



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

Main Committee

CONSTITUENCY STATEMENTS

Western Australia: Economy

SPEECH

Wednesday, 17 March 2010

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Questioner
Speaker Keenan, Michael, MP

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Mr KEENAN (Stirling) (9.30 am)—Prior to the last election, Kevin Rudd stood in Kings Park in Perth, Western Australia, overlooking the backdrop of the CBD. He promised in very vague terms that, under him, Western Australia would get more of its fair share of Commonwealth funding. Clearly, he never put any statements of fact around that; it was just some general statement that, under the new Labor government, Western Australia would be better off. When he was pressed on any of the detail he refused to give it. What we have found since Labor has come to power is that that promise has proved as hollow as most of the other promises that Labor made prior to its coming to government. Western Australia is substantially worse off as a result of the election of the Rudd Labor government.

Recently, the Commonwealth Grants Commission outlined a change in the funding formula of the GST, which will leave Western Australia \$443 million worse off. Another example of where the Rudd Labor government has specifically targeted Western Australia is the \$2½ billion condensate tax. This was essentially a tax on Western Australia because condensate is only produced in the offshore fields off our coast. This latest change to the funding formula of the GST means Western Australians will get only 48c in the dollar for the GST that they pay. This is in contrast to New South Wales, which receives 95c, Victoria, which receives 93c and Queensland which receives 91c in every dollar that they pay in GST revenue. The Western Australian Premier has indicated that this severe cut will place enormous pressure on the state's finances and, as a result, it will affect the state's capacity to deliver services in such areas as health, education and in other areas of social services.

The formula that the Commonwealth Grants Commission uses in the funding of the states is a very complicated business. The purpose of my standing up here today is to indicate that this is another slug to Western Australia and to show how hollow Kevin Rudd's promise was prior to the last election that Western Australia would somehow receive its fair share under the election of a Labor government. The reality is, of course, completely different. In Western Australia, 11 out of 15 seats are held by federal Liberal members and, as a result, this Labor government pays very little attention to the state.

We are very concerned that the government has actually taken specific actions to decrease the ability of the Western Australian Liberal government to provide goods and services as is appropriate for a state government. The reality is that Kevin Rudd spends far more time overseas than he ever does in Western Australia. All the Western Australian members on our side, the opposition side, of the House are very concerned about the lack of interest that this government takes in Western Australia. We also believe very strongly that this government is bad for Western Australia. (*Time expired*)

The DEPUTY SPEAKER (Ms AE Burke)—The member should remember to refer to people by their titles when speaking about them.