

# Fat chance of a downsize in times of entitlement

**CHRIS KENNY** From: [The Australian](#) January 09, 2012 12:00AM

**IMAGINE if the story of the fat man who fell through the floorboards became the straw that broke the back of Australia's culture of entitlement.**

Reports last week described how morbidly obese Wayne Douglas took the NSW Housing Department to the Human Rights Commission, then to the Federal Court, because his 250kg frame had crashed through the floor of the rent-free unit the department had provided. Our taxes paid for his housing, the human rights inquiry and the court case. Thankfully, the court dismissed the claim, suggesting Douglas always had the right to refuse the accommodation on offer. In other words, personal responsibility was involved. Hallelujah.

However, 2012 will not be the year that limits government intrusion in our lives or the culture of entitlement it fosters. Sadly, the opposite will happen.

If you don't think this matters, consider Greece, in particular, and Europe more broadly. The debt crisis and the riots on the streets of Athens last year were a culmination of the inability of government or citizens to assume responsibility for their own welfare.

In Australia the carbon tax will increase the size of government. We will have a Climate Change Authority, a \$10 billion Clean Energy Finance Corporation, and a Clean Energy Regulator which will administer the National Greenhouse and Energy Reporting System, the Renewable Energy Target and the Carbon Farming Initiative. Bureaucrats and private sector workers will be burdened by carbon permit auctions, compliance audits, assessment of accreditation, and enforcement of penalties. Government will collect an extra \$24 billion in taxation over three years and churn half of it back to households in compensation.

Just in case the publicly funded anti-smoking advertisements, public health campaigns, advertising bans and government-mandated health warnings on cigarette packaging have had no effect whether or not you choose to smoke, the government is stepping in again.

Plain packaging laws will ban companies from using their own brands. It

will lead to costly legal challenges, bound to consume more taxpayers' funds. All to help people make decisions we, apparently, are incapable of making ourselves. To further ease the demands on our self-control, Canberra is committed to significant poker machine reform which will restrict the amount of money we can gamble on pokies.

It seems we are not to be trusted setting our own punting limits, unless we are at the TAB, the track or gambling online.

A handful of years after government made the politically difficult decision to privatise our public communications monopoly, we are now paying for the construction of the nation's largest infrastructure project - a new communications monopoly. The \$36bn National Broadband Network will remove our access to services via copper wires or existing pay-TV cabling, and limit our choices on wireless broadband because, well, because apparently government knows best.

We have learnt in the past year that many green groups opposed to public infrastructure developments are themselves government funded. And that the refugee action group that took the government to court to block its Malaysia Solution is funded by, you guessed it, government. So reliant are we on government that we need government to fund pressure groups to thwart government between elections.

The vicious cycle of the nanny state and culture of entitlement even extends to cycling. Local governments are spending millions on bicycle-hire services in capital cities, and government departments are subsidising bikes for their staff because, presumably, we are incapable of spotting the benefits of cycling without government intervention.

With three levels of government, we can't even keep them in their own spheres. Sydney's Marrickville Council famously placed itself at odds with Australia's foreign policy when it supported the Boycotts, Divestments and Sanctions program against Israel. In Adelaide, the Unley Council has a "food security strategy" created in partnership with its Community Sustainability Advisory Group to help tackle the world food crisis. It will do this, in part, by "trailing fruit and nut trees in streets and parks". I kid you not. The council sent park plans to residents for approval, denoting the proposed location of particular varieties of fruit trees. Oh, as you might presume, all this is funded by ratepayers.

Yet when it comes to the traditional local government task of controlling dogs, responsibility has crept upwards beyond even state governments, to

Canberra. Some of us might favour tougher dog controls but it can't be the best use of the federal Attorney-General's time, or the department's, to lead talks about uniform national dog laws, as happened last year.

With all that the government does for and to us, and all we expect it to resolve, little wonder increasing numbers of Australians are switching from unemployment benefits to the disability pension, to access more welfare with fewer caveats. Disability pensioners now outnumber dole recipients.

Our tax and transfer system has become so contorted that about 80 per cent of families with children receive a family tax benefit. Our welfare state is not as extensive as that of most OECD nations but then most of them are European and, as I mentioned earlier, Europe exists as a warning, not an exemplar. The Henry review suggested serious reform to tackle the welfare churn and to remove welfare traps but little was done, though to be scrupulously fair, one clever aspect of the carbon tax compensation arrangements is that they start to simplify the tax system, increasing the number of people at the lower end who simply don't pay.

At least if you are missing out on the largesse you can be comforted that we now have in Canberra a Social Inclusion Unit. It promises to rid us of social exclusion, just as soon as its 19 staff and nine board members can determine exactly what that is.

We haven't seen a strong political movement to reduce the size of government in Australia. An unspoken bipartisan consensus developed in the 1980s and 90s to limit government to core functions. But Kevin Rudd abandoned that when he overreacted to the GFC and wrote his infamous essay about the collapse of "extreme" capitalism; signalling a return to the Left's big-spending nirvana.

But those looking to the other side of politics for relief might be disappointed. On one hand the Coalition is promising extensive, as-yet unspecified, budget savings. But it is also committed to extra taxation to fund extended paid parental leave, a publicly funded green corps conservation program, and a direct action climate policy that will see government make decisions about how best to abate carbon. And don't mention the Greens - they'd just suggest another government inquiry.

(SOURCE: *The Australian*, 9.1.12)