



Sharon Grierson MP
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HOUSEHOLD BUDGETS TAKE ANOTHER INTEREST RATE HIT

Novocastrians are again bearing the brunt of John Howard's broken promises, with today's interest rate rise adding about \$35 per month to repayments on an average mortgage.

"The 12,000 Novocastrian families and individuals with mortgages will be sitting down to do the sums tonight, wondering where the extra money is going to come from," Federal Member for Newcastle Sharon Grierson said.

"We have an average income of around \$40,000 a year in our region, and with household debt already at record levels many people will struggle with this latest rates hike."

"Families may not know where the money is coming from, but they certainly know who is taking it from them. John Howard has tried to blame the Reserve Bank, bananas and petrol prices for this interest rate rise. He has even spent \$13 million of taxpayer's money on an advertising campaign to convince families it's their own fault."

"The reality is that interest rates have now gone up three times since the Howard Government promised in 2004 to *keep interest rates at record lows.*"

"The Government can't hide from its record: an inability to tackle inflationary pressure from skill shortages and infrastructure bottlenecks, and a refusal to invest in innovation and knowledge. In addition to the 12 interest rate increases over the ten years of the Howard Government:

- child care expenses have increased by 82%
- petrol prices have increased by 69%
- education costs have increased 67%
- basic health costs have increased by 44%"

"Average families and workers in Newcastle are feeling the pinch after ten long years of the Howard Government. This latest rate rise is an addition to the high cost of living that we simply cannot afford."

"This rate rise will not only impact on families, but also on business and investment. With interest rates pushing the dollar higher, our export position will remain difficult, and investment in expansion and R&D more expensive."

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