



Speech by

Liz Cunningham

MEMBER FOR GLADSTONE

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REVENUE AND OTHER LEGISLATION AMENDMENT BILL

Mrs CUNNINGHAM (Gladstone—Ind) (4.52 pm): I rise to speak in the debate on the Revenue and Other Legislation Amendment Bill. I commend the minister for those initiatives that will give greater relief to first-home buyers. As previous speakers have said, the cost of homes has increased quite significantly over the last few years. With the casualisation of employment and the lack of job certainty for many young families I think many in my generation and older wonder whether young families will ever be able to comfortably or securely afford the mortgages they are required to have to buy a home today, particularly in places like the south-east corner and in some of the developing communities up the eastern seaboard. The disparity between the price of homes and secure or reliable incomes is quite significant. It places a great deal of pressure on young families when both the husband and wife have to go out and work. That places them in the position where having a family and being comfortable with the financial obligations that they have accepted becomes more difficult.

I welcome the fact that the maximum purchase price for a first home that will attract a full rebate on the transfer duty will increase from \$250,000 to \$320,000. There will be changes to the threshold for purchasing vacant blocks of land. The maximum amounts for both of these categories of purchases have increased over time. These changes recognise the increase in housing and allotment prices.

I have a question for the minister. The bill states that the transfer duty concession for vacant land will be available only where the residence will be the first home within two years of the land purchase. In my electorate—and I am pretty sure this would be the case in a number of electorates—it has been very difficult to get builders. The lead time for houses can be significant. I am not saying categorically that it is two years in my electorate, but I have spoken to a lot of people who have found it really difficult to get a builder to commit to building a premises within a reasonable time.

In some instances the construction of homes has been held up because of delays in the connection to power. That can stretch from a number of months to 12 months. I wonder whether there could be a special circumstance exemption so that an applicant could remain eligible for the transfer duty concession if they can prove that the construction of their home was delayed for longer than two years due to circumstances out of their control. Two years is a long time, but in some areas of the state it is very difficult to get builders. God forbid, we only need another natural disaster and that will be exacerbated.

There is also a proposal in this bill to legislate two extensions to the Queensland Fuel Subsidy Scheme. It proposes to extend the scheme to diesel fuel used for the on-road transport of equipment such as concrete pumping trucks, mobile cranes and elevating work platforms. Access to subsidised fuel has been a bone of contention which started when Terry Mackenroth was the Treasurer and relates to the interplay between the state government and federal government.

The federal government's adoption of the diesel fuel rebate as part of its regime and then its exclusion of diesel fuel for off-road use from the diesel fuel rebate created a great deal of anxiety and financial difficulties for small businesses in my electorate and right across Queensland. Under this extension motor spirit or diesel will qualify for the subsidy even though it is not ordinarily sold by a retailer

as long as the fuel can be used in a vehicle as a replacement for motor spirit or diesel ordinarily sold by a retailer.

I believe we have a very innovative community. Every single one of us would have people in our electorates who come in and talk to us about some invention or other that they have come up with. In terms of motor vehicles, it goes right back to Joh's days when there were significant innovations in relation to cost-effective motor vehicle types that never really saw the light of day. I believe that at times we could have benefited from the development of those initiatives. The types of incentives proposed in this bill will give cause for those in our communities who are inventive to stop and think and come up with some alternatives that we will find very attractive.

Another part of this bill is the extension of the existing exemption from the community ambulance cover levy for electricity accounts relating to water pumps and farming sheds used in primary production to cover amenity horticultural activities—for example, commercial cut flower producers, turf farmers and wholesale nurseries. Water pumps or sheds used for retail or service activities, such as retail nurseries, will continue to be ineligible for the exemption. There is still a degree of anxiety in my community and across-the-board in terms of multiple payments of community ambulance cover. I believe that anxiety will be increased by the other changes that this bill introduces which would allow for electricity retailers to subcontract some or all of their functions under the act.

My question on that is: will there be additional costs? Already some administrative costs come out of the ambulance cover levy. Whilst in previous parliaments undertakings have been given that there will be no net loss of income to the QAS as a result of that administrative regime, I seek clarification from the minister as to whether these devolutions will create a charge on community ambulance levy payers—that is, our community members—and whether they will have to carry the subcontractors' administrative costs, if it is subcontracted, which will be attached to that subcontracting.

Comment has been made about amendments that will be moved in consideration. I will be interested in the debate on those amendments. However, while I am on my feet I would like to raise one more issue in relation to revenue for state governments. It has not been dealt with specifically in this legislation, but I have small business and medium business owners coming to me to discuss their concern about payroll tax. They see it as a tax on growth. They see it as a disincentive to growth, and many of those businesses have made the decision not to grow through that threshold so that they have to pay increased payroll tax simply because they see the payroll tax as a disincentive on their business success or at least on their business growth. Many of them believe that they would be able to increase employment for people in their community if payroll tax was approached in a completely different way or, as some have said, abolished altogether because it is a tax on growth and a tax on the owners' genuine enthusiasm to see their businesses grow. I would put that to the Treasurer because I believe that their concerns are genuine. These are a mix of business types across-the-board—small businesses employing one or two people right up to businesses employing 10 or so people—who review their business growth on the basis of their payroll tax obligations. I look forward to the minister's response to those questions.