



LEGISLATIVE COUNCIL

A review of a review to have a review of state tax

**Media Release
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Murchison MLC, Ruth Forrest has questioned the wisdom of the State Government's approach to the review of state taxes, given the extensive reviews that have been undertaken as part of the lead up to the Federal Government's Henry Review.

Ms Forrest said during Legislative Council State Budget Estimates that it had become clear that the work undertaken by the previous expert Taxation Review Committee would be shelved for what appeared to be a political solution to the vexed issue of tax reform.

In last years State Budget Estimates, Treasurer Michael Aird revealed a committee had been formed to put a submission to the Henry Review. This committee has not and will not provide a response to the Henry Review as it relates to state taxation.

"It is now clear this committee will be replaced by his tripartite approach to the issue of state taxation.

"Why is it, on the one hand you have an expert committee formed to put a position on taxation to the most wide ranging review of the issue in recent Australian history, only to replace it with elected members who do not have the same expertise in this area," Ms Forrest said.

"While I have no objections to politicians having input on the issue of tax, surely it is better for experts to undertake this and make recommendations for the parliament to decide?"

Ms Forrest said she feared all the State Government was attempting to do was delay real reform to taxation and attempt to trick the Liberals and the Greens into a process that would force them to accept the Government's taxation agenda whether they agreed with it or not.

"The Treasurer was unable to indicate how long his review would take, merely stating he had an open mind with regards to it," Ms Forrest said.

"The Interim Fiscal Strategy continues to suggest that state tax reform will be limited to no new taxes, which would constrain the debate as the Henry Review was constrained by the fact that the GST could not be considered.

"I think the community can quite rightly be suspicious of the Government – what is it that they are not telling us and why is it that we need a political review, when there is probably already an expert position put together but now sitting on the shelf."

Ms Forrest said it was time for the Treasurer and the Government to come clean and explain what the agenda is in the reform of state taxation.

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