



Speech by

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MEMBER FOR ARCHERFIELD

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GOODS AND SERVICES TAX

Ms STRUTHERS (Archerfield—ALP) (10.15 a.m.): The Federal Government is claiming that people will not be worse off under the GST. The vast majority of charitable organisations firmly believe that they will be far worse off under the GST and that this will lead to reduced services for many of the most needy and vulnerable people that they serve. The key changes to the tax treatment of "charities" will include—

the application of GST to the commercial and fundraising activities of charities, including Government contracts;

increases in fringe benefits tax payable; and

GST on memberships.

The Australian Council of Social Service, ACOSS, and my old workplace, QCOSS, are calling on the Federal Government to make charitable activities GST free—with GST applying only to a clearly defined range of commercial activities. Most charitable organisations, as non-profit organisations, run on the smell of an oily rag and plough revenue they make back into service provision. If the Federal Government makes a grab for this limited income, many services will have difficulty surviving.

If the COSSs do not win this battle, State Governments will be dumped with the burden of finding additional funds to keep many charitable organisations afloat. I say: victory to the charities. Let good rule over evil!
