



LEGISLATIVE ASSEMBLY

FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2014-2015

Brendan Smyth MLA (Chair), Mary Porter MLA (Deputy-Chair),
Giulia Jones MLA, Yvette Berry MLA



ANSWER TO QUESTION TAKEN ON NOTICE DURING PUBLIC HEARINGS

Asked by Mrs Jones on 16 June 2014 : Mr Barr took on notice the following question(s):

[Ref: Hansard Transcript [16 June 2014] [PAGE 27-34]]

In relation to : Cost of Living – case study cited

In the context of this family's circumstances how are the changing tax arrangements (promoted as fair by the Government) fair to this family?

Mr Barr: The answer to the Member's question is as follows:—

The ACT Government provides a wide range of services and infrastructure to Canberrans, which are funded through taxes, fees and charges. The ACT Government provides a range of concessions, support programs and targeted assistance to help those most in need.

Many of the costs outlined in this example are beyond the control of the ACT Government (including mortgage and loan repayments, home maintenance, phone bills, internet, groceries, car maintenance and petrol).

Changes to tax arrangements will affect families differently depending on their individual circumstances, choices and stage of life. Fairness, with respect to changes to tax arrangements, is best considered in the aggregate (across generations and socio economic groups).

The Cost of Living chapter in Budget Paper 3 presented a range of scenarios that represented these different circumstances.

This household will benefit from the reduction of insurance duties from 6 per cent to 4 per cent in 2014-15.

Approved for circulation to the Select Committee on Estimates 2014-2015

Signature: *Andrew Barr*

Date: 2.7.14

By the Treasurer, Andrew Barr, MLA