

COMMONWEALTH GRANTS COMMISSION, FUNDING RECOMMENDATIONS

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

I refer to the recent Commonwealth Grants Commission recommendation in favour of Western Australia. Is there any risk that the federal Government will reject or defer those recommendations?

Dr G.I. GALLOP replied:

The Government is confident that the good advice of the Commonwealth Grants Commission will be accepted in the political processes in Canberra. For the first time in many years, it will be good news for Western Australia, rather than bad news. My colleague in New South Wales is running a ferocious campaign to have the processes reversed. The Western Australian Government understands that position because this State was punished for many years. The recommendations of the Grants Commission were always accepted by the Government of the day. Now that there is a turnaround in the situation, we expect the federal Government to accept the turnaround on the basis of the advice of the Grants Commission. The recommendation this year is that Western Australia receive an extra \$231 million a year for the next five years based on a proper assessment of the costs of delivering services in Western Australia and the State's capacity to raise revenue. It is true that New South Wales will be the loser from the current recommendations of the Grants Commission. I say to the Premier of New South Wales: that is an experience we know about as Western Australia lost out to the tune of \$530 million a year for many years.

The ultimate decision rests with the Howard Government. I have written to the federal Treasurer urging him to resist any political temptation to undermine or change the recommendations of the Grants Commission. I hope that the Opposition will join me in urging the Prime Minister and the Treasurer not to play politics with this issue and to accept the advice of the Grants Commission.

Several members interjected.

The SPEAKER: Order, members!

Dr G.I. GALLOP: Members opposite cannot even say it. They cannot get themselves to say they will support the State of Western Australia in the representations it makes to Canberra.

Per capita, Western Australians each contribute \$1 075 more to the Federation in taxes than they receive from the Commonwealth in the form of grants and other payments. We expect to see fairness in that system.

Mr C.J. Barnett: You gave Gorgon away!

Dr G.I. GALLOP: The Leader of the Opposition mentions Gorgon. We are very happy that the North West Shelf project, which has such implications for this State, is being progressed by the Labor Government! We are very proud of that. We have the ability to carry forward these projects.

Let us look at the record of the Liberal Party on these issues. There was no value adding to the gas processing industry on the Burrup. This Government is achieving that under the guidance of the Minister for State Development. All over the State, \$3 billion a year is spent by this Government on infrastructure development that creates new jobs and opportunities for Western Australians. There is a complacency on the conservative side of politics in Western Australia - life is too easy for that side. This side of the House takes its responsibilities seriously to create jobs and opportunities for working people throughout Western Australia.