



Speech by

Hon. D. HAMILL

MEMBER FOR IPSWICH

Hansard 25 March 1999

REVENUE AND OTHER LEGISLATION AMENDMENT BILL

Hon. D. J. HAMILL (Ipswich—ALP) (Treasurer) (5.14 p.m.), in reply: I thank both members for the vigour in which they approached the debate this afternoon. For a Bill upon which there seems to be unanimity, there seemed to be a good degree of passion in their contributions, particularly that of my Parliamentary Secretary, the member for Cleveland. I am not going to take up the time of the House for too long in this reply. I thank the member for Moggill for his support of the Bill. These measures are important. Many of them are relatively minor and of an administrative machinery nature. However, some are vital in terms of marking out and preserving the State's revenue base. There is one point that I think brings the contributions of both the member for Moggill and the member for Cleveland together, that is, the importance of the State's revenue base and the very important point of vertical fiscal imbalance.

I know that the member for Moggill was endeavouring to pour scorn upon my Parliamentary Secretary when he quite legitimately raised his concerns as to the impact of the goods and services tax in Queensland. This is very, very relevant to this Bill because, with the advent of the goods and services tax, the bank account debits tax is supposed to be no more. With the goods and services tax, the administrative arrangements with the Fuel Subsidy Act would become no more. With the goods and services tax, large slices of the Stamp Act are to become no more. However, I cannot say the same for land tax and payroll tax.

One thing that is very certain, though, is that the goods and services tax does nothing to address the issue of vertical fiscal imbalance. Despite all the coalition propaganda, the goods and services tax is a Federal tax which will be set by the Federal Government. There is no opportunity for any variation across the States and Territories. That is a shame. Regardless of what we feel about the goods and services tax, some of the autonomy that we have is being further removed, and that is a matter for concern. I think that even the member for Moggill would concede that point. I just wish that the member for Moggill would stand up, like the Federal member for Fairfax, and give a bit of support to this Government as we argue the case for Queensland with respect to the distribution of any proposed goods and services tax revenue.

Repeatedly, the member for Moggill was saying something like, "You didn't win the October election. You didn't win the October election." The issue here is that if the Federal Government is going to say that we are going to have a goods and services tax, then all we ask is that the formula that is to be used for the distribution of those funds is used right from day one. That is not too much to ask for. All we are asking for is our fair share under the very formula which Prime Minister and the Federal Treasurer have outlined. So it is not a case here of whether we like the GST or whether we loathe the GST. This is about equity and fairness. We are not asking for any more than what should be our legitimate share under the mechanism. And we are not going to be blackmailed by the member for Moggill, either.

We have made our opposition to the GST abundantly clear in every forum. We are not going to be hypocrites. We are not going to be blackmailed into accepting the GST. But we accept that, if there is to be a GST, and if the Federal Government gave us our fair share and guaranteed that, then at the end of the day we would not have much that we could argue about. That is the situation. We made it clear that we would sign on to a distribution arrangement if the distribution arrangement was fair. The New South Wales Government has not endorsed a GST. In fact, the New South Wales Government

added its name in opposition to the GST. The argument here is one about the fairness and equity of the distribution arrangements.

There has been general support for the Bill. I am pleased about that. These important measures need to be enacted.
