



Archived at the Flinders Academic Commons:
<http://hdl.handle.net/2328/27231>

This is a scan of a document number DUN/Speeches/0258
in the Dunstan Collection, Special Collections, Flinders University Library.
<http://www.flinders.edu.au/library/info/collections/special/dunstan/>

Title:
Television script - State taxes

Please acknowledge the source as:
Dunstan Collection, Flinders University Library.
Identifier: DUN/Speeches/0258

© Copyright Estate Donald Allan Dunstan

258
14

PREMIER'S DEPARTMENT,
ADELAIDE.

TELEPHONE 28 2400

TELEVISION SCRIPT.

Station: A.D.S.7 Duration: 5 MINS. Title: STATE TAXES

Date: 20.9.67. Type: Key No: 20/9

Audio

Video

All States of Australia have in the last few years been facing increasing financial problems.

This has been because the Commonwealth Government has both refused to give back to the States a proportionate increase in the State's share of income tax equal to the increase taken by the Commonwealth, and because the Commonwealth has forced the States to accept a greater and greater payment of interest for capital works each year so that a bigger slice of the State Budget simply goes to interest payments instead of anything new, and a smaller slice of the Commonwealth Budget goes to interest payments.

What does this mean in cold hard terms?

Every time there is an increase in wages, the State has to find most of that money, but the State's services do not, for the most part, run at a profit - they run at cost.

PREMIER'S DEPARTMENT,
ADELAIDE.

TELEPHONE 28 2400

TELEVISION SCRIPT.

Station:

Duration:

Title:

Date:

Type:

Key No:

Audio

Therefore, either the charges for the services have to go up or we have to get the money out of some other form of taxation.

But each time that wages are increased, the Commonwealth, it is true, has to pay out wages for its own workers, but it gets in, in income tax, from the increase, much more than it pays out to its own workers or to the States.

We simply don't get the money back from the Commonwealth to pay for increases in the wages of our workers.

Now, every State has had to face increasing difficulties because of this. Let me read to you some words spoken only last week by a very prominent Liberal in Australia:-

"The greatest problem faced by Government springs from the crushing way in which the Commonwealth Government has chosen

Video

PREMIER'S DEPARTMENT,
ADELAIDE.

TELEPHONE 28 2400

TELEVISION SCRIPT.

Station:

Duration:

Title:

Date:

Type:

Key No:

Audio

to use its dominant financial powers under the Constitution. I am greatly heartened by the fact that more and more people, particularly men in business and industry, have come to realize that the States have very real and acute financial difficulties. Ever since we have been in government I have spoken of these problems, and have warned of the inevitable consequences of allowing things to continue as they are. Wherever I go today I find that there is a widespread recognition of the financial problems of the States and a realization of the need for change. That is to say, wherever I go except in Canberra. There I and my colleagues, the Premiers of the other States, still find an ostrich-like attitude which seeks to deny the problem."

Those are the words of Sir Henry Bolte when delivering his Budget Speech in Victoria last week.

Video

PREMIER'S DEPARTMENT,
ADELAIDE.

TELEPHONE 28 2400

TELEVISION SCRIPT.

Station:

Duration:

Title:

Date:

Type:

Key No:

Audio

Now, under these circumstances, taxes and charges in all States have had to increase simply in order for to continue running the services, but the significant fact is that in South Australia they have increased less than in any other State except Queensland.

Let me show you the figures for actual taxes paid per head in the various States in 1964-65 (the last year of the Playford Government) and in 1965-66 (the first full year of our Government), since which time there has not been any significant increase in South Australia.

You will see from this that South Australia has the lowest rate of taxation and State charges per head of any State except Tasmania, the other Labor Government State. All the Liberal Government States in Australia tax more heavily than we do.

The percentage increase per head is an even more revealing figure.

Video

PREMIER'S DEPARTMENT,
ADELAIDE.

TELEPHONE 28 2400

TELEVISION SCRIPT.

Station:

Duration:

Title:

Date:

Type:

Key No:

Audio

Look at this Table : That, of course, was the situation before Sir Henry Bolte's Budget last Wednesday, but Sir Henry Bolte has now gone beyond his 9.4% increase to an increase which, in a full year, will give him a vast amount of extra money in a charge on every single item anyone purchases in Victoria, and an impost on every single wage and salary packet, paid by the employee.

Now, we in South Australia have not done that. We have said we believe that the economy needs a stimulus, and it is proper to run a very small deficit at the moment and to keep taxes and charges stable.

The surprising thing then is why we are refusing to put the imposts on business and wage and salary earners already imposed in Western Australia and now in Victoria our opponents in this State demand. And here is their

Video

PREMIER'S DEPARTMENT,
ADELAIDE.

TELEPHONE 28 2400

TELEVISION SCRIPT.

Station:

Duration:

Title:

Date:

Type:

Key No:

Audio

last pamphlet issued. We are paying too much in taxation in South Australia, we should raise less ! At the same time, they say that we should spend much more on a whole series of items.

They have attacked us for not spending more on Education services. They say we should have given more in subsidies, although we spent much more than they did; that we should have voted much more to University education. We should have provided more for Mental Hospitals although our Mental Hospital institutions have the best record in Australia.

We should spend more money on fisheries and fishing havens, on harbour installations. We should have spent more monies for water supply, sewerage, country court houses, aborigines.

Look, take almost anything you like in the Budget. You name it, they say we should spend more.

Video

PREMIER'S DEPARTMENT,
ADELAIDE.

TELEPHONE 28 2400

TELEVISION SCRIPT.

Station:

Duration:

Title:

Date:

Type:

Key No:

Audio

Now, it would be very nice to do these things. There are a lot of very desirable things we should spend money on, but you have to be responsible about this.

What I ask you to ask yourselves - I have been asking myself for a long time : How can they say raise less money, spend more money, and balance the Budget. Who is being responsible in this?

GOOD NIGHT.

Video

PREMIER SPEAKS 20/9/67

TU VISUALS

TABLE 1

	<u>ACTUAL STATE TAX PER CAPITA</u>	
	<u>1964/65</u>	<u>1965/66</u>
New South Wales	\$48.58	\$50.86
Victoria	48.42	52.96
Queensland	40.17	41.35
South Australia	35.53	36.68
Western Australia	36.76	42.40
Tasmania	<u>32.54</u>	<u>35.60</u>
Average State Tax paid per capita in Commonwealth	44.31	47.16

TABLE 2

<u>PERCENTAGE INCREASE 1964/65 TO 1965/66</u>		
<u>OF STATE TAX PER HEAD OF POPULATION</u>		
New South Wales	4.7%	increase
Victoria	9.4%	"
Queensland	3.0%	"
South Australia	3.2%	"
Western Australia	15.4%	"
Tasmania	<u>9.4%</u>	"
Average increase in State Tax per capita in Commonwealth	6.5%	"