

GST DISTRIBUTION

113. Dr D.J. HONEY to the Premier:

I refer to reports that federal Labor Treasurer Jim Chalmers has launched a review into the Morrison government's GST deal, which saw WA finally get a fair deal with GST. Has the Premier received an unequivocal guarantee from Anthony Albanese that any future GST-sharing arrangement under his government will not reduce Western Australia's current share of the GST collected in our state?

Mr M. McGOWAN replied:

Sadly, I was not at the press conference this morning with the federal Treasurer and the Minister for Defence Industry, but I addressed the issues surrounding the submarines outside Parliament this afternoon. However, this is what was tweeted by *The West Australian* in respect of what federal Treasurer Chalmers said —

Treasurer Jim Chalmers has categorically ruled out removing WA's GST floor—which is up for review ahead of 2027—while dodging questions about whether the Commonwealth was prepared to permanently make top-up payments to other States.

I regard that as good news.

It is a red line for us for any federal government. It is a red line, so I would say to any federal government, of any persuasion: do not cross that line. The floor is 70¢, climbing to 75¢. Today the relativities came out and they are \$1.10 for Queensland, around \$5 for the Northern Territory and dollar for dollar for New South Wales. It is 92¢ for Victoria. I think for Tasmania it is around \$2 for every dollar it puts in. South Australia is certainly about \$1.50 for every dollar it puts in. Next year, we will be at 75¢. That is the state of play.

Obviously, as a state, we have a lot of costs that other states do not have. We are the largest jurisdiction in the world. We have huge infrastructure requirements to support industry across the largest jurisdiction in the world. We have certain expectations of our people, considering the wealth that is produced here, and that is why we fund our health system, which is the best in Australia, and we fund our police, which are the best in Australia of all the states. We do those things because that is the expectation of the public of Western Australia.

I thought what the federal Treasurer had to say this morning was terrific news. I have advised my federal colleagues of our view on this issue. We will await with interest the reviews that take place, but our expectation—in fact, demand—is that the floor remains in place in perpetuity.