

# Ansett ticket tax may stay

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Airline passengers could be slugged with the \$10 Ansett ticket tax for at least another two years after Federal Tourism Minister Ian Macfarlane yesterday refused to rule out making the controversial levy permanent.

Mr Macfarlane appears to be at odds with Federal Transport Minister John Anderson, who said last week the Ansett levy would be terminated.

In an interview with *The Australian Financial Review* yesterday, Mr Macfarlane ruled out continuing the levy to fund a range of initiatives for the \$71 billion tourism sector, to be contained in an upcoming tourism White Paper. But he said no firm decision regarding the future of the tax had been made.

"What happens to that tax once its purpose is resolved is a matter to be discussed at the time," he said. "Are we considering using the Ansett levy to fund the tourism package? No."

But Virgin Blue's David Huttner said the airline was concerned the tax would stay.

"I am sure both Virgin Blue

and Qantas have acknowledged that the government will recover its exposure for statutory entitlements, but we have said all along that we are very concerned that while taxes are painted as a temporary measure the temporary aspect is quickly forgotten if government feels it can get more money out of air travellers," he said.

**"He again ruled out a bed tax on the industry to fund the initiatives."**

Mr Macfarlane said his department had re-examined the tax yesterday and was unable to make any firm commitments regarding its future.

"I don't think there is any evidence that would give us any confidence that we will be able to answer questions about when will the levy stop, what will happen to the money if it is in surplus. . ." he said. "I don't think we're in any position to do that inside 12 months and possibly two years."

Mr Anderson told a tourism summit last week that the

government had so far collected \$123 million from the levy and would terminate it at the "earliest possible moment".

The \$10 air passenger ticket levy was imposed by the government following Ansett's collapse to cover the entitlements of former airline workers.

Mr Macfarlane yesterday again ruled out a bed tax on the industry to fund the White Paper initiatives. It was up to the industry to decide how best to raise revenue for new programs contained in the 10-year plan.

"The aim of the exercise is to sit down with the tourism industry and say this is what the Federal Government, this is what we expect state governments to do . . . and we'd be very interested in what you'd be prepared to do.

"If the tourism industry were to come to us and suggest some ways for which they could contribute, the Federal Government could contribute and the state governments could contribute to ensuring that this 10-year plan actually has some actual dollars behind it, then we'd be interested to listen."

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