



Speech by

**Hon. J. ELDER**

**MEMBER FOR CAPALABA**

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Hansard 27 October 1999

**MINISTERIAL STATEMENT**

**Federal Small Business Ministerial Council; GST**

**Hon. J. P. ELDER** (Capalaba—ALP) (Deputy Premier and Minister for State Development and Minister for Trade) (9.42 a.m.), by leave: Tomorrow in Darwin is the inaugural meeting of the Federal Small Business Ministerial Council. There is a wide-ranging agenda, but no subject is more important to small business than the introduction of the goods and services tax on 1 July next year. I have specifically asked that the matter of compliance and transition for small business in regard to the GST be discussed at the meeting because the feedback that I have received from both small business in my own electorate and in many electorates that I travel through and from my own small business advisory council is that the impact of the GST is one matter that scares all small businesses.

I requested the Office of Small Business in my department to commission a study in April this year to determine the impact of the GST on small business in Queensland. I have also asked my small business advisory committee to consider the report and provide advice on the issue. They have advised that, for small business, management practices such as record keeping, cash management and pricing strategies will be the most important factor in minimising the impact of the GST on their own businesses.

Given their regional contacts and local knowledge of small business throughout Queensland, the Office of Small Business and the network of State Development Centres have a vital role to play in assisting small businesses to become aware of the way in which the GST will impact on their business management practice, processes and systems.

**Honourable members** interjected.

**Mr SPEAKER:** Order! There is too much audible conversation.

**Mr ELDER:** Consequently, the Government has put together a GST small business education program which will involve the production of a guide and facts sheet to help small businesses identify what they need to do to successfully implement the GST in their businesses. It is running a program of small business GST seminars and workshops on specific issues for small business operators and intensive GST training for small business advisers and regional business advisers in my department.

This activity to support the small business sector comes from a State Government that is strongly opposed to the GST. But while the Federal Government has allocated \$500m for the development of its own programs, there has been no—and I repeat: no—funding to the States and Territories to subsidise our awareness activities amongst small business. I am particularly concerned for that large number of small businesses that do not belong to industry associations. What they do have is access to the 16 State Development Centres and regional business advisers that this Government provides. We are on the ground all over the State, and the Commonwealth needs to recognise that and assist us to utilise our resources effectively to actually deal with this issue.

My Parliamentary Secretary, the member for Sunnybank, will be attending the council and he will be arguing strongly for financial assistance at that ministerial council meeting to ensure that all Queensland businesses have access to the information that they require to deal with the full implications and impacts of this new Federal Government tax.