

REVENUE LAWS AMENDMENT (TAX RELIEF) BILL (NO. 2) 2004

Second Reading

Resumed from 9 November.

Question put and passed.

Bill read a second time.

Consideration in Detail

Clause 1 put and passed.

Clause 2: Commencement -

Leave granted for the following amendments to be moved together.

Mr R.N. SWEETMAN: I move -

Page 2, line 6 - To insert before "This Act" the following -

- (1) Subject to subsection (2),

Page 2, lines 6 and 7 - To delete all words after "on" where it first appears and substitute -
a day fixed by proclamation.

- (2) The day to be fixed under subsection (1) shall be whenever the earlier occurs of the following -

- (a) the State of Western Australia records not less than two consecutive quarters of negative growth; or
(b) when the total State Debt is extinguished.

I understood what the Treasurer said in his response to the amendment I moved to the other Bill. Yes, people will be disappointed and frustrated that the Government had given a commitment, and has tried to give expression to that commitment by putting legislation through the Parliament. I understand all that, but it is an irony and a disappointment that the world effectively ends every four years. It is the end of the political cycle, and we find it hard to look beyond Governments and Oppositions, and plan beyond a term of government. I hope the Treasurer does not live to regret this, because it could well be that, in four years time, if the Government is re-elected and has a problem, he will look back and rue the opportunity that was presented to him to get debt down to more manageable levels, and to have a firmer base and more options to stimulate what may be a slowing economy. He should not stimulate an economy that is already at the point of overheating and seek to take maximum advantage of it, only to have it back off later, and then try to maintain business on behalf of all the community of Western Australia without the receipts to maintain things to the required benchmark or expectations of the community. I am simply saying that this amendment gives the Government options down the road. It is a pity that, in the political cycle, we do not look far enough down that road in the interests of the people.

Mr E.S. RIPPER: I commend the member for his courage in moving amendments that, in effect, would delay the implementation of tax cuts. I only wish that the Liberal Party had endorsed him for a marginal seat. I respect the argument that the member has put forward, because he has adopted the unpopular and unfashionable position of arguing that there is an alternative way in which to make an investment in our long-term financial health. However, I am in favour of making an investment in the economy, which I hope will provide a return for our finances. The member's amendment provides for the tax cuts to come into effect when we have had two quarters of negative growth. I want to avoid such a thing ever happening in Western Australia, which is one reason that I want tax cuts to promote business growth and development.

There is such a thing as the business cycle. We fight as hard as we can to avoid going into one of those troughs in the business cycle, and we fight as hard as we can to keep the economy going well while we are in the upswing, so that we can have that upswing for as long as possible. That is the objective of the tax cuts.

Amendments put and negatived.

Clause put and passed.

Clauses 3 to 9 put and passed.

Title put and passed.

Third Reading

Bill read a third time, on motion by Mr E.S. Ripper (Treasurer), and transmitted to the Council.

House adjourned at 11.02 pm
