



MEDIA RELEASE

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TURNBULL'S BIG FAIL ON FAIRNESS FOR FAMILIES

Labor will oppose the Liberal Government's unfair cuts to low and middle income families and fight its plans to introduce a new \$1,000 baby bonus.

In particular, our position will protect grandparent carers and single parent families from the Government's harsh cuts.

It's both fair and fiscally responsible.

In Parliament, Labor will fight to protect:

- Grandparents carers and single parents with children aged 13 years and over, who are facing cuts to their Family Tax Benefit Part B of around \$1700 a year;
- Grandparent carers and single parents who face their FTB-B being cut when their children turn 16; and
- 1.5 million families on low and middle incomes who are facing the abolition of their Family Tax Benefit supplements, including 500,000 families on incomes of less than \$50,000.

Malcolm Turnbull says fairness means the burden should be "borne by the best able to pay it."

But these harsh cuts fail that fairness test - they will hurt millions of low and middle income families and should be rejected.

At a time when the Government wants to jack up the GST, these harsh cuts will be a 'double whammy' hit on families on low and middle incomes.

Malcolm Turnbull's cuts will hurt single parents and grandparent carers, some of whom will be \$4,700 a year worse off after 1 July 2016.

More than 130,000 single parents will be affected by changes to FTB-B and over 600,000 single parents will be impacted by cuts to end-of-year supplements.

Malcolm Turnbull's cuts will also hurt millions of low-income families.

1.5 million families will lose their end of year supplements – around 500,000 of these families are on family incomes of less than \$50,000 a year.

Labor will also oppose Malcolm Turnbull's \$1,000 FTB-B payment for families with a child under one, saving the Budget \$380 million.

This new baby bonus was all about Malcolm Turnbull buying off the National Party to get the top job. Australians shouldn't have to pay the price for this Liberal/National deal.

If ever there was a demonstration of how out of touch Malcolm Turnbull and the Liberals are with the lives of Australian families, this is it.

Labor has demonstrated that we are not opposed to fair and reasonable changes to family payments – but it should not be at the expense of families who can least afford it.

In Government, Labor means tested and then abolished the Baby Bonus. We have already supported approximately \$2 billion in savings from the family payments system since the 2013 election.

We will not oppose the Liberal's changes to Family Tax Benefit B for couple families, a saving of more than \$500 million.

Labor has always believed in means testing, and we will continue to investigate fair ways of ensuring our Family Tax Benefits system remains targeted to those who need it most.

But we will not be supporting these unfair cuts to low income families, single parents and grandparent carers; these are the very people the system is designed to support.

Labor will not compromise when it comes to fairness - we will keep fighting for Australian families.

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LABOR'S POSITION

MEASURE	POSITION
Cease FTB-B for couple families with children 13 years or over	Support
Reduce FTB-B to \$1000 per year for single parent and grandparent carers with children 13 years or over and cease FTB-B for single parents with children over 16	Oppose
Increase rate of FTB-B by \$1000 for families with children under 1	Oppose
Increase FTB-A, Youth Allowance and DSP Child allowances for under 18s living at home by \$10 per fortnight	Oppose
Phase out FTB Supplements	Oppose

THE IMPACT OF TURNBULL'S CUTS

Sole parent with and two children in high school

They gain:	They lose:
<ul style="list-style-type: none"> \$525 from the fortnightly increase to FTB-A 	<ul style="list-style-type: none"> \$1,712 in SchoolKids Bonus \$1,806 in FTB-A and B end of year supplements \$1,785 in FTB-B (as their base payment is reduced to \$1,000 per year)
In total they are more than \$4,700 worse off per year.	

Couple, both working, combined income of \$80,000, 2 high school age children

They gain:	They lose:
<ul style="list-style-type: none"> \$525 from the fortnightly increase to FTB-A 	<ul style="list-style-type: none"> \$1,712 in SchoolKids Bonus \$1,452 in FTB-A end of year supplements
In total they are worse off by around \$2,639 per year.	