68.11.

Amendment agreed to.

Schedule, as amended, agreed to.

Remainder of bill agreed to.

Bill, as amended, reported; report adopted.

Mr BURKE(Attorney-General): Mr Speaker, I move that the bill be now read a third time.

Mr STIRLING (Nhulunbuy): Mr Speaker, there is a matter of courtesy that is important to me. It is something I usually add in the second-reading debate. I do want to thank the staff of the Attorney-General's Department, in particular Robert Bradshaw, for their help and assistance with briefings and with the further amendment schedule. Their assistance is appreciated by this side of the House

Motion agreed to; bill read a third time.

FINANCIAL RELATIONS AGREEMENT (CONSEQUENTIAL PROVISIONS) BILL (Serial 228)
FIRST HOME OWNER GRANT BILL (Serial 229)
PAY-ROLL TAX AMENDMENT BILL (Serial 235)
STAMP DUTY AMENDMENT BILL (Serial 240)
TAXATION (ADMINISTRATION) AMENDMENT BILL (Serial 241)

Continued from 18 May 2000.

Mr ELFERINK (Macdonnell): Mr Speaker, I rise to declare a vested interest. I will not be taking part in the debate and will be abstaining from the vote.

Ms MARTIN (Opposition Leader): Mr Speaker, we are dealing with five different cognate bills here. Overall, these bills work in three areas. There are changes required flowing from the new funding arrangements with the Commonwealth, and which have arisen from the tax reforms as contained in the intergovernmental agreement on the reform of Commonwealth/State financial relations. There are the administrative changes to rationalise and improve the collection of revenue, to remove ambiguities from existing acts and/or to reduce the cost of collecting revenue by the Commissioner of Taxes. The third area is the application of new revenue measures, budgetary changes, such as the one increasing the rate of stamp duty.

I will deal first with the *Financial Relations Agreement (Consequential Provisions) Bill (Serial 228)*. Part 1 sets out the timetable for provisions to take effect and commits the Territory to comply with the intent of the inter-governmental agreement on the reform of Commonwealth/State financial relations which, of course, has our support. Part 2 of that bill deals with the cessation of the tourism marketing duty. The collections of those will cease, but the act remains to collect past taxes due and the powers of audit, which again has our support.

Part 3 is the cessation of payment of fuel subsidies; that is, the off-road diesel at 2c/litre, the McArthur River Mines at 7.254c/litre, and the general subsidy of 1.1c/litre. The effect is that diesel and McArthur River Mine are effectively revenue neutral.

The removal of the general subsidy means that our petrol prices will rise under the GST. I and this side of the House has made very clear what we think of the removal of that particular subsidy which will hit Territorians hard. We know that under the GST, because of our higher fuel prices, we won't be adequately compensated. As the AANT has demonstrated, our fuel prices will go up. We have a government that is adding to that by removing, at the same time, a general fuel subsidy. Even though we have the Treasurer protesting that this money is going towards information technology for schools, I strongly maintain that it is not a matter of either/or. The cost of fuel is so fundamental to everything we do in the Territory and information technology is fundamental to any school. To not have computers in schools is akin 30 years ago to not having a desk in schools. It is not a matter of either/or. We need assistance with the high cost of fuel here, and every school child in the Territory needs a computer.

Part 4 of this bill clarifies the interaction of the stamp duties with the GST base. It means that stamp duty will be levied on a GST inclusive base in most cases, except on a hiring duty. While this is consistent with other states it is unfair and it is a tax grab, especially where it applies to goods or services that have not previously been subject to wholesales sale tax directly - such as insurance. Further, many insurance policies will rise to cover the higher cost of pay outs - things like house cover - so there is a double hit, a double whammy. Then there is the increase in the NT rate of stamp duty on insurance which makes it a triple whammy. If different treatment is available for hiring duty then it should be possible to do the same for insurance duty.

Part 5 of the act deals with cessation of the financial institution duty from 1 July 2000, which is supported.