

MEDIA RELEASE

Embargoed until 11 am 1st March 1999

Attn: Chiefs of Staff, Tax writers

65 More Deaths Annually due to GST Package

At least 65 more people will die each year due to increased air pollution and traffic accidents if the Government's proposed changes to fuel prices in the GST Package go ahead, according to evidence given today to a Senate inquiry into the GST.

The evidence, presented by Dr Clive Hamilton, Executive Director of the Australia Institute, is based on a detailed economic analysis of the effects of the GST Package on the transport and energy industries. The analysis was commissioned by the NSW Government's Sustainable Energy Development Authority.

The additional deaths will result from increased incidence of respiratory diseases and cancers, as well as more road fatalities. Dr Hamilton described the estimated increase in fatalities as "very conservative". "The final figure could be much higher," he said.

The Institute's analysis shows that the cut in the price of diesel by 25 cents/litre for 'heavy' vehicles is the worst feature of the proposed tax changes. The GST Package is forecast to increase road freight at the expense of rail, induce businesses and private motorists to shift to diesel vehicles and bring about the collapse of the gas-powered vehicle industry centred on urban bus fleets.

Particulates, the most lethal form of air pollution, are estimated to increase by 2,200 tonnes annually as a result of the GST Package. Although diesel exhaust is only one source of particulates, it is the main source of fine particles which cause most damage to health. More than 1000 Australians die each year as a result of inhalation of particulates.

Road deaths are expected to increase as a result of more heavy vehicle trips. In 1997, 1801 Australians died in traffic accidents, and trucks were involved in one fifth of those.

"The excise changes in the GST Package are likely to have a bigger impact on poor families than the GST on food", said Dr Hamilton. "Yet the Government seems determined to pretend that fuel price changes will have no effect."

NOTES TO EDITORS

1. The Australia Institute is an independent Canberra-based public policy research centre funded principally by grants from philanthropic trusts.
2. See the executive summary of the Institute's analysis at <http://www.tai.org.au>

Contact Dr Clive Hamilton on 02 6249 6221 or 0413 993 223 (mob).

MEDIA ALERT

28th February 1999

Attn: Chiefs of Staff

New Evidence on Costs of GST

Executive Director of The Australia Institute, Dr Clive Hamilton, will tomorrow give evidence to the Senate Inquiry into the environmental impacts of the GST Package.

Dr Hamilton will answer questions on the Australia Institute's submission to the inquiry. The Institute's submission is the only detailed, comprehensive analysis of the issues before the Committee and has been drawn on heavily in submissions by several major organisations.

Dr Hamilton will provide evidence on the number of deaths expected to result from increased urban air pollution and traffic accidents following changes in fuel excise arrangements in the GST Package.

Time: 9.30 am – 10.15 am, Monday 1st March 1999

Venue: Senate Committee Room 2S3, Parliament House, Canberra

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1. The Australia Institute is an independent Canberra-based public policy research centre funded principally by grants from philanthropic trusts.
2. Details on the Institute's structure and research can be found on the Institute's web site <http://www.tai.org.au>

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