




Speech By
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MATTERS OF PUBLIC INTEREST

Racing Industry, Point-of-Consumption Tax

 **Mr MANDER** (Everton—LNP) (Deputy Leader of the Opposition) (2.15 pm): I rise to talk about one of the new taxes that the Palaszczuk government has introduced in this term of government. Before the election we were advised that there would be three new taxes. Now quite early in this term of government we realise that we have five new taxes—five new taxes that will bring \$2.2 billion into the government's coffers.

The tax I want to focus on in this short speech is the point-of-consumption tax for the racing industry. This tax was announced two days before the election, so it did not undergo the scrutiny that most initiatives would have during an election campaign. Most people would not have even realised that it had been committed to. At the time it was estimated that this tax might bring in \$30 million per annum. Now reality has hit. We now know that the point-of-consumption tax is in place and will bring in between \$70 million and \$100 million a year. The tax is set at 15 per cent, and a threshold of turnover as low as \$300,000 will make you eligible for this point-of-consumption tax. The industry is up in arms about this tax for a number of reasons.

Mr Krause: It is a big betrayal.

Mr MANDER: I take that interjection from the member for Scenic Rim. They feel betrayed. The executive director of Responsible Wagering Australia—a name that would be very well known by those on the other side of the House, a former comrade—Stephen Conroy, said—

The Queensland Government's decision to pursue a significantly higher 15 percent Point of Consumption Tax will make it the highest effective wagering tax rate in the world.

This punitively high tax rate poses immediate and significant risks to the already parlous state of racing in Queensland.

Not a truer word could be said. This is a \$1.2 billion industry that employs tens of thousands of people across Queensland. This is an industry that at the moment is on its knees. This is an industry that has to suffer from the lack of competence of the Labor government. This is an industry in which the premier racing track, Eagle Farm, is out of action. It is really uncertain when it will be come back into play. Although they are promising that it will be before Christmas, nobody has any confidence about that whatsoever.

This is a tax which is also uncompetitive compared to the other states. Victoria has an eight per cent point-of-consumption tax with a threshold of \$1 million, and New South Wales has a point-of-consumption tax of 10 per cent with a threshold of \$1 million. The huge difference between those governments and the Queensland government is that those interstate governments recognise the value of the racing industry and recognise that if you take money through this tax then the industry deserves to get something back.

What has this government promised? Out of that \$70 million to \$100 million the government has promised \$20 million to go to a couple of tracks—a harness racing track and a greyhound racing track. That greyhound racing track has been promised for about the last 10 years. Not only that, it has been good enough to decide that it is going to write-off a debt as well. The thoroughbred industry, which contributes more than 70 per cent to the revenue that comes from gambling through racing, gets absolutely nothing. This has led to unprecedented threats. The industry is saying that if it does not get a fair deal from this government it will go on strike during the Melbourne Cup Carnival. That is unprecedented in that those in the industry will lose money by doing this, but that is how angry they are and how betrayed they feel.

An opposition member: They're desperate.

Mr MANDER: I take that interjection; they also feel desperate. Our appeal to the government for the racing industry is do the right thing and give the right amount of money back to the industry. Some \$40 million is being promised by the New South Wales and Victorian governments to be given back to the industry. That sounds like a good place to start. Let us see some action.