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BUSINESSES MUST NOT BE SLUGGED TO PAY FOR GST RIP-OFF

The NSW business community must not be forced to pay the price for a senseless carve up of GST revenue by the Federal Government.

Business NSW remains concerned about the inequity of the latest distribution of GST revenue from the Federal Government, which NSW Treasurer Daniel Mookhey says has blown a \$11.9 billion hole in the State Budget.

Business NSW CEO Daniel Hunter – as the representative of almost 50,000 business across NSW – said the NSW Government must ensure businesses are not sacrificed to save the budget.

“The state’s 850,000-plus small to medium businesses are at the heart of every NSW community and can ill afford any tax increase to pay for this GST funding shortfall,” Mr Hunter said.

“If business thrives, we all thrive. The NSW Government must continue to ensure that the needs of businesses are at the heart of the State Budget in June.

“These funding shortfalls should also not be fixed by cuts to critical infrastructure investment. These projects make our state more productive and have a multiplier effect for business and consumers.”

NSW business insolvencies have risen 42 per cent March quarter 2024 compared to the same time last year. That’s 1057 businesses in total.

Almost one in four (23 per cent) of businesses have told Business NSW that they are considering business closure due to the rising cost of living, according to our latest [Business Conditions Survey](#).

“These sobering statistics on business insolvencies should guide the approach the NSW Government has towards the State Budget,” Mr Hunter said.

Mr Hunter also called out the Federal Government’s decision to take NSW’s GST revenue and effectively hand it to Western Australia and Victoria.

“The Federal Government must stop hiding behind the Commonwealth Grants Commission to justify a decision to cut funding to NSW,” Mr Hunter said.

“NSW is the heart of the nation and the most advanced and diverse economy in the country – it must be nurtured.”

About Business NSW

Formerly the NSW Business Chamber, **Business NSW** is the peak policy and advocacy body which has been representing businesses in NSW since 1826. We represent almost 50,000 businesses.

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