



Dominic Perrottet
Treasurer
Minister for Industrial Relations

MEDIA RELEASE

Tuesday, 16 October 2018

GST REFORM A BIG WIN FOR NSW

NSW Treasurer Dominic Perrottet has welcomed the Commonwealth Government and Federal Treasurer's decision to amend its legislation that no state or territory will be worse off under GST reforms.

"This is a great day for the people of NSW who have secured a guarantee from the Commonwealth that a critical revenue source would not be reduced as a result of proposed changes to the GST system," Mr Perrottet said.

"The GST is the states' tax and today's decision provides certainty allowing us to plan for the future, to build the hospitals, schools, roads and rail lines to make NSW a better place to live, work and raise a family."

"We have fought hard to ensure NSW was not left worse off under any proposed changes to the GST system and I am pleased Treasurer Josh Frydenberg has listened to our concerns."

"I have always believed that any changes to the GST system must reward states that reform and prepare for the peaks and troughs in the economy."

"Today's guarantee vindicates the work by the Board of Treasurers, which was established last year, to work alongside the Commonwealth to make our Federation stronger and our country better."

The Commonwealth Government has guaranteed no state or territory will be left worse off up until 2026-27 when the Productivity Commission will review the system.

To safeguard each state and territory's share of the GST revenue Mr Perrottet called on the Commonwealth to engage the Commonwealth Grants Commission (CGC) to separately review the proposed GST reforms.

"A CGC review will ensure the GST system is evaluated by a body that has expertise in both the old and new GST systems." Mr Perrottet said.

"This would provide valuable input to the Productivity Commission's review in 2026-27."

"The GST is the states' tax and I will make sure any proposed changes to the GST system does not penalise states, like NSW, that are fiscally responsible but rewards states that reform and manage their budgets well."

MEDIA: Ian Paterson | Treasurer | 0438 748 501