



MEDIA RELEASE

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ABBOTT'S PARENTAL LEAVE PLAN BAD FOR THE ECONOMY

Opposition leader Tony Abbott has once again confirmed just how little he understands about the economy and the impact of his 1.7 per cent paid parental leave large company tax hike on consumers and small businesses, Consumer Affairs Minister Craig Emerson said today.

On ABC radio this morning Mr Abbott once again denied the price impact his great big new tax will have on every small business and every consumer in the country.

Mr Abbott said: "Paid parental leave is a productivity measure, that's what it is. It's about getting a more productive workforce and that will feed into all sorts of further economic benefits."

Mr Abbott's great big new tax will mean higher prices for consumers and small businesses because his \$10.8 billion tax increase will be passed onto them. .

A former adviser to Malcolm Turnbull, Stephen Ellis, understands this. He has said that: "The long-term detrimental effects on jobs and investment in Australia from the paid parental leave extravaganza will likewise be considerably larger than those which supposedly so deeply distressed conservative critics of the ETS."

Senator Barnaby Joyce has already confirmed Mr Abbott's plan would mean price rises for essentials like bread and milk.

Dr Emerson said Mr Abbott could no longer pretend his great big new tax was not going to hit everyone when they are shopping for groceries and household items, buying petrol, or doing their banking.

"Tony Abbott has clearly demonstrated that he doesn't understand how the economy works," Dr Emerson said.

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