

Impacts of Government proposals to cut family benefits

- **1.1 million families will lose FTB-A Supplements of \$726 per child**
 - Even with the increase of \$20 per fortnight, or \$525 per year, they will still be \$200 per child per year worse off. The increase won't start until 1 July 2018.
 - Around half of these are sole parents.
 - Around 500,000 of these families are on the maximum rate of FTB-A – meaning their family income is below \$52,000.
 - **Around 300,000 families losing the supplement will not receive the increase to the fortnightly rate.** Families on the base rate will not receive the increase – for a family with one child in primary school this would mean they had income over \$68,000 per year. Families with one child in high school receive only the base rate if their income is over \$75,000 per year.
 - Supplements will begin to be phased out from 1 July 2016 – meaning this year's payment will be reduced. Supplements will be fully phased out by 1 July 2018. The increase will not begin until then.
- **1.1 million families will lose the FTB-B supplement of \$354 per family per year**
 - Over 665,000 of these families are sole parents.
- **Around 30,000 sole parents with children in high school aged 17-19 will lose FTB-B completely - \$3,186 per family per year**

Example families (when fully implemented – 1 July 2018)

Family with a dual income of \$60,000, two children under 15

Gain:	Lose:
\$1,050 in increased FTB-A	\$1,452 in FTB-A supplements
They are \$400 worse off per year	

Single income family on \$60,000, two children in primary school

Gain:	Lose:
\$1,050 in increased FTB-A	\$1,452 in FTB-A supplements \$354 in FTB-B supplement
They are \$756 worse off per year	

Family with single income of \$75,000, one child in primary school

Gain:	Lose:
They won't benefit from the increase because they receive only base rate FTB-A	\$726 in FTB-A supplement \$354 in FTB-B supplement
They are \$1,080 worse off per year	

Single parent income of \$60,000, one child in high school aged 17

Gain:	Lose:
\$525 in increased FTB-A	\$726 in FTB-A supplements \$354 in FTB-B supplement \$2,832 FTB-B base

They are \$3,387 worse off per year

Single parent income of \$78,000, one child in high school aged 17

Gain:	Lose:
They won't benefit from the increase because they receive only base rate FTB-A	\$726 in FTB-A supplements \$354 in FTB-B supplement \$2,832 FTB-B base
They are \$3,912 worse off per year	