

A Public Policy Case Study of the Introduction of the GST – Goods and Services Tax:

tax reform can be successfully achieved

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Abstract

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Traditionally the goal of policy makers has been Rational policy-making. Evidence however indicates that public policy decisions inevitably involve political considerations and influences from various community interest groups. The introduction of the Goods and Services Tax (GST) in Australia is examined in this paper. In this analysis three landmarks in the policy process are used to demonstrate that rationality re-emerged with each attempt at policy formulation and introducing the GST. A long policy process of 30 years for the introduction of the GST shows that a longitudinal case study of the policy process remaining purely rational is nearly impossible. The research findings demonstrate the iterative nature of the GST as a public policy and the policy process oscillated from the rational comprehensive approach to an incremental approach then back again. The GST experience in Australia shows that tax reform can be successfully achieved. Lessons can be learnt for future change to Australia's tax and transfer system.

This paper relates to a PhD that I have recently completed (July 2014) at the UQ Business School.

I would be interested in attending the PhD Workshop activities on Monday 19 January 2015.

I would interested in having my paper considered for the prize of Best Tax Research Paper.