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**breaking news**

# Taxpayers to pay for Western Power ads

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Rebecca Le May, Australian Associated Press



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**WA Premier Colin Barnett has rejected suggestions the Liberals rather than taxpayers fund advertising promoting the partial sale of public utility Western Power.**

The opposition says the party should reach into its own coffers, given the contentious privatisation is a major issue in the lead-up to the March state election.

"It's not an election commitment, it's a government decision that has been made," Mr Barnett told reporters on Thursday.

"The advertisements are limited, they are factual, they are not political."

Mr Barnett also says the government won't dip into the \$3 billion "next generation fund", which will be created with proceeds of the sale, for campaign ads about how the privatisation will pay for school upgrades.

But there will be discussion about the kind of schools that need improvements.

"We are going to be talking about the types of schools and why we have made this decision," he said.

In announcing the sale on Wednesday, Mr Barnett conceded he had a big job ahead convincing the public the stock market float of 51 per cent of Western Power was a good move.

The premier was against offloading the entire utility but convinced of the merits of selling just over half.

"I think the state retaining 49 per cent and selling 51 per cent is appropriate and we've taken time over the past 18 months or so to go through all of the issues - employment, protection for consumers in terms of price, reliability, safety," Mr Barnett said.

He said he didn't break the Liberal's 2013 election commitment not to divest the poles and wires operator because it won't be sold during the current term, with finalisation expected in 2018.

"Before the last election, I said we wouldn't be doing a privatisation of Western Power and we haven't," he said.

Work on legislation for the sale will begin but not much else can happen until parliament resumes next year.

Mr Barnett also said the proceeds won't be booked as assumed revenue in the mid-year economic review due later this month.

Union-run superannuation funds would likely want to buy into the share offer, he added, which was a contradiction, given the Australian Services Union and Electrical Trades Union were against the sale.

The unions say power prices have been shown to be significantly higher in states where the network has been privatised but Mr Barnett says nothing could be further from the truth.

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