



PRIME MINISTER

16 December 1996

TRANSCRIPT OF THE PRIME MINISTER THE HON. JOHN HOWARD MP SPEECH AT THE LAUNCH OF THE FAMILY TAX INITIATIVE WENTWORTHVILLE, SYDNEY

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Thank you very much Ross. To Mr Graham, the Mayor, to Peter Costello, Jocelyn Newman, Judi Moylan, Senator Rod Kemp, ladies and gentlemen. I am particularly delighted to be here in Ross Cameron's electorate. This is one of those areas of Sydney and one of those areas of Australia into which the Government successfully pushed on the second of March and it really is appropriate that Wentworthville here in the Parramatta electorate has been chosen to launch in a formal sense, although it's been launched in an absolute sense some time ago, the Government's family tax initiative.

This represents the delivery in full, on time, without subtraction, without qualification of probably the centrepiece of the policies that we took to the last election and it is true that over a long period of time I have talked a lot about the importance of policy supporting the family. I regard them as very critical to the future society that I would like Australia to have. I want to in the period that we are in Government, I want us to leave a permanent mark on the Australian community, a mark that restores and strengthens the role of the family unit within our society, a strengthening within our society that gives to parents more choice. The key to our family tax initiative is that it recognises the additional costs of bringing up children and it also seeks to give to the parents of Australia's children a lot more choice as to how they order their lives. We as a Government don't seek to impose stereotypes on Australian parents. We don't seek to tell Australian parents that when their children are young, one parent should be permanently at home while one is in the workforce but we do want to give them increasingly the option to do that if that is their choice but whether or not they do it is a matter for the choice of individual parents.

Equally we do not believe that governments should tell parents where they should send their children. We believe very strongly in a world class public education system. We also believe that increasingly, we ought to give to parents a greater variety of choice as to whether to educate their children in the public or the private system. If they decide to educate it in the public system, they ought to have even greater choice than they have at the present time. I speak as someone myself who spent all of my education years in the public education sector and I support it very strongly. But I also very strongly support the provision of choice and

one of the other things that we have done since coming to power is that we have enabled people to have greater choice to send their children to low, fee paying independent schools and increasingly those schools will open up in the western suburbs of Sydney. I am very proud of the fact that as we approach Christmas I am able to look back on the nine months that we have been in Government and I am able to say that we have kept faith, we have remained true to the promises we made to the Australian people. We have stayed true to our promise to reform the industrial relations system. We have stayed true to our promise to sell one third of Telstra. We had a few heart flutters along the way. We finally got it through and we are very grateful for that, and most importantly of all, we have kept faith with and we have remained true to the promises that we made in relation to giving additional taxation assistance to families.

I can remember about eight or nine years ago making a speech in which I said that a taxation system that doesn't recognise the cost of raising children, a taxation system that adopts an antiseptic, economic neutrality towards the cost of raising children is a taxation system without a social vision. And this family tax initiative which will deliver one billion dollars of tax concessions to people with children, it is carefully targeted to help low and middle income families. It helps sole parent families as well as helping two parent families. We recognise the enormous struggle of many sole parents in our community and we applaud them for the contribution that they make single-handedly to raising their children and although all of us in an ideal world would like to see children raised by a mother and a father, we must always recognise the massive burden that is carried by sole parents when usually through no fault of their own and against their wishes... I have never met a sole parent yet who really in an ideal world would like to be a sole parent but it happens that way, but we're not into judgemental things. We are into espousing the cause of traditional family values and espousing the importance and the value if it's possible, the role model of having both a mother and a father but also recognising that in some cases, that's not possible and having a willingness to support those within our community who raise children on their own.

So we have committed ourselves in so many areas of Government policy to supporting families. I have often said that apart from the emotional value that a family brings, apart from its capacity to inculcate values from one generation to the next. Apart from the male and female role models that it provides for young children, the family also happens to be the most efficient social welfare system that any nation has ever devised and a united, fully functioning family provides the most valuable social security safety net that mankind has yet devised. So for all of those reasons I am immensely proud of what the Government has done in this area and I am immensely proud that on time, to the very last dollar and cent, without any subtraction and without and qualification, we are delivering on the commitment we made. We made that commitment, we carefully targeted it. We wanted it to be a symbol of our commitment to the role of the family in Australian society and it is but one example of the many ways in which you will find the Government that I lead, that I am very proud to lead, will always place the family at the centre of policy making considerations.

We have had in mind the family in relation to some of the decisions that we have taken concerning some of the material that is to be found on television. We want to support parents in trying to provide good examples to their children, not making it difficult for them to do so. We want to promote a community which is less violent. Part of our family policy is to provide support through organisations that help parents who are struggling, often through a combination of their own circumstances, struggling with the responsibilities of parent hood. Child abuse is often the product, in fact, overwhelmingly is the product of inadequate parenting skills and one of the things that we're trying to do is to provide, and we have

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provided additional resources to some of the organisations in society that will encourage people to be better parents, and we are providing more resources to tackle domestic violence and we are also, through the action that we took in banning automatic and semi-automatic weapons within our community, we are building a safer society in which our children will grow up.

So as I look back over the year, not in any sense of smugness or complacency, but I am very proud of the fact that the importance that we placed on the family within the Australian community during the election campaign and in the lead-up to the election campaign, that has been honoured. We have given families more choice. This tax initiative will give them more choice. It recognises the need of families who have young children the additional expenses of them and it also endorses the choice that ought to be available as to the childcare arrangements that people make. So I am very proud indeed that this initiative is being formally launched here in Wentworthville, here in the electorate of Parramatta, in the city of Parramatta, the centre of Sydney, the - if you like a microcosm of middle Australia. You couldn't find an area anywhere in Australia, in suburban Australia that more closely reflects the diversity of our community, the importance of young families in our society, the ethnic varieties of our community. You couldn't find a better example.

So ladies and gentlemen, I am particularly proud that it's being launched here today. I thank Ross Cameron for having us and I am delighted that all of my colleagues have been able to come here. I have brought along the man who has got all of the details of it. I mean, it's not that I don't have the details but he has even more details than I do so I would now like to invite Peter Costello, the Treasurer of Australia, another person who is very strongly committed to family policy within our Government. I have invited him to say a few words about some of the details of the family tax initiative and I want to take this opportunity of thanking you all for coming. I hope all of you have a very happy and enjoyable Christmas with your families.

Can I say one final thing on that, that most Australians will celebrate a plentiful, happy and secure Christmas. There will be many of our fellow Australians who won't and at a time such as Christmas, I ask all Australians who can afford to do so to dig very deeply into their pockets and contribute to those great organisations like the Smith Family and the Salvation Army and the St Vincent De Paul Society that care for the less fortunate in our community. We still have more than 700 000 people out of work. There are many people who won't have happy Christmases without the help of those organisations. It is our obligation I believe in the spirit of Christmas, the true spirit of Christmas, for those who can afford to do so to dig very deeply into their pockets and contribute to making a brighter and a happier Christmas for the less fortunate within our society.

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FAMILY TAX INITIATIVE

From 1 January 1997, a family with eligible dependent children and family taxable income less than the relevant threshold for Part A will be eligible for the following Part A assistance.

No. of dependent children	Family income Threshold	Value of Part A (per year)	Value of Part A (per fortnight)
1	\$70 000	\$200	\$7.70
2	\$73 000	\$400	\$15.40
3	\$76 000	\$600	\$23.10
4	\$79 000	\$800	\$30.80

A family with a child under the age of five, with taxable income of the breadwinner less than the Part B income threshold and (for couples) the other partner's income is less than the income cut-off for basic Parenting Allowance (currently \$4535), will be eligible for Part B assistance in addition to Part A.

No. of dependent children	Breadwinner Income Threshold	Value of Part B (per year)	Value of Part B (per fortnight)
1	\$65 000	\$500	\$19.20
2	\$68 000	\$500	\$19.20
3	\$71 000	\$500	\$19.20
4	\$74 000	\$500	\$19.20

A family which meets both Part A and Part B eligibility criteria will receive the following total assistance:

No. of dependent children	Total Value of Part A and Part B (per year)	Total Value of Part A and Part B (per fortnight)
1	\$700	\$26.90
2	\$900	\$34.60
3	\$1100	\$42.30
4	\$1300	\$50.00

Fortnightly amounts are rounded in these tables.