

The West Australian

WA Labor's claims about State's GST just an election scare

DEAN SMITH

Scottish king Robert the Bruce is thought to have used the phrase “if at first you don't succeed try, try and try again”.

It seems Premier Mark McGowan and Federal Labor's shadow assistant minister for WA, Patrick Gorman, have taken inspiration from this historic battle cry, as they conspire to trick West Australians into believing we will be ripped-off on the GST.

Mr McGowan has been working overtime for months trying to ignite concerns that WA's hard-fought, but generous, GST deal is at risk and that other States and Territories “will try anything to unwind the deal we secured”.

Just last week, Mr Gorman remarked to Curtin University students that “I worry as a Western Australian that the Federal Government will come for a slice of WA's GST”.

These claims are a transparent attempt at political mischief-making in the lead-up to the next Federal election.

The facts, however, are clear. Our GST deal is signed, sealed and enshrined in legislation.

Prime Minister Scott Morrison was both architect and legislator of this better GST system, and Western Australians can believe the assurance he gave in March this year that the “deal is done and will not be changed”.

Put simply, this GST win is in safe hands while the Coalition is in charge.

There is no doubt that Mr McGowan has been a lucky man.

The Federal Budget released by Treasurer Josh Frydenberg two weeks ago shows WA will be the beneficiary of \$5.2 billion

in GST revenue, including a GST top-up of \$2.1 billion.

Without GST reform, WA would have been receiving less than \$2.5 billion in 2021-22 and, as a result of the strength of

our economy, the Commonwealth Grants Commission predicted WA would lose \$846 million in GST revenue.

These refreshed numbers represent almost \$3 billion more for WA next year because of the Morrison Government's GST deal.

WA is also benefiting from growth in the size of the GST pool, boosting our State's share even further.

The pool is expected to grow from \$69.76 billion to \$79.25 billion between 2020-21 and 2023-24 and GST revenue to WA will exceed WA Treasury forecasts by nearly \$1.7 billion over this period.

This year alone, WA will receive \$573 million more than WA Treasury predicted in its Pre-Election Financial Projections.

Despite Mr McGowan and Mr Gorman's efforts to confuse the debate, West Australians have not forgotten that Federal Labor was last to join the

chorus of local voices arguing for a fairer GST arrangement for WA.

This newspaper complained about the silence of Federal Labor parliamentarians in April 2017, noting that “to date, WA Labor members in Canberra have done nothing about the GST other than grumble the system is a rip-off”. At the same time, The Sunday Times reported that Federal Labor representatives “had let WA down” and that their submission to the Productivity Commission Inquiry contained no answers

to fix the situation.

A few months later, it fell to Roger Cook as Acting Premier to implore Federal Labor to “take more notice” and “to get real” about the GST issue.

And who can forget when Bill Shorten turned his back on WA in November that same year, admitting that Labor would not change the GST carve-up or introduce a GST floor.

Instead, Labor offered WA a \$1.6 billion “Fair Share for WA” policy that would have left us short-changed by billions of dollars.

By January 2018, Labor candidates in five of WA's most marginal Federal seats defended Mr Shorten's opposition to changing the GST formula, arguing the “Fair Share for WA” policy was a better alternative to genuine reform.

The message for Premier McGowan, now also the State's Treasurer, is a simple one: if you genuinely believe WA's GST windfall is at risk, then don't include these billions of extra GST dollars in September's State Budget.

And, for Mr Gorman, it's now on you to secure a clear commitment from your Federal Labor leader and would-be prime minister that WA's GST deal will be protected if Labor wins the next Federal election.

Dean Smith is a Liberal senator for WA