

GST DISTRIBUTION — IRON ORE PRICE

1204. Hon Dr STEVE THOMAS to the minister representing the Treasurer:

My question without notice of which some notice has been given was going to be to the Minister for Mental Health as the representative minister, so I assume someone is picking that up.

Hon Sue Ellery: Yes.

Hon Dr STEVE THOMAS: Excellent; it is to the parliamentary secretary representing the Minister for Mental Health representing the Treasurer! I note the release today of the 2021–22 *Government mid-year financial projections statement* following the September budget.

- (1) What is the current spot price of iron ore as measured by Treasury?
- (2) What is the total GST income to the state in 2021–22 to date, and how does that compare with the September budget estimate?
- (3) How much GST has the state government received above the level it would have received had the Morrison federal government not incorporated a legislated floor and a new GST deal in 2018, in —
 - (a) 2019–20;
 - (b) 2020–21; and
 - (c) 2021–22 to date?
- (4) Will the government finally acknowledge that the support of the commonwealth and the mountains of cash coming in from iron ore are the real reason for the massive surpluses enjoyed by this government?

Hon SUE ELLERY replied:

The answer is in my file—I do not know why that is, but anyway. I thank the honourable member for some notice of the question.

- (1) It is \$US107.10 a tonne.
- (2) In the September quarter of 2021, the state received \$790 million in GST grants and \$2 115 million from the commonwealth-funded 70 per cent floor grant. These amounts are consistent with the state budget.
- (3)
 - (a) The amount was \$1 248 million, which included an advance payment of the commonwealth-funded 70 per cent floor grant in late 2018–19;
 - (b) it was \$1 547 million; and
 - (c) it was \$2 284 million.
- (4) The surpluses are a result of the effective management of COVID-19 and keeping our economy strong, significant budget repair efforts over this government’s first term, and ongoing disciplined management of the state’s finances. It was the McGowan government’s efforts to campaign constructively to the commonwealth that won a fairer share of the GST for Western Australia, including calling for a review by the Productivity Commission. This is unlike the previous Liberal–National government, which failed for years to achieve a better GST deal for Western Australia but spent billions on the state’s credit card, as though a deal had been done.