

FISCAL RESPONSIBILITY

Statement

HON MARTIN PRITCHARD (North Metropolitan) [5.23 pm]: Earlier today during non-government business a motion was moved by Hon Dr Steve Thomas mainly with regard to fiscal responsibility. I want to make a few brief comments on that. I could not do so at the time, because the time is mainly put aside for the opposition to bring the government down, as members opposite would say! That is fair enough; I am quite happy for that to be the case. The opposition deserves that time. I wish to make the point that Hon Dr Steve Thomas has moved three or four motions, and maybe he should allow his colleagues to get in on the act and move some motions. I say that because Hon Dr Steve Thomas has a real penchant for finance and budgets, so most of his motions tend to be similar. As a humble backbencher, I think it is entirely wrong to attack the McGowan government on this subject. Some of his colleagues may want to raise issues relating to other areas that might get more grip.

If we want to compare different governments on financial responsibility, we need to look to history. I know that the opposition does not like us to do that. There may be some embarrassment if we did that. I quite understand that. I was here during some time of the former government. It was amazing to see the behaviour of the Barnett government on spending. Not all of what the Barnett government did was wrong. It spent money on some particularly good projects. At the time I may have criticised some of the projects, but it was not across the board. I had quite a bit of respect for the former Premier in this regard. He continued to stand against the introduction of gambling into this state on a broader scale, especially for what are generally known as pokies. I had a lot of respect for that because they generally do a lot of harm. I will get on to GST in a few minutes. One of the biggest anomalies with GST is that it does not take into account revenue from pokies that other state governments bring in. That skews it a lot when we consider that it takes into account royalties that we receive.

In looking at the time of the Barnett government, the criticism I have—I have said this on a number of occasions—does not relate to spending, but budgeting. Criticism has been made about underrepresenting or forecasting revenue. The problem with the Barnett government is that it overlooked the fact that it was given more and spent to that level, irrespective of what it received. During the latter part of its term in office, revenue went down. It had fixed recurrent spending into the budget, which is the real criticism. When we got into government, we often referred to it as trying to turn a ship. That is what recurrent spending does. Governments cannot just spend money on projects. I often refer to the budget because I am not as interested as Hon Dr Steve Thomas in fiscal policy.

I bring it back to things that I understand. I understand finances by looking at a household budget. We get a mortgage, we have a job and we buy a house that we can afford to pay from the money that we earn from our job. The only way we can improve that is by getting a higher paying job or working harder. We still have to budget. If we take into account buying a bigger house because we receive some overtime, even if that overtime is earned on a regular basis, we cannot have a mortgage based on a budget that takes overtime into account because overtime can disappear. All of a sudden, we may get into mortgage stress. This is when we have to start making decisions about whether we can afford food and medication because we have not budgeted correctly. I think the McGowan government and the former and current Treasurers, Ben Wyatt and the Premier, have done that. They forecast a reasonable amount of revenue. Yes, that revenue has been higher, but that extra money does not disappear. It is still there. It is not as though forecasting lower revenue has any real negative impact. It is still there.

I want to get back to the GST. Yes, it was the federal Liberal–National government that finally agreed to fix the GST issue. There is no doubting that. It was in power; it finally agreed. The issue was that it would not trust the Barnett government and Porter, the Treasurer at the time. It would not trust the Barnett government to fix that problem because giving more money to the Barnett government at that time would have meant that it would spend it and it would not have been used wisely. We do not have to take the current government's view or the opposition's view on that. We can just look at how Standard and Poor's treated the Western Australian government's attitude to fiscal policy when it downgraded Western Australia. It costs a lot of money to the state when those things happen. This government had to do some work to get back the higher ratings. It is a completely independent body. It made the determination at the time that the Barnett government, unfortunately, spent like drunken sailors. There is no other way of putting it.

The other thing I want to say briefly is that there was some comment about buying rapid antigen tests during the discussion. It is a good thing that humans are resilient; we bounce back reasonably well. But the pandemic is not that far gone; it is still amongst us. We just have to think back to that time. When I think back to that time, what I think most about is that we all had to try to get tested. It was one of the ways in which we were going to battle COVID. We all had to get tested. Businesses, particularly pharmacies, got in early and got the rapid antigen tests and sold them. I am on a good wage; I understand that. Therefore, I can only imagine how this would affect people on limited incomes. I went into the pharmacy to buy one. It cost me 45 bucks for two in our local chemist! The government acted quickly, but maybe not quickly enough, to get those extra RATs as quickly as it could so that

they could be provided for free. I do not know how many lives that may have saved. I certainly know it would have helped many people avoid the cost of getting those tests.

Once they were free, everybody tested—hopefully. Can members imagine how many people would not have tested if every couple of days they had had to spend \$45 to get two tests? The government acted quickly. The fact is that quite a number are left in warehouses, but who knows what is going to happen next month? We might have had another massive outbreak at the beginning of the year and we would have had to use all those tests. I commend the McGowan government for taking the initiative and getting them in, and I think any reasonable person would have done the same at that time.