

Joe Hockey on aid on Q&A

by Ashlee Betteridge and Stephen Howes
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A question on aid popped up in a [Q&A grilling of Treasurer Joe Hockey](#) last night and the Treasurer clearly found it to be a challenge.

National Director of World Vision's youth advocacy group VGen, Sashenka Lakshmanasingha, asked Hockey whether he really thought the aid cuts were reflective of the fairness and generosity of Australians.

In response Hockey claimed we are spending "well over" \$4 billion a year. In fact it is \$4.052 billion, hardly "well over".

He then said "we had to reduce expenditure everywhere". In fact, [as we've shown here](#), aid has been singled out. Total expenditure is at an all time high, whereas aid is being cut by a third after inflation.

Hockey rejected the claim that that aid budget was the least generous ever "in dollar terms" (though clearly [it is](#) when measured against the size of the economy).

The Treasurer then argued that we were sending aid to countries that were "in some cases, providing aid themselves", and that some aid recipients "had stronger economic growth than Australia". It's hard to see these as being reasons to slash aid to Myanmar.

He asserted that the cuts had been made to obtain better outcomes, namely by diverting funds away from international organisations.

"We actually want outcomes from our aid... we want to build things and have real outcomes rather than giving them [sic] to international organisations," Hockey said.

We've [shown here](#) that international organisations on the whole received a smaller percentage cut than many bilateral country programs. The share of aid going through international organisations has in fact increased.

In a follow-up question, an impassioned audience member cited the UK [aid scale-up](#) and David Cameron's statement that they wouldn't balance their books on the backs of the poor. She asked why Australia was using the world's poor as a scapegoat.

Hockey then rolled out the "we can't borrow money to give as foreign aid" argument. (We [debunked that one here](#).)

He also defended our position as 13th largest donor, saying that it is around the same as our rank in the global economy (which was 12th in 2014). But we are the 13th largest OECD donor, and Australia is the 8th largest OECD economy.

You can watch the aid question [here](#), or the whole episode on [ABC iview](#).

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Link: <https://devpolicy.org/joe-hockey-on-aid-on-qa-20150526/>