

OPENING STATEMENT – 2025-26 BUDGET ESTIMATES

SENATOR THE HONOURABLE PENNY WONG

MINISTER REPRESENTING THE PRIME MINISTER

27 MARCH 2025

Thank you, Chair. Thank you committee members.

The world has thrown a lot of challenges at Australia over the past few years. Today, because of the hard work Australians have done together, our economy is turning a corner.

We see inflation down. Wages up. Unemployment low and interest rates have started to fall.

We've achieved all this as Australians do – looking after each other and working together.

Stepping up to help with cost of living, whilst getting inflation down.

Chair, this week the Albanese Government handed down our fourth budget.

This Budget builds on the foundations we have laid, delivering cost of living relief – which remains our top priority - and securing our nation's future at a time of global uncertainty.

The Budget builds a stronger economy, with more energy relief for every household and small business; more bulk billing to help Australians see a GP for free; more cuts to HECS debts; historic funding for Australian schools; and more help to get Australians into a home of their own.

We are also delivering two more tax cuts to every Australian taxpayer in 2026 and 2027, adding to the major tax relief we delivered in July last year.

Combined with Labor's first round of tax cuts, the average tax cut is expected to be \$43 per week or more than \$2,200 next year and more than \$2,500 the year after.

It's a bit of extra help for every taxpayer and it tops up our tax cuts that started flowing on the 1st of July last year.

We're delivering for every Australian, and we are doing it our way. And not copying from other countries – but investing in the things that work for us.

Senators will recall the 2014 Budget and its shocking cuts to Medicare and education. The Albanese Government will not let Australia go back down that road.

We won't put the hard work Australians have done at risk by cutting the services people count on or denying families the help they need.

We will keep creating opportunity, investing in our people and building Australia's future.

Chair, since we last met, the Trump Administration has decided to apply tariffs on all imports of steel and aluminium.

Imposing new tariffs is the central plank of President Trump's economic agenda.

Senators may recall that in its first term, the previous Trump Administration exempted dozens of countries from steel and aluminium tariffs.

They now say that they regret having provided those exemptions, and this time not one single country was exempted.

The Albanese Government's response to the Trump Administration's imposition of tariffs on Australia has been firm and it has been clear.

The decision is entirely unjustified and against the spirit of our two nations' enduring friendship.

We will continue to advocate for Australian exporters through every available channel – just as we have been doing in regard to the reciprocal tariffs foreshadowed by President Trump.

And we will continue to work to diversify Australia's markets.

4.6% of Australia's total goods exports were to the US market in 2024, meaning Australia is less exposed to the US than many other countries. Indeed, India recently overtook the United States as Australia's 4th largest goods export market.

Nevertheless, this is a time for Australians to come together and it is a time for Australia to be united. I have been disturbed to hear some who pretend to leadership trying to use this as a political opportunity.

We will always stand up for Australia. We are an independent nation. We will keep working hard for the best outcome.

And we are simply not willing to trade away the things that make Australia the best country in the world, like Medicare, the PBS and our healthcare system.

I look forward to our discussion today.