

End Woodside's tax break: Xenophon

- September 25, 2008 - 9:49AM

It's time to end the tax holiday Woodside Petroleum enjoys on the condensate excise, Independent senator Nick Xenophon says.

The South Australian senator is strongly backing government legislation that aims to end the excise exemption on condensate, an oil by-product of gas production.

The Senate will consider the Labor budget measure today.

Critics of the move claim it will hurt Woodside's viability and force up prices for electricity and gas in Western Australia.

"I think Woodside is being more than cheeky in crying poor on this," Senator Xenophon told reporters.

"They've had a 30-year tax holiday and we've been paying for it, taxpayers have been paying for it in effect."

"My only criticism of the government is I reckon we should be taxing them more."

Senator Xenophon also called for the breaking-up of joint-venture marketing of gas in WA, saying there should be more competition.

WA Premier Colin Barnett earlier this week said he supported Woodside's position on the matter.

There should have been consultation with the state government and the North West Shelf partners before any decision was made on the tax.

Not doing so risked Australia's sovereign reputation, Mr Barnett said.

- with Chalpat Sonti