



MEDIA RELEASE

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E.T.S Will Cancel Benefit of Budget to Families

Family First NZ says that Emissions Trading Scheme will cancel out most of the benefit to families of the tax cuts announced in the Budget today.

“While the tax benefits of this budget won’t kick in for families until October, the costs of the ETS will start to bite the budget of families in July,” says Bob McCoskrie, National Director of Family First NZ.

“The \$25 per week average increase given to families will soon be swallowed up by the increased costs in energy and petrol and the flow-on effects on the cost of transportation and production costs which will increase retail prices including basic food requirements. These are all eventually passed on to families.”

“The Budget says that most New Zealanders will receive roughly a half to one per cent average increase in real disposable income. Yet the Reserve Bank has estimated that the impact of the ETS on inflation will be at least 0.4% alone.”

“If the government really wants families to celebrate the Budget delivered today, they should announce the scrapping of the ETS in line with our major trading partners,” says Mr McCoskrie.

“NZ families are being penalised by a tax that will have no affect whatsoever on the climate, and amidst mounting evidence that the science behind global warming is not settled. The ETS will simply increase the financial pressures on families and negate all the benefit of today’s budget.”

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