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More than 6,800 Newcastle families caught in John Howard's debt trap

New leaked figures show that John Howard's family tax debt trap has left more than 6,800 Newcastle families with a debt. That's 67% of Newcastle families who receive a Family Tax Benefit (FTB) payment that will be slugged with another debt because of the Howard Government's refusal to change the flawed family payments system.

Families who are already struggling under financial pressure are being hit with unfair debts because they were unable to predict with 100 per cent accuracy what their incomes would be 12 months in advance.

There are families in Newcastle who have debts over \$3,000. These unfair family tax debts make it impossible for families to balance their weekly budgets.

The new government figures showed that more than 1.4 million families across Australia had been caught in the debt trap over the last three years – two thirds of all those receiving payments.

Sole parent families who receive lump sum child support payments, mothers returning to work after the birth of a child and stay at home mums who have casual jobs are at greatest risk from John Howard's punitive rules.

Some families in Newcastle have received a phone call from Centrelink saying that they have a debt but have not yet received anything in writing. If the Howard government's record is anything to go by, families won't be formally advised of their debt until after the election.

More than half a million families have been hit with multiple debts. On top of that, 1,800,000 families haven't received Mr Howard's promised \$600 payment. And these new figures show that many of them will never get the money.

Three years ago, just before the last federal election, Mr Howard gave families a \$1,000 waiver from family payment debt and said there was no need to fix the system because debts would not be repeated.

It just demonstrates how John Howard will say and do anything to get himself re-elected. Once again the system has failed and more than 6,800 Newcastle families are in debt through no fault of their own.

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