

Finance Minister Katy Gallagher and federal budget criticised for ignoring youth and cost of living on Q+A

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Sonia Arakkal (left) and Katy Gallagher went head-to-head over the federal budget on Q+A.

The federal government's budget has come under fire on Q+A for not doing enough to help young people or address cost-of-living problems in Australia.

With rental prices, energy bills and inflation all climbing, and wage growth stagnant, the government has been accused of not doing enough for the most vulnerable Australians.

Finance Minister Katy Gallagher bore the brunt on Thursday night from the audience and fellow panellists.

Key points:

- Finance Minister Katy Gallagher defended the federal budget and blamed the former government for current issues
- The government came under fire for not doing enough in the budget to

Senator Gallagher [defended the budget](#) when asked by viewer Robert Cash why the government failed to help Australians struggling with the rising cost of living.

She blamed inflation and the national debt, and said not handing out a stimulus package was the right thing to do to try and bring inflation down.

- alleviate cost of living pressures
- Questions were asked as to why energy costs were rising when the government promised to cut bills by \$275

"The worst thing the government could have done was indiscriminately splash around cash," Senator Gallagher said.

"It's hard to say that because people are really feeling the pinch and it is a different type of response than we've had to previous downturns, but we are dealing with a different set of problems.

"The problem at the moment is inflation and if we just chucked a whole lot of money out the door we would add to that problem and make the problem worse and that would hurt households further."

However, that answer did not wash with panellist Sonia Arrakal, co-founder of Think Forward, who condemned the lack of help the government was giving to young Australians.

"I think there is some cost-of-living help for particular parts of society," Ms Arrakal said.

"Eligibility for the seniors' health card has changed and there is the freezing of the deeming rates and of course the pension is indexed to CPI.

"But there's nothing for young people and there's nothing for rent assistance.

"There's nothing for Youth Allowance, and JobSeeker, the things that help young people and young working people and people who are super vulnerable, to adjust to the cost of living pressures.

"It's almost the same old story of politicians chasing the grey vote and not sending the money to where it actually needs to go."

Twenty-two-year-old audience member Marcus Harrington agreed when Q+A host Stan Grant asked him if those comments "rang true".

"Even before inflation, we already saw the Medicare levies were at a higher threshold for older people and we saw other forms of tax offset for older people," he said.

"Older people are more likely to own their own homes and the investment properties that people my age are having to rent and rents aren't being frozen.

"As Sonia pointed out, there's no extra assistance, so young people are feeling the pinch and wage growth just isn't increasing in line with all of that."

Senator Gallagher rejected that assertion.

"One of the biggest increases in the budget, going to your point, was about a \$33 billion increase in payments, which does include payments for young people and for JobSeeker," she said.

"So there was that adjustment and, you know, a pretty significant adjustment at that."

The JobSeeker payment remains at [\\$334 per week for a single person with no children](#) and is [widely considered to be below the poverty line](#).

Senator Gallagher said the government's climate spending was for the youth of the nation.

"Climate: there's more than \$21 billion in investments in the transformation that's happening across our economy right now to get moving with that," she said.

"Young people have a huge stake in that. So I don't accept that this budget was framed with a particular demographic in mind.

"We had to show restraint and be very considered in the decisions we've taken."

Rental market full of 'horror stories'

Thirty-year-old Ms Arrakal detailed the experiences of those in the rental market.

"I think it's really important that we see young people's issues as economic issues," she said.

"And whether that's what Marcus was talking about in terms of rent assistance ... me and a lot of my friends, we have landlords ringing us up and saying, 'we're increasing your rent by \$100' — and that's conservative.

"I've heard some horror stories from mates of mine talking about the kinds of rent increases they're going to need over the next 12 months — what's in the budget for those people?"

"People on Youth Allowance aren't getting any extra support to adjust to the costs of living and so they're not going to get any extra support with the rent assistance as well."

Senator Gallagher said the government were providing some assistance, but blamed global issues such as the Ukraine war, as well as the former government.

Meanwhile, audience member Alicia Lillington accused the government of reneging on a campaign promise to deliver cuts to energy bills by \$275.

Fowler Independent MP Dai Le, another member of the panel, said the issue was vital in her electorate in western Sydney.

"Low- to middle-income earners in electorates like Fowler, they're on very low income so they are struggling with electricity price rises, gas prices, rent rises, interest rises," Ms Le said.

"I don't know what it's like in Canberra but definitely in Fowler, the majority of families still drive to work, long distances to work and they still use petrol cars but the treasurer said to me it was going to be costing them \$3 billion, so therefore they can't afford it.

"Yet, they can give \$243 billion tax cuts to those who are earning \$200,000 and above."

Shadow minister for finance Jane Hume attacked Senator Gallagher on the issue.

"The government promised, not once, but 97 times, in the lead-up to the election that it would cut energy bills by \$275," Senator Hume said.

"Now, the moment that the election was over, we heard nothing more about \$275, and less than six months later ... that promise clearly has been abandoned.

"What we're seeing is electricity prices going up by more than 50 per cent and gas prices by more than 40 per cent."

Senator Gallagher said that was not the case and the prime minister was still committed to the cuts, but [Treasurer Jim Chalmers had earlier told the ABC the war in Ukraine had caused issues with the modelling.](#)

Did Albanese act a bully?

The prime minister's actions in parliament on Thursday was also raised after [Coalition MP Michelle Landry earlier complained about his response to her during Question Time](#).

Her question was about the proposed Rockhampton ring road; she wanted to know whether the project had been delayed, or scrapped.

Senator Hume said Mr Albanese had previously called out former prime minister Scott Morrison for bullying behaviour.

"Michelle was asking a very sensible question in Question Time," Senator Hume said.

"Michelle ... was asking a genuine question about her community and she was asking it in a very quiet and measured way and the response was disproportionate.

"I take my hat off to Anthony Albanese — when he found out that Michelle was upset, he called her, and that was the right thing to do.

"But we were promised a more respectful and more civil parliament, a different kind of politics, I think were the words that were used this time around, and you've got to be able to walk that talk."

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