

ESPERANCE PORT UPGRADE

550. Hon KEN TRAVERS to the parliamentary secretary representing the Treasurer:

I refer to the admission by the government that the decision to fund the upgrade of the Esperance port was taken after the budget cut-off date.

- (1) What is the total amount of additional expenditure approved by the government for the Esperance Port Authority?
- (2) In which financial years will the funds be expended?
- (3) Is the government still committed to implementing world-class facilities at the Esperance port?
- (4) In what form will the expenditure occur; that is, is it an asset investment, a community service obligation or a payment to the port, or is it internally funded by either the Esperance Port Authority or by some other means?
- (5) What impact will this decision have on —
 - (a) state debt; and
 - (b) the net operating surplus and deficit of government?

Hon BARRY HOUSE replied:

I thank the member for some notice of this question.

- (1) The 2009-10 budget includes \$6 million to meet the cost of the most urgent requirements to upgrade the facilities at the port. A further \$32 million was allocated after the budget cut-off date, which was 16 April 2009, to meet the further requirements.
- (2) In 2008-09, \$32.2 million will be expended and in 2009-10, \$5.8 million will be expended.
- (3) Yes.
- (4) It is an asset investment and is funded by borrowings.
- (5)
 - (a) A \$32 million increase in net debt relative to the 2009-10 budget forward estimates.
 - (b) It will have no direct impact on the net operating balance, although there may be minor consequential impacts on dividend and tax-equivalent payments.