

NET DEBT — 2021–22 STATE BUDGET

508. Ms M.J. DAVIES to the Treasurer:

I have a supplementary question. Given the Treasurer's own budget papers show net debt rising over the forward estimates, can he advise what level of net debt is acceptable now that he is in government, not opposition?

Mr M. McGOWAN replied:

I can advise what Mr Steve Thomas, the Leader of the Opposition in the upper house under the alliance arrangement, had to say on 21 February 2018. He said —

I apologise to the people of the south west for the financial outcomes that they've been left with. It's probably multigenerational debt that'll have to be paid back by our children and grandchildren.

He was referring to the Liberal–National term in government. The Liberal–National leader in the upper house had a burst of honesty and admitted to the former government's shocking financial management when in office, for which we will continue to remind members. I want to remind members that we are the only government in Australia paying down debt. We are the only government that prior to COVID was paying down debt. We have the best financial situation of any state in Australia. When we compare the net-debt-to-revenue ratio, Western Australia, prior to the arrival in office of this government, was the worst in Australia, and now we are the best in Australia. I want to quote to members what some of the credit rating agencies have had to say. These are independent international observers of these matters. They look at what governments around the world are doing. They have had this to say about these matters. I quote Standard and Poor's —

Western Australia's ... fiscal performance continues to outpace the rest of the nation.

Moody's noted —

... the effective management of the pandemic in Western Australia, underscore the stark contrast between the Western Australian economy and its domestic peers ...

It is very interesting that it had something to say about the last government when it was in office. This is Moody's, not a Labor front organisation, I assure members. It referred to the former government's lack of fiscal resolve and weak policy response to the deteriorating financial and debt position. Standard and Poor's said that the last government had limited political will to be fiscally responsible. In other words, the credit rating agencies have analysed both teams when in office. They basically said that the Labor government is far better at managing the finances than the Liberal–National government. That probably explains why there are six sad Liberal and National Party members out of 59 sitting in this chamber.