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**E&OE TRANSCRIPT
INTERVIEW DOORSTOP
PARLIAMENT HOUSE
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SUBJECT/S: Joe Hockey's lies about welfare, Abbott's incompetence on Family Benefits Legislation, Tony Abbott's extravagant Paid Parental Leave scheme.

Jenny Macklin: Thanks everyone for being here this morning on this very cold Canberra morning.

There's a new report out today from the Melbourne Institute using what's known as HILDA data demonstrating that over the last 10 years to 2011 there's been significant prosperity in Australia and a reduction on the reliance on welfare. This is for working age Australians but also to some degree for older Australians.

This demonstrates that Joe Hockey has been falsely trying to create a crisis about Australia's welfare system. This really is the final nail in the coffin of Joe Hockey's credibility. It destroys Joe Hockey's credibility.

There is no crisis in Australia's welfare system. In fact, Australia has a very tightly targeted welfare system going to those who need it most and Labor will make sure that we defend that system so that support goes to those who need it.

Journalist: Will Labor be supporting the lowering of the income threshold for Family Tax Benefit Part B - there's been some speculation in the last few weeks about that?

Jenny Macklin: Well, first of all I'll just say that that legislation is still not in the Parliament. These changes are supposed to start on 1 July. We haven't even seen the legislation. The Government says they want to freeze a whole range of

thresholds in Australia's welfare system, including the family tax benefit system. Well let's see the legislation. Labor has in the past supported holding the top thresholds constant but we certainly will not be supporting any freezes to thresholds for very low income people.

Journalist: Is there enough time remaining to pass that legislation if it's to come in to effect on July 1?

Jenny Macklin: Well if you can't get it into the Parliament how on earth can you get it implemented? It shows a complete lack of competence by Joe Hockey and Tony Abbott. Tony Abbott is incapable of even getting this legislation into the Parliament.

Journalist: How does the HILDA data stack up against the Oxfam survey which is showing a widening gap in inequality?

Jenny Macklin: The important thing about the HILDA data is that it is over a long period of time and the Melbourne Institute is able to track thousands of Australians to see how their standard of living is changing. So it's a very important data source and really finally puts the lie to Joe Hockey's claim that there is a crisis in our welfare system – that is just false.

Journalist: Will Labor be voting with the Greens to introduce another double dissolution trigger...(inaudible).

Jenny Macklin: Well these matters are some distance away I'll leave that for others.

Journalist: You're pretty keen on bringing on a vote?

Jenny Macklin: We'll wait and see.

Journalist: What's your view of how the Prime Minister's overseas trip went?

Jenny Macklin: I think the important thing now is that Tony Abbott is back. Tony Abbott has to confront the reality of this report today. The reality is that Joe Hockey and Tony Abbott have been misleading the Australian people about our welfare system. Joe Hockey says there is a crisis – that is a lie. It has been demonstrated today as a lie. This really does put Joe Hockey and Tony Abbott back to saying they should re-think their budget strategy. They should do away with the cuts that they want to make to some of the poorest people in Australia. Labor wants to make sure that we protect carers for example. I thought the suggestions in Saturday's papers were a new low for Tony Abbott. That Tony Abbott and Joe Hockey would even think of attacking Australia's carers is just a complete disgrace.

Journalist: Is it appropriate that babies are reportedly being sent to Christmas Island?

Jenny Macklin: I've only just seen that report so I'll have to investigate it further.

Journalist: Was the trip a success or failure in your view?

Jenny Macklin: I'm more concerned about what Tony Abbott does now that he's home. Tony Abbott needs to re-think his budget strategy he needs to acknowledge that this report puts the nail in Joe Hockey's coffin.

There is no crisis. There is no crisis in the welfare system, let's make sure we support those Australians who really need it.

Journalist: If there's no crisis why is Labor conducting its own major review into social spending?

Jenny Macklin: I'm conducting a major review into social policy. Labor's approach is to think carefully about social policy not to create a false crisis as Joe Hockey has done and penalise those people in our country who need our support.

Journalist: Where would you like to see the money come from to get back to surplus instead?

Jenny Macklin: The most obvious place is Tony Abbott's paid parental leave scheme. More than \$20 billion - Tony Abbott wants to spend on a new paid parental leave scheme. Just last week the evaluation of Labor's paid parental leave scheme was published which demonstrates its doing exactly what it was designed to do, it's fair its affordable its supporting low and middle income women who previously did not have access to paid parental leave to finally have some money to stay at home with their newborn babies. That's the sort of paid parental leave scheme Labor was very pleased to introduce and it's doing a good job. Tony Abbott should drop his extravagant paid parental leave scheme.

Journalist: Cleaners are protesting pay cuts today, are cleaners going to be hit amongst the lower income earners as well?

Jenny Macklin: Well of course if you're a low income earner, a cleaner, anyone on a low income in Australia if you have a family you'll be severely hurt by Tony Abbott and Joe Hockey's budget. If you're a single income family on around \$65,000 with two children at school by 2016 you'll be losing about \$6,000 a year. \$6,000 a year for that family is an enormous amount of money - that's what Tony Abbott and Joe Hockey are doing to the families of Australia.

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