

STATE FINANCES

349. Ms E.J. KELSBIE to the Treasurer:

I refer to this Labor government's strong management of the state's finances, with net debt projected to decline for a fourth straight year this year. Can the Treasurer outline her plans to continue the WA Labor government's strong financial management and how this compares with the record of the previous Liberal–National government?

Ms R. SAFFIOTI replied:

I thank the member for the question. Strong economic growth, together with strong financial management, has been the hallmark of this government. I want to particularly acknowledge the two Treasurers who came before me—Hon Ben Wyatt and of course Hon Mark McGowan. The budget that will pass this house today again has that same hallmark—strong economic growth and strong financial discipline. The budget that will pass today will show that net debt has decreased for the fourth consecutive year and is expected to reach \$27.9 billion. That is the fourth consecutive reduction. Net debt is almost \$16 billion lower than it would have been under the previous government—the Liberal–National government—saving \$4.3 billion in interest costs. Of course at this time of increasing interest rates, it is very important to protect Western Australian families.

We have also continued to deliver strong operating surpluses in this place. We know that “surplus” is a dirty word for the National Party and the Liberal Party. They were addicted to delivering operating deficits—an addiction that basically saw them wreck the finances of this state. Again, we are seeing that already in opposition, with commitment after commitment starting to add up to again demonstrate that they are addicted to delivering deficits in this place.

Let us compare how we manage the state to a household budget. We all know that sometimes we need to borrow. We need to borrow to buy a house. The Liberal and National Parties were borrowing to put milk in the fridge. They were borrowing for everyday spending. It was not sustainable. Again, they have learnt nothing. Of course this budget continues with strong financial discipline. We have already seen the upgrade to AAA by Standard and Poor's. Again, we have had some very positive comments by Moody's Investors Service. Strong financial management lets us deliver for the people of Western Australia, whether it is \$715 million for cost-of-living relief, an extra \$2.7 billion into our health and mental health system, \$750 million to boost social housing, \$3 billion to tackle climate change and the decarbonisation of our network, and of course over \$400 million to help support new industries to bring back rail manufacturing in the private sector. Strong financial management lets us deliver to the people of Western Australia.

I am very proud of the budget that will go through this house today. Again, we will continue on that path of supporting economic growth, supporting economic diversification and managing the finances responsibly, not just for us today but for generations to come.