



Speech by

Hon. R. E. BORBIDGE

MEMBER FOR SURFERS PARADISE

Hansard 14 September 1999

BEATTIE STEALTH TAX

Hon. R. E. BORBIDGE (Surfers Paradise—NPA) (Leader of the Opposition) (10 a.m.): This morning we have seen something quite unprecedented in this Parliament. We have seen the Premier and acting Treasurer rise to defend a Budget that he has not yet delivered. We know the calibre of the acting Treasurer. We saw it this morning. Everyone else made him do it: the Commonwealth made him do it, the previous coalition Government made him do it, other State Governments made him do it.

What is it that the Premier is doing? He is introducing a new tax—a Beattie stealth tax—of 6% on every item of capital expenditure in this State unfunded from next year. What we see is this new secret BST, which dropped out of the Treasury briefing yesterday and absolutely horrified the Premier's backbench members, sitting alongside a raid on public sector superannuation funds. It is sitting alongside a cut in payroll tax but will actually increase payroll tax.

From July next year, every Government department that builds a hospital, a road, a police station will have to pay 6% to the Treasury Department. It will be a 6% tax that will go back to the acting Treasurer and Premier. This will disadvantage capital works programs, because if a department has to pay 6% to build a new school, it will think twice about building that school. It will be an incentive in respect of closing small police stations and small schools, because at the end of the day if they have to pay a tax they will be inclined to close those facilities.

Time expired.
