

No aid for west until assets are sold off

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The federal government is unlikely to come to the rescue of the West Australian budget with more infrastructure funding unless it bites the bullet on asset sales.

Premier Colin Barnett's plea for an extra \$1.5 billion in infrastructure funding has drawn attention to the disproportionate share received by the state.

The mid-year budget update released by Scott Morrison before Christmas shows Western Australia will get \$2.3bn in infrastructure funding over the four-year forward estimate period, or \$1873 a person.

This is 50 per cent more than the national average, and almost five times Victoria's share of \$388 a person.

Labor infrastructure spokesman Anthony Albanese said while there has not been a single new project funded by the federal government in Western Australia in the past two years, Victoria suffered the most in distribution of federal transport funding.

"Funds have been distributed on the basis of political promises, not on the basis of a cost-benefit analysis," he said.

Victorian Treasurer Tim Pallas said yesterday his state represented a quarter of the Australian population but received less than one-10th of federal infrastructure funding.

Former treasurer Joe Hockey granted Western Australia an extra \$500 million from last year's budget to compensate for its shortfall in GST receipts which are still being calculated on the basis of the state's boom-

time resources revenue.

But Mr Barnett has been slow to move on major asset sales that would relieve the state's parlous budget position and bring access to the federal infrastructure asset recycling fund.

Pressure on him to sell the state's electricity assets is intensifying following a dire mid-year budget review and the worst Newspoll since the Liberals formed government with the Nationals in 2008. Newspoll shows Labor's primary vote is for the first time on a par with the Liberal-Nationals at 42 per cent.

Ministers including Treasurer Mike Nahan are keen to follow NSW's lead and sell the state-owned electricity assets, a move that could raise \$10bn and put a big dent in state debt, forecast to reach \$39bn by 2018-19.

"The government's position on this matter has been consistently clear — we are not selling Western Power," Dr Nahan said yesterday.

"However, this state government is not opposed to selling individual power assets and although there are no immediate plans to do so, it could be a possibility in the future."

Commonwealth infrastructure spending (2014-2019)

	Total (\$m)	Per person (\$)
NSW	9177	1205
VIC	2301	388
QLD	7666	1604
WA	3180	1873
SA	1749	675
TAS	488	946
ACT	84	344
NT	385	985
TOTAL	29,222	1229