

PUBLIC HOUSING, EFFECTS OF THE GOODS AND SERVICES TAX

642. Hon DERRICK TOMLINSON to the Minister for Housing and Works:

I draw the minister's attention to the fact that during the Estimates Committee hearings on division 19, housing works, in this Chamber on Tuesday, 16 October, he referred to the challenges the goods and services tax has presented and its negative and direct impact upon the capacity of this State to respond to this State's public housing needs. How will Mr Beazley's tampon rollback have a positive and direct impact upon this State's capacity to respond to its public housing demand?

Hon TOM STEPHENS replied:

In my comments to this Chamber during the Estimates Committee hearings and previous question times, I have made it clear that there are two parts to the Commonwealth's attack on affordable housing across this country. The first is its refusal to provide adequately for housing through the operations of the commonwealth-state housing agreement. That agreement has included an efficiency dividend - misnamed in my view - that has been taking funds from the pockets of State Governments, including our own, that are desperately needed for housing. Coupled with that has been the savage impact of the GST on the housing sector. The more serious attack has come from the Commonwealth Government's failure to provide adequately through that agreement. Even at this late stage, the federal coalition Government has refused to say whether there would be a commonwealth-state housing agreement if it were re-elected. I predict that, if it is re-elected - heaven help us - it will cancel the agreement and the housing needs of the people of Australia will fall fairly and squarely on the shoulders of the State Governments. I predict that this week we will see the Beazley Opposition rise to the challenge of what is needed in this area.