

Budget 2017 Outcomes:
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First Home Buyers:

The First Home Super Savers Scheme where savers can contribute from their before-tax income into their superannuation fund and be taxed at the 15 per cent superannuation tax rate. First-home savers can save up to \$15,000 a year in this scheme up to a total of \$30,000 per person.

Senior Home owners:

Older Australians will be encouraged to downsize to free up housing stock for young families. Those aged 65 or over can make an after-tax contribution of up to \$300,000 into their super out of the money from the sale of their home.

They must have held the home for at least 10 years and it has to be their principal place of residence. Both partners in a relationship can do this, meaning combined, a couple can contribute up to \$600,000 to super. This will be an additional super contribution, and won't be subject to the usual contribution caps and voluntary contribution rules.

Medicare:

The **levy** almost all Australians pay for Medicare will increase by half a per cent in two years, so the government can fully pay for the National Disability Insurance Scheme.

The income level that people will start paying the levy has increased to:

- \$21,655 for singles
- \$36,541 for families (add \$3356 for each child)
- \$34,244 for single seniors/pensioners
- \$47,670 for family seniors/pensioners (add \$3356 for each child).

Education:

For schools, the government will provide \$18.6 billion in extra funding, to all schools, for the next decade. This is based on recommendations from the Gonski school funding review.

University students will have to pay more for their courses from 2018 onward, with a 1.82 per cent increase in their fees each year, cumulating to a 7.5 per cent increase by 2021. Once fully implemented in 2021, this measure would increase total student fees between \$2000 and \$3600 for a four-year course.

Income thresholds and repayment rates for HELP debts will increase from January 1, 2018. The minimum yearly income to start repayments will be lowered to \$42,000, at a 1 per cent repayment rate. This will climb to a 10 per cent repayment rate at the maximum income threshold of \$119,882.

Welfare:

The government will reinstate the pensioner concession card to those that lost eligibility to a pension after the January 1, 2017 asset test changes. This gives them access to a range of state or territory discounts and concessions.

Small Business

The \$20,000 asset write-off concession has been extended for a further 12 months to June 2018 after it was introduced in 2015-16. This is a benefit to Small Business in allowing investment into the business of eligible asset purchases.

The Federal Government will also encourage states and territories to remove unnecessary barriers to competition and regulations that hold back small businesses through targeted payments under a National Partnership on Regulatory Reform.

The Government will provide \$300m over two years to incentivise states and local governments to lessen the regulatory burden on small businesses and remove other restrictions.

Deidre Wilmott CEO of CCIWA states "It's good that they are involving local government because that is a particular focus of frustration for our members and as we know Western Australia has more local governments and more legislation that refers law making power to local government and as a result, more local government regulations than any other state in Australia."

Incorporated small businesses with turnover less than \$10m will have their tax rate cut to 27.5 per cent in 2016–17, the lowest level in 50 years.

This lower rate will extend to other companies with annual turnover less than \$50m by 2018–19.

Apprenticeships & Traineeships:

The Federal Government will also provide \$1.5b over four years in a partnership with state governments for apprenticeships and traineeships, with funding to be matched by each state and territory. The fund will support up to 300,000 apprentices, trainees, pre-apprentices and higher level skilled Australians.

Regional WA

Funding announced in last night's Federal Budget includes \$4b nationally in concessional loans, including the \$2b National Water Infrastructure Loan Facility, and the \$2b Farm Business Concessional Loan Scheme. The budget did not specify how much of this will be allocated to WA.

Other measures include:

- \$28.5m to establish the Regional Investment Corporation (RIC) to streamline the delivery of the \$4b in concessional loans
- The Regional Growth Fund will invest \$472m in infrastructure projects that back-in our regions' plans to adapt and harness the opportunities of globalisation and technological change
- The RGF will also include \$272m to provide grants of \$10m or more for major transformational projects, which support long-term economic growth and create jobs
- \$200m to be provided to the Building Better Regions Fund (BBRF) to support construction of community infrastructure and build capacity in regional areas, increasing the Government's commitment to BBRF to \$498m.