

Victorian Shadow Treasurer's 2014-15 Budget Reply

May 2014

On Thursday 8 May 2014, Victorian Shadow Treasurer Tim Pallas delivered his second Budget Reply speech to the Parliament of Victoria

The full text of Mr Pallas' speech is available [here](#).

With less than seven months until the Victoria State Election on 29 November, Mr Pallas took this opportunity to critique the Government's spending priorities, specifically targeting the announcement of a new \$8.5-11 billion 'Melbourne Rail Link' to be constructed by 2023, and the previously announced \$8 billion East West Tunnel (Stage 1).

Additionally, the Shadow Treasurer was also critical of the Government's record on jobs, TAFE, education, health, aged care and regional Victoria.

Labor's position on key policy areas

Public Transport

Labor has been critical of the Napthine Government's decision to abandon the Melbourne Metro project in favour of the newly announced Melbourne Rail Link, with Shadow Minister for Public Transport Jill Hennessy MP citing former Victorian Liberal Leader and current Lord Mayor Robert Doyle's assessment that a failure to build Melbourne Metro would be "a 100 year catastrophe for the city".

Ms Hennessy went on to criticise the Government's decision not to build stations at Melbourne University (Parkville) and the Royal Children's Hospital (Arden) but instead "diverting trains away from the CBD to an undeveloped Fishermans Bend"

During his Budget Reply speech, Shadow Treasurer Pallas outlined what the Opposition viewed as four significant problems with the new project, including:

- No access to four major hospitals and Melbourne University;
- Additional delays at North Melbourne Station;
- The Frankston Line's lack of accessibility to Flinders Street Station; and
- The South Eastern suburbs' lack of access to the City Loop.

Additionally, the Shadow Treasurer questioned whether the project was "another empty promise" from the Government given their decision not to pursue rail projects at Doncaster, Avalon and Rowville, as promised prior to the 2010 election.

Infrastructure

A main point of contention heading into November's election is the Government's signature East West Tunnel.

The Opposition repeated its commitment to honour any contracts signed prior to the election however, Mr Pallas again criticised the project, noting the Government's continued failure to reveal the project's business plan and lack of public support.

While the Shadow Treasurer did not announce any new infrastructure projects in his Budget response, he once again promised that, if elected, the Labor Party would only act on infrastructure projects after consulting widely and would heed the advice of a newly established independent body – Infrastructure Victoria.

Hawker Britton's Occasional Paper on *Project 10,000: Victorian Labor's Transport Alternative* is available [here](#).

Regional Victoria

The Opposition have criticised the Government for their lack of infrastructure spend in regional Victoria.

During his Budget Reply speech, the Shadow Treasurer noted that while "regional Victoria is home to 25 per cent of Victoria's population...it will get 4 per cent of Victoria's funding for major projects".

Shadow Minister for Regional and Rural Development Jacinta Allan MP further noted that since the Coalition came to power in 2010, the unemployment rate in regional Victoria has risen from 5.6 per cent to 7.0 per cent, an increase of 9,800 people.

Ms Allan argued that the Budget did nothing to address regional Victoria's jobs, health and education crises.

Jobs/TAFE

Labor has consistently criticised the Napthine Government's failure to provide a policy for jobs in the state.

In the wake of significant job losses arising from the closures of the Ford, Holden, Toyota and other plants, Mr Pallas criticised the Coalition for their failure to support the manufacturing sector.

The Shadow Treasurer noted that almost 52,000 jobs had been lost during the time of this administration, with the state's unemployment rate above the national average and high levels of youth unemployment, particularly in Melbourne's Outer East.

The Napthine Government has now cut \$1.2 billion (including a further \$124 million in this Budget) from TAFE funding. Shadow Minister for Higher Education Steve Herbert MP noted that "because of the (Government's) TAFE cuts, course fees have skyrocketed, courses have been dropped or scaled back, and several TAFE campuses have closed".

In his speech, Mr Pallas restated Labor's promise to re-open the TAFE campus at Swinburne Lilydale.

Hawker Britton's Occasional Paper on Victorian Labor's November 2012 Plan for Jobs and Growth is available [here](#).

Education

During his speech, the Shadow Treasurer questioned whether the Napthine Government was allocating education funding on the basis of genuine need.

Mr Pallas noted that while several schools in his electorate of Tarneit had repeatedly been denied funding for essential upgrades, numerous schools in "targeted Liberal seats" had received funding, despite never having made a request.

Deputy Leader of the Opposition and Shadow Minister for Education James Merlino MP also criticised the Government for having spent a statewide average of just over half of Labor's spend during their last term in office (2006 – 2010).

Health

In the lead up to the delivery of the Budget, Shadow Minister for Health Gavin Jennings MP has criticised the Government for their failure to deliver 800 promised hospital beds in its first term. A recent report suggested that only 43 new beds had so far been delivered.

Mr Jennings noted that with continual decreases in health funding, the Napthine Government was not likely to deliver the promised extra beds.

Shadow Treasurer Pallas noted that "this Budget spends twice as much on prison beds as it does on new hospital beds" and that of the three new hospital projects promised in the Budget, "none of them (are) in Melbourne".

The Opposition also noted the Government's inability to reduce ambulance waiting times, with Shadow Minister Jennings observing that "\$6.8 million to cater for growth in the ambulance service...will not fix the crisis".

Aged Care

The Labor Party has been critical of the Napthine Government's decision to cut \$75 million from aged care (\$25 million in 2014-15 and \$50 million in 2015-16).

Shadow Minister for Seniors and Ageing Jenny Mikakos MP has also been critical of the Government's decision to privatise aged care facilities.