existing aid funds for the new infrastructure investment bank is “robbing Peter to pay Paul”.

“The government’s Pacific ‘step-up’ has come from the existing aid envelope resulting in a ‘step-down’ in other parts of the world. This includes finding $500 million for Pacific infrastructure from the existing budget,” Marc Purcell, CEO of the Australian Council for International Development (ACFID), said.

A total of $500 million will be given over four years to fund the new infrastructure facility for the Pacific.

But nearly $100 million is set to be cut from Australian aid to Bangladesh, Cambodia, Indonesia, Nepal and Pakistan in 2019-20 to be redirected to the facility.

Purcell said the government’s own white paper on foreign policy was undermined by these cuts.

“This is a cavalier approach to regional engagement. We are veering into a withdrawal from large parts of Asia without consideration of the human and strategic costs,” he said.

“Cutting one part of the budget to pay for another does not add up to a long-term plan for international development cooperation and building Australia’s relationships. It’s strategically short-sighted.”

World Vision Australia CEO Claire Rogers agreed, saying the government had dressed up a new funding announcement in the Pacific as a boost to aid when it was no more than a “reallocation of funds from a cannibalised aid budget”.

“This is not a Pacific step-up; it is a Pacific shuffle,” Rogers said.

“The government is shuffling money around the aid budget to make it look like it is bolstering development cooperation, but this could mean other communities are left behind.

“Australia’s increased involvement in the Pacific region should not come at the expense of withdrawing from other parts of the world. It is unfair and strategically short-sighted.”

Plan International Australia CEO, Susanne Legena, said with the budget nearing a surplus, there was “no excuse” for the government.
They would have the Australian people believe that contributing to making the world a better, safer and more equal place is something we can’t afford. The truth is, we can’t afford not to support our neighbours and the world beyond to promote peace, stability and security,” Legena said.

“As one of the world’s wealthiest countries, enjoying almost 30 years of constant economic growth, it reflects poorly on us all when we can only find a stingy 21 cents in every $100 to help those who are less fortunate.

“As we’ve seen in recent times when natural disasters have struck, Australians are far more generous than that; and our humanitarian and development cooperation budget should reflect that.”

Tim Costello, executive director of Micah Australia, criticised the government for treating the nation’s aid program “like an ATM”.

“For years now the Coalition has told us that aid would be restored ‘once we returned to surplus’. Well surplus is here, yet the poor have been forgotten, and we’ve been left wondering: When will this government believe we have ‘enough’ to start being generous again?” Costello said.

Based on median wealth per adult, Australia is the richest country in the world, yet ranks 19th among aid donors of the OECD Development Assistance Committee.

Costello said this was at “complete odds” with who Australians were as people.

“We are lagging where we should be leading” Costello said.

He said should the ALP win government, he would be making a case for a better way to deal with aid.

“Good, long-term development requires stability and predictability in funding. But each year the sector experiences a ‘merry-go-round’, wondering whether there will be cuts or not. We need proper bipartisan agreement and a clear way forward, and I will be advocating strongly for this,” he said.

Rogers echoed the sentiment, saying there was a need for the major parties to demonstrate “real foreign policy leadership”.

“And make a bi-partisan commitment to increase aid by 10 per cent each year, to bring Australia’s contribution back into line with international standards,” she said.

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Wendy Williams is a journalist specialising in the not-for-profit sector and broader social economy. She has been the editor of Pro Bono News since 2018.
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Leighton Scott says:


This is very sad. I remember campaigning for the Aus Aid budget to be lifted to 0.7% of GDP back in 2009. Seems like we are going backwards.

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