



Speech by

**Hon. D. HAMILL**

**MEMBER FOR IPSWICH**

---

Hansard 19 July 2000

### **DIESEL REBATE SCHEME**

**Hon. D. J. HAMILL** (Ipswich—ALP) (Treasurer) (6.10 p.m.): I am pleased to join this debate. In so doing, I move the following amendment—

"Delete all words after 'calls' and insert the following—

'on the Federal Coalition Government to review their off-road diesel rebate scheme in Queensland for off-road diesel users to ensure their fuel input costs do not rise as a consequence of the Federal Coalition Government's tax changes.'"

I do not take any objection to the sentiments being expressed by the honourable members for Gladstone and Caboolture in relation to this matter. However, it is important to understand where the responsibility now lies with respect to off-road diesel. Consequently, the amendment I have moved asks the Federal coalition Government to review its off-road diesel rebate scheme in Queensland to ensure that the fuel input costs of off-road diesel users do not rise as a consequence of the Federal coalition Government's tax changes. It is also important that we understand the nature of this issue.

Indeed, before his tax changes came into place I wrote to the Federal Treasurer about this matter expressing my concern about the very people whom the members for Gladstone and Caboolture mentioned in their contributions. I refer to civil contractors, who are suffering severely as a result of this change to the off-road diesel rebate. The other group that is being severely disadvantaged is local government with respect to its off-road operations. I also raised the issue in respect of marine operators in the tourist industry, that is, charter boat operators. In fact, when I was in Cairns recently for a Community Cabinet meeting I met with a number of charter boat operators from Cairns who were most distressed to find that their business costs were escalating because they were not included under the Federal Government's off-road diesel rebate scheme, yet they had been beneficiaries under the scheme operated by the Queensland Government.

As was stated by the member for Gladstone, the issue of off-road diesel was required to be mentioned explicitly by the Commonwealth in the Intergovernmental Agreement. However, it was mentioned in terms of the determination of the funds which would come back to the State as a result of the Commonwealth's tax arrangements. The amount of funds which the Commonwealth had been collecting through additional excise and which it was rebating to the States was being reduced in the Intergovernmental Agreement by the amount of money which would flow to off-road diesel. That sum of money for this year was \$175m. The Commonwealth took \$175m from this State which had previously been distributed to off-road diesel users, whether they be primary producers, miners, local governments, civil contractors, marine operators, or whatever.

The absolute disgrace in all of this is that the Commonwealth has the money, but it is being lousy in not including all of those groups within its own off-road diesel rebate scheme. It is absolutely criminal that the Commonwealth is daring to pocket the difference. There are many groups of people in this State who previously received a benefit but who are now being denied a benefit. The Commonwealth has the money. That is why I wrote to Federal Treasurer Costello on behalf of these groups—to demand a fair go for them. There is no way that we can step into the breach after the Commonwealth has taken the money off us and try to run a parallel scheme with the Commonwealth. It just does not make sense. Members can imagine the administrative nightmare that that would entail.

After all, is this a Commonwealth covered bit of diesel or is this a State covered bit of diesel? The answer is that all of the responsibility for the off-road diesel rebate resides with the Commonwealth. The Commonwealth demanded that. The Commonwealth has taken the money. Surely the obligation is on the Commonwealth to honour its commitment to these small business operators, the civil contractors and the local governments. If the Commonwealth welfshes on this, then the cost structure to the community will increase. Civil contractors are the people who undertake construction work on our roads and railway lines. This will create an additional cost to be borne by the community for much-needed infrastructure. There is a clear moral responsibility on the Commonwealth to act in this regard. I am pleased to note that the Commonwealth has recognised some responsibility in relation to some marine users, but it needs to cover the whole area. Nothing less is acceptable to the Government of Queensland.

---