

Morrison on attack over Labor tax 'pretence'



Scott Morrison in Darwin yesterday. Picture: AAP

Michael Roddan, Reporter, Joe Kelly, Political Reporter, 12:00AM April 25, 2019

28 Comments

Scott Morrison has criticised Bill Shorten for “pretending” to offer high-income workers lower taxes after the Opposition Leader promised a coal terminal worker in Gladstone that he would look at income tax cuts for wealthier Australians.

Senior Labor MPs were yesterday forced to douse Mr Shorten’s comments, after he was caught on a boom microphone telling the worker Labor would look at tax breaks for those earning up to \$250,000 a year.

The Prime Minister yesterday attacked Mr Shorten, saying he was “pretending he was going to lower their taxes”. “We know Bill Shorten can’t manage money, but we also know he can’t tell the truth to people,” Mr Morrison said.

“The fact that Bill Shorten doesn’t know what his own tax policies are and won’t be truthful with Australians about what his tax policies are is another reason why I think Australians shouldn’t vote for him.”

Mr Shorten yesterday clarified the comments, saying Labor “would like to lower income taxes for everybody” but that it was only possible “when it’s sustainable” to do so. “What I have made very clear, on many occasions, is that in 2022-23, we will remove the budget repair levy. So that’s when the budget will be in a proper surplus, and sustainable,” Mr Shorten said.

Opposition workplace relations spokesman Brendan O’Connor said Mr Shorten was “being courteous” and “polite” when he made the comments in Gladstone.

“Frankly, it’s not our priority worrying about someone who is on \$250,000 a year,” Mr O’Connor said.

Mr O’Connor rang the Macquarie Media radio network to provide some short “grabs” on Labor’s casual conversion policy, but was annoyed when asked about Mr Shorten’s pledge to the coal export terminal worker.

He told the radio network’s federal political editor, Michael Pachi: “Oh for God’s sake. C’mon ... Listen to me for a second, because I’m the employment shadow minister. Three per cent, or in fact, over \$200,000 — 2 per cent of the workforce are on \$200,000, mate. OK? Our focus is on the 98 per cent. Is that OK?”

Josh Frydenberg said Mr Shorten had questions to answer. “When he was speaking to that worker in Queensland, did he lie or did he forget that Labor is increasing their tax by increasing the marginal rate to 49 per cent for those workers,” the Treasurer said. “He has a \$6.5 billion increase to the top rate of tax. The marginal rate (is) going up to 49 per cent under the Labor Party. Bill Shorten has so many higher taxes that he’s lost count.”

Mr Frydenberg unveiled plans in this month’s budget to cut the marginal tax rate for workers earning up to \$87,000 from 32.5 per cent to 30 per cent. That is in addition to last year’s tax cut measure to abolish the 37 per cent marginal rate for workers earning up to \$180,000 in favour of a 32.5 per cent rate.

That would mean 70 per cent of taxpayers would be in the same tax bracket. The top marginal rate would also be lifted to \$200,000.

The Australian yesterday revealed the number of people earning enough to put them in the top personal income tax bracket has grown by 26 per cent over the past five years.