

INFRASTRUCTURE INVESTMENT PROGRAM — FEDERAL–STATE FUNDING

**874. Mr R.S. LOVE to the Treasurer:**

I refer to the announcement by the federal Minister for Infrastructure, Catherine King, that the commonwealth Labor government will be instigating —

**Ms M.M. Quirk** interjected.

**The SPEAKER:** Member for Landsdale, please do not interject. Leader of the Opposition, please continue.

**Mr R.S. LOVE:** I refer to her announcement that the commonwealth Labor government will be instigating a 50–50 split funding arrangement for state and territory governments as opposed to the much more generous 80–20 split under the previous coalition government. I note that this follows the announcement of a 90-day review of the infrastructure investment program, which is currently in its 199<sup>th</sup> day, and the bland assurances that the Treasurer gave that our projects would not be impacted.

- (1) Can the minister now detail which projects will be axed by the federal Labor government or is she still being kept in the dark?
- (2) Will this 50–50 funding arrangement affect funding for projects already announced?
- (3) What is the economic impact on our state and the Western Australian taxpayer of this decision?

**Ms R. SAFFIOTI replied:**

- (1)–(3) That is a long question. Everyone, settle in!

In relation to the review undertaken by the federal government, upon winning government, it had a number of cost pressures across the nation, similar to what we did actually back in 2017. We have sought to work with the federal government over the past few years to look at how we can support a re-cashflow of existing projects over four to six years. We have tried to be proactive to support a re-cashflow to help the federal government deal with its budget pressures. Unfortunately, it appears it has made a decision to go 50–50 on future projects in regional Western Australia. It is not a position that the Labor government in WA supports for a number of reasons. Firstly, we have 30 per cent of the national highway, and we have seen the economic impact of what can happen where the Great Northern Highway goes over the Fitzroy River, for example. Our national highways connect WA to the other states, but, importantly, they connect major resource projects to ports to help drive trade and economic investment. That highway also supports the agricultural industry and the economic development of state. We believe an 80–20 split for national highway projects is a better fit for Western Australia. I will be deeply disappointed if the federal government goes to the 50–50.

As I said in my comments the other day, we are very keen to support the investment pipeline that we have across our forward estimates and into the future. What I said the other day is that we are committed to those projects that we have made commitment to—and to local electorates and local people. We stand behind every project that we have across the forward estimates and across our infrastructure pipeline. That has not changed, because, as I said, WA is a growing state. We are a development state, and our infrastructure projects help to connect new economic opportunities and drive national income, whether it be royalties, company tax or excise duty on fuel. As a result, we are committed to the projects that we have made commitments on. We are disappointed with the 50–50 approach for regional projects because WA has 30 per cent of the national highway, and our national highway facilitates billions of dollars in investment and royalty and company tax income for the federal government. That is our position. I have not had formal information as to exactly what other decisions have been taken in the context of the infrastructure review, but we are a development state and we create jobs. We want to make sure our regional roads are the best possible. They already are; they are the best in the nation. We want to continue to support regional WA, regional roads, regional road safety and investment that fuels economic development.