

# Media Release

9 October 2017



## WA FINALLY HEARD AT FEDERAL LEVEL ON GST REFORM

The property development industry's peak body has welcomed the interim report by the Productivity Commission on GST distribution, saying securing a fairer deal on GST revenue for WA will lead to economic growth, jobs and improvement in the property sector.

"UDIA has thrown its support behind the CCI's strong position on the need to reform the distribution of GST to secure a fairer deal for WA," UDIA WA CEO Allison Hailes said.

"We are pleased that the Productivity Commission report has given initial support to our position that equalisation should no longer be to the highest State (WA), but instead the average or the second highest state," Ms Hailes said.

"It is critical that the federal government take heed of the Productivity Commission's message and understand the serious economic implications that the current GST model has for the Western Australian economy," Ms Hailes said.

"The Commission has also acknowledged that the current system could discourage other States from pursuing efficiency-enhancing reforms that are in the national interest due to the fear that they may lose GST payments," Ms Hailes said.

"The model that CCI has proposed, and that UDIA supports, provides an incentive to individual states and territories to develop their own industries and grow the national economy," Ms Hailes said.

"Overall, the fight is not over to secure a better deal for WA but at least we have some indication that we are on track," Ms Hailes said.

"UDIA will continue to support the reform agenda and looks forward to a positive outcome when the Commission releases its final report early next year," Ms Hailes said.

"Positive outcomes for the broader economy mean positive outcomes for the property market in WA and ensures that certainty and confidence is restored in buyers," Ms Hailes said.

"GST funding issues have a massive knock on effect on a range of sectors across the state," Ms Hailes said. "Property is an important contributor to economic growth and the GST reform will assist in market recovery."

**End.**

### For more information:

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