



Speech by

Mr M. HORAN

MEMBER FOR TOOWOOMBA SOUTH

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BEATTIE STEALTH TAX

Mr HORAN (Toowoomba South—NPA) (10.08 a.m.): From today's Budget, every item of new capital expenditure and plant and equipment will be subject to the Beattie stealth tax of 6%. It will cover everything, just like chicken pox. There will be a 6% tax on new hospitals, new schools and new police stations, but it is worse than that. The tax will cover plant and equipment as well: sand pits, slippery dips, handcuffs, guns, police cars—everything. This document states that all plant and equipment and all capital assets will be subject to a 6% Beattie stealth tax which is not funded from this year on. Therefore, the money must be found from within departments.

Because past assets are funded for 6%, we will see a great incentive—or carrot, as the Premier said—to close down schools, country hospitals and police stations. There will be a disincentive to build new police stations, new hospitals and new schools, and to provide staff with proper plant and equipment.

The document also says that any capital injection into another organisation is subject to the BST. Let us take Lang Park, which, at a cost of \$250m, will mean \$15m a year of BST. Every time you chew on a pie, pay to go in the gate or have a beer, you will be paying the 6% BST to fund the capital charge on the equity put into Lang Park.

This is economic rationalism gone absolutely mad. Today the Premier said that there will be no net cost to a department. If a department does \$100m worth of capital works and plant and equipment, there will be no net cost only if it sells off or closes down the \$100m from years gone by. That makes a lie of what the Premier said. This is a stealth tax that puts a 6% tax on every building and every piece of plant and equipment, on morgues, handcuffs, sand pits and police cars. You name it, there will be a 6% tax on it.

Time expired.
