



PARLIAMENT OF VICTORIA  
Economy and Infrastructure Standing Committee – Legislative Assembly

## **MEDIA RELEASE**

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# **Economists and interest groups have their say on GST reforms**

Economists and representatives from business, social services and regional Victoria have presented their views on how GST reforms will affect the state over two days of hearings for the inquiry into Commonwealth support for Victoria.

The Legislative Assembly's Economy and Infrastructure Committee is examining the level of Australian Government support for Victoria, in particular the state's share of GST following Commonwealth reforms to how Goods and Services Tax revenue is distributed to states and territories from 2021–22.

The hearings held on 10 and 15 December considered the adequacy of Victoria's GST share and the impact of the end of the no-worse-off guarantee. The guarantee, which aims to ensure no state is disadvantaged by the shift to the new system, will expire in 2026–27 when the transition period ends.

Witnesses at the hearings explained how the new GST system disadvantages Victoria and outlined the significant loss of GST revenue expected when the no-worse-off guarantee ends.

The Committee also heard about the impact the lost revenue is likely to have on public services, businesses and the wellbeing of Victorians.

Transcripts of the hearings are available on the Committee's [website](#). The Committee is due to table its report by 30 March 2022.

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