Opposition Leader displays ignorance on economy

The Opposition Leader’s economic plans will send the Territory broke again, Treasurer Syd Stirling said today.

“Terry Mills wants to get rid of payroll tax and other state-based taxes, but he hasn’t said how he will replace the lost revenue needed for essential services, such as hospitals, schools, police and small business support.

“Payroll tax is not applied to small business, which makes up the vast majority of Territory businesses.

“They will receive no gain at all from the Opposition Leader’s plans to abolish payroll tax, yet it will cost Government more than $90 million a year.

“Mr Mills’ suggestion that this can be covered by GST revenue is ridiculous. It will create an enormous black hole in our finances – a hole that Mr Mills will have to fill by introducing new taxes and cutting services.

“The truth is that Mr Mills would have to introduce new taxes, such as land tax and a fire service levy, in order to fulfil his fantasy to abolish payroll tax.

“While small business doesn’t pay payroll tax, they would have to pay land tax and a fire service levy.

“The Labor Government is spending $2.9 billion this year – that’s $350 million more than the last CLP budget – at the same time as cutting taxes.

“We are providing an extra $27.5 million for tourism; an extra $75 million to build our police force; over $100 million more to health, $160 million on employment and training programs; and record infrastructure budgets.

“The Territory has the second lowest taxing regime in Australia. The NT Government is working hard to ensure we maintain or better that position without sending the Territory broke.

“Mr Mills should come clean and tell the truth about his playschool economics – scrapping payroll tax will mean cutting funds for health, education, police and tourism; forcing new taxes on small business and families; and sending the Territory broke again.”