

Today we celebrate the 30th anniversary of the No Interest Loan Scheme.

It's great to be here to help celebrate the work Good Shepherd do providing financial support to people in need, and helping them to build brighter futures.

Good Shepherd has a proud record of helping the most vulnerable in our community since the 1860s.

And for the past three decades, you have been a leader in helping people get access to financial services that both help them access basic necessities and support those who want to improve their life chances.

On behalf of the Government I would also like to thank all of you here today on the remarkable work you do to support disadvantaged Australians.

You are also challenging the way we deliver support to those who need it most.

New ways in which we can both provide support and provide the opportunity for people to lift themselves out of poverty.

It is an important time of course - the week of the Budget, and as all of you know we do have a very strong economy in Australia. But it is an economy where not everybody is sharing equally.

We recognise that while the Global Financial Crisis may still be having an effect, it's not necessarily the same effect across the whole of the economy and society that it was having in 2008-2009.

But that doesn't mean that demands for services and products like microfinance, the No Interest Loans Scheme, Saver Plus, as well as very critical services provided by Emergency Relief and financial counselling is no longer strong.

My support for all of these services is not just about making sure that people have got the basic essentials of life for them to continue from one week to the next.

It clearly goes much further than that. It is, I think, something that goes to the heart of the purpose which brings up here today.

Supporting individuals and families who really want to get control over their own lives. Control over their finances so that they can lift themselves up and lead more independent lives. So that they can give their children the opportunities that they may have missed out on.

So for the good news and I'm excited about this and I think you are too.

I'm here to say that in last Tuesday's Budget we announced a new investment of more than \$170 million over the next four years for all of these very important services. \$83 million over four years for Emergency Relief. \$28 million to continue to fund full-time equivalent financial counselling positions - 77 of them, established during the Global Financial Crisis.

That's in addition to the extra money that we made available just a little while ago of nearly \$16 million in Emergency Relief and financial counselling in disaster-affected areas in Queensland, NSW and Victoria.

When we came into Government back in 2007 Emergency Relief for recurrent funding was around \$32 million. With the ongoing increase announced this week it will be around \$60 million a year. So a very, very substantial increase in the base funding for Emergency Relief.

Many of you here have campaigned for this for a very long time. I've certainly been the subject of your campaigning.

The investment in the Budget also includes more than \$60 million over four years for no and low interest loan schemes, including your No Interest Loan Scheme and StepUP, the matched savings schemes like Saver Plus, and also the financial literacy projects that we're running in Indigenous communities.

This funding will make sure that organisations like Good Shepherd and the others that are here today can continue to provide the absolutely critical support that you deliver to vulnerable and disadvantaged Australians.

And to give added certainty I also wanted to announce today that organisations that are providing these very, very important services will be offered three year contracts.

It will mean much more time for you to be able to get out there delivering services rather than filling in our paperwork, which I'm sure will be welcomed.

You know and I know, that even though we have this strong economy, we have far too many Australians who are not benefiting from that economic growth.

There are too many groups of people in our communities in different parts of our country where there are very, very deep seated vulnerabilities.

It might be people with a disability, the very long term unemployed, teenage parents, jobless families, and people in concentrated areas of disadvantage where we have very, very high unemployment rates, and unemployment rates that have persisted now over generations.

A very high proportion of people in these communities are living their lives from one generation to another on income support, and with very, very poor rates of children finishing secondary school.

And often these locations are just a few suburbs away from places of great prosperity.

One of the things that really drives me in my life and in politics is to deal with exactly this issue. One of the things that I'm sure drives you too, is to think about how we can make sure that this intergenerational cycle is broken. So that children are not growing up in families where no parent has ever known any work.

Of course, all of this requires both a change from us but also I think a change from you. And that's really why we put down a major package in this Budget to bring all of us together with a new way with which we can approach these fundamental issues of disadvantage.

Too many people in Australia have been let down by the policies of the past, which have either swung from entrenching welfare dependency, or demanding total self-reliance, without seeing that really what people need is very strong support to make changes themselves so that they can get a chance to build a better life.

So there are two things in this Budget. One is working intensively with different groups of people, the groups that I talked about before, people with disability, the very long-term unemployed, teenage parents and jobless families.

But we also wanted to work in particular locations. And the locations, I'll just quickly run through them. They'll all be very familiar to you, as they are to me.

Playford in South Australia, Logan in Brisbane, Burnie in northern Tasmania, Shepparton and Broadmeadows here in Victoria, Wyong, Shellharbour and Blacktown in New South Wales, Rockhampton up in the middle of Queensland, and Kwinana in Perth.

That's an extraordinary situation in Perth, in Kwinana where we have devastating levels of unemployment next door to huge demands for employment.

So our efforts have to be about how we target these specific locations to help concentrate our resources, and also to get local solutions to help people make sure that they can re-engage, that they can get the opportunities to work, that they can understand the benefits of getting an education for themselves and for their children.

The new way that we're proposing provides a lot of additional funding to bring all of you in to help us do this task. There's additional funding for Communities for Children so that parents get the support they need.

There's more assistance in job services, more affordable child care, more parenting support. All of which of course will need to be delivered really by the non-government sector.

Because with you we think we can break this cycle. This is about making sure that more Australians do have the chance to share in the very real prosperity that is there in front of us.

In doing that we also need to find new ways to give communities a say in how we go about this. And that too will be something that we will come to you to share with us about how we might best achieve that.

I think you've done so well in the finance area, making sure that as you build these products in particular communities you bring the people with you.

We are a Labor Government, we understand how critical it is to have a strong safety net.

But it can't be there in the way that really keeps people locked in the safety net. We want to help people get out of the safety net and that's what's so important about your financial products.

All of you know just how critical financial security is and developing the long-term savings habits that you do with No Interest Loans is so critical to that one thing that can really make a difference to people's lives.

I've got this wonderful story that some of you I'm sure will recognise. A story of Mary, who comes from the northern suburbs of Perth, mother of three, and she wanted to get back to work. She thought if she got back to work then her three children would be better off.

She wanted to work in aged care, we know there are plenty of jobs in that sector, but to do that of course and manage her three children, she needed a car.

Her car had been sitting in her driveway for 12 months because she didn't have the money to fix it up, and that's where you came in.

That's where the No Interest Loan Scheme came in. She got a loan from you, she repaired her car. It first of all meant that she could get out and about to make sure that she could apply for jobs, go to employment agencies.

She then got a job, she's got flexible part-time work, so that she can both be at work, get paid for it, but also of course be there for her children when she needed to.

One of those very, very practical examples but so important. A demonstration of the things that can change a person's life when they're able to manage their money, build their financial independence, and as a result more fully participate in our economy and in our society.

Now I know you know these numbers but for posterity's sake I really want to put them on the record today.

In 2010, you provided through the No Interest Loan Scheme more than 10,000 loans to vulnerable Australians, with a total value of \$8.7 million.

21% of your clients were Indigenous Australians. Think about that given the proportion of Indigenous Australians in our country.

59% of your clients were women. And we know how many women are living in poverty in our country.

So it's such a great example of helping people by coming together.

I do want to take this opportunity to also particularly thank the National Australia Bank. We really appreciate the way in which you've not just provided moral support, but also put your hand into your own pocket, putting the money up to help this great project.

Of course, some of this money will also go to support matched savings and financial education programs like SaverPlus. I would also like to congratulate the Brotherhood of St Laurence and the ANZ Bank for the outstanding work that they do with this program and also for the leadership that they provide in this critical area of thinking about how we take this whole area of financial independence forward.

You'd be aware that we're also piloting a system of community development financial institutions. We launched this not long ago and this too, I think, is a very, very exciting initiative. Something that I certainly hope will grow in Australia.

It is really about making sure that people who are excluded from the mainstream banks and credit facilities are able to get affordable loans.

So just let me say again it is wonderful to be able to be here on this first day since we've been let out of Parliament very late last night, to really be gathered to come and join with you in celebration of this year's Budget initiatives.

It is a very tight Budget. We do want to make sure that we take the pressure off interest rates, that is why we're trying to make sure that we bring the Budget back to surplus. But even within that we have managed to make sure that this money is available for the most vulnerable people in our society.

It's a great privilege to be able to be here with you today and to really say to each and every one of us, keep the picture of Mary in your mind as we go about our daily lives.

That'll make sure we never lose faith and never think the glass is half empty.

Thank you.