

Letters

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Qld rethink in land tax bill welcome

The decision of the Queensland government to have a two-week cooling-off period on its planned retrospective imposition of land tax from 2002 is welcomed (February 24).

However, the signs are not good for the rule of law when in response to why the government did not consult before introducing the bill into parliament it, in effect, said that it should have been known that the government would retrospectively change the law because it lost before the courts.

Apparently we are to assume that it is now axiomatic that whenever a Queensland law is interpreted by a court contrary to what the Queensland government wants, the law will be changed retrospectively.

The federal government is feeling the pressure from foreign private equity groups for imposing taxes on foreign private equity groups contrary to what they thought was the law (February 20).

And the foreign groups are claiming that this will have a major adverse effect on foreign investment

even though no Australian court has ruled whether the tax is properly payable under our law.

The position is much worse in Queensland where the Court of Appeal had decided what the law has meant for the past eight years, and the government is now seeking by legislation to retrospectively reverse the law from 2002 onwards.

The chief executive of Queensland Rail was no doubt expecting to have substantial foreign investment in its mega float (February 23).

He must be lying awake at night sweating on the decision on the land tax matter.

Any decision to continue with the proposed bill will turn off those foreign investors (let alone Australian investors) to whom a stable legal system with an observance of the rule of law is a precondition to any investment.

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