



Kelvin Thomson MP

Federal Labor Member for Wills

LABOR GOVERNMENT DELIVERS TAX CUTS FOR LOCAL FAMILIES

The Labor Government's tax cuts, delivered from today, reward the hard work of Australian families and provide needed relief from the rising cost of living, Wills MP, Kelvin Thomson said today.

Mr Thomson said personal income tax cuts worth almost \$47 billion were part of the Labor Government's first Budget and will boost the take-home pay for thousands of local workers.

"Families in Wills are working harder than ever and have certainly earned these tax cuts – with a typical taxpayer around \$20 a week better off as a result of the changes", Mr Thomson said.

"And at a time when we need to be vigilant about rising prices – especially petrol and groceries – the tax cuts have the added benefit of boosting workforce participation, helping us put downward pressure on inflation.

"The Budget announced in May had a strong surplus of almost \$22 billion and the economy needs extra workers – the tax cuts are aimed squarely at those who deserve them most and mean we all share in the nation's prosperity.

The Labor Government's tax cuts mean:

- Families on a single income of \$40,000 will be \$20.19 a week better off or \$1050 a year ahead;
- A family on a single income of \$80,000 will be \$21.15 a week better off or \$1100 a year in front; and
- Families with a combined income of \$100,000 where the primary earner's income is \$60,000 will be \$31.73 a week better off or \$1650 a year ahead.

"These tax cuts are substantial and will provide real relief for low and middle income families facing rising prices – and they're targeted at those who've largely missed out in the past.

"As a percentage of income, they are more generous for low and middle income earners than recent tax cuts families in Wills have received.

"And when you combine our tax cuts with the new childcare initiatives we're providing real incentives for all the hard work Australians put in.

Mr Thomson said when the tax cuts were fully phased in over 2009-10 and 2010-11 the take-home gains would be further boosted.

“Over the next two years we’ll deliver more tax cuts to offer ongoing rewards for people working hard to make ends meet – they thoroughly deserve a helping hand with the day-to-day costs of living.

“The Labor Government has had the discipline and courage to take the tough decisions to restore the Budget to a sustainable position and that’s what’s made the tax cuts possible”, Mr Thomson concluded.

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