

9 May 2017

IPA: TURNBULL GOVERNMENT MAKES WRONG CHOICES ON TAXES AND SPENDING

“This Budget lacks the ambition needed to fix the deep structural problems with our national economy and finances. Taxes will continue to rise, and government will remain too big”, said Daniel Wild, research fellow with the free market think tank the Institute of Public Affairs.

“It is disappointing that debt will continue to grow to over \$600 billion, and that interest payments alone will reach \$1.7 billion each month. This is a huge impost on younger people, who will end up paying more taxes in the future as a result.”

“It is good that spending as a percentage of GDP is forecast to decline by 2020-21. However, it is concerning how much unfunded spending is being pushed outside of the forward estimates. This represents a big risk to the Budget outlook.”

“The new tax on bank’s liabilities is bad policy. The IPA strongly opposes the idea that we need to be levying yet another tax. Business investment in Australia is reaching record lows, and this new tax will not help.”

“There are a number of good individual measures: the Tertiary fee changes, pushing ahead with company tax cuts, and providing incentives for State Governments to cut red tape are all commendable policies that will increase growth and investment,” said Mr Wild.

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