

SMALL BUSINESS, INSURANCE COSTS

925. Mr D.F. BARRON-SULLIVAN to the Minister for Small Business:

I refer to insurance costs for small business, which, as the minister should be aware, ranks as one of the most contentious financial problems for small business owners throughout the State. I refer specifically to the growing concern among small business owners about the level of state taxation on insurance premiums, which adds significantly to the overall financial burden. I ask a very simple question: will the minister advise the House where Western Australia is placed relative to the other States and Territories with regard to the level of state taxation as a proportion of business insurance premiums?

Mr R.C. KUCERA replied:

That kind of question about the levels of state taxation should probably be addressed to the Treasurer. However, I can say that in the past four weeks I have managed to meet with most of the major groups within small business and with many small business operators. I take up the point that the Deputy Leader of the Opposition is making. Insurance is a key issue and a key cost for small business. It is not just the issue of taxation. It is the whole issue of insurance generally. For the past two years the Opposition has heard us talk in this House about the cost of medical insurance and medical liability. I have pledged that we will work with small business. The Premier is right. The impost of the goods and services tax is still with us. Very few of the benefits of the GST will flow to this State before 2007-08. The golden cup that these people on the other side, along with their friends in Canberra, promised has now turned into a -

Several members interjected.

The SPEAKER: Order! I call the member for Merredin and the Leader of the National Party to order for the first time.

Mr R.C. KUCERA: Thank you, Mr Speaker. I will bring it to a close. The golden cup that the Opposition, along with its friends in Canberra, promised us with the GST has turned into yet another poisoned chalice that we have been handed. It is as simple as that. I have said to small business that I am happy to work with it, because we will support the small end of town. We do not worry just about our big mates on St Georges Terrace. We will support small business.

I want to thank the member for Ballajura, because this week he went to the south west and had some very productive meetings with small business people in that area about taxation issues generally and, more importantly, insurance liability. The south west is currently represented by the Deputy Premier - the Deputy Leader of the Opposition, I should say; the pretend Deputy Premier - but I do not think those people have even heard from their local member. We will work with small business and give small business a decent deal.