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## **AUSTRALIA'S DRASTIC CUTS TO AID WILL WEAKEN OUR GLOBAL LEADERSHIP ROLE**

Caritas Australia, the Catholic Church's international aid and development agency, is disheartened by last night's confirmation of drastic cuts to the aid budget, warning that the cuts will inevitably mean a significant scaling back of vital aid and humanitarian programs.

Australia's Official Development Assistance (ODA) was cut to historic lows in last night's Budget. Australian aid will fall by 20%, or \$1 billion, in the next financial year, officially making the country the least generous we have ever been.

Caritas Australia's CEO, Paul O'Callaghan, said the Government's decision marks an historic change in Australia's foreign policy and a stepping back from six decades of playing a constructive leadership role in our region and in the world.

"Australian aid has had a proud history of making a very real difference to tens of millions of people in vulnerable communities in our region and beyond," Mr O'Callaghan said.

"These aid cuts will inevitably reduce our ability to provide essential support in areas such as health, education, sustainable livelihoods and resilience to natural disasters."

"The cuts will put Australia near the bottom of the OECD rankings as a contributor to international aid and development efforts," Mr O'Callaghan said.

"We will be spending just 25 cents in every \$100 dollars on aid next year, compared to the UK which will spend 70 cents in every \$100 dollars."

The Coalition has cut Australian aid by \$11.3 billion since coming to government: \$7.9 billion over four years in last year's Budget, followed by a further \$3.7 billion in December's mid-year budget review. The cuts are the single largest source of savings in this Federal Budget even though the aid budget is a small part (just 1.2 percent) of government spending.

"For hundreds of thousands of Australian Catholics who support Caritas' work, this decision represents an abandoning of the region's poorest people," Mr O'Callaghan said.

The biggest cut to any one region was to Sub-Saharan Africa, where aid has been slashed by 70 percent. Such a disproportionately large cut is concerning given that Africa will be home to 80 percent of the world's poorest people in the next 10 years. Caritas Australia has worked with vulnerable communities in Sub-Saharan Africa for several decades and know that accountable, sustainable and community-centric aid works. With past support from the Australian Government, our local partners in Malawi had helped 16,000 community members make huge improvements in their food security. The future of programs like this is now in doubt.

"We urge the government to reverse its decision to cut the aid program so drastically and to restore the aid budget in the forward estimates," Mr O'Callaghan said.

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