



Speech by

VAUGHAN JOHNSON

MEMBER FOR GREGORY

Hansard 26 August 1998

GOODS AND SERVICES TAX

Mr JOHNSON (Gregory—NPA) (10.25 a.m.): Yesterday, the Minister for Transport criticised the impact of the Federal tax package, particularly the proposed GST on public transport—a rehash of his inaccurate and misleading media statement of 20 August. The Minister claimed that local government and the Main Roads Department would not be eligible for the proposed reduction in diesel fuel excise. Wrong! Local authorities and Main Roads will be eligible for a 25c a litre rebate on diesel vehicles over 3.5 tonnes. For road building equipment and other off-road plant, councils and the Main Roads Department will be eligible for a 43c a litre diesel rebate, representing a huge saving on road construction costs.

The Minister has claimed that taxi operators will face higher operating costs, including petrol costs. Wrong! Taxi operators will be eligible for a 7c a litre reduction in the fuel excise and, as the Leader of the Opposition said, the cost of cars will be reduced. In a blatant misleading of the public, the Minister has also claimed that a GST will increase the cost of public transport by 10%, but he failed to point out that most public transport runs on diesel, which will be subject to those rebates of approximately 25c a litre. As the Leader of the Opposition also said, that will save the Brisbane City Council \$10m per annum.

I refer the House to the comments made by the Road Transport Forum and the Queensland Road Transport Association, who hailed the reforms on 13 and 14 August with the headlines "Households and Industry the Winners" and "Transport Taxes Go—Queensland On The Move". That is certainly right. In fact, the Road Transport Association has estimated that, with the abolition of wholesale sales tax and the introduction of diesel rebates, transport costs will be reduced by 25%. Those savings will translate to every consumer, as transport costs make up about 20% of supermarket items. Unfortunately, it appears as if the Minister for Transport is already following in the footsteps of his Labor predecessors and will dictate to those in the transport industry what is good for them, rather than taking the opportunity to consult with those who know their industry.

Time expired.
