

STATE ECONOMY

828. Ms M.M. QUIRK to the Treasurer:

I refer to the McGowan Labor government's strong response to the economic impacts of COVID-19. Can the Treasurer advise the house on the assessment by global credit rating agencies of the government's efforts to keep Western Australia safe and strong, and, furthermore, outline to the house the assessment by credit rating agencies of this government's record of strong financial management?

Mr B.S. WYATT replied:

I thank the member for Girrawheen for that quite outstanding question. Those who follow these things closely, as I do, would have seen on 29 October, just last week, that both Moody's Investors Service and Standard and Poor's released their update on Western Australia's credit rating post-budget. Before I reflect upon what they said, I thought I might reflect upon what they were saying in the lead-up to the demise of the former Liberal-National government, when we were losing our credit rating, from memory, almost on a weekly basis. They described the former Liberal-National government as "lacking political will to make difficult decisions", a "failure to constrain spending growth"—as it is ticking over into the multiple billions thus far in the event that the Liberal Party is elected, that is something the ratings agencies will be paying close attention to—and, in particular, "an unwillingness to address long-term structural issues, leading to its deteriorating budgetary performance". That is what we had to deal with, colleagues, when we came into government in 2017.

I was very pleased to see a couple of comments in response to our budget, which I think has been received very well in the community. Firstly, from Moody's on the economy —

The early easing of restrictions in the state, given the low number of cases, and the strong mining sector have underpinned Western Australia's rapid economic recovery past the initial lockdown phase.

This is an important point to note —

We expect that the state's economy will continue to outperform its Australian peers over the next two-to-three years, augmented by the solid business investment projections and State government's stimulus measures.

The Premier referred a minute ago to our stimulus around the construction sector. It is going gangbusters, and we are seeing very strong spillover impacts into the established market as well. It is going very, very well as a result. I will also quote Standard and Poor's —

We believe Western Australia's financial management has improved in recent years. The current government has displayed a track record of robust cost control since its election. We expect this discipline to continue in the lead-up to, and beyond, the next election.

S&P has a view on who is going to win the next election! The document continues —

Supporting the state's management is the institutional framework within which all Australian states and territories operate. We consider this framework to be one of the strongest and most predictable for subsovereign governments globally.

This is an astounding result for Western Australia. As the Premier said, the only group I can find that despises this result is the WA Liberals. At every turn, with every good dataset, we see an outstanding outcome and an outstanding response from Western Australians coming out from the restrictions that we had to impose to fight the coronavirus. The point I want to make and emphasise was made by Moody's and Standard and Poor's: in all of this, we still have to have strong financial management. We cannot do what the WA Liberals demand: spend without restraint. We cannot do that. We will not get away with spending without restraint. Currently, in the lead-up to this election, the Liberals are clocking over about \$4 billion or \$5 billion in commitments. We will release those shortly.

Dr D.J. Honey interjected.

The SPEAKER: Member for Cottesloe!

Mr B.S. WYATT: I am surprised that the shadow Minister for Energy; Treasurer does not understand the impact on the balance sheet of the decision he announced on the weekend. Thankfully, we will be advising Parliament very shortly about the impact on the balance sheet of the Leader of the Opposition's announcement on the weekend. Ultimately, although members opposite announced that they do not have the slightest idea what the impact will be on energy policy, I can certainly tell them what it will do to the balance sheet, and it is in the hundreds of millions of dollars. The reality is that Western Australia's economy is doing the best of all the states in the nation and our finances are strong and robust because of the efforts of this government after the dismal failure of the former government. I know, again, when they see the WA Liberal Party stumbling around on TV, they pose the question, "Are you going to risk them?" I suspect I know that answer.