Speech by

JULIE ATTWOOD

MEMBER FOR MOUNT OMMANEY

Hansard 17 September 1998

GOODS AND SERVICES TAX

Mrs ATTWOOD (Mount Ommaney—ALP) (10.24 a.m.): I have had many approaches from concerned senior members in my electorate about the proposed GST of the present Federal Government. One constituent wrote to me some time ago, pleading that I should condemn the GST at every opportunity. He believes that most ordinary people are unaware of its impact on their standard of living. I wrote back agreeing about that aspect of the GST and advising that I personally did not believe that the coalition would have the gall to introduce it. How wrong I was!

John Howard is quoted as saying that he would not bring in a GST. Now he is preying on people's perceptions that the current taxation system is no good and needs to be changed, and he has introduced a GST as a better form of taxation. People have been asking how the GST will affect them. How will they survive on a meagre pension with an ever increasing tax on basic, essential items? We were told to ring a hotline number to clarify the matter. However, if the question is too complicated, the typical answer is, "They are still working out the final details."

The current taxation system certainly has its flaws, but people understand it. The current laws need to be reviewed to ensure that there are no loopholes, particularly for high income earners. It needs to be more equitable across the wide range of incomes.

A GST will only disadvantage low to middle income earners and advantage the rich. There will be no control over what item attracts the tax and how much the tax will increase. It is not an alternative to the current taxation system. A GST has been tried unsuccessfully in other countries. It has resulted in a further separation of the rich from the poor.

Politicians at the Federal level were attempting to confuse voters through their taxpayer funded $12m advertising campaign selling a new and better tax system to replace the old one, with offers of tax benefits for all.

Time expired.

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