

COMMONWEALTH FUNDING

**311. Hon PHIL EDMAN to the Minister for Finance:**

I refer the minister to the opposition spokesman on transport's speech last week in which claims about commonwealth funding were made.

- (1) Has commonwealth funding increased since the last election; and if it has, is that funding available to the state government to use as it pleases?
- (2) Is the opposition correct in claiming that commonwealth funding is being hidden?

**Hon SIMON O'BRIEN replied:**

(1)–(2) I thank the honourable member for his question and for his ongoing interest in state finances. Hon Ken Travers has made sweeping claims recently that the government is awash with money. He has told us that state revenue is way up. That is wrong; it is down. He told us that net receipts from government trading enterprises were up; that is wrong as well. Hon Phil Edman, as he so often does, especially on a Thursday, which is his strong day —

Several members interjected.

**The PRESIDENT:** Order! I am very conscious of the minister using this time to make a statement, but the minister cannot do other than extend his answer if there are continual interjections. Members, let the minister answer his question and we will get on with the rest of question time.

**Hon SIMON O'BRIEN:** In response to Hon Phil Edman, whom I again thank for his ongoing interest, Hon Ken Travers was right in saying that the commonwealth government provided significant increases in funding grants to the states. What he did not mention was that the funding increase is of a temporary nature and is linked to the commonwealth government's stimulus package. He also failed to acknowledge that it is all in the form of tied funding grants and specific-purpose grants. It is revenue that we spend according to Canberra's determinations.

**Hon Ken Travers:** Based on what you requested!

**The PRESIDENT:** Order!

**Hon SIMON O'BRIEN:** Despite this funding adding to our revenue total, it is not revenue that we can use as we please, and thus we cannot direct it to other priorities—ours or the Labor Party's, or, indeed, to tax cuts. When the commonwealth stimulus funding is removed —

Several members interjected.

**The PRESIDENT:** Order!

**Hon SIMON O'BRIEN:** When the commonwealth stimulus funding is removed, the amount of revenue available to Western Australia looks like a very different proposition indeed. Secondly, the member is wrong to suggest that the commonwealth funding has been hidden. I refer the member to budget paper 3, "Economic and Fiscal Outlook", appendix 3; it provides more detail on budget revenue, including all the commonwealth funding listed under current and capital grants.

**Hon Ken Travers** interjected.

**The PRESIDENT:** Order! Obviously Hon Ken Travers does not want to ask a question today.

**Hon SIMON O'BRIEN:** The same information can be found, if Hon Ken Travers wants to look for it, in the 2010–11 *Mid-year Review of Public Sector Finances*, page 81. The government does not have anything to hide.