



WA Libs set to pressure Abbott over Senate vote

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FEDERAL Liberals from Western Australia are backing the Premier's resistance to Kevin Rudd taking one-third of the state's GST to directly fund his health reform package.

They may broaden their opposition by urging the Opposition Leader, Tony Abbott, to block in the Senate the legislation that would enable the revenue to be clawed back from all the other states as well, a move that would kill the health reform package.

As the shadow cabinet met in Sydney yesterday to discuss how to approach the health legislation, the WA Liberal senator, Alan Eggleston, said Colin Barnett should be applauded.

"The implications of these reforms are profound and extend far wider than the health sector," Senator Eggleston said. "It has become a significant tax issue that has the effect of consolidating power in Canberra and this is a ploy that is consistent with the

Labor government's centralistic approach to Australian politics."

Senator Eggleston told the *Herald* the view was uniform among WA Liberals, the same group that led internal Liberal Party resistance to the emissions trading scheme.

When Parliament resumes next month, Senator Eggleston said the West Australians would likely argue against taking the GST from the other states as well.

Mr Barnett has agreed to establish the new health system but only if he can direct one-third of GST revenue to the system, rather than have the Commonwealth do it for him.

If he and Mr Rudd fail to reach a compromise by July 1, when the money to the states will start to be paid, the \$552 million earmarked for WA would be withheld.

The Health Minister, Nicola Roxon, met Mr Barnett in Perth yesterday. "We don't want to be withholding money ... and that's why we are going to keep progressing discussions," she said.