



Welfare payments Hunt for savings

Minister on mission to cut spending

■ Judith Ireland

Social Services Minister Christian Porter is on the hunt for savings in his new portfolio, hinting spending cuts on carer and disability payments may be needed to get the budget back to surplus.

In comments that echo his predecessor, Scott Morrison, Mr Porter said on Tuesday night that his portfolio "has to be a contributor to slowing the growth of expenditure down".

Noting that the Department of Social Services spent \$137 billion last year – about a third of the federal budget – Mr Porter warned that welfare was growing faster than any "other single budget [area] in government".

In an interview with Alan Jones on Sky News, the former West Australian treasurer singled out support for carers, which he said had been growing at 14 per cent per year over the past decade, as well as the Disability Support Pension.

The new minister, who also welcomed his first child the day after he was sworn in in September, said Parliament also had to "restrain" the growth in Family Tax Benefits.

"[This] is another massive area of expenditure, in excess of \$20 billion worth of taxpayers' money a year."

The government has so far struggled to get the crossbench support needed to make cuts to

Family Tax Benefits, which the Coalition says will pay for childcare reforms.

Mr Porter also leant his support to broader reforms to the welfare system, in the wake of a report this year, which recommended the government streamline the huge number of welfare payments to just five primary payments.

Mr Porter spoke to report author Patrick McClure on Tuesday and agreed the system needed to be changed. "It's impossible to imagine a system that is more complicated than the one we have," he said.

On Wednesday, Australian National University social policy expert Peter Whiteford said Australia had the most targeted welfare system in the OECD and "probably the world".

The Crawford School of Public Policy professor added that while the raw number of people receiving payments such as Newstart and DSP had significantly increased in recent years, it was more accurate to look at the number of people receiving payments as a percentage of the working age population.

Using this measure, from 1976 to 2014, the numbers of those receiving benefits have made a steady decline since a peak in the mid-1990s.

Professor Whiteford said the only place in the welfare system "where there's a lot of money [and] you could target more" was the

aged pension.

Labor's families and payments spokeswoman Jenny Macklin slammed Mr Porter's comments on Wednesday. "You cannot bring the budget back into surplus by cutting support to the most vulnerable Australians."