

GST DISTRIBUTION

**125. Ms M.J. HAMMAT to the Premier:**

I refer to the delivery of Western Australia's GST floor, which comes into full effect this year.

- (1) Can the Premier outline to the house how the GST floor is a fair deal and explain what it means for Western Australians and the rest of the country more generally?
- (2) Can the Premier advise the house whether he is aware of anyone who does not support the continuation of WA's GST arrangements?

**Mr R.H. COOK replied:**

- (1)–(2) I thank the member for the question; it is an important one. I can elucidate to the house the real threat to WA's fair share of the GST. Yesterday, the Commonwealth Grants Commission released its GST relativities for the year ahead. Thankfully, the update factored in the hard-fought reforms that we achieved in 2018. Without those reforms, Western Australia would have received less than 12¢ in the dollar in 2024. That would have been a ridiculous outcome. Instead, thanks to our campaign, this year, as part of that deal, we are getting 75¢ back in the dollar. This means that we will now provide a \$2.4 billion subsidy to the other states in 2024–25 alone. Strangely, we do not get much thanks for that. We do not get much thanks from the eastern states for gifting them another \$2.4 billion of our GST, but we have learnt to expect that in recent years, as the Treasurer often notes. However, it is important to note that WA still has the lowest relativity of all states and territories, and that no state is worse off as a result of our 75¢ floor. That is an important thing to remember: no state is worse off because Western Australia gets its 75¢ in the dollar share. In fact, all states and territories, and the commonwealth, have been better off because of the higher-than-expected value of iron ore production in WA and the flow-on effects thanks to the strength of the Western Australian economy.

With all that being said, the Liberal Party has left the door wide open to scrapping our fair share of the GST. Former Prime Minister Malcolm Turnbull said that there remained enormous anxiety around the cabinet table when discussing the GST deal, especially from Peter Dutton; former Liberal foreign minister Julie Bishop said that Peter Dutton fought against WA getting a better GST deal; and former Liberal cabinet minister Ken Wyatt said in 2018 that Peter Dutton's plan for our state's GST deal would be "walking back from and walking away from Western Australians".

WA knows that the real risk—the only risk—to WA's GST share is the WA Liberal Party. If we needed any further proof of the Liberal Party's GST position, we heard this morning on Sky news Mr Dutton's lieutenant and shadow Minister for Finance, Senator Jane Hume, a senior shadow minister in the Dutton shadow cabinet, refuse to back in WA's fair share of the GST. Senator Hume was given multiple opportunities to pledge her party's support for the deal, but she refused to do so. Instead, she said that it was a matter for the Commonwealth Grants Commission. Not so. Then she said that it is a matter for the government of the day. We know that the government of the day, the Albanese government, has pledged to never change the GST arrangements. Then she said, "We're the opposition"—an admission that the Liberal Party under Peter Dutton is laying the groundwork to undermine WA's fair share of the GST when it gets back into government. Perish the thought that that should ever happen. Even when asked point-blank whether the deal was fair, Senator Hume said that that was a decision made at the time, in the circumstances of the time, and that it was seen to be a fair decision at that point in time. We know that at some point in the future, the Liberal Party will try to undo our fair share of the GST. It is ominous stuff.

Finally, upon being asked point-blank whether the deal should change, the Liberal Party deflects and refuses to say. This is the Liberal Party's position. The Liberal Party is the biggest threat to WA's fair share of the GST. That is something that every Western Australian knows, and it is something that we will continue to remind them of. The biggest threat to WA's GST is Peter Dutton and the WA Liberal Party.