



## PRIME MINISTER

FOR MEDIA

13 NOVEMBER 1987

JOINT STATEMENT BY THE PRIME MINISTER AND THE MINISTER FOR SOCIAL SECURITY, MR BRIAN HOWE

Eligible families can now apply for the Government's new family benefit.

The benefit fulfils a promise made by the Government during the election campaign.

In the last Federal Budget, the Government committed itself to a \$500 million family package to help out parents who are working to make ends meet.

In framing our last Budget the Government decided to give something back to low income families. The recognition by Australian workers of the need for restraint over the last few years has helped support the reconstruction of the Australian economy.

We decided to give a helping hand to the families with children.

The major payment in the family package is called the Family Allowance Supplement.

It is tax free, and it will be paid on top of the family allowance.

Because it is tax free the Family Allowance Supplement is better than a pay rise - eligible families will get to keep all of it.

A family on \$400 a week with two teenagers and paying rent will get \$27 a week.

Because it is tax free the Family Allowance Supplement, they get is equivalent to a pay rise for that family of \$45 a week - or 11.25 per cent.

The same family on \$350 a week will get an extra \$52 to add on to their wage. That is equivalent to a pay rise of \$86 a week or almost 25 per cent.

Families with two young children are eligible for some payment up to an income of \$400 a week. The more children families have, the more money they can earn and still get the Family Allowance Supplement.

Because of Labor, Australia's tax system is fairer - because of the family package, Australia's wages system is fairer.

The family package offers rent assistance to working families for the first time.

And for the first time in our history it offers working families a child payment which is indexed to pension rate increases.

This package takes the first step towards constructing a new system of public support for children - targeted to those families who need it most.

Labor has not forgotten its traditional commitment - more than a million children will benefit from the family package in this financial year.

Child payments for parents in the social security system will be increased automatically to the family package levels.

This is the start of a three year program to build a new system of child support for Australian families. By that time there will be a single system of payments covering both eligible working families and families in the social security system.

All Australian children have the right to a decent standard of living - all our policies are directed to making that principle a firm reality for every family.

Our goal is that no child need live in poverty by 1990.

The family package is the first step towards reaching that goal.

(The Prime Minister accepts the first formal applications for the new benefit at Mt Druitt shopping centre at 10.30 am today.)