As several respected Economists have pointed out in the press over the last 12 months (Saul Eslake among them), we really have a revenue problem. Politicians on both sides can see that, but of course they are locked into an electoral cycle that prevents them from implementing common sense solutions and turning Australia’s deficit into a surplus.

I would like to see, for example:

* Superannuation tax concessions (which go mainly to the well-off) eliminated. These concessions will soon to be costing more than the aged pension.
* Elimination of negative gearing.
* A lowering of the company tax rate to 28%. But we should ensure that companies pay that 28%, and not the single digit tax rate that they actually do pay, through various rorts and off-shoring profits as intra-company loans.
* Raising the GST to 15% with the necessary cooperation of the States. This could also be broadened with concessions to lower incomes, say, below $50,000.

The above measures would quickly turn our deficit into surplus and we could then fix the problem of “bracket creep”. Bracket creep is raising taxes/revenue by stealth and lower incomes suffer badly while the well-off have their tax avoidance schemes and concessions.

If we do not take any of the above measures and do not fix bracket-creep, we will greatly widen the gap between the rich and the poor. This widening will eventuate in social unrest and instability and reduce the quality of life in Australia.

Large portions of the increased GST would of course go to Local area Councils. The State Governments and Councils could then begin the huge infrastructure work that has been lacking for many years. This would increase employment considerably.

I actually think that if the Labor Party went into the next election with the above spelt out as their policies, they would easily be elected. However, with the ALP conferences and faction-fighting, they do not stand a chance of running with a common-sense proposal such as the above.

I do hope the government will take note of the Options (Green) paper you will put out towards the end of 2015, but I suspect they will just allocate $1 million to build an attractive set of pigeon holes (the current ones must surely be full).

If there is a Green paper with suggested revenue creation as above, it may well be the catalyst that moves to public to finally get up and force Politicians into action. It seems to me that the public always has to lead to government when it should really be the other way around. Take for example same-sex marriage and euthanasia.

..Anyway, that is my tuppence-worth. I hope to see a Green Paper with lots of revenue options for Christmas.

Stehen Johnson