



T R E A S U R E R

MEDIA RELEASE

GST open letter from NSW

The NSW Government and leading NSW business and community groups today launched a community information campaign on the Commonwealth Grants Commission's GST redistribution formula and how it affects the state.

They have also signed an open letter published in major newspapers today.

"This is a campaign to get a better deal for NSW families," NSW Treasurer Eric Roozendaal said.

"We believe that the proposal to change the way GST revenue is redistributed among the States will disadvantage NSW and direct additional funding to Queensland."

NSW Treasury modelling shows that NSW faces cuts of around \$400 million in 2010-11, rising to around \$900 million in 2012-13.

"The Commonwealth Grants Commission's 2010 review, which is currently underway, is a historic opportunity to resolve once and for all the long standing inequities involving the GST and NSW," Mr Roozendaal said.

The groups which have joined the NSW Government in calling for a better deal for NSW families through a new GST redistribution are:

- NSW Business Chamber;
- Local Government & Shires Associations of NSW;
- Unions NSW;
- NCOSS;
- Urban Taskforce;
- NSW Minerals Council;
- Civil Contractors Federation NSW;
- Sydney Chamber of Commerce;
- Illawarra Business Chamber; and
- Hunter Business Chamber.

The groups met with Mr Roozendaal on September 11 and have combined to campaign for a better deal for NSW out of the upcoming redistribution.

Earlier this month, the State Government and NSW Treasury also provided a briefing to the NSW Opposition treasury spokesperson Mike Baird.

Mr Roozendaal has also met with WA Premier, Colin Barnett on September 3 and is expected to meet with Northern Territory Treasurer Delia Lawrie in early October.

NSW will lodge a formal 230-page submission with the Commission outlining the state's concerns. The Commonwealth Grants Commission is expected to make a final determination early next year.

The final decision on GST allocation and accepting the Commission's recommendations rests with Federal Treasurer Wayne Swan.

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