



Jason Wood MP
Federal Member for La Trobe

MEDIA RELEASE

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Abbott Government's First Budget Makes The Difficult But Necessary Choices To Repair The Budget Says Jason Wood MP

Jason Wood MP, Member for La Trobe said the Abbott Government's first Budget is laying the foundations for a strong and prosperous economy with less debt.

"At the election, the Coalition made the solemn promise to get the Budget back under control, as well as scrap the Carbon Tax, end the waste, stop the boats and build the roads of the 21st century. This Budget keeps that pledge", said Jason Wood MP.

"The Budget is part of the Abbott Government's Economic Action Strategy to build a strong, prosperous economy for a safe, secure Australia.

"The Government has made the difficult but necessary decisions to put the Budget on a more sustainable footing so that we can all share in prosperity in the future.

"We are all playing a part – because it's in sharing the load that we lighten the load.

"Labor ran up five record deficits and left \$123 billion in future deficits. If we took no action, debt would have hit \$667 billion. Every month, the government is paying \$1 billion in interest costs on Labor's debt.

"Governments, like households, must live within their means.

"Because of this Budget, Labor's deficits have been reduced by \$43 billion and debt is forecast to be about \$275 billion lower in a decade.

The Budget includes:

- Australia's biggest infrastructure programme - with \$50 billion in transport investment by 2019-20;

- Creating the world's biggest medical research endowment fund - the \$20 billion *Medical Research Future Fund*. It will find the cures of the future and be funded by the health reforms;
- Requiring young people who can work to be earning, learning or participating in Work for the Dole;
- Providing stronger incentives to businesses to hire older workers - businesses will receive up to \$10,000 for employing workers older than 50;
- Funding for additional road infrastructure by reintroducing twice-yearly indexation of fuel to CPI from 1 August 2014;
- Providing Australian universities with the freedom to innovate through full deregulation;
- Reforming the Age Pension to make it more sustainable – that includes gradually increasing the Age Pension age to 70 by 1 July 2035;
- Freezing politicians' pay and ending the life-time gold pass;
- Changing family payments to target support to those who need it most; and
- Introducing a three-year Temporary Budget Repair Levy – payable, from July, by individuals with a taxable income above \$180,000 at a rate of two per cent. The Levy will ensure those on a higher income contribute to the Budget repair.

Jason Wood MP said the Government is honouring its commitment to reduce the overall tax burden – so that families can plan their future and get ahead.

“Every year, the Carbon Tax is a \$9 billion hit on the economy and it costs an average family \$550. We will scrap the Carbon Tax.

“Fewer than 4 per cent of taxpayers will pay the new Temporary Budget Repair Levy on high income earners making over \$180,000.

Jason Wood MP said the Budget largest roads Budget in Australia history will help families across Australia spend less time in traffic and will improve Australia's productivity.

“This record roads Budget will, in part, be funded by the change in fuel excise. The change will cost about 40 cents a week, depending how far you travel. The increase in fuel excise will be directed towards road funding.

Jason Wood MP said medical research will benefit from the changes to the Medicare Co-payment. Prevention is always better than cure – and this will become a \$20 billion fund in our future health.

“By making the Health system more sustainable and investing in medical research, we are ensuring that Australia remains the best and healthiest place in the world to raise a family and care for loved ones”.

“The key goal of the Budget is to strengthen the economy – because when you strengthen the economy, small businesses succeed, families have less pressure on them and jobs are created.”

Media inquiries: Atia Sadiqzai
Office: 03 9768 9164 Mobile: 0424 651 131
Atia.Sadiqzai@aph.gov.au

Jason Wood MP
Federal Member for La Trobe
3/16 Langmore Lane Berwick VIC 3806
(03) 9768 9164