

30 June 2017

Commissioner Karen Chester
Deputy Chair
Productivity Commission

Dear Commissioner Chester,

We write to express our collective view on the Productivity Commission's current inquiry into horizontal fiscal equalisation.

The principle and scale of horizontal fiscal equalisation of Australian states and territories has significantly reduced incentives for national economic growth and has diminished GST revenue stability for the leading state. Reforming the GST distribution formula is in the national interest and can stimulate national economic growth.

We support the Chamber of Commerce and Industry of Western Australia's (CCI WA) submission on horizontal fiscal equalisation and explicitly support the proposal of a relativity floor combined with partial equalisation.

CCI WA's proposal will create GST revenue stability and strengthen incentives for all states to fully develop their industries and boost national economic growth.

We look forward to the Commission's report.

Kind regards,



Michael Chaney



Andrew Forrest



John Poynton



Nigel Satterley