



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

PROOF

STATEMENTS

Taxation

SPEECH

Wednesday, 12 October 2011

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

<p>Date Wednesday, 12 October 2011 Page 131 Questioner Speaker Ms RISHWORTH</p>	<p>Source House Proof Yes Responder Question No.</p>
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(Kingston) (NaN.NaN pm)

Ms RISHWORTH (Kingston) (16:16): I am pleased to rise to contribute to this discussion on the statement on the tax forum and tax reform. The tax forum last week was an important opportunity for a community discussion on Australia's tax reform journey. It was a national conversation involving more than 200 representatives of community groups, businesses, super funds, investors, academics, professional economists, federal parliamentarians, state treasurers, unions—a whole range of different participants contributing really constructively to where we go as a nation.

There was a lot of discussion about how we can reform the tax system to ensure that it meets the needs of Australia into the future, because we are facing—as the previous member spoke about—a mining boom. But the boom is not being shared equally across this country. That is why the government has moved to look at the minerals resource rent tax to fairly share some of that boom. I will get to that in a minute. Unfortunately, we saw the opposition not wanting to act constructively in this conversation. Instead they wanted to get out and spread negativity and 'no' as usual. While they might be going out there and creating noise, we will get on with the job of actually reforming our tax system. Indeed, we have started that process. Over the past year and a half, we have announced 32 reforms that deliver on directions identified in the Henry tax review, and I would like to commend the Treasurer on his effort to look into this area and start reforming our tax system.

One of the biggest areas, as I mentioned before, is looking at how we can deliver the benefits of the mining boom across our economy, because not all businesses are benefiting from the mining boom. We have a huge pipeline of investment, a huge amount of excitement around this Asian century, but we need to make sure that all Australians benefit from this boom—unlike the previous government, who had \$100 billion in excess of revenue from the mining boom mark I and squandered it. They absolutely squandered it. Unfortunately, it does fall to this government to ensure that there is long-term investment from this resources boom. That is why we have said that we will look at our non-renewable resources—resources that we can never get back—and we are going to gain revenue.

This tax will create \$7.4 billion over the forward estimates. It will gain that revenue so that we can actually do some important things with it. We can boost superannuation. There is no better way to ensure that we are preparing families for the future than by boosting their retirement savings to ensure that they live a good quality of life in their retirement. This is incredibly important.

The other important thing we are going to do is to cut the company tax rate. Let us be clear: while the Labor government are going to cut the company tax rate, which will help businesses that may be finding it difficult to compete for labour and other resources in a mining boom to be competitive, what will the opposition do? They are going to increase the company tax rate by slapping a levy on businesses to fund their maternity leave scheme, with no thought to the impact of that cost being passed on to families. So rather than helping companies to be more competitive and to expand during this Asian century, they are going to ensure that businesses remain uncompetitive by adding a big levy for them. That is their first plan. We understand there is a patchwork economy, and that is why we want to help business to be competitive. We want to use the revenue from the mining boom to ensure that they continue to thrive.

There are a whole range of reforms, as I said, and we are starting on 32 reforms. The Treasurer made a number of commitments, looking at how we can continue to encourage participation in the workforce, but I would like to finish on this point: while we are being constructive, the Liberal Party are out there with no ideas except one, and that is the one the member for Mayo mooted: to put the GST on fresh food. That is their plan, without any discussion of any of these other reforms. They have one idea, and that is to put the GST on fresh food. That will impact on families in my electorate of Kingston, and I think that is a poor outcome for them. (*Time expired*)