

**STATE FINANCES — TAX MEASURES**

*Standing Orders Suspension — Motion*

**MR M. MCGOWAN (Rockingham — Leader of the Opposition)** [1.02 pm] — without notice: I move —

That standing orders be suspended so far as to enable the following motion to be moved —

That this house condemns the Premier for breaking a commitment to reduce taxation on Western Australian small businesses.

I seek an indication from the government as to whether it will allow the standing orders to be suspended. I can see the Treasurer shaking his head. I will set out to the house why this matter is urgent and why it is important to have a proper debate and discussion about this broken tax promise and tax increase on Western Australian small businesses that is being implemented by this government. I want all members of the Liberal Party to know—because I do not think they are aware—what the Treasurer just tried to sneak into this house in a short ministerial statement and what the Premier did not refer to earlier today. The Premier himself did not have the courage or the guts to refer to this earlier today in his interviews before the press this morning.

*Point of Order*

**Mr T.R. BUSWELL:** Mr Speaker, I seek some guidance from you about the application of the standing orders relating to the suspension of standing orders, particularly the fact that members must confine debate to the reasons for the suspension of standing order and not digress into the topic of the motion. I am wondering whether even if at this early stage of the Leader of the Opposition's presentation about why this is an urgent matter the Leader of the Opposition is not doing that; he is making an attack on the Premier.

**Mr D.A. TEMPLEMAN:** The Leader of the Opposition has been on his feet for less than a minute. I am certain that he was already in the process of explaining the reason that the opposition is moving a suspension motion. I believe there is no point of order.

**The SPEAKER:** Leader of the Opposition, carry on. I will give you approximately five minutes to motivate why standing orders should be suspended.

*Debate Resumed*

**Mr M. MCGOWAN:** I thank you for your generosity, Mr Speaker.

This is a matter of utmost importance and I want the members of the Liberal and National Parties to know what has been snuck into the house today by the Treasurer. This is a \$500 million-plus tax increase on small businesses in Western Australia. I want Liberal and National Party members to understand that. That is what the Treasurer has outlined today in this house and that is what the Premier did not reveal to the public of Western Australia this morning when he was confronted about the issues of the day. The Premier did not have the courage to reveal what the Treasurer snuck into this house this afternoon. It appears to me that the Premier is there for the good news and the Treasurer is the bad guy who has to raise these issues. The Premier has deigned to come into the house now. I hope that he will overrule the Treasurer and allow a proper debate on this \$500 million-plus tax increase on Western Australian small businesses that this government is putting in place. This afternoon the Treasurer made a short innocuous ministerial statement in which he said —

I rise to inform the house that the state government intends to take further action to improve the state's finances by deferring the abolition on transfer duty on non-real business assets until budget circumstances allow. As a result, duty will continue to be payable on the acquisition of business assets such as goodwill, statutory licences and intellectual property.

I will tell members what that means. If a small business owner in Western Australia sells that small business, the purchaser will have to pay a tax on the goodwill component and the statutory licence and intellectual components of the small business. A business owner who is selling a small business and who has built up goodwill from all his hard work will have stamp duty paid on that component of goodwill in particular when that property or business is sold. That stamp duty will be applied to that. I will tell members why this is an issue at the moment. It is because that was scheduled for abolition on 1 July 2013. Then what happened? It was the midyear review. The current Treasurer—I know there have been a few iterations—brought out the midyear review for 2009–10 and announced the deferral of the abolition of that tax to 1 July this year. It has been repeated numerous times by government ministers and in government circulars and all sorts of documents that that tax would be abolished on 1 July 2013. There was no statement in the recent election campaign whatsoever that that tax would not go on 1 July 2013. Nowhere was it said by this government that that commitment to the people of Western Australia would not go ahead. However, we find out today that the government has withdrawn that commitment to the people of Western Australia. This is another broken promise by this Premier

to the people of Western Australia. He did not have the courage to reveal it to the people today. This is a \$500 million tax hit on Western Australian small businesses being put in place by the Liberal Party of this state, just so members opposite understand what they are doing here.

I will tell members why this debate is urgent. I know that the Treasurer will try to shut down this debate because he does not want to have these issues properly debated and discussed. Despite the government having barely any business before the house to debate, it will not allow us to debate a \$500 million tax impost on Western Australian small businesses and another massive broken promise by the Premier. Why is it urgent? It is because this Premier has form on breaking promises, and we see them daily. There has been the Metro Area Express light rail; the Ballajura Police Station; and the increases in taxes, fees and charges on ordinary Western Australian families. Every day a new one is rolled out and another one comes out from the government, and the government is doing it less than two months after the state election. That says that the government did not tell the truth to the people of Western Australia during the state election. The people of Western Australia were conned in the lead-up to the state election by a government and a Premier that have a pathological objection to telling the truth to the people of this state, and it is the small business people of Western Australia who will suffer. I want to outline all the issues and have a proper debate. We are happy to have a debate for 20 minutes a side. All the government has to do is allocate the time to allow that. Surely the small business people of Western Australia are worth 20 minutes of the government's time to discuss their future—surely the small business people of Western Australia are worth that. Surely the government will give them that. I cannot imagine that the government would be so mean-spirited as to not allow a debate on its tax increase on the people of Western Australia —

**The SPEAKER:** Leader of the Opposition, I think you have had your five minutes. I have given the Leader of the Opposition five minutes to motivate his case; he has had his time to motivate his case.

*Point of Order*

**Mr W.J. JOHNSTON:** Mr Speaker, I would like to draw your attention to the fact that there are 53 minutes for the opposition leader on the clock —

**The SPEAKER:** Yes, I know there are 53 minutes.

**Mr W.J. JOHNSTON:** — because as the mover of the motion he has 60 minutes to make his point on a procedural motion. I seek the Speaker's advice as to what he is directing the Leader of the Opposition to do, because he has a further 53 minutes permitted to him under standing orders to complete his speech.

**The SPEAKER:** Thank you. I just want to tell members that when someone moves a suspension of standing orders, the member so moving must confine his debate to the reason for the suspension of standing orders and not digress into the topic of the motion to be moved under the suspension. When the Leader of the Opposition started, I said I would give him time to motivate his reason for suspension. He has now had time to motivate it. Do you have anything further to say in your motivation, Leader of the Opposition?

*Debate Resumed*

**Mr M. McGOWAN:** I am very keen to continue motivating, Mr Speaker! I will continue to motivate on the exact point as to why this matter is urgent, which is what I think you asked me to do. Is that correct, Mr Speaker?

**The SPEAKER:** I think you have had your —

**Mr M. McGOWAN:** It is urgent and I will continue to say why it is urgent, because it is urgent.

Today the Treasurer brought into this place a brief ministerial statement on the “deferral of the abolition of transfer duty on non-real business assets” for businesses in Western Australia. I believe that it is urgent that this Parliament allocate some time to discuss a matter of such importance to the people of Western Australia. All I hear from the Premier and the Treasurer is that we should discuss it tomorrow. I think it is urgent today. The Premier can continue to say, “Discuss it tomorrow; put it off to another day”, in the hope, as he is wont to do these days, of avoiding scrutiny by the state's press gallery. Knowing the Premier, he will probably disappear off to Toodyay, like he did after the fees and charges increases put in place by the Treasurer, because he is a serial offender when it comes to avoiding the bad news. I just think the Premier needs to answer these questions and that is why this matter is urgent. It is urgent because we need the Premier to get on his feet and explain why he has broken a promise to the people of Western Australia to provide them with a tax cut. That is why it is urgent, and I think that the Treasurer and the Premier ought to leave time for that urgent matter to be considered by this house. There are other issues on the notice paper that the Parliament is dealing with and we have another week's sitting next week in which we can deal with the Supply Bill. Indeed, we then have a further three weeks' sitting in which we can deal with the Supply Bill and in at least two of those weeks, with the numbers in the upper house, the government can still deal with the Supply Bill. Is the Supply Bill more urgent than the issue I now discuss? That is the question we are essentially debating today. It is not. The Supply Bill allows for the business of government to continue until the budget is brought down in August this year. It is not more urgent than the

issue I discuss because we have another four and a half weeks in which to deal with the Supply Bill prior to the end of the financial year. We have another four and a half weeks to deal with the Supply Bill, so it is nowhere near as urgent as what the government is doing today in putting up taxes on small businesses across Western Australia—\$500 million-plus worth of tax increases on small businesses across Western Australia. Therefore, I think this issue is more urgent. Remember, I have to justify why it is urgent, Mr Speaker—that is what is motivating me at present—and I have to point out why this is more urgent than the Supply Bill. The reason is that the government has all the time in the world in which to deal with the Supply Bill in the lead-up to the rising of Parliament prior to the midyear break five or six weeks hence. This also draws into discussion, I think, the fact that the government can put out there these bits of news in the cover of the federal budget—the increases in fees and charges for electricity and water. Now we find the abolition of tax cuts for Western Australian small businesses. The government can raise all those; it can put all those things out there, but it cannot actually bring down its budget. Why is it that the government cannot bring down its budget? The government knows what is in the budget because various aspects of what is in it keep being rolled out, but the budget is not actually brought down. The government saves it until it is in the blast zone of a federal election campaign. That is what the government is doing. In the last couple of days, in the shadow of the federal budget, the government has rolled out these increases in fees and charges and increases in taxes for Western Australian small businesses. Then, the Premier has the temerity to try to blame everyone else, when he knew exactly the state of the budget in the lead-up to the election campaign, when these commitments were made or allowed to be made. He knew exactly the state of the budget and the state of GST revenues.

*Point of Order*

**Mr J.H.D. DAY:** The Leader of the Opposition has made his case for why he believes this matter should be debated as a matter of urgency. He has now moved off that topic completely and he is debating much wider issues that are relevant to the substance of debate, if and when we agree to do that. So I ask that the Leader of the Opposition conclude his argument.

**Mr D.A. Templeman** interjected.

**The SPEAKER:** Member for Mandurah!

Leader of the Opposition, I have asked you to please motivate the urgency of the motion. You have now been motivating the urgency for 15 minutes. If you have nothing more to add, Leader of the Opposition, I intend to put the question.

*Debate Resumed*

**Mr M. McGOWAN:** I will continue to indicate why this matter is urgent, which is within the standing orders. I am entitled to indicate why this matter is urgent, and it is urgent.

**Mr C.J. Barnett:** You have for 15 minutes; it is boring

**Mr P.B. Watson:** It has been 12 minutes.

**Mr M. McGOWAN:** It has been 12 minutes and it is urgent. The Premier is rounding again; he likes rounding! This matter is urgent. It is an urgent matter for the people of Western Australia and for all those people in small business in this state who want to actually sell their businesses and those who want to buy their businesses, and not have to pay stamp duty on the goodwill of that business. I might add that the matter is also urgent because it was part of an intergovernmental agreement between the states and the commonwealth, which, as I understand it, goes back to the GST arrangement, which brings us to the matter of the GST arrangement and why that is urgent. The Premier says the GST arrangement is urgent every single day—the GST arrangement that the Premier and his side of Parliament were party to signing this state up to. It is urgent that we debate the GST arrangement. The Premier knew the state of our GST revenues when he went to the election and he made these promises. He knew where our GST revenues were going to when he made these commitments to the people of Western Australia, including this tax cut for small businesses, and it is urgent we debate this GST issue in this context, because the Premier keeps on holding out there that his friend Tony Abbott will understand and make things better for Western Australia. That is the Premier's view. Tony Abbott, of course, will be the panacea to these GST issues if he becomes Prime Minister. That seems to be the Premier's constant statement in relation to these things: somehow the Liberal Party will make it right, even though it was the Liberal Party that signed us up to these arrangements.

**Mr C.J. Barnett:** You don't even understand the GST; that's why you're not suited to be Premier.

**Mr M. McGOWAN:** What's that?

**Mr C.J. Barnett:** You don't even understand the GST.

Several members interjected.

**Mr M. McGOWAN:** It is urgent we debate these issues in the context of the GST arrangement that the Premier signed us up to.

Several members interjected.

**The SPEAKER:** Members!

**Mr M. McGOWAN:** The abolition of these tax cuts for small business that the government is engaging in, the taking away of money from small businesses across Western Australia, is an urgent matter for this Parliament to debate and we should be given the opportunity to do that.

**The SPEAKER:** Leader of the Opposition, I am going to read out to you standing order 97. It reads, in part —

A member who persists in irrelevance or tedious repetition, either of the member's own arguments or of arguments used by other members, may be directed by the Speaker to discontinue the speech.

I have given you approximately 20 minutes to state the urgency of the motion. You have now stated why this matter is urgent and I now intend to put the question.

**MR D.A. TEMPLEMAN (Mandurah)** [1.20 pm]: I wish to speak to the urgency of this motion. I actually want to speak to the new members in this place this afternoon to explain what we are doing, because I am sure many new members would not be aware of exactly what the opposition is attempting to do. The opposition is very clearly seeking to suspend standing orders to urgently debate a motion in response to the statement made by the Treasurer this morning during brief ministerial statements. When the Treasurer stood to make his statement this morning, he informed the house of a major change that will affect small businesses throughout Western Australia, including in the electorates of new members. By suspending standing orders, as we are entitled to do, the opposition is seeking to ensure that we have a chance to debate today the announcement that was made by the Treasurer this morning. The government side of the house is indicating very clearly it is not going to allow the opposition to stand here and defend small businesses in Western Australia and highlight why the statement made by the Treasurer this morning should be debated as a matter of urgency.

I also remind new members that we have been in this place nearly two weeks now with no real legislation to debate at all. We spent the first week on Address-in-Reply speeches and, through negotiation, the opposition has assisted the government to fill up time. We had one week of Address-in-Reply speeches and we are now debating the Supply Bill, which, of course, was rushed into this place late last week because the government—particularly the Leader of the House and the Premier—realised that it would run out of legislation with three weeks of Parliament to go. That means that there is absolutely every reason why we, as an opposition, should have the opportunity to debate the statement made by the Treasurer in this house this morning. This is an urgent matter because the statement made this morning by the Treasurer affects thousands and thousands of small business men and women and their enterprises throughout the length and breadth of Western Australia, and through every electorate. Indeed, the new members, in particular, should be very interested in the implications of the brief ministerial statement made by the Treasurer this morning. The statement referred to the deferral of the abolition of transfer duty on non-real business assets, and narrowing state tax exemptions for certain industry bodies. I ask: how many new members have even read that statement? How many have read it? They have not even read it!

**Mr B.J. Grylls:** Have you read it?

**Mr D.A. TEMPLEMAN:** Yes, I have! I have it here in front of me, you dope!

**The SPEAKER:** Member for Mandurah! That is enough, now.

**Mr D.A. TEMPLEMAN:** I bet you have not read it, Leader of the National Party, you —

**The SPEAKER:** Member for Mandurah, I think we have gone through now whether you have read it or have not read it; can you carry on.

**Mr D.A. TEMPLEMAN:** Mr Speaker, I hope you have read it, because it affects your electorate of Mount Lawley as well, I might tell you—the small business men and women in your electorate!

This is an urgent matter. This is about the people of Western Australia who run small businesses, the people of Western Australia who are the biggest employers in our state. This is about them and their businesses, and the statement made by the Treasurer this morning is a major change. This is a diversion of an expectation those small business owners had that changes were due to be scheduled for 1 July 2013—a few weeks away. Now, as a result of the statement by the Treasurer, those changes have been deferred. But the key point of the whole statement is that there is no time line; it simply says that this will be deferred until budget circumstances allow. That could be any time in the future; that could be until after the next state election. I suggest to members opposite that they should very carefully consider—whenever their Leader of the House, or whichever gutless wonder is going to stand and move that the motion be put—whether they are going to vote in favour of their

Premier and their Leader of the House. They will not have even read the statement that the Treasurer made to the house this morning, which will affect so many small business men and women in Western Australia, in their electorates. They will not have the guts to stand and say, “Why shouldn’t we, as is the normal convention under a suspension of standing orders, debate this matter for one hour?” That is what the normal process is. When a suspension of standing orders is moved, the normal process is half an hour for the opposition and half an hour for the government; that is usually agreed across the chamber. The Leader of the House and the Premier have indicated to us this afternoon that they are not going to allow us to debate as a matter of urgency for one hour a statement that affects so many Western Australian small business men and women and their businesses.

Again, be it on the heads of the silent majority over there, who say nothing at all! Be it on their heads, because if they are going to vote us down and not allow us to debate a very important motion and an analysis of the statement made by the Treasurer this morning, then I tell you what: they should be condemned, and every businessperson in their communities, no matter where they may be, should condemn them as well, because they are not allowing a simple process through which we can debate a major announcement. There will be more of them; we know, because this government, this Premier and this Treasurer will roll out more and more of these. They will slip into the house in the morning during brief ministerial statements and announce, as they did on this occasion, that there has been another deferral or abolishment that will affect the men and women of Western Australia.

A government member interjected.

**Mr D.A. TEMPLEMAN:** Why not get on that plane over to Sydney early, because you have nothing to make in terms of a contribution to this place!

**The SPEAKER:** Member for Mandurah!

**Mr D.A. TEMPLEMAN:** It is very, very clear: the statement made by the Treasurer this morning should be debated as a matter of urgency; that is the reason the Leader of the Opposition has moved a suspension of standing orders. That is why this side will be voting to have that debate. We do not have much else to talk about, because the government has delivered very little legislation for us to debate over the coming weeks. It is rushing in urgent bills; well, let us debate this urgent matter, because this is the most important urgent matter that we should discuss. We should be discussing it now.

That is the reason it is urgent, and that is why I urge all new members to allow us to have that debate, along the lines of a normal suspension debate; half an hour each side. That is all we are asking for. I cannot understand why the Premier, the Leader of the House and the Treasurer are hiding behind that wall.

**MR T.R. BUSWELL (Vasse — Treasurer)** [1.28 pm]: For someone who thinks he does not have much to talk about, the member for Mandurah has done a good job of convincing us otherwise!

I will start with this observation: there is nothing secret about this process. Parliament, as far as I understand, is not a closed or closeted institution. I came in here just after 12.00, as is the perfectly normal procedure, and tabled and read into *Hansard* a brief ministerial statement that dealt with a policy decision that had been taken by government. I would happily stand in this place to defend and justify that policy decision.

**Mr W.J. Johnston:** Except that you will not!

**Mr T.R. BUSWELL:** Mr Speaker, of course, under your instruction, I cannot do that as I respond to the Leader of the Opposition. I say to the member for Cannington that next week I will have plenty of options to do that, because he should not forget that nothing —

**Mr W.J. Johnston:** You are too scared to defend your own statement!

**Mr T.R. BUSWELL:** I am not scared; I can assure the member of that. Next week a bill on this issue will be tabled in the house and we can work through it. All members will have an opportunity to debate it, including members on this side. Members will be fully briefed on the legislation and it will progress on that basis. I can assure members opposite that there are no secrets around the decision. I tabled it in Parliament this morning. In perfect harmony with things that have been happening in this house for as long as I have been here, and I suspect for as long as the doors have been open, the legislation will be debated. We have given the opposition advance notice of the legislation and we will provide a briefing on the legislation. We have effectively provided advance public notice of the legislation so that those people in the community who have an interest in this may be in a position to voice their concerns, if indeed they have any.

I will make a couple of other points. Tomorrow, time is allocated to the opposition to introduce for debate a matter of public interest. Members opposite are more than welcome to move this issue as part of that MPI tomorrow. I can only assume, given the veracity of the arguments around the urgency of this issue, that the Leader of the Opposition will do that and this will indeed be the topic of the MPI tomorrow. Effectively, it makes no difference when we debate this issue, because the legislation comes into the house next week, when

the Leader of the Opposition can stand and make all of his points—or he can raise it tomorrow in an MPI. I would be happy to get up for the full time allocated to the MPI and provide a justification for why the government will introduce this bill. There is no urgency in and around the point raised by the opposition, because effectively this bill can be debated next week. Similarly, if it is urgent, which the opposition has assured us it is, there are two aspects to that: firstly, I am sure that tomorrow it will be dealt with as part of the MPI; and, secondly, I am absolutely sure, having heard what the Leader of the Opposition said, that next week he will support the government, without debate, when we ask for the indulgence of the house to declare this an urgent bill.

**Mr M. McGowan:** When did we say that?

**Mr T.R. BUSWELL:** The Leader of the Opposition has been sitting there for 30 minutes bumping on about why this matter is urgent. The bill will be here next week.

**Mr W.J. Johnston** interjected.

**The SPEAKER:** Member for Cannington!

**Mr T.R. BUSWELL:** That about brings me to the end of the brief contribution I need to make. I will conclude with the observation that it is not my view or the government's view that an argument has been made in any way, shape or form to suggest this is an urgent matter that needs to be discussed today. I move that this matter be put.

*Question to be Put*

**MR J.H.D. DAY (Kalamunda — Leader of the House)** [1.32 pm]: I move —

That the question be now put.

*Division*

Question put and a division taken with the following result —

Ayes (36)

Mr P. Abetz	Ms M.J. Davies	Mr C.D. Hatton	Mr N.W. Morton
Mr F.A. Alban	Mr J.H.D. Day	Mr A.P. Jacob	Dr M.D. Nahan
Mr C.J. Barnett	Ms W.M. Duncan	Dr G.G. Jacobs	Mr D.C. Nalder
Mr I.C. Blayney	Ms E. Evangel	Mr S.K. L'Estrange	Mr J. Norberger
Mr I.M. Britza	Mr J.M. Francis	Mr R.S. Love	Mr D.T. Redman
Mr T.R. Buswell	Mrs G.J. Godfrey	Mr W.R. Marmion	Mr A.J. Simpson
Mr G.M. Castrilli	Mr B.J. Grylls	Mr J.E. McGrath	Mr M.H. Taylor
Mr V.A. Catania	Dr K.D. Hames	Mr P.T. Miles	Mr T.K. Waldron
Mr M.J. Cowper	Mrs L.M. Harvey	Ms A.R. Mitchell	Mr A. Krsticevic ( <i>Teller</i> )

Noes (20)

Ms L.L. Baker	Mr W.J. Johnston	Mr M.P. Murray	Ms R. Saffioti
Dr A.D. Buti	Mr D.J. Kelly	Mr P. Papalia	Mr C.J. Tallentire
Mr R.H. Cook	Mr F.M. Logan	Mr J.R. Quigley	Mr P.C. Tinley
Ms J. Farrer	Mr M. McGowan	Ms M.M. Quirk	Mr P.B. Watson
Ms J.M. Freeman	Ms S.F. McGurk	Mrs M.H. Roberts	Mr D.A. Templeman ( <i>Teller</i> )

Pair

Mr R.F. Johnson

Mr B.S. Wyatt

Question thus passed.

*Standing Orders Suspension Motion Resumed — Division*

Question put and a division taken with the following result —

**Extract from *Hansard***  
[ASSEMBLY — Wednesday, 15 May 2013]  
p587a-592a

Mr Mark McGowan; Mr Troy Buswell; Mr David Templeman; Speaker; Mr John Day

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Ayes (20)

Ms L.L. Baker  
Dr A.D. Buti  
Mr R.H. Cook  
Ms J. Farrer  
Ms J.M. Freeman

Mr W.J. Johnston  
Mr D.J. Kelly  
Mr F.M. Logan  
Mr M. McGowan  
Ms S.F. McGurk

Mr M.P. Murray  
Mr P. Papalia  
Mr J.R. Quigley  
Ms M.M. Quirk  
Mrs M.H. Roberts

Ms R. Saffioti  
Mr C.J. Tallentire  
Mr P.C. Tinley  
Mr P.B. Watson  
Mr D.A. Templeman (*Teller*)

Noes (36)

Mr P. Abetz  
Mr F.A. Alban  
Mr C.J. Barnett  
Mr I.C. Blayney  
Mr I.M. Britza  
Mr T.R. Buswell  
Mr G.M. Castrilli  
Mr V.A. Catania  
Mr M.J. Cowper

Ms M.J. Davies  
Mr J.H.D. Day  
Ms W.M. Duncan  
Ms E. Evangel  
Mr J.M. Francis  
Mrs G.J. Godfrey  
Mr B.J. Grylls  
Dr K.D. Hames  
Mrs L.M. Harvey

Mr C.D. Hatton  
Mr A.P. Jacob  
Dr G.G. Jacobs  
Mr S.K. L'Estrange  
Mr R.S. Love  
Mr W.R. Marmion  
Mr J.E. McGrath  
Mr P.T. Miles  
Ms A.R. Mitchell

Mr N.W. Morton  
Dr M.D. Nahan  
Mr D.C. Nalder  
Mr J. Norberger  
Mr D.T. Redman  
Mr A.J. Simpson  
Mr M.H. Taylor  
Mr T.K. Waldron  
Mr A. Krsticevic (*Teller*)

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Pair

Mr B.S. Wyatt

Mr R.F. Johnson

Question thus negatived.