



Speech by

Neil Roberts

MEMBER FOR NUDGE

Hansard Friday, 18 June 2004

DUTIES AMENDMENT BILL (NO. 2)

Mr NEIL ROBERTS (Nudgee—ALP) (4.15 p.m.): The Duties Amendment Bill (No. 2) continues the government's focus on targeted tax relief for those most in need while ensuring that there are enough funds for good service delivery and infrastructure development. The Treasurer is always put in a difficult position in framing his budget, because there are always plenty of competing claims for the available funds. On the one hand, we regularly have business groups calling for more taxes to be cut and on the other there are many needy service providers who actively campaign for increased spending in that area. There are others who call for the government to raise taxes in order to fund its programs and capital works activities.

The Treasurer of course has to strike a balance between all of these competing demands and at the same time keep a firm eye on the future revenue streams for the government and also our service and infrastructure needs. In this budget the Treasurer has balanced this difficult equation very well. All of the government's election commitments have been funded, and the budget maintains Queensland's status as the low-tax state in Australia and maintains our AAA credit rating. The great shape that our state is in has enabled further tax concessions to be passed on to Queenslanders. This bill gives further tax relief to home buyers by raising the threshold from \$250,000 to \$300,000 for the concessional rate of transfer duty of one per cent. The lift in the threshold applies only to home buyers purchasing a house for their principal place of residence and will save them around \$1,250. The bill also abolishes credit duty from 1 August 2004 and reduces the insurance duty rate for contracts of class 1 general insurance from 8.5 per cent to 7.5 per cent.

Unlike the Howard government tax cuts which only affect high income earners—a minority in most members' electorates—these tax cuts will benefit many individuals and families throughout Queensland. Additionally, the taxation relief has been delivered at the right time in the economic cycle and not the right time in the electoral cycle, which contrasts greatly again with the Howard government's approach to tax reform. The Treasurer has provided the detail of these initiatives in his second reading speech. They are another benefit for the people of Queensland arising out of the government's sound management of the state's economy, and I commend the bill to the House.