

GOVERNMENT'S ECONOMIC AND FISCAL RECORD

**529. Mr A.P. O'GORMAN to the Premier:**

Will the Premier provide an update on the economic and fiscal record of the State Government?

Several members interjected.

The SPEAKER: I call to order the member for Kalgoorlie and the Leader of the Opposition.

**Dr G.I. GALLOP replied:**

Is it not interesting that the Leader of the Opposition would raise the question of trust in the context of the events that occurred after the last state election? I remember that the former leader of the Liberal Party in Western Australia, Richard Court, so distrusted the current Leader of the Opposition that he tried to stop him going into that job in early 2001. That is something members on his side of the House are reminded of on a daily basis.

Several members interjected.

The SPEAKER: I notice that the trend is to yell at every member who stands. I call to order the Leader of the National Party for the first time and the member for Nedlands for the second time.

Dr G.I. GALLOP: I am very pleased to report that the Western Australian economy is growing very strongly. This is the strongest growth that Western Australia has seen for many years, and finances are in the best shape they have been in for decades. More importantly, unemployment in Western Australia is now below five per cent. At 4.8 per cent, it is lower than it has been since the 1970s. The youth unemployment rate has been halved. When the present Government took office, youth unemployment was running at 30 per cent. It is now at 15 per cent. Part of this growth is due to the very strong capital works program of the Government. It has budgeted for another record \$3.9 billion capital works program. The Government's finances are in such good shape that it is able to announce commitments to a desalination plant and the new Perth to Bunbury road, which will improve the amenity for people in Mandurah and Dawesville, and improve the economy of the south west of the State. It is interesting to look at those figures on very strong growth, debt at a record low level and very strong capital works programs and compare them with what the Opposition has said in the past few years about the State of Western Australia. In September 2001 the Leader of the Opposition said -

My Nostradamus-like attempt at prediction is that, unfortunately, the economic growth of Western Australia will slow. Equally unfortunately, unemployment will continue to rise in this State. The level of state debt will rise under Labor. The ratio of debt to revenue will also rise, which will be the danger signal for the credit agencies, particularly when it gets to 45 per cent, or more . . .

The Leader of the Opposition said that back in 2001, but the theme of talking down Western Australia continued. In 2003 the Leader of the Opposition told Radio 6PR that growth was slowing down and we were heading for a slump. He said that growth in Western Australia was not sustainable. That is what the Leader of the Opposition said in 2001 through to 2002 and in 2003.

Let us look at these predictions and compare them with reality. The first prediction was that the economic growth of Western Australia would slow. Not only has that not happened but also Western Australia's economic growth has become stronger and stronger. The Western Australian economy is 17.5 per cent larger in real terms than it was when we came to government. That is what this Government has done for the Western Australian economy.

The second prediction was that unemployment would continue to rise in this State. Unemployment, at 4.8 per cent, is the lowest it has been since the Australian Bureau of Statistics began recording data in 1978.

The third prediction was that the level of state debt would rise under Labor. State debt in Western Australia is at a record low level. The Leader of the Opposition said that the ratio of debt to revenue would rise. Wrong again! The net debt to revenue ratio has fallen from 36 per cent to 28 per cent.

The last prediction was that the State's AAA credit rating would be at risk. The Government of Western Australia's credit rating has been confirmed by the credit rating agencies.

The trouble with the Leader of the Opposition is that he is very happy to talk himself up but he is always talking down Western Australia. We are proud of our State and what it is doing. There is a new energy in Western Australia. There is a new enthusiasm in Western Australia.

Several members interjected.

The SPEAKER: I call to order the members for Merredin and Kalgoorlie.

Dr G.I. GALLOP: Mr Speaker, whether we are talking about the economies of the Kimberley, the Pilbara, the mid west, the goldfields, the great southern, the south west or Perth, Western Australia is the State leading the nation.