

PQ 09373(2005)-Smith, Dr the Hon Lockwood

Question: With the expanded Working for Families package, what are the components (e.g. Family Support, In Work Payment, Parental Tax Credit, Family Tax Credit), and what are the rates of these components once fully implemented, and what are the abatement rates as incomes increases?

Reply:

The expanded Working for Families package has the following parameters for family assistance:

From 1 April 2007

Family support entitlements per child:	\$ per week	\$ per year
Eldest child aged 16-18	85	4,420
Eldest child if under 16	72	3,744
Other children aged 16-18	75	3,900
Other children aged 13-15	55	2,860
Other children aged 0-12	47	2,444

In-work payment:

Working family with 1-3 children	60	3,120
Subsequent children per child	15	780

Parental tax credit:

Per infant (over 8 weeks)	150	1,200
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Abatement of family support, in-work payment and parental tax credit:

Income threshold	\$35,000
Abatement rate	20%

Family tax credit for working families:

Guaranteed after-tax family income	\$17,680
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From 1 April 2008:

Family support entitlements per child:	\$ per week	\$ per year
Eldest child aged 16-18	95	4,940
Eldest child if under 16	82	4,264
Other children aged 16-18	85	4,420
Other children aged 13-15	65	3,380
Other children aged 0-12	57	2,964

In-work payment:

Working family with 1-3 children	60	3,120
Subsequent children per child	15	780

Parental tax credit:

Per infant (over 8 weeks)	150	1,200
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Abatement of family support, in-work payment and parental tax credit:

Income threshold	\$35,000
Abatement rate	20%

Family tax credit for working families:

Guaranteed after-tax family income	approx \$17,680
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The family tax credit may be adjusted to ensure families are better off working than on the benefit.