



Media Release

The Hon Greg Hunt MP

Federal Member for Flinders
Minister for the Environment

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Delivering jobs, growth and opportunity for local residents

The 2015-16 Budget is a 'have a go' Budget that will help local families and small businesses.

The Budget will help build a strong, safe and prosperous future for all Australians. It will deliver jobs, growth and opportunity in a way that is responsible, measured and fair.

Highlights of the Budget include:

- The \$5.5 billion Jobs and Small Business package – the biggest small business package in our nation's history;
- The \$4.4 billion Families Package to give parents more choice and opportunity to work;
- Reforms that make our taxation, foreign investment, welfare and individual benefits systems fair and sustainable;
- \$1.2 billion in new funding for national security, which builds on the \$1 billion announced last year;
- Continuation of the Government's \$50 billion infrastructure programme.

Local pensioners, families and small businesses will be the winners in this year's Budget.

Changes to the age pension will make it fairer and more sustainable. More than 170,000 pensioners with modest assets will receive an increase to their pensions by an average of \$30 per fortnight from January 2017.

This will also result in nearly 50,000 part pensioners qualifying for a full pension.

More than 90 percent or 3.7 million pensioners and other Australians who receive pension-linked payments will either be better off or have no change to their arrangements under these new proposals.

We have taken off the table last year's Budget measure to link pension increases to the Consumer Price Index (CPI).

The Government's \$4.4 billion Jobs for Families package will provide greater choice for more than 1.2 million families by delivering a simpler, more affordable, more flexible, and more accessible child care system.

The Government will establish a new Child Care Subsidy from 1 July 2017. Families using child care in 2017, on family incomes of between \$65,000 and \$170,000 will be around \$30 a week

better off. Those on higher incomes will, on average, continue to receive the same level of support.

In addition to the mainstream Child Care Subsidy, we are providing additional support for disadvantaged or vulnerable children, whether they are children with disabilities, children at risk of abuse, children from families on incomes less than \$60,000 or families facing financial risk.

The new \$5.5 billion Growing Jobs and Small Business package will help small businesses invest more, grow more and employ more.

This package will help employers create jobs and assist Australia's unemployed, particularly unemployed youth, to build the skills to get into work. This is the biggest small business initiative in our nation's history.

At the heart of the Small Business package are tax cuts for more than 2 million Australian small businesses to help drive investment and employment across our economy.

From 1 July 2015, the Government will cut the company tax rate for up to 780,000 incorporated businesses with annual turnover up to \$2 million by 1.5 percentage points to 28.5 per cent.

The Government will also provide a five per cent tax discount for more than 1.5 million sole traders, trusts and partnership structures which are unincorporated businesses with annual turnover up to \$2 million, capped at \$1,000, through their end of year tax return.

Small businesses with turnover below \$2 million can claim an immediate tax deduction for every asset they acquire that is valued up to \$20,000 for tax purposes – a substantial increase from the previous \$1,000 threshold. There is no limit on the number of assets a small business can acquire, as long as their turnover is less than \$2 million annually.

Locally, residents will benefit from the expansion of the Black Spot Programme to improve dangerous roads and intersections.

Councils will benefit significantly from the Roads to Recovery Programme. In 2015-16 councils will receive a double payment, totalling more than \$8.12 million across the Flinders electorate.

Funding under the Roads to Recovery Programme includes:

- Bass Coast Shire Council – \$1.33 million
- Cardinia Shire Council – \$2.34 million
- Casey City Council – \$2.12 million
- Mornington Peninsula Shire Council – \$2.29 million
- French Island – \$38,000

Local governments will also receive \$2.3 billion in funding under the Financial Assistance Grant programme in 2015-16. These grants are untied, allowing councils to spend the grants according to local priorities.

The Government is providing \$45 million over two years under the new Stronger Communities Programme to fund small capital projects in local communities in every electorate.

Communities will also benefit from the Government's \$1 billion National Stronger Regions Fund, which promotes capital infrastructure projects in regional areas.

The 2015-16 Budget is the next step in the Coalition Government's long-term economic plan to build a stronger, safer and more prosperous future for all Australians.

Our economic plan is working. Economic growth is up; jobs are up – nearly 250,000 new jobs since the election and retail sales are at record levels. Deficits over the forward estimates are reducing each and every year from \$35.1 billion in 2015-16 to \$6.9 billion in 2018-19. Importantly, our timetable back to a Budget surplus is unchanged from last year.

More details on the Budget are available at www.budget.gov.au