



# Fairness for Families

February 2011





## Fairness for Families

**I believe NSW is a State that – now, more than ever – is the greatest place in the world to live, work and raise a family.**

We lead the nation in literacy and numeracy results in our schools. We oversee safer communities – where 17 out of 17 crime categories are stable or falling. And we've negotiated a strong and solid health reform deal with Canberra – which delivers more than \$6 billion and 488 beds for NSW hospitals.

But I know NSW families are still doing it tough – and many are struggling to make ends meet.

Petrol prices have spiked; bills are increasing and grocery prices are set to rise as a result of the devastating floods in the nation's food bowl. On top of that – inflation, government taxes, levies and charges, interest rates and electricity prices have all been adding to the strain.

Over the last 12 months, I have heard families all over NSW tell me one thing more than anything else: that they need help with rising costs of living and inflation.

I know the cost of living is the biggest issue we face and I acknowledge that it's not fair. You work hard – and the Australian promise is that hard work earns a decent living.

The bottom line is this: NSW families deserve a fair go. That's why I'll do everything within my power as NSW Premier to reduce the costs of government on families.

My cost of living plan – the *Fairness for Families Act* – will give household budgets across the State the break they need. Our *Fairness for Families Act* will:

- Limit the increase in key fees, taxes and charges to be in line with inflation;
- Cap increases in public transport costs to the rate of the Consumer Price Index (CPI);
- Protect Sydney Water, Hunter Water and State Water as public assets;
- Increase the Energy Rebate to \$250 per annum from 1 July 2011; and
- Extend eligibility for the Energy Rebate to all NSW households with a combined income of under \$150,000 per annum.

I will personally introduce the *Fairness for Families Act* in the first sitting of Parliament, should my government be re-elected.

This is not a promise. It will be the law.



**Kristina Keneally**  
NSW Premier



## What we've done so far

**In the last 12 months, the Keneally Labor Government has taken action to put downward pressure on costs for families.**

### Energy prices

The Keneally Labor Government has moved quickly to provide relief for families from rising energy prices.

We've already expanded eligibility for the NSW Energy Rebate to cover all Commonwealth Healthcare Card holders, providing direct assistance to NSW families.

We've also undertaken a review of current energy infrastructure investments to examine alternatives that maintain the reliability of energy supplies while reducing the burden placed on families by energy investments.

### Cutting red tape - \$400 million saved

We have cut \$400 million of red tape in the past year, delivering significant savings for businesses and families.

Our regulatory reforms save businesses \$340 million, which can be passed onto consumers through lower prices. A further \$60 million in red tape has been cut to provide direct savings for families.

### Rent freeze for pensioners

The Keneally Labor Government has continued to exclude the one-off \$30 increase in the single rate pension from being assessed as part of household income for social housing rents.

This has helped 70,000 single rate pensioners manage their costs of living.

## Housing prices

The Keneally Labor Government has increased the supply of affordable housing – helping families own their own home.

### NSW Home Builders Bonus

The NSW Home Builders Bonus, introduced in the 2010-11 State Budget, provides full exemption on stamp duty for new homes where the value does not exceed \$600,000 and building has not commenced. It also applies to vacant land up to \$400,000.

For homes already under construction, stamp duty has been slashed by 25 per cent.

These stamp duty cuts support the construction of new housing, and provide savings for first home buyers of up to \$29,490 on the cost of building a new home.

### Capping Development Levies

The Keneally Labor Government has capped development levies made by local councils, reducing the costs of building new housing, and prices for families buying new homes.

## Public transport

In February 2010, the Keneally Labor Government introduced *MyZone*, a new ticketing system that means cheaper and simpler fares for commuters.

*MyZone* integrated all forms of public transport tickets for the first time – trains, ferries, private buses and public buses.

*MyZone* also slashed public transport fares for many long-distance journeys.

SAVINGS ALREADY DELIVERED UNDER MYZONE	YEARLY SAVING
Wollongong to City	\$300
Penrith to City	\$350
Cabramatta or Fairfield to City	\$300
Wyong to City	\$300
Richmond to City	\$350

*Yearly saving based on 50 weeks of travel.*

In December 2010, the Keneally Labor Government announced a fare-freeze, ruling out any increases in public transport costs for 2011.

“This is not a promise.  
It will be the law.”

Kristina Keneally



New South Wales

## Government Services (Fairness for Families – Reducing the Cost of Living) Bill 2011

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# What Fairness for Families means for you

## Fees and charges **CAPPED**

**The Keneally Labor Government will cap increases in key major fees and charges to the rate of inflation.**

The cost of living is the biggest issue facing NSW families.

That's why the Keneally Labor Government will cap rises in key government fees and charges to the rate of inflation.

**CAPPED**

### **The following fees and taxes will be capped:**

- Stamp Duties;
- Land Tax;
- Motor Vehicle Taxes;
- Recreational Fishing Licenses;
- National Park Entry Fees;
- Drivers Licence Fee; and
- Vehicle Registration Fees.

This cap will be imposed by law.

The *Fairness for Families Act 2011* will be the first piece of legislation introduced into Parliament by a re-elected Keneally Labor Government.

Any variation from the cap will need to be justified to the Parliament. All local Members will have to vote on whether they think the variation serves a worthwhile public purpose and can be afforded by NSW families.

This is kitchen table discipline applied to government.

The Keneally Labor Government will impose a new discipline throughout Government, forcing public sector agencies to consider every option before asking NSW families to pay.

## Public Transport Fares **CAPPED**

The Keneally Labor Government has already cut public transport fares for many commuters with the introduction of *MyZone*.

The Keneally Labor Government has also frozen fares for 2011 while *MyZone* takes effect.

Now, under *Fairness for Families*, there will be no increases in public transport fares above the cost of living.

This will apply to:

- CityRail trains;
- CountryLink;
- Private buses;
- Public buses;
- Sydney Ferries; and
- The Stockton Ferry.

SAVINGS UNDER FAIRNESS FOR FAMILIES				
	<i>MyZone</i>	Current IPART Determination	Fairness For Families	YEARLY SAVING
	Current Ticket Prices - Frozen to January, 2012	Increase January 2012	Increase January 2012	
<b>CityRail</b>		<b>5.10%</b>	<b>2.50%</b>	
MyTrain 1 - Adult Weekly	\$25.00	\$26.30	\$25.60	<b>\$32.50</b>
MyTrain 2 - Adult Weekly	\$31.00	\$32.60	\$31.80	<b>\$40.30</b>
MyTrain 3 - Adult Weekly	\$37.00	\$38.90	\$37.90	<b>\$48.10</b>
MyTrain 4 - Adult Weekly	\$47.00	\$49.40	\$48.20	<b>\$61.10</b>
MyTrain 5 - Adult Weekly	\$56.00	\$58.90	\$57.40	<b>\$72.80</b>
<b>Private and Public Buses</b>		<b>4.20%</b>	<b>2.50%</b>	
MyBus 1 - Adult TravelTen	\$16.00	\$16.70	\$16.40	<b>\$13.60</b>
MyBus 2 - Adult TravelTen	\$26.40	\$27.50	\$27.10	<b>\$22.40</b>
MyBus 2 - Adult TravelTen	\$34.40	\$35.80	\$35.30	<b>\$29.20</b>

Yearly saving based on 50 weeks of travel.



## Help with your power bill

The Keneally Labor Government's *Fairness for Families* plan will deliver real relief from rising electricity prices.

### Solar Bonus Scheme costs offset – \$100 saved

The Keneally Labor Government will cut the cost of the Solar Bonus Scheme from household energy bills, saving families more than \$100 next year and \$1000 over the life of the plan.

Instead of families paying for the Solar Bonus Scheme, the Keneally Labor Government will offset the full impact of the renewable energy initiative by redirecting uncommitted funds from the NSW Climate Change Fund, as well as drawing \$55 million in efficiencies from the electricity network businesses.

In total, the NSW Government will contribute an estimated \$471 million in 2011-2012 towards the cost of the Solar Bonus Scheme.

### Direct help for families - \$250 Energy Rebates

The Keneally Labor Government will provide direct help for families by increasing the NSW Energy Rebate to \$250 a year.

Eligibility for the NSW Energy Rebate will also be expanded to all NSW households with a combined income of under \$150,000 a year.

The rebate for Commonwealth Healthcare Card holders will be increased to \$250 from July this year. Electricity retailers will credit this towards their bills during the year under the current arrangements.

The Department of Industry & Investment will administer payments for households under \$150,000 who do not hold a Commonwealth Healthcard Card. These households will receive a \$250 rebate from July 2012. This money will help families to meet the costs of their households electricity bills.

**AVERAGE FAMILY  
POWER BILL SAVINGS** **\$350**

## Our Water **PROTECTED**

**The Keneally Labor Government will keep essential water in public hands.**

*Fairness for Families* will protect Sydney Water, Hunter Water and State Water as public utilities by law.

This will mean that it will take an Act of Parliament to sell, transfer or otherwise privatise these essential services.

This will stop the price gouging that has been seen in other jurisdictions as a result of water privatisations.

When a Liberal Government in South Australia privatised the urban water system in 1995, water bills skyrocketed by 59 per cent.



## Affordable and sustainable

***The Fairness for Families Act is affordable and sustainable. It is fully costed and funded. It will cost a total of \$913 million over four years.***

The Parliamentary Budget Office will be provided with our costings and methodology so that it can independently verify our numbers. We challenge the NSW Opposition to do the same.

“Given the strength of our economy, our state’s AAA credit rating and our budget surpluses, we can afford to make life just a little bit easier for families in NSW.”

**Kristina Keneally**



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