



Labor

MEDIA RELEASE | **WE'LL PUT
PEOPLE FIRST**

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**LABOR OPPOSES SLOMO'S INCOME TAX HIKE ON OVER 7 MILLION
AUSTRALIANS**

In what has been a big week for the Turnbull Government, Scott Morrison continues to put his hand up for being the most hopeless of them all.

Fresh after being contradicted by the Parliamentary Budget Office on tax, Scott Morrison has been forced to pour cold water on reports that *he* generated of a supposed crossbench deal as a distraction.

It's dumbfounding that **at a time of low wages growth, high cost of living pressures and the Government already pursuing a cut in penalty rates for low and middle income workers, the Treasurer is prioritising an income tax hike for those same workers.**

Let's be clear, Labor opposes the Turnbull Government's proposed increase to the Medicare Levy on workers earning less than \$87,000, introduced into the House of Representatives today.

This is a tax hike on over seven million Australian workers earning less than \$87,000 each year.

The Turnbull Government's plan to increase the Medicare Levy would increase the tax burden on vulnerable Australians earning a little as \$21,000 a year.

Mr Turnbull's tax increase will mean a worker on \$55,000 would pay \$275 extra a year in tax, while someone on \$80,000 would face an extra \$400 in tax.

A worker earning \$85,000 a year will lose the full benefit of last year's sandwich and milkshake tax cut and actually ends up paying more in income tax.

Stagnant wages, falling living standards and record levels of underemployment all mean that low and middle income Australians are less able to pay more tax than they have in the past.

Labor has a plan that is better and fairer for the Budget.

Labor's plan raises more than \$4 billion more than the Government's proposed tax rise over ten years by increasing the Medicare Levy for individuals earning more than \$87,000 a year and keeping the Deficit Levy on those income earners earning more than \$180,000.

Independent research from ANU shows that twice as many households would be worse off under the Coalition's plan than Labor's plan.

Labor created the National Disability Insurance Scheme (NDIS), we know how important the NDIS is to improving the lives of people with disability and their families.

We are 100 percent committed to the successful rollout of the NDIS.

A Shorten Labor Government will continue to fully fund the NDIS well into the future.

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