



Dominic Perrottet
Treasurer
Minister for Industrial Relations

MEDIA RELEASE

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NSW DEMANDS FAIR SHARE ON COMMONWEALTH INFRASTRUCTURE FUNDING

NSW Treasurer Dominic Perrottet will call on the Commonwealth to give NSW taxpayers a fairer deal on federal infrastructure funding at Friday's meeting of the Council on Federal Financial Relations.

Analysis shows NSW is set to receive (on average) less per-capita Commonwealth infrastructure funding than every state except Victoria over the next four years.

The data shows that on a per-capita basis:

- Queensland is expected to receive more than double NSW's allocation, attracting 27.9 per cent of Commonwealth infrastructure spending in the period 2018-19 to 2019-20, despite its share of the national population being only 20 per cent.
- Western Australia is expected to receive double NSW's allocation.
- Tasmania will receive 67 per cent more than NSW's allocation.

Mr Perrottet said the raw deal on infrastructure funding compounds the pain for NSW taxpayers, who continue to be short-changed on GST, with NSW set to receive just 86 per cent of its per-capita share of GST collected in 2018-19, while the remaining 14 per cent will be used to subsidise the running costs of other states.

"Our taxpayers fork out millions in GST to states like Queensland simply because our economy is strong while they refuse to reform. Now Queensland is getting the lion's share of infrastructure funding too - it's a slap in the face to the hard working mums and dads of NSW," Mr Perrottet said.

"NSW will always stand on its own two feet, and we're always willing to help out smaller states that simply don't have the same prospects for economic success.

"But to then have to bail out a large, well-resourced state like Queensland to the tune of hundreds of millions of dollars a year on infrastructure too - it's Pacific Highway Robbery.

"NSW is the biggest, most populous state, and the NSW government must have a greater say in how Commonwealth infrastructure funding is allocated. We are the ones on the ground, closest to the action, and best placed to understand where infrastructure can make the biggest improvement to people's lives."

The 2018 NSW Half Year Budget Review confirmed NSW taxpayers are set to hand over almost \$1 billion in GST to Queensland over just the next two years - \$574 million in 2018-19, and a further \$356 million in 2019-20 - when compared to an equal-per-capita distribution of GST across the nation.

“In NSW, the Liberals & Nationals have embraced reform, we’ve righted the economy, we’ve kept the budget in the black, and that’s why we are able to invest \$90 billion over the next four years in the schools, hospitals, roads and rail communities need,” Mr Perrottet said.

“What do we get in return? The dubious privilege of sending hundreds of millions of dollars in GST across the Queensland border. It’s time NSW taxpayers got bigger say and a fairer deal.”

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Per-capita Commonwealth infrastructure funding by state, 2018-19 to 2021-22

	NSW	VIC	QLD	WA	SA	TAS
2018-19	205.2	137.0	314.6	373.3	289.6	270.9
2019-20	184.3	113.9	318.7	394.3	177.3	254.2
2020-21	132.4	114.5	366.2	322.0	76.8	217.7
2021-22	97.5	114.6	374.9	152.2	132.6	291.5
4 yr average	154.9	120.0	343.6	310.5	169.1	258.6

Source: Commonwealth 2018-19 Budget – excludes Asset Recycling Initiative