



Tony Simpson MLA

Member for Serpentine-Jarrahdale

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WA loses over \$300 million to the other States

Local MLA Tony Simpson has expressed disappointment that Western Australia was due to lose billions of dollars in GST revenue over the coming years.

“Western Australia is losing out and this is made worse by Eric Ripper’s high taxing regime,” said Mr Simpson.

“This year the Commonwealth Grants Commission decided to cut the share of GST that Western Australia receives by \$326.7 million.¹

“Almost half of this reduction² is due to the large amount of tax the State Government is able to take from stamp duties on conveyances.

“This means that whenever you buy a house or car in Western Australia and pay stamp duty, you are effectively sending money to the Governments of other States.”

Mr Simpson has said that any attempt Treasurer Eric Ripper tries to make in blaming someone else was simply him attempting to avoid his own responsibilities.

“He and his department knew how the Commonwealth Grants Commission works and they knew that this would happen,” said Mr Simpson.

“They ignored this and now WA is paying the price.

“The Treasurer himself said that WA could lose up to \$6 billion over five years.

“This would be over \$3,000 per person in Western Australia.

“Some way to help to keep some of this money in Western Australia in the long term would be to cut the rate that stamp duty is charged on conveyances.

“This would also make life much easier for ordinary Western Australian working families who are trying to buy a home or a car.

“In the longer term, the Treasurer should be championing the best interests of Western Australia at the next COAG meeting of Treasurers. He should demand that the GST should be apportioned in a more equitable way.”

¹Australian Government - Commonwealth Grants Commission – Report on State Revenue Sharing Relatives 2008 update p. 18, Available from:

http://www.cgc.gov.au/__data/assets/file/0004/9850/U2008_FINAL_REPORT_REVISIED_VERSION.pdf

²\$138.6 million