



Lotterywest, TAB could be sold to reduce state debt - Buswell

- by: *YASMINE PHILLIPS and AAP*
- December 19, 2013 7:08PM

WEST Australian government-run Lotterywest and betting agency TAB could be sold in a bid to reduce the state's mounting debt, Treasurer Troy Buswell has confirmed.

“Initially, we'll be looking at land and probably discrete pieces of infrastructure but down the track some of those government trading enterprises may be looked at,” Mr Buswell told reporters.

Port assets, such as the Kwinana Bulk Terminal south of Perth and Utah Point bulk terminal used by junior iron ore miners at Port Hedland, would be easy to sell and there had been strong interest, he said.

“I've had a lot of interest in West Australian port infrastructure from a whole range of potential investors ... Australian organisations that invest in port and transport infrastructure,” Mr Buswell said.

Earlier today, the Treasurer said waste water treatment plants could also be sold off.

The WA government revealed the asset sale plans in the wake of a credit rating downgrade largely prompted by ballooning debt as the state spent big on major infrastructure projects.

Meanwhile, earlier today Mr Buswell floated a plan to build an underground tunnel linking the railway lines from Bayswater to the airport and out to Forrestfield.

After copping flack for putting the \$1.8 billion light rail plan on hold for three years, Mr Buswell revealed on 720 ABC this morning that he was considering the underground proposal.

He said engineers had told him the “best value proposition” would be to build a 12km underground tunnel.

“That's certainly one of the options on the table,” Mr Buswell told 720 ABC radio.

“(That) tunnel would disappear at Forrestfield or Bayswater - there's a lot to like about that proposal. We've still got a lot of work to do on that.

"We'd have to deliver value for money - but at a preliminary level, engineers are telling me it's worth looking at. If it's there and doing part of the railway line anyway, then it may well be good value for money to keep going all the way."

But sustainability expert Peter Newman said an underground tunnel "makes it more expensive".

He said that going above or below ground was generally "10 times" the cost of building a railway line on the surface.

The Government has chosen to make the new airport rail link its priority over the MAX Light Rail plan, which aimed to connect Mirrabooka to the CBD and then branch out to the western and eastern suburbs.

[Mr Buswell's comments came after the Barnett Government handed down its 2013-14 mid-year review of the state's finances, which included a "three-year deferral of the MAX Light Rail project".](#)

Today, the Treasurer said it was a "responsible" and "sensible decision".

"The project has been delayed by three years - it certainly hasn't been cancelled or shelved," he said.

"And the reason it's been delayed three years is as time has moved on, we've moved through the budget ... we're of a view that their observations around debt levels and spending are accurate and we simply can't afford to deliver both of those (rail) projects ... at the same time.

"I think it's a responsible decision and indicates that we're focused on living within our means."

Mr Buswell said he would also be looking to sell "physical assets" such as port infrastructure or wastewater treatment plants to alleviate financial pressures.

Parts of ports and land were immediately flagged, and yesterday, Mr Buswell said the Kaleeya Maternity Hospital in Fremantle, Utah Point bulk terminal in Port Hedland, and Kwinana Bulk Terminal south of Perth would all be sold off.

Today, Mr Buswell added wastewater treatment plans to the list.

He said any deals would be done "orderly" and there would be no fire sales.

"There's a range of assets that sit on the government books that don't need to be there. We need the capital to pay down debt," he told ABC radio.

"At this stage, we're more looking at physical assets ... maybe some of the wastewater treatment plants around the state".

Mr Buswell said the state government's asset sales task force had appointed external consultants to help develop a divestment program over the next couple of months.

<http://www.perthnow.com.au/news/western-australia/lotterywest-tab-could-be-sold-to-reduce-state-debt-buswell/story-fnhocxo3-1226786593868>