



Rampant spending on expensive projects

• Politics

BY ANDREA DOWNEY

Shadow treasurer Ben Wyatt has criticised the state government's 'rampant spending' saying it had pursued expensive projects and left frontline projects on the backburner.

His comments come after the Centre for Independent Studies last week revealed growth in real per capita operating expenditure and increased capital program coupled with real revenue growth coming to a halt in 2012-13 resulted in the loss of the state's AAA credit rating.

The centre found the only way the state could get the budget under control was to take tighter control of spending.

Mr Wyatt said the government did not have a set of fiscal guidelines they have stuck to.

"The opposition has always said the finances are an issue of priority and ever since Colin Barnett became premier the state's revenue has increased from \$19.3 billion per year to a massive \$28.3 billion per year, a rise of nearly \$10 billion," he said.

"Clearly there is sufficient revenue to provide key services, but the government has pursued expensive projects at the expense of frontline services such as education.

"Does anybody recall the Liberal Party saying before the 2013 election that it would have to cut the budgets of our local schools to fund its expensive pursuits?"

"The problem with the government is that they have never had a set of fiscal guidelines that they have stuck to.

"They failed to implement their first term wages policy, their fiscal

action plan in the current budget and, of course, the greatest whopper of the 2013 election that their election promises were 'fully funded and fully costed' when neither was the case.

"More disturbingly the government has removed from the budget the key target of limiting expense growth to per capita.

"This was done without any formal announcement and reflects the fact the government is simply not interested in the financial mess it will leave future generations."

Treasurer Mike Nahan said the downgrading of the state's credit rating outlined numerous challenges facing the state's finances.

"Even before the downgrade the government had already announced a fiscal action plan in the 2013-14 budget," he said.

"The objectives of the plan are to reform and modernise the way the public sector works and to restructure and strengthen the state's balance sheet.

"In total the expanded plan is expected to produce savings of \$8.6 billion over the budget period to 2016-17.

"The recovery of the AAA credit rating became the top priority for the mid-year review last December and remains the focus of the 2014-15 budget.

"In the mid-year review corrective measures were taken which shaved \$2.2 billion off the gross debt over the forward estimates.

"I am confident that the 2014-15 budget will be the right budget for its time."

He said the Forrestfield airport link and MAX light rail would proceed on a re-cast timeline.



Canning Examiner
Wednesday 26/3/2014
Page: 3
Section: General News
Region: Perth Circulation: 39,468
Type: Suburban
Size: 340.00 sq.cms.
Frequency: --W----

Brief: PARLWA-WA1
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Zucchero and Lenoteca Wine Bar owner Gino Lamelza, Member for Victoria Park Ben Wyatt and Food for Me owner Andrew Huffer were concerned about the recent parking changes. Photograph – Matt Devlin.