



13 May 2026

### **Budget a welcome and compelling reform but still more to do**

This budget is one of the most challenging that has faced the Labor Government. The significant economic and political pressures both in Australia and the Middle East have influenced its policies and decisions. Even against the global uncertainty, however, there is clear evidence in this budget that the government has taken substantial steps, both to spend more to meet community demands and to introduce measures that aim to keep inflation down.

The significant taxation reform and positive aspects of this year's budget are clear:

- Reductions in the capital gains tax discount and negative gearing
- Cutbacks in tax concessions for [trusts](#)
- Much needed billions allocated to [hospitals agreement](#) with the states, [Pharmaceutical Benefits Scheme](#) listings, and [Medicare](#) increases
- Continued aid investment
- Boosted funding for wires, [roads and pipes](#) for new housing in the outer suburbs
- a [fuel security package](#).

“The government is to be congratulated for the steps it has taken to reform the taxation system and build resilience across the community”, said Sr Jan Barnett, Josephite Justice Coordinator. “The reforms are significant and welcomed, especially for those who have suffered for too long under the inequity in our taxation system.”

There is still much to be done, however. The Josephites will continue to work with other social justice groups to call for:

- Increased public/social housing
- Additional support for those living below the poverty line, particularly people on Newstart, women over 55 and families with children
- Termination of Australia's tax loopholes for multinational corporations, and the overhaul of longstanding fossil fuel subsidy and rebate schemes
- Ongoing collaboration with first Nations communities to support the Uluru Statement from the Heart
- Meaningful and urgent investment in climate change
- Shift in the legislation and culture related to refugees and people seeking asylum.

“This budget represents a meaningful and welcome shift in Australian policy and culture,” said Sr Jan. “We know that it will draw criticism and pushback from many landlords and wealthy Australians, as well as from the populism that is accelerating across our country. It is our ongoing

hope, however, that the government will maintain the courage to continue its reform to build a fairer country for all.”

For the sake of our children and grandchildren we can do no other.

A handwritten signature in black ink that reads "Jan Barnett rsj". The signature is written in a cursive style with a loop at the end of the "s".

**Jan Barnett rsj**

Josephite Justice Co-ordinator

Sisters of Saint Joseph

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