



REACTION

Heather Ridout Chief executive, Australian Industry Group

This budget is sound and comprehensive. The fundamentals in terms of responsibility of getting the budget back into surplus will take pressure off interest in the longer term. We remain concerned that the dollar is going to pose a major risk to the economy over the next few years and the budget is light on issues to deal with that. There is a lot of money taken out of Defence, and we're very worried about the details around that.

Jennifer Westacott Chief executive, Business Council of Australia

This is a sound budget to support a stronger future. It has the right mix of spending restraint and measures to support growth, such as the skills package and the focus on infrastructure. However, with the deficit increasing to \$49.4 billion in 2010-11, an unprecedented level of vigilance will be required to achieve the projected surplus. It is encouraging that the return to surplus has been built on significant expenditure restraint.

Mark Thomson Defence analyst, Australian Strategic Policy Institute

On the surface, this was a tough budget for Defence. Critically, the cuts include deferral of \$1.3 billion of planned investment in new equipment. But Defence spending has not been cut to hasten a return to surplus, but rather to align with what Defence can spend. As the financial year draws to a close, Defence is in the embarrassing position of handing back \$1.6 billion of its budget unspent.

Don Henry, chief executive Australian Conservation Foundation

What the budget leaves undone is answering the big question: are we going to develop a cleaner economy? We have slippage in the renewable energy spend and deferrals for tax breaks for green buildings, that's no good. We



urgently need to be boosting renewable energy and energy efficiency measures – while putting a price on pollution – so we are driving towards a clean economy. We are pleased about changes to subsidies that create pollution, that is the \$1 billion saving from the fringe benefits tax.

Mitch Hooke Chief executive, Minerals Council of Australia

The council welcomes steps to tackle current and looming skills shortages in the mining industry. Measures to boost skilled migration are critical in light of projections that the minerals sector will require an additional 77,500 workers by 2015. Boosts to permanent migration and further streamlining of temporary skilled migration will help address immediate challenges.

**Patrick McGorry
Professor of Youth Mental
Health, Melbourne University**
In a challenging financial climate, the \$2.2 billion over five years of much needed investment is a welcome downpayment on the Prime Minister's promise to make mental health a priority. Premiers and chief ministers should respond with a matching investment.

Andrew Pesce president, Australian Medical Association

People will have to pay more to see their family doctor for vital mental health care, advice, and

referrals. The government has dramatically devalued the role of the family doctor in managing community mental health by slashing the Medicare Benefit Schedule patient rebate for GP Mental Health Plans to help fund its catch-up mental health package. The changes will take the family doctor out of the co-ordinating care role for people with mental health issues.

Lin Hatfield Dodds Chief executive, UnitingCare Australia

The winner is mental health. Better access to therapeutic services and improved community-based support will improve lives. Overall, the workforce participation plan is solid. There's a comprehensive range of services and supports that will encourage employers to take on long-term unemployed people. Wage subsidies are very welcome. However there are 350,000 long-term unemployed and only 10,000 wage subsidies.

Ged Kearney president, ACTU

Unions welcome the government's overall plan to improve people's opportunities through accessing decent work, which has the added benefit of improving Australia's economic prosperity. However, unions have several concerns about some of the approaches chosen by the government, particularly around some of its savings measures.