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Horizontal Fiscal Equalisation Inquiry
Productivity Commission
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To whom it may concern

Draft Report of the Productivity Commission Review into Horizontal Fiscal Equalisation

The Northern Territory Opposition welcomes the opportunity to comment on the Draft report of the Inquiry into Horizontal Fiscal Equalisation (HFE). The HFE Review is of paramount importance to the Northern Territory as over 50% of the Northern Territory revenue in Financial Year 17/18 comes from GST redistributions.

It is evident that any change to the current method of distributing GST and/or alterations to the formulae that underpin HFE, and hence GST revenues, will have a dramatic impact on the Northern Territory economy.

On behalf of Territorians the Northern Territory Opposition believes that the current system of HFE is working effectively. Those seeking to move away from the current model have yet to demonstrate clear evidence of a more certain, efficient, effective, or equitable model. For this reason, among others, we request that there be no change to the current methodological framework around GST distributions.

Should you wish to discuss any of these matters further, please do not hesitate to contact my office. The Northern Territory Opposition thank you for the important work you are doing for Australia.

Yours sincerely

Gary Higgins
Leader of the Opposition

10 November 2017