

FUNDING THREATS FROM FEDERAL TREASURER

113. Mr M.P. MURRAY to the Premier:

Given that Peter Costello has given the state government until tomorrow to respond to his funding threats, what is the state government's response?

Dr G.I. GALLOP replied:

We do not recognise the deadlines that are laid down by the federal Treasurer, Mr Costello. This government does not respond to threats and bullying. We govern in the interests of the people of Western Australia. I am accountable to the people of Western Australia. That is the way I will govern this state. The government of Western Australia has honoured its side of the goods and services agreement. We have abolished eight taxes - five more than that agreement required. Western Australia does more than its fair share in this federation, but continues to receive less than its fair share when the final product is distributed throughout the country. Western Australia contributes significantly; every Western Australian subsidises the rest of the nation to the tune of about \$1 000 a year. Western Australia's booming economy is helping the federal government to balance its books and deliver the surpluses it talks about. Confirmation of the role of our economy is provided by an article in today's *The Australian Financial Review* by Mike Nahan, who certainly does not always agree with the policies of my government. However, in his article he points out the role that Western Australia and Queensland are currently playing in the Australian economy, propping up the other states and the commonwealth. Western Australia continues to be called upon to fund its essential infrastructure to fuel new projects, and receives little or no assistance from the commonwealth. I took this issue up at the last federal election, and got no support from John Howard. The new Minister for State Development took the issue up recently with Hon Ian Macfarlane, the federal Minister for Industry, Tourism and Resources, who said that Western Australia would not get a cent out of the federal government for infrastructure. We want the Leader of the Opposition and his members to support the government in its fight for Western Australia. That is what they should be doing. The other states of Australia have toll roads and poker machines, from where they get their revenues. However, the government of Western Australia will not impose poker machines on the people of Western Australia, which is good for our society. The government has an extensive tax reform program, involving \$1.5 billion in relief, in payroll tax, stamp duty on property conveyancing and land tax. Further measures to assist families were announced in the state budget. The government of Western Australia has honoured its side of the deal, and it is now up to the federal government to honour its side. We do not expect any cuts to Western Australia. We are the strength of the nation, and the commonwealth government should be supporting us, because we support all Australians with what we achieve in this state.